

**MICC USAR Center Publication**

**Procurement**

# **Contracting Customer Handbook**

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## **Chapter 1 Introduction**

### **1-1. Purpose**

a. The purpose of this handbook is to ensure that contracts executed and administered in support of acquisitions supported by the MICC USAR Center are conducted in accordance with laws and regulations; and to provide related unique policies and procedures.

b. This handbook has been tailored in order to-

(1) Make it accessible to all MICC USAR Center customers;

(2) Make existing acquisition regulations more understandable and user-friendly through simplification, streamlining, and removal of redundancies;

(3) Recognize the changes in Army/DoD organizational alignments and responsibilities.

### **1-2. Objectives:** Objectives of this handbook are as follows:

a. To ensure a contracting capability that provides user and procurement personnel with appropriate procedures for acquiring supplies, services, and construction in a manner that is legal, supports the mission, and is in the best interest of the U.S. Government and the DoD/Army/Army Reserve.

b. To ensure identification and use of adequate checks and balances, accountability, oversight/approval and define reporting responsibilities in order to assure adherence to appropriate regulations, policies, and procedures.

c. To attain compliance with the objectives of the Federal Acquisition System, as stated in FAR Section 1.102:

(1) Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.

(2) Minimize administrative operating costs.

(3) Conduct business with integrity, fairness, and openness; and

(4) Fulfill public policy objectives.

**1-3. Explanation Of Acronyms/Abbreviations And Terms:** Acronyms/ abbreviations and special terms used in this regulation are explained in Appendix A.

## **Chapter 2 Responsibilities**

**2-1. Personnel (All Civilian Employees and Soldiers):** All personnel will preserve the Non-Disclosure of Proprietary, Advance Procurement and other Sensitive Information

**2-2. Commanders:** Commanders of all USAR Subordinate Commands will- (This authority can be delegated to the Command's Senior Civilian or Chief of Staff)

a. Provide day-to-day oversight of contract management within their respective command.

b. Approve Command acquisitions valued in excess of \$100,000 (includes base plus all option periods) as well as all Conference contracts exceeding \$2500.

c. Review and validate staffing process for Service Contract Approvals exceeding \$2500 ensuring approvals before sending to USARC Chief of Staff for final approval.

**2-3 Installation/Activity G8/Resource Management (RM) :** Installation/Activity G8/Resource Management and supported Installations will -

a. Validate availability of funding for acquisition.

b. Provide recommendations for resource management procedures in acquisition and contracting policy.

**2-4 Staff Judge Advocate, All levels:** The supporting SJA will-

a. Provide legal review on all organizational acquisition planning packages, prior to submission to the supporting contracting office (includes base plus all option periods) and Requests for Civilian Hire or Services Approvals greater than \$2500.

b. Provide legal guidance and advice on all acquisitions and contract actions in accordance with existing laws, regulations, and policies.

c. Coordinate with the appropriate litigation counsel to provide documents, legal analysis and coordinated response from the appropriate activity on legal and factual issues related to contract matters under litigation.

**2-5 Contract Administration Support Office (CASO) – USAR Only:** The CASO will-

a. Serve as the Business Advisor to the Chief, Army Reserve (CAR) and all levels of command. Provide review and advice on procurements.

b. Make recommendations to improve Army Reserve acquisition and contracting policy and procedures.

c. Maintain visibility/tracking of Army Reserve contracting actions throughout the acquisition process.

d. Provide technical support and subject matter expertise for external audits of Army Reserve contracting.

e. Monitor of contracting procedures at units and organizations subordinate to the USARC

f. Include evaluations of acquisition internal controls in the Army Reserve 5-year Internal Control Program as prescribed by AR 11-2.

## **2-6 Requiring Activities (Organizations receiving contracting support):**

Requiring activities should focus on the needs of their customer's in order to provide them with the best and most cost-effective products and services. Requiring Activities will -

a. Conduct acquisition planning at the inception of requirement identification with your supporting contracting activity in accordance with this Handbook.

b. Manage their resources to the best of their abilities;

c. Appropriate Director/Office Chief/etc. who will be the primary point of contact for an acquisition will ensure:

(1) Process procurements and prepare acquisition packets in accordance with this handbook and designated MICC USAR Center contracting support activity.

(2) Nominate Contracting Officer Representatives (CORs) for each procurement action.

(3) Provide subject matter technical expertise to contracting officers or external auditors as needed.

(4) Maintain visibility/tracking of all contracting actions throughout the process.

d. Innovate, strive for optimal solutions, seek better ways to manage, and provide lessons learned to those who follow;

e. Conduct Market Research and identify all potential sources for execution of the requirement.

f. Prepare thorough estimates of financial and personnel resources required to satisfy their requirements (formulation of Independent Government Estimate);

g. Identify all risks and problems as well as potential solutions and likely outcomes to the Contracting Officer at the start of the acquisition process

h. Provide technical experts (contracting officer's representatives) to assist with monitoring contractor performance; and serve on source selection boards as needed.

**2-7 Internal Review (IR), Army Reserve and all Subordinate Commands:** IR activities will-

a. Provide on-going audit support of Acquisition Programs such as: Government Purchase Card, Contracting Operations, and Contracting Officer Representatives.

b. Conduct audits for acquisition specific areas of concentration as identified by all levels of command.

**2-8 Contracting Officer Representatives (COR)/Quality Assurance Representative (QAR):** Specifically the FAR precludes CORs from entering into contractual agreements or modifications of terms and conditions which involves prices, quantities, and quality or delivery schedules. This is in the purview of the Contracting Officer NOT the COR/QAR.

The COR/QAR functions as the "eyes and ears" of the Contracting Officer in the post-award phase by monitoring and documenting the contractor's technical performance. The COR is responsible for technical administration of the contract and shall represent the Government in technical phases of the work. COR duties include, but are not limited to those outlined in Chapter 10 Contract Administration.

NOTE: COR responsibilities must be documented on the employees/soldiers Performance Evaluation. See Chapter 10 for required performance standards.

COR/QARs will -

a. Conduct contract surveillance to ensure that services meet the performance standards set forth in the contract. Inspecting and accepting or rejecting work performed under the contract, including review/approval of reports. It is essential that the COR/QAR inform the Contracting Officer immediately, in writing, upon discovering that the contractor is not performing in accordance with the terms of the contract.

b. Consult with the Contracting Officer in resolution of technical issues arising under the contract which fall within scope of the COR's authority, and referring to the Contracting Officer any issues which cannot be resolved without additional cost or time.

c. Inform the Contracting Officer, in writing, of any needed changes in the performance work statement (PWS), performance requirements statement (PRS), or quality assurance surveillance plan (QASP). Further, all questions pertaining to the execution to the Statement of Work/Statement of Objectives must be referred to the Contracting Officer for Contracting Officer interpretations.

d. Maintain written records in a COR file for each contract assigned. (See Chapter 10, CORs for COR file composition)

### **Chapter 3**

#### **Procurement Integrity**

**3.1 Purpose:** To provide guidance to safeguard the disclosure of proprietary, advanced procurement and other sensitive information.

**3.2 Applicability:** This policy applies to all MICC USAR Center supported civilian and military employees

#### **3.3 General:**

a. The federal government relies upon contractors for a significant amount of contracting support. Often, contractor employees provide this support on a day-to-day basis within close proximity to governmental personnel (military and civilian). This normal interface between the government and contractor personnel involves frequent interpersonal communication and the routine exchange of nonpublic information.

b. It is the responsibility of ALL PERSONNEL to safeguard against the unauthorized disclosure of nonpublic information. This is especially important when we prepare, store, have access to and discuss sensitive “insider” information that we would not release if requested by the public under the Freedom of Information Act. All employees must use extreme caution to prevent disclosing privileged nonpublic information that has come into your possession by virtue of your government position, or that you have overheard or read through proximity to other government employees. Outside individuals may include representatives from trade associations, the regulated industry, stock analysts, industry consultants, or attorneys representing any of these groups or individuals.

c. An improper disclosure of nonpublic information may result in reduced and unfair competition and the appearance that the procurement process lacks integrity, increasing the likelihood of protests and/or litigation not to mention additional cost to the government.

d. Nonpublic information which may not be disclosed, unless authorized and required as part of the procurement process, includes but is not limited to the following:

- (1) The **identities** of the Offerors and proposed subcontractors.

(2) The **contents** of the source selection plan, to include **methods, standards or procedures** to be used to evaluate proposals.

(3) The **content** of technical or price proposals received by the Government.

(4) The **results** (ratings, scores, findings) obtained in the evaluation process.

(5) The **contents or results** of any Source Selection Evaluation Board (SSEB) deliberations (whether or not reduced to writing).

(6) Any **advance procurement information**, such as proposed Request for Proposal (RFP) changes, prior to public release.

(7) Any other information which **is marked "Source Selection Information."**

### **3.4 Procedures:**

a. All personnel will:

(1) Ensure the security of documents, computer disks, CD-ROMS, slides, USB storage devices and other media on which sensitive nonpublic information may be stored.

(2) Be mindful when discussing sensitive information to avoid accidental disclosure.

(3) Determine in advance, whenever possible, the nonpublic information to be discussed at meetings and where it is proper for contractor personnel to be present.

(4) If you are at all uncertain about the appropriateness of providing nonpublic information on specific issues or matters to outside individuals, you should refrain from doing so, and then discuss the matter with your supporting Staff Judge Advocate Office or Contracting Officer.

Example: If a participant is asked by a co-worker or another individual how the process is going, the participant is free to say "Just fine." If the co-worker or individual asks for more information, the participant is encouraged to say "I am not at liberty to provide more information. But if you desire I can refer you to the Contracting Officer and our Legal Advisor."

b. CORs/Management will ensure that Non-Disclosure Statements (See Appendix B) are maintained on all contractors and contractor employees.

## Chapter 4 Ethics

### 4-1 Overview of Ethics

In August 1992, the Office of Government Ethics (OGE) issued the Standards of Ethical Conduct for Executive Branch Employees. Built on 14 basic principles, the standards set forth rules regarding gifts between employees and the acceptance of gifts from sources outside the executive branch agency, conflicting financial interests, impartiality in performing official duties, seeking other employment, misuse of position, and engaging in outside activities. The Department of Defense issued the Joint Ethics Regulation (JER), DoD 5500.7-R, applicable throughout DoD including Department of the Army (DA) personnel, effective September 30, 1993. The JER supplements the OGE Standards of Ethical Conduct for DoD and DA. In addition to these regulatory rules, many of the principles discussed in this handbook are based on statutes, some of which carry criminal penalties.

The Army General Counsel is the Designated Agency Ethics Official (DAEO); the Deputy General Counsel (Ethics and Fiscal) is the Alternate DAEO. The Chief, Army Standards of Conduct Office (DA SOCO), Office of The Judge Advocate General) has been appointed as Deputy DAEO. He has been delegated extensive authority to run the ethics program within HQDA. DA SOCO provides ethics support to Headquarters, Department of the Army in particular. In DoD, Ethics Counselors are attorneys unless there are exceptional circumstances. Every Army command, installation, and organization has assigned Ethics Counselors.

This chapter provides a general summary of the rules as it relates to contracting. If you're unsure what you're about to do is appropriate, ask your ethics counselor. An ethics counselor will advise you on how to accomplish your goals without violating the standards of conduct. In fact, disciplinary action for violating the standards of conduct will not be taken against you if you act in good faith reliance upon the advice of your ethics counselor and if you have made full disclosure of the relevant circumstances. Again, if you are unsure of your actions, call your ethics counselor before you act.

### 4-2 General Principles of Public Service

| DO   | NEVER  |
|--|--|
| <ul style="list-style-type: none"><li>• Constitution, the laws and ethical principles above private gain</li><li>• Act impartially to all groups, persons, and organizations</li></ul> | <ul style="list-style-type: none"><li>• Use non public information to benefit yourself or anyone else.</li><li>• Solicit or accept gifts from persons or parties that do business or seek official action from DA, unless permitted by an exception.</li></ul> |

|   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• Give an honest effort in the performance of your duties.</li> <li>• Protect <i>and</i> conserve Federal property.</li> <li>• Disclose waste, fraud, abuse, and corruption to appropriate authorities.</li> <li>• Fulfill in good faith your obligations as a citizen and pay your Federal, State, and local taxes</li> <li>• Comply with all laws providing equal opportunity to all persons, regardless of their race, color, religion, sex,</li> </ul> | <ul style="list-style-type: none"> <li>• Make unauthorized commitments or promises that bind the government.</li> <li>• Use Federal property for unauthorized purposes.</li> <li>• Take jobs or hold financial interests that conflict with your government responsibilities.</li> <li>• Take actions that give the appearance they are illegal or unethical.</li> </ul> |
|---|--|

### 4.3 Gifts

a. Definition of Gift: Anything of monetary value.

#### Examples

(1) Patty, a DA employee, meets informally every week with representatives of defense contractors, who customarily treat her to a small breakfast. Although an exception might permit acceptance of these small breakfasts, Patty's recurring practice of accepting them is improper.

(2) Joe, a computer.com representative, is seeking to do business with the Army. He invites members of the contracting office to a golf tournament, which his company will pay for. The contracting office personnel are prohibited from accepting the gift of free golf green fees because computer.com, by seeking to do business with the Army, is a prohibited source.

b. Non-Gifts: Examples of items that are not defined as "gifts":

(1) Modest items of food and refreshments (like coffee and donuts) when not served as a meal.

(2) Prizes in contests open to the public.

(3) Greeting cards and items with little intrinsic value, such as plaques, certificates, and trophies, intended only for presentation. A framed print with a placard is never a gift of little intrinsic value and, therefore, is never acceptable under this example.

(4) Commercial discounts available to the public or to all Government civilian or military personnel.

(5) Anything the Government acquires by contract or otherwise legally accepts.

(6) Anything for which you pay market value. For tickets, this means the face value.

c. Rule: *You are prohibited from accepting a gift given:*

(1) Because of your official position, or

(2) By a prohibited source - *What's a Prohibited Source?* A prohibited source is any person who is, or any organization a majority of whose members are:

(a) Seeking official action by the Army or;

(b) Doing or seeking to do business with the Army or;

(c). Regulated by the Army or;

(d) Substantially affected by the performance of your official duties.

d. Gifts From Outside Sources: Executive branch employees, to include all Soldiers, are subject to restrictions on the gifts that they may accept from sources outside the Government. Generally, employees are prohibited from accepting gifts that are given because of their official position or that come from certain interested sources ("prohibited sources"). There are a number of exceptions to the ban on gifts from outside sources. There are also exceptions for discounts, awards and honorary degrees, certain social events, and meals, and refreshments and entertainment in foreign countries. These exceptions are subject to some limitations on their use. For example, an employee can never solicit or coerce the offering of a gift. Nor, can an employee use exceptions to accept gifts on such a frequent basis that a reasonable person would believe that the employee was using public office for private gain. Some items are treated as non-gifts and may be accepted without any limitations. If you have received a gift that you are prohibited from accepting, you may return the gift or pay its market value. If the gift is perishable and it is not practical to return it, the gift may, with approval, be given to charity or shared in the office. Regardless of any exceptions that allow accepting gifts, it is **NEVER PERMISSIBLE** to:

(1) Accept a gift, even if nominal in value, in return for being influenced in the performance of an official act. This is a bribe!

(2) Solicit or coerce the offering of a gift.

(3) Accept gifts from the same or different sources so frequently that a reasonable person would think you're using your office for private gain.

(4) Accept a gift in violation of a statute.

e. Gifts That You May Keep: Remember, you don't have to accept a gift. It may be smart, depending on the circumstances, to decline a gift, even when it is allowed by the exceptions below. **In fact, it is recommended you NEVER accept any gift of any type!**

(1) Gifts valued at \$20 or less, but not cash or investment interests, and not more than \$50 in total from one source in a year.

(2) Gifts motivated by personal relationships.

(3) Certain discounts and similar benefits offered by professional organizations:

(a) to groups unrelated to Government employment (such as AARP);

(b) to groups in which membership is related to Government employment, if the same benefits are available to other, similar organizations. (e.g.: discounted loans to Government credit union members);

(c) by a non-prohibited source to any group as long as not discriminatory on basis of rank, type of responsibility, or pay.

(d) Gifts resulting from your or your spouse's outside business activities.

(4) Examples:

(a) You may accept cups of coffee offered by a contractor at no charge. If you enter your business card in a drawing sponsored by an Army or contractor that is open to the public you may keep the prize. If the prize is limited to only personnel attending a particular event, regardless of the number of persons attending, you may never keep the gift, unless you pay fair market value.

(b) On each of his quarterly visits, a sales representative of Overpriced Computers, Inc. gave MSG Topp, a company T-shirt valued at \$10 each. During that period, MSG Topp's brother Steve, who also works for Overpriced Computers, Inc., purchased for her a birthday present valued at \$60. MSG Topp may keep all of the gifts given to her. The T-Shirts don't exceed the \$50 annual limit from one source, and the gift from her brother Steve is the result of a personal, rather than a business relationship. Despite the fact that the shirts were less than \$20.00 and the total value was less than \$50.00, it is possible that a reason person in possession of all the fact could conclude MSG Topp was using her position for personal gain.

(c) Tom was offered two tickets, each ticket valued at \$30.00, to a baseball game from an employee of a defense contractor. Since the price of each ticket exceeds the \$20 limit, Tom may only accept the tickets if he pays the contractor \$60, the market value of the tickets. (Paying only \$40 is impermissible.)

f. Other gifts that you may accept:

(1) Free attendance provided by a state, local government, or tax-exempt civic organization when there is a community relations interest.

(2) Gifts accepted under specific statutory authority, such as certain gifts from a foreign government.

(3) Certain educational scholarships and grants (consult your ethics official).

(4) Free attendance, food, and entertainment (excluding travel) when provided by a sponsor:

(a) of an event on the day that you are speaking or presenting information,

or

(b) of a widely attended gathering, provided that your supervisor determines that your attendance is in the agency's interest. (If the sponsor has interests that may be affected by you, an additional conflict of interest determination is required.)

**Remember: Your supervisor must make the determination whether you can attend. This includes invitations from all non-Federal entities.**

(5) Free attendance, food, and entertainment (excluding travel) provided by a person other than the sponsor of a widely attended gathering, *if*

(a) the market value of the gift of free attendance is \$305 or less and more than 100 persons are expected to attend, **and**

(b). ***your supervisor determines*** that your attendance is in the agency's interest. (If the person has interests that may be affected by the employee, an additional conflict of interest determination is required)

**Remember: Your supervisor must make the determination whether you can attend. This includes invitations from all non-Federal entities.**

(6) Meals, lodging, transportation, and other benefits in connection with employment discussions, if customary.

(7) Awards for meritorious public service or achievement, and honorary degrees,

but see your ethics counselor for limitations.

(8) Travel benefits and free attendance from political organizations in connection with certain political activities.

(9) Food and entertainment (excluding travel and lodging), at social events, if: (1) the invitation is not from a prohibited source (see above for definition), and (2) the event is free to all attendees.

(10) Gifts of food and entertainment (not to exceed the per diem rate) at meetings or events attended in an official capacity in foreign areas, when (1) not provided by a foreign government and (2) non-U.S. citizens participate in the meeting or event.

(1) Examples

(a) On account of his Army position, an arms trade association invites Jared, a DA employee, to an industry-wide, one-day seminar sponsored by the association. The value of the seminar is \$200. Jared is also invited to dinner, which costs \$100, at a restaurant after the seminar with several industry executives. Jared may accept the seminar invitation, provided that his attendance furthers Army interests, as *determined by his supervisor*. Jared is prohibited from accepting the free dinner invitation, which is separate from the seminar and is closed to other interested participants.

(b) A veterans' service organization holds an annual dinner, which costs \$125 per person. Representatives from veterans' groups, Congress, and the media will attend. Big Business, Inc. gives several Soldiers and DA civilian employees free tickets. At the dinner, a veteran will be honored. Since it is a widely attended gathering, the Soldiers DA civilian employees may be able to accept the free tickets if his or her ethics counselor determines more than 100 persons are expected to attend the event, *and* there is an Army interest in the Soldiers' employees' attendance, as determined by their supervisors.

g. Disposition of Improper Gifts: Rule: If you are offered a gift that you are prohibited from accepting, you should:

- (1) Decline the gift;
- (2) Return the gift, or
- (3) Pay the donor the gift's market value. For tickets that is the face amount.
- (4) Under certain circumstances, perishable items may be:
  - (a) Donated to charity

(b) Destroyed

(c) Shared within the office (check with your ethics officials).

**NOTE: Subsequent reciprocity is not a solution!**

#### **4-4 Conflicts of Interest**

Conflicting Financial Interests: **Criminal Rule:** You may not do government work on a particular matter that will affect the financial interest of:

a. You

b. Your spouse

c. Your minor children

d. Your general partner

e. Organizations with which you're negotiating or have arrangements for future employment, or any organization for which you serve as an employee, officer, director, trustee, or general partner.

***IF YOU THINK YOU MAY HAVE A CONFLICTING FINANCIAL INTEREST, CONSULT YOUR ETHICS COUNSELOR IMMEDIATELY TO DETERMINE THE APPROPRIATE REMEDY.***

g. Example: Bryan, an Army contracting officer, is about to award a contract for new computers. His wife, Joan, owns a computer sales business, which has a bid on the contract. Bryan may not participate in the contract award decision, since the decision will affect his wife's financial interests.

**4-5 Bribery and Graft: RULE: YOU MAY NEVER SEEK OR ACCEPT ANYTHING OF VALUE, OTHER THAN YOUR SALARY, FOR BEING INFLUENCED IN YOUR OFFICIAL DUTIES.**

**4-6 Impartiality In Performing Official Duties: Rule:** Maintain your impartiality. **Don't** participate in any particular Army matter if:

a. The matter is likely to affect the financial interest of a member of your household, or a person with whom you have a "covered relationship" is involved in the matter, **and**

b. A reasonable person with knowledge of the relevant facts could question your

impartiality.

**NOTE: A covered relationship is:**

- (1) A member of your household or a relative with whom you're close,
- (2) Someone with whom you have or seek to have a business relationship, other than a routine consumer transaction,
- (3) An organization (other than a political party) in which you actively participate,
- (4) Someone with whom you had, within the last year, a close business relationship, such as partnership or employment, or
- (5) Someone with whom your spouse, parent, or dependent child has (or seeks to have) a close business relationship, such as partnership or employment.

c. Example: Mr. New, a senior VP from Blatz Corp. recently resigned from Blatz to become a senior official in DA. Shortly after his arrival at DA, Mr. New's office is tasked to decide whether or not to renew Blatz's contract with DA. Because Blatz employed Mr. New within the last year, he may not make the decision.

**4-7 Misuse Of Position (to include endorsements): Rule:** You may not use, or permit the use of, your Government position, title, or any authority associated with your office to induce or coerce another person to provide any benefit to you or anyone with whom you are affiliated:

a. To imply that your agency or the Government sanctions or endorses your personal activities. (see 5 CFR 2623.702(b)).

b. To endorse any product, service, or enterprise, except as provided by statute or regulation.

Example: General Degree, the commanding general, has been asked by his college to serve on the Alumni Association. He may serve in his personal capacity, but may not allow his position as commanding general, to be used on the college letterhead or other promotional literature.

**4-8 Employment Issues**

a. Seeking Employment: **Rule:** If you are seeking non-Federal employment (e.g., sending resumes to select employers), you are prohibited from performing Government work on a particular matter that will affect the financial interests of any of your prospective employers. You must give a written disqualification statement to your supervisor, ethics counselor and immediate subordinates.

Example: Joey, a procurement specialist, is doing work as a Government employee on a contract worth \$500,000. The contractor offers her an interview for a job. Unless Joey turns down the job immediately, she must disqualify or recues herself in writing and inform her supervisor, ethics counselor and immediate subordinates.

b. Post-Government Employment: **Rule:** Always consult your ethics counselor before separating from the Government. He or she will advise you on the restrictions that will apply to your activities in the private sector in light of your specific duties and level of responsibility as a Government employee.

**4-9 Official Travel Benefits: Rule:** Attendance at private organization sponsored events in an official capacity must comply with both statutory and regulatory requirements. A private organization may offer to pay for travel or travel related benefits of employees. This includes the offer of free travel, such as airfare, lodging, and meals. Also complimentary offers are included. Such offers may be accepted on behalf of the Army in accordance with Title 31 United States Code, Section 1353, and prior the travel. The command's or organization's ethics counsel **must** concur with the acceptance of the offered benefits.

## **Chapter 5**

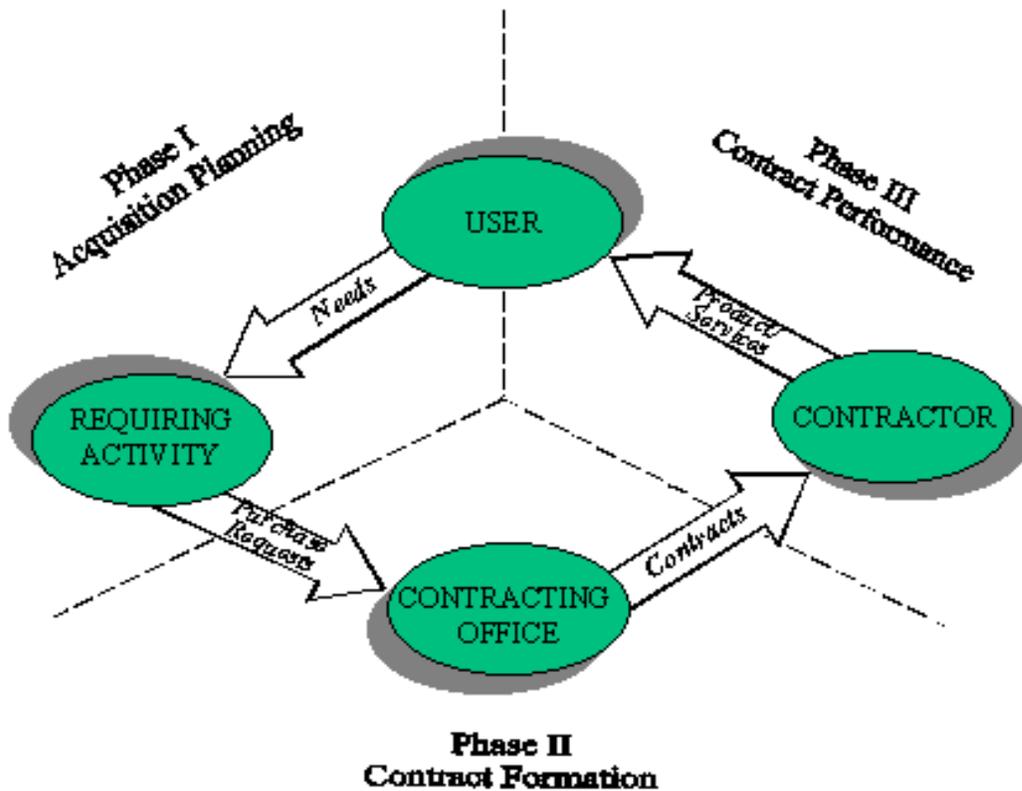
### **Contracting Fundamental Principals**

#### **5-1. Contracting Process**

Figure 5.1 below shows the major elements of the government contracting process, which consists of four steps that are accomplished in three phases.

The steps in the process reflect the most important outputs of the participants in the process. In the first step, the using organization identifies its needs to the requiring activity. In the second step, the requiring activity translates the user's needs into an actionable requirement or purchase request, which is submitted to the contracting office. In the third step, after receiving the purchase request, the contracting office solicits offers from industry and awards a contract. In the final step, the contractor closes the loop by delivering products and services that satisfy the user's needs.

The phases of the contracting process represent major groupings of functions and tasks that overlap the four steps. In phase one, the requiring activity develops an acquisition plan to achieve the best technical and business outcome. During the second phase, the contracting office issues a solicitation to industry requesting bids or proposals that lead a contract award. The third phase covers contract performance, which concludes with delivery of the products and services.



**Figure 1 The Contracting Process**

The remainder of this part details the duties and responsibilities of the requiring activity or customer, and the contracting office for each of the functions throughout the contracting process. Note that not every function or duty applies to every acquisition and the sequence of functions and duties may vary from one case to another. For example, not all contracts require formal written acquisition plans. Many contracts are not modified and few contracts are terminated. Some solicitations may be amended prior to receipt of offers, while others are amended after the Government has begun evaluation of proposals. Many duties may be performed repetitively through several phases of the process. For example, market research may follow a continuing market surveillance effort and begin as a part of the requirement forecast and continue after contract award. Another example includes proposal evaluation and negotiations in the contract formation phase, which may also apply to negotiation of contract modifications during the contract performance phase.

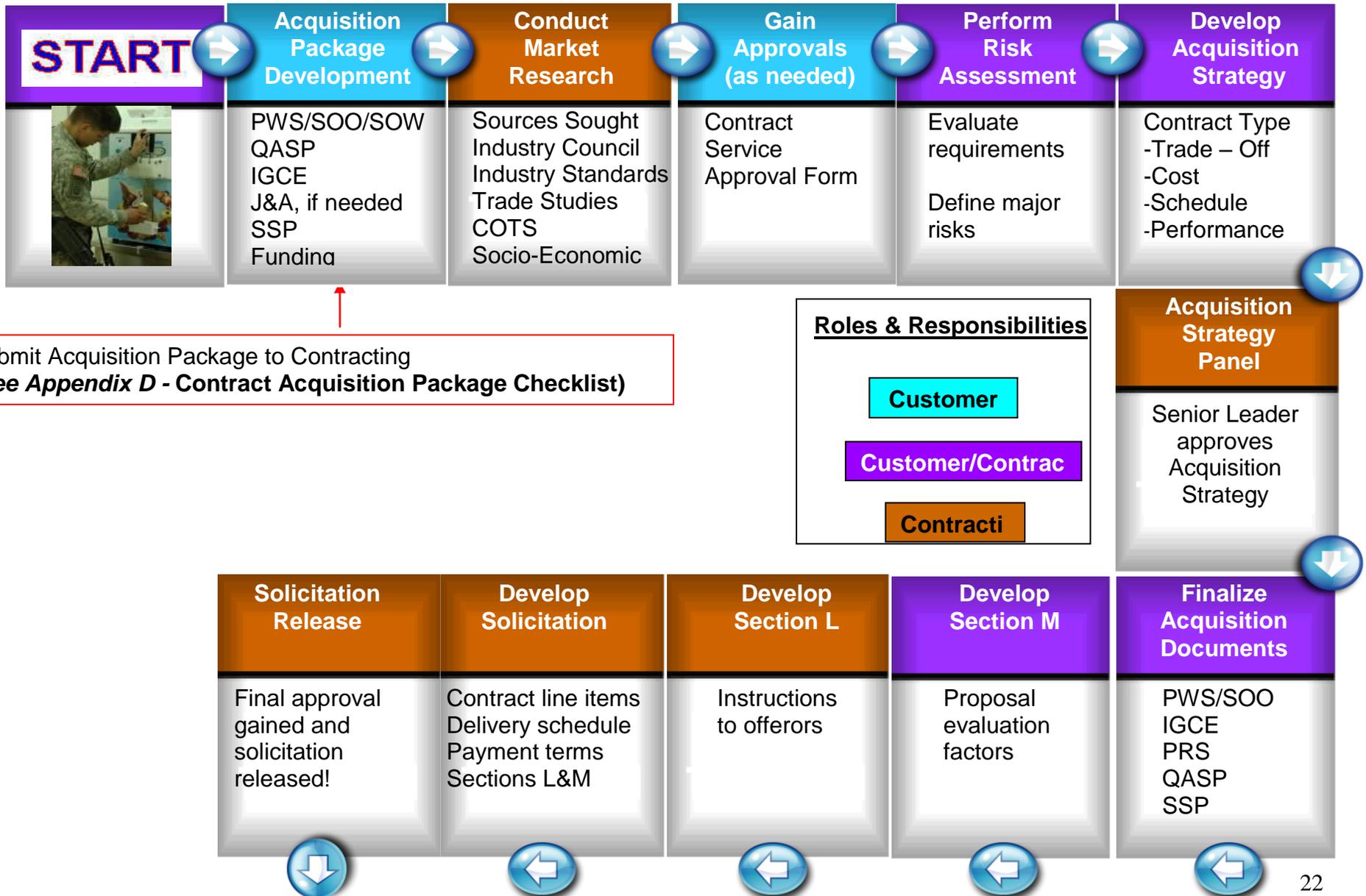
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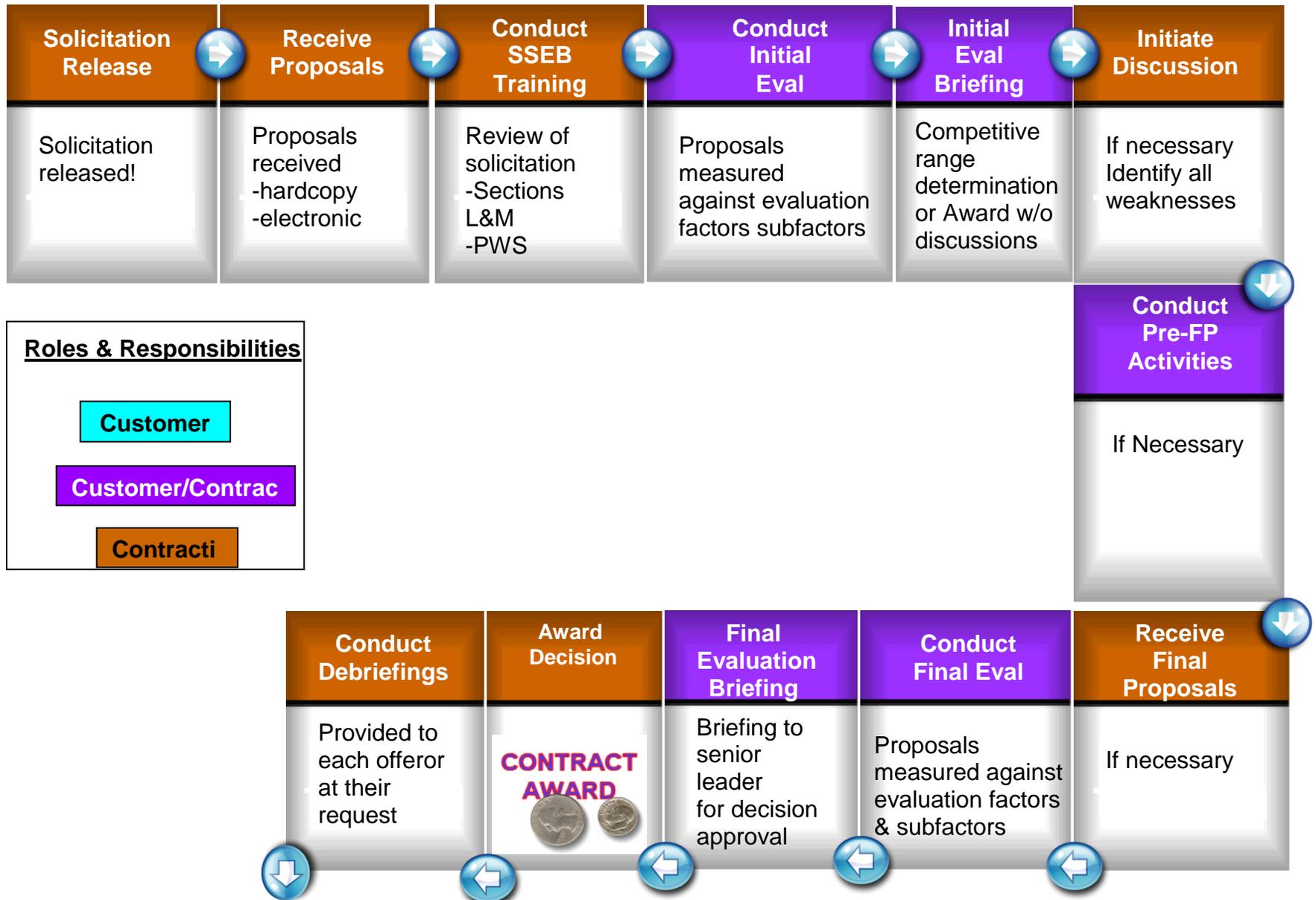
## Figure 2 - Acquisition Planning Process

For simplicity this process is shown as linear where some steps may be conducted concurrently.



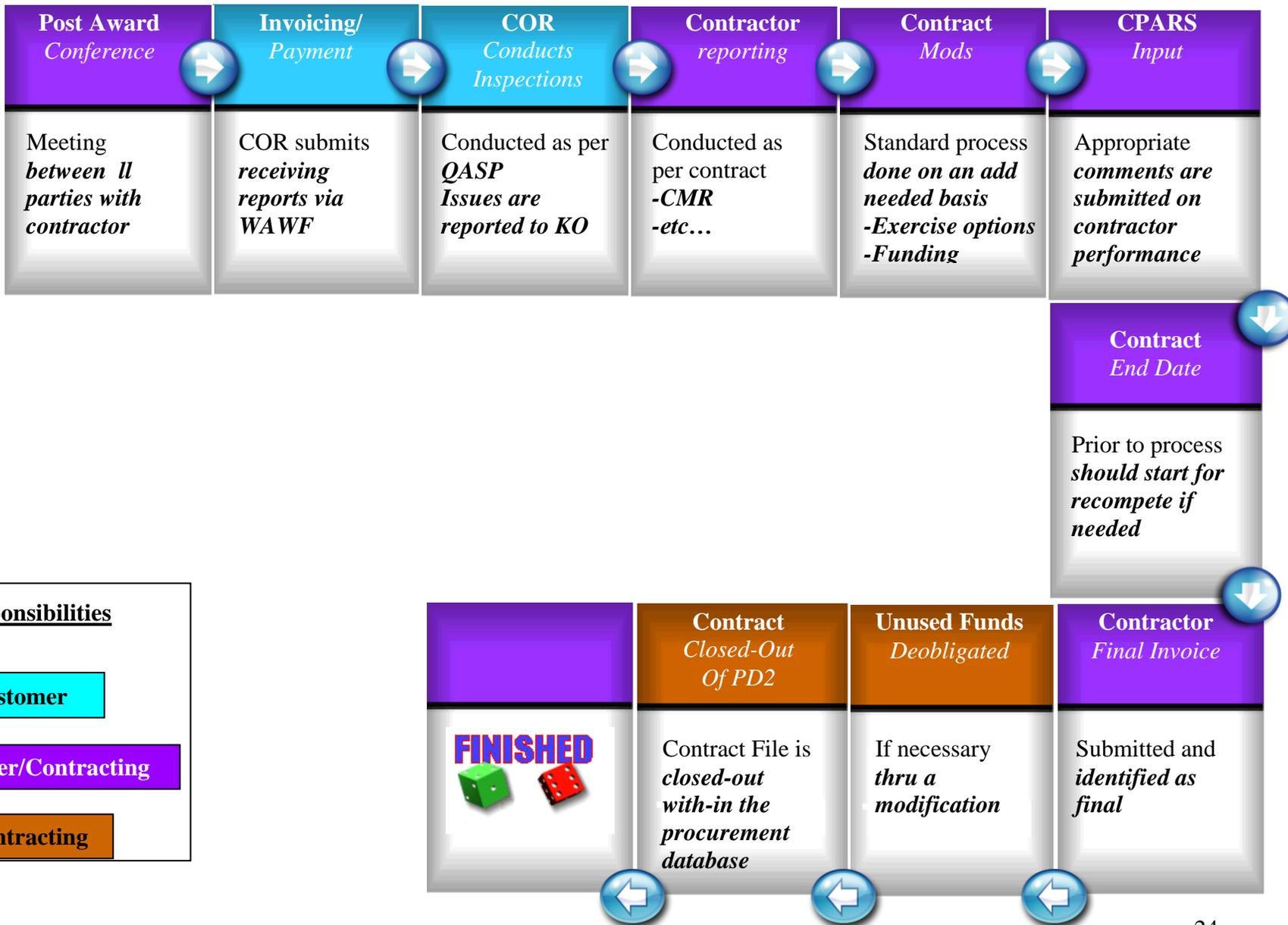
## Figure 3 – Contract Formation

For simplicity this process is shown as linear where some steps may be conducted concurrently.



# Figure 4 – Contract Performance (Administration and Close Out)

For simplicity this process is shown as linear where some steps may be conducted concurrently.



**Phase 1 – Acquisition Planning (See Figure 2):** Acquisition planning is the process of identifying and describing requirements and determining the best method for meeting those requirements. An important step in acquisition planning is forming the acquisition team. Note: The supporting MICC USAR CONTRACTING CENTER Contracting office should be brought in as soon as a requirement is identified as they can provide invaluable expertise and business advice to best execute the acquisition. Also, as with planning for war, time is required for the execution of the plan. The Contracting Office can provide applicable timelines to ensure the activity receives the most efficient and effective contract.

For acquisitions exceeding \$100,000, to include complex acquisitions, participants include financial, legal, functional experts/ advisors, in addition to the customer and contracting officer to include the Small Business Advocate. The team should be tailored to meet specific needs.

Acquisition planning focuses on the business and technical management approaches designed to achieve the customer's objectives within specified resource constraints and the procurement and contracting strategies necessary for implementation.

**b. Phase II Contract Formation (Solicitation and Source Selection (If Required) See Figure 3):** Contract Formation consists of three steps that lead to contract award.

(1) Solicitations are prepared and publicized by the Contracting Officer in order to obtain offers from as many qualified sources as feasible.

(2) Offers are evaluated by the Contracting Officer or appointed Source Selection Authority (if applicable) to select the source that offers the best value to the government or, if sole source as only determined by the Contracting Officer to negotiate a fair and reasonable price.

(3) The contractual document and necessary supporting documentation are reviewed and approved by appropriate contracting authorities.

**c. Phase III Contract Performance (Administration and Close-Out, See Figure 4):** Contract Performance is the critical phase necessary to ensure the government receives the product or service as contracted for. The appointed COR/QAR is the Contracting Officers representative responsible for Quality Assurance or proper execution of the contract. Steps include:

(1) Monitor of contractor performance and adequate documentation of performance.

(2) Coordination of the resolution of any performance discrepancies or

Performance Work Statement/Statement of Objectives clarification with the Contracting Officer.

(3) Inspect and accept product or services as required by the contract.

(4) Validation of contractor invoice in Wide Area Workflow or by exception via DD250 for non-WAWF payment or signed SF Form 1449 (Contract) Blocks 32a through 320 and 33-36

(5) When required, ensure contracting performance is documented in the applicable past performance automated system as directed by the Contracting Officer.

## 5.2 Contracting Authority

Only the contracting officer has authority to enter into contracts on behalf of the government or signing of any agreements of any sort (i.e. Hotel, free vendor demonstrations, etc. This authority applies to all modification and termination of existing contracts as well as the award of new contracts. The customer must make sure that all direction to the contractor is processed through the contracting officer. The customer has no authority to give direction to the contractor or enter into agreements with the contractor that would affect the contract's terms or conditions. Any such "unauthorized commitment" is a very serious matter that leads to personal financial liability for the individual making that unauthorized commitment. Shifting financial liability back to the government requires a formal ratification process executed only by an authorized Contracting Officer. [FAR Subpart 1.6](#) provides details relating to ratification and other matters relating to government contracting authority.

a. The customer must remember only a duly appointed contracting officer has the authority to:

(1) Enter into and administer a contract on behalf of the U.S. Government,

(2) Change or terminate an existing contract; and

(3) Make determinations and findings relating to the contract

b. The contracting officer is responsible for the contract, including terms and conditions.

c. The contracting officer has ultimate responsibility for ensuring that the contractor satisfies the requirements that are stated in the contract.

d. The customer may serve as a contracting officer's representative (COR). This appointment must:

- (1) Be made by the contracting officer in writing; and
- (2) Provide a specific description of the COR's authority.

e. The customer and contracting officer, together, must ensure that the contract calls for delivery of products and services that satisfy the government's bona fide need. The customer has the responsibility to:

- (1) Carefully read and understand the contract;
- (2) Work with the Contracting Officer to ensure the government fulfills the commitments to the contractor; and
- (3) Verify that the contractor delivers what is called for in the contract.

### **5-3 Availability of Funding**

Pursuant to the Anti-Deficiency Act, 31 U.S.C. 1341, the contracting officer cannot award a contract unless adequate funds are available (See [FAR Subpart 32.7- Contract Funding](#)). An electronic Purchase Request approved by an authorized Fund Certification officer through PRWEB is the formal document certifying availability of funding. It may be necessary to also utilize Subject to the Availability of Funds (SAF) funds to allow for contracting to execute an acquisition while funds are anticipated to be received by the requiring agency. Example: Year end funds are anticipated for renovation of a barrack, a SAF contract is put in place so that the contracting office can coordinate a contract that can be finalized when funds are received. However, all SAF Purchase Requests should first be coordinated with the supporting contracting office prior to forwarding.

### **5-4 Standards of Conduct**

Strict standards of conduct apply to government procurement personnel. The requirements are based on criminal statutes that are complex and can result in serious consequences if violated. Since government acquisition personnel must sometimes work with contractor personnel, it is particularly important to understand the required standards of conduct and activities that are prohibited. For details, refer to [FAR Part 3- Improper Business Practices and Personal Conflicts of Interest](#) and the [DoD Joint Ethics Regulation, DoD 5500.7-R](#) or contact your installation or organization's ethics counselor for advice.

### **5-5 Publicizing Contract Actions**

The contracting officer must publicize contract actions in order to increase competition, broaden industry participation in government contracting, and help small businesses and other such concerns to obtain contracts and subcontracts (See [FAR Part 5- Publicizing Contract Actions](#)).

## **5-6 Competition**

Army Reserve requiring activity must conduct acquisition planning in a manner which ensures competition to the maximum extent possible for each acquisition. The Competition in Contracting Act (CICA) requires contracting officers to promote and provide for full and open competition in awarding government contracts. See [FAR Part 6- Competition Requirements](#) for details required procedures and exceptions that may apply to these requirements.

## **5-7 Socioeconomic Programs**

It is the policy of the government and for the United States Army Reserve, specifically the Chief, United States Army Reserve, to provide small business to the maximum practicable, contracting opportunities at the prime contract level. Particular emphasis shall be placed on ensuring prime contract awards to small disadvantaged, HUBZONE, service-disabled veteran-owned, veteran-owned and women-owned small business concerns, such as small business concerns. (See [FAR Part 19- Small Business Programs](#) for details).

## **5.8 Types of Contracts**

It is the Contracting Officers decision, unilaterally, to decide the type of contract which should be utilized. However, requiring activities do need to know the types of contracts that are available for use. The Contracting Officer will determine the type of contract that best fits the requirement. The following contracts are available for use:

a. Fixed-Price Contracts. Fixed-price contracts give the contractor responsibility for performance costs and so that profit decreases as costs increase, potentially resulting in a loss for the contractor. This type gives maximum incentive for the contractor to control contract costs, but it is only suitable when the risk of performance is minimal and can be predicted with an acceptable degree of certainty.

b. Cost-Reimbursement Contracts. Cost-reimbursement contracts are appropriate when risks of performance are too great to use a fixed-price contract.

c. Time-and-Materials (T&M) and Labor-Hour Contracts. In T&M and labor-hour contracts, the Government pays for the number of direct labor hours expended in performing the contract. Historically this has been a mis-utilized contracting type and requires close coordination with the Contracting Officer to allow use.

d. Incentive Contracts. The FAR provides various kinds of incentive arrangements that enable the Government to motivate the contractor to improve technical performance and to avoid inefficiency and waste. The contracting officer may include incentives relating to cost control, delivery or production rates, high quality levels, and other requirements that are of particular value to the Government.

e. Indefinite-Delivery Contracts (IDCs). IDCs allow the Government to acquire supplies or services when the exact times and/or exact quantities of future deliveries are not known at the time the contract is awarded. Three types of IDCs:

(1) Indefinite-Delivery Definite-Quantity (IDC) contracts call for the contractor to deliver a definite quantity of specific supplies or services for a fixed period of time. This contract type is used when the Government knows that a definite quantity of supplies or services will be required during the contract period, but does not know precisely when delivery of supplies or performance of services will be needed.

(2) Indefinite-Delivery Indefinite-Quantity (IDIQ) contracts provides for an indefinite quantity of supplies or services to be delivered during the contract period. IDIQ contracts set a minimum level of supplies or services that the Government must order and a maximum amount that the contractor can be required to deliver.

(3) Requirements Contracts obligate the Government contracting office to acquire all of its requirements for specific supplies or services during a specified period of time from a specific contractor. This contract must contain a realistic estimate of the quantities of supplies or services that will be required and must state a maximum amount of supplies or services the contractor can be required to deliver.

f. Agreements. Agreements, negotiated/signed by a Contracting Officer, are used to streamline the contracting process when repetitive contracts or orders will be awarded to a contractor during a given period of time and the supplies and services cannot be specified so as to establish a single contract or an Indefinite-Delivery Contract. Agreements are not contracts themselves, but are documents that the Government enters into with contractors to provide terms and conditions and procedures for contracts or orders that will be awarded later. The two most utilized agreements are Basic Agreements and Basic Ordering Agreements (BOAs).

#### 5.9 Performance Based Service Acquisitions (PBSA).

a. PBSAs represent one of the most significant developments in acquisition reform. Performance-based acquisitions give contractors a positive incentive to use the best approaches and techniques available to satisfy the Government's requirement by defining the Government's requirements in performance terms, instead of rigid government specification. Two essential elements of a successful PBSA are:

(1) Measurable performance standards that reflect the level of service required to satisfy the Government's mission needs; and

(2) A quality assurance surveillance plan that enable the contracting officer to reject services that do not comply with the performance requirements of the contract.

b. To accomplish a successful PBSA, all aspects of the acquisition should focus on achieving the desired end result and not in developing detailed specifications for

performance processes. The customer and other members of the acquisition team must carefully plan and execute the acquisition. [FAR Subpart 37.6](#) provides basic policies and procedures for performance-based contracting. In December 2000, the Under Secretary of Defense for Acquisition and Technology published a handbook that provides detailed instructions for PBSA, a downloadable copy is available at the Defense Procurement and Acquisition Policy website at <http://www.acq.osd.mil/dpap/Docs/pbsaguide010201.pdf>.

## **Chapter 6**

### **Acquisition Planning/Packages**

#### **Section I**

#### **Acquisition Planning**

##### **6-1 Scope/Overview**

World class acquisitions don't just happen they are planned for. Planning is the most pivotal activity you will perform in the acquisition process to ensure you get exactly what you want, for the most economical cost and when it is needed. We are trained to plan for combat and as an Army we must approach Acquisition planning the same way we approach planning for a military campaign. In approaching planning for combat, General H. Norman Schwarzkopf's opined:

*"I want to emphasize the importance of focusing on the enemy when planning and conducting combat operations. First you must know your enemy. Second you must develop your plan keeping the enemy foremost in mind. Third, you must war-game your plan to enhance your ability to develop or adjust the plan once the enemy contact is made"*

You must approach acquisition planning the same way. For an acquisition:

- a. Cost overruns, schedule/ delivery delays and performance shortfalls are your enemy.
- b. Develop your plan via your market research
- c. War-game via the Acquisition Planning process with your supporting Contracting Office.

It is imperative that we improve the planning and execution of its contracts. Historically 20% of all MICC USAR Center purchase requests were received after contracting published cut-off dates. This late execution is not an acceptable business practice and leads to increased contract cost due to the lack of time sufficiently needed to compete contracts. Further, waiting to execute funding significantly impacts the Resource Management and Contracting communities' ability to close the year. Also, lack of execution time may result in your not receiving exactly what you want, when you want it!

Lack of execution continually places the funding streams at risk of being withdrawn as well as potential future funding.

To combat this problem, adequate acquisition planning must be accomplished. If contracts are monitored and managed throughout the Fiscal Year these late surges can be avoided and execution rates can be improved.

## **6-2 Formal Acquisition Planning**

This section addresses those unique procedures that will be used throughout the contracting cycle as necessary to ensure the integrity of the procurement process. It also addresses special review and approval levels and thresholds.

a. The first step in the acquisition planning process is a determination of need. It focuses on the forecasting and planning of acquisition requirements, as well as developing and updating acquisition plans as required. Commands and Headquarters activities are required to conduct formal acquisition planning sessions with their supporting DOCs. Organizations are required to execute Acquisition Planning Boards which will occur at least on a semi-annual basis; however, more frequent sessions are encouraged (quarterly basis) and can be negotiated with your supporting DOC.

### ***Unique to the Army Reserve:***

***(1) Regional Support Commands are responsible for all BASOPS contracting requirements and subsequent planning/execution.***

***(2) Operational and Functional Commands are responsible for all mission contracting requirements and subsequent planning/execution.***

b. An important step in acquisition planning is the formation of the acquisition team. In general, a large and complex anticipated acquisition requires a larger number (and degree of member specialization) on the acquisition team. At a minimum, the Board should be chaired by the Chief of Staff/Senior Civilian with each key director being a member of the Board (G-1/Personnel, G-2/6/Intel/Information Management, G-3/Operations, G-4/Logistics, Engineers, etc) Further; each command will be responsible for maintaining an Acquisition Management Plan in conjunction with their supporting Contracting Office. The AMP will be jointly maintained by the supporting contracting office and requiring activity and provide the command the ability to maintain oversight of acquisitions at all times from planning through execution. The purpose of these requirements is to ensure commands continue to execute contracting in the most efficient and cost effective manner through proper and effective planning, consolidation, review and oversight of all acquisitions.

c. Requiring activities must describe needs in terms of desired outcomes and objectives, in ways that can be measured and assessed. Requiring activities should

also identify any existing constraints, including budget, placed upon the procurement. If necessary, conduct studies to evaluate alternatives and associated risks.

d. Acquisition planning must begin as soon as practical in advance of a requested procurement, in order to satisfy the objectives listed within paragraph 1-4. Depending upon the nature of the acquisition, the timeline may last from 30 to 365 days or longer.

### 6-3 Contract Acquisition Lead Times

| <b>Supply Contracts</b>   | <b>\$3K - \$25K<br/>(Emergency)</b> | <b>\$3K - 100K</b> | <b>\$100K - \$3M</b> | <b>\$3M - \$5.5M</b> | <b>\$5.5M - \$25M</b> | <b>\$25M - \$100M</b> |
|---|-------------------------------------|--------------------|----------------------|----------------------|-----------------------|-----------------------|
| <i>Planning Purposes Only<br/>To be tailored to specific acquisition.</i> | 8 days                              | 30 days            | 45 days              | 150 days             | 180 days              | 210 days              |

| <b>Service Contracts</b>  | <b>\$2.5K - \$25K<br/>(Emergency)</b> | <b>\$2.5K - 25K</b> | <b>\$25K - \$100K</b> | <b>\$100K - \$3M</b> | <b>\$3M - \$5.5M</b> | <b>\$5.5M - \$25M</b> | <b>\$25M - \$100M</b> |
|---|---------------------------------------|---------------------|-----------------------|----------------------|----------------------|-----------------------|-----------------------|
| <i>Planning Purposes Only<br/>To be tailored to specific acquisition.</i> | 12 days                               | 30 days             | 45 days               | 120 days             | 160 days             | 210 days              | 300 days              |

| <b>Construction Contracts</b>   | <b>\$2K - 25K</b> | <b>\$25K - \$100K</b> | <b>\$100K - \$3M</b> | <b>\$3M - \$25M</b> | <b>\$25M - \$100M</b> |
|---|-------------------|-----------------------|----------------------|---------------------|-----------------------|
| <i>Planning Purposes Only<br/>To be tailored to specific acquisition.</i> | 30 days           | 60 days               | 90days               | 150 days            | 180 days              |

| <b>Blanket Purchase Agreements (BPAs)</b>   | <b>New BPA Commercial</b> | <b>New BPA Non-Commercial</b> | <b>BPA Call &gt; \$2.5K</b> |
|---|---------------------------|-------------------------------|-----------------------------|
| <i>Planning Purposes Only<br/>When receive contractually and legally sufficient request</i> | 90 days                   | 120 days                      | 15 days                     |

| <b>Delivery/Task Orders Under Existing Contracts (Master Contract/ GSA/Schedule/etc)</b> | <b>Delivery/Task Order Pre-Priced (Any Amount)</b> | <b>Delivery/Task Order Negotiated \$25K-\$100K</b> | <b>Delivery/Task Order Negotiated \$100K-\$3M</b> | <b>Delivery/Task Order Negotiated \$25M-\$100M</b> |
|--|--|--|---|--|
| <i>Planning Purposes Only<br/>To be tailored to specific acquisition.</i>                | 15 Days  | 30 Days  | 60 Days   | 210 Days   |

| <b>Exercise Options</b>   | <b>Exercise Option Commercial Contract</b> | <b>Exercise Option Non-Commercial Contract</b> |
|---|--|--|
| <i>Planning Purposes Only<br/>When receive contractually and legally sufficient request</i> | 90 days                                    | 120 days                                       |

| <b>Modifications</b>  | <b>\$0 - \$25K</b> | <b>\$25K - \$100K</b> | <b>\$100K - \$3M</b> | <b>\$3M - \$25M</b> | <b>\$25M - \$100M</b> |
|---|--------------------|-----------------------|----------------------|---------------------|-----------------------|
| <i>Planning Purposes Only<br/>When receive contractually and<br/>legally sufficient request</i> | 7-15 days          | 30 days               | 60 days              | 90days              | 120 days              |

## 6-4 Market Research

Market research is processes to collect, organize, maintain and analyze data to develop competitive sources in the market place to meet an organizations needs for supplies or services. Appendix C provides guidance on performing Market Research.

a. Market research is the first step in acquisition planning and as outlined by the FAR the responsibility of the requiring activity. It is essential to designing an acquisition strategy and identifying candidate evaluation criteria as well as the process of collecting and analyzing information about capabilities within the market that can satisfy an agency's needs. Market research is key to determining whether a commercial item can meet the Government's needs and to identifying associated commercial practices. Market research will significantly influence the development of the Performance Work Statement/Statement of Objectives, the selection of evaluation factors, contracting and source selection methods, and amount and type of requested proposal information.

b. The extent of market research and the degree to which you should document the results will vary depending on such factors as urgency, estimated dollar value, complexity, and past experience. In some cases, one person will be able to conduct all of the required market research. In other cases, a team effort will be desired. Additional guidance on conducting Market Research is contained in Appendix C of this handbook.

c. Market research documentation provides justification for the present and future requirements. The amount of time spent researching and documenting your efforts can have a huge payback in terms of innovation, cost savings, timeliness and most importantly - service to our soldiers. It is part of the continuous process of improving efforts in the acquisition of tomorrow's products today!

## Section II Acquisition Package Requirements

### 6-5 Acquisition Package Preparation and Guidance

After approval of the initial Acquisition Briefing slides, the requiring activities POC/COR/QAR will prepare a contract acquisition package. A Contract Acquisition Package Checklist, contained in Appendix E, is provided to outline the documents required by the supporting contracting office. Contents include, but not inclusive for all packages, of the following:

a. COR/QAR - Prepare Contract Acquisition package (See Appendix D for Checklist). The following items constitute the acquisition packet:

(1) Copy of Current Contract. Task Order (*Required when exercising an option or if follow on contract also provide the contract number of expiring contract*)

(2) When applicable, memorandum or email of intent to exercise contract Option Year as provided by Contracting Office (see Appendix E)

(3) Performance Work Statement/Statement of Objective and any supporting drawings, technical specifications and exhibits (See Appendix F for instructions on formulating PWS; Appendix G for SOO Preparation/ **For Conferences** See Appendix H for template).

(4) Contracting Officer Representative (COR/QAR) Nomination Letter (New Acquisition) or Appointment Letter (Exercising Option) and Training Certificate. (See Appendix I/**For Conferences** see Appendix H for template)

(5) Quality Assurance Surveillance Plan (QASP) Required for all service contracts greater than \$2,500. (See Appendix J/**For Conferences** see Appendix H for template))

(6) Market Research (see FAR Part 10 and Appendix C). For **conferences** list hotel or facility information as received from the supporting Visitor's Bureau. (See Appendix H)

(7) Independent Government Cost Estimate (IGCE) - An INDEPENDENT, UNBIASED analysis of actual costs associated with supplies or services. The purpose is to find the BEST competitive price for required services. See Appendix K for template, **For Conferences** see Appendix H for template)

(a) Supplies/commodities: Purchase Request will suffice as the CLINS will break down unit and delivery costs.

(b) Service/Construction: Required for all services greater than \$2500 and Construction greater than \$2,000.

(8) Source Selection Criteria. Required when evaluating an award of a contract on factors other than price alone. This is the basis for which the contractors will be selected, what criteria will be followed and evaluated in the selection of a Vendor. See Appendix L for sample source selection criteria; **For Conferences** see Appendix H for template)

(9) Request for Civilian Hire or Services Approval Form (Contract Service) (Refer to Command Guidance, ie. USARC, IMCOM, AMC, etc.)

(10) Funding Document: Copy of Aquiline Request /DA Form 3953 Purchase Request and Commitment or DD Form 448 Military Interdepartmental Purchase Request (MIPR) for funds transfers only

(11) Lease vs. Buy Analysis (See Appendix M). Required to determine if cost effective to buy rather than lease, regardless of dollar value and required when leasing greater than 60 days.

(12) USAR Facilities Support Request (*Engineer Project Approval*) Form 4283: As required, and identified by regulation/directive, attach signed and approved Project Approval Form, Form 4283. This provides the official authorization to proceed with a specific project.

## **Chapter 7**

### **Contract Formation (Contracting Office Responsibilities)**

#### **7-1 Competition Requirements: ALL ACTIVITIES WILL COMPETE ACQUISITIONS TO THE MAXIMUM EXTENT POSSIBLE! SOLE SOURCE IS THE EXCEPTION RATHER THAN THE RULE.**

a. Competition is a major goal in Federal Government contracting. The Competition in Contracting Act ("CICA") of 1984 requires "full and open competition" to be attained by executive agencies except in the case of seven (7) specific procurement situations: (see FAR 6.3)

(1) Only one responsible source

(2) Unusual and compelling urgency

(3) Industrial mobilization; or the need to maintain engineering, development, or research capability

(4) International agreement or treaty

(5) Statutory authorization

(6) National security

(7) Public interest

b. Any recommendation for other than full and open competition must be supported by a strong justification, citing one or more of the conditions listed above, and approved by the activities Commanding Officer or designated representative.

c. Requiring activities will ensure that their technical requirements are described in a manner which neither limits nor restricts competition, unless it can be supported by written justification.

## **7-2 Contract Type**

Part 16 of the FAR discusses types of contracts. There are two broad types: Fixed-Price and Cost-Type. Selection of the appropriate type requires sound business judgment and is the **province of the contracting officer**. Please refer to FAR Part 16 at the following link:

<http://www.acquisition.gov/far/current/html/FARTOCP16.html#wp226194>

Information contained in Part 16 include:

- 16.1 Selecting Contract Types
- 16.2 Fixed-Price Contracts
- 16.3 Cost-Reimbursement Contracts
- 16.4 Incentive Contracts
- 16.5 Indefinite-Delivery Contracts
- 16.6 Time-and-Materials, Labor-Hour, and Letter Contracts
- 16.7 Agreements

## **7-3 Options**

An option gives the Government the right to order additional supplies or services, or extends contract performance. They have definite expiration date, prices, specifications, and delivery schedule. Options must be included in the original solicitation and priced at the time the basic contract is awarded. FAR 17.2 and DFARS 217.2 contain more information on the use of options at: FAR [http://www.acquisition.gov/far/current/html/Subpart%2017\\_2.html#wp1078103](http://www.acquisition.gov/far/current/html/Subpart%2017_2.html#wp1078103) and DFARS at [http://www.acq.osd.mil/dpap/dars/dfars/html/current/217\\_1.htm](http://www.acq.osd.mil/dpap/dars/dfars/html/current/217_1.htm).

## **7-4 Solicitation**

a. The term “solicitation” refers to a written document which the contracting officer sends to potential offerors to compete for a contract award. Request for Proposal (RFP), Request for Quote (RFQ), and Invitation for Bid (IFB) are all types of solicitations.

b. Requiring activities should carefully review documents included in solicitations, such as the statement of work, to ensure they adequately define the requirement in clear, measurable terms.

### **7-5 Source Selection Evaluation criteria**

Requiring activities are responsible for providing weighted criteria against which offerors proposals will be evaluated. The contracting officer will include these criteria, as provided by the requiring activity, along with the solicitation so potential contractors can prepare their proposals accordingly. Examples of factors/sub factors that can be included are: past performance, management, personnel qualifications, and technical approach. See Appendix L.

### **7-6 Source selection**

a. The process of determining which contractor(s) are awarded contracts through competitive negotiation is designed to:

- (1) Maximize competition
- (2) Minimize complexity of the evaluation and selection method
- (3) Ensure an impartial yet comprehensive evaluation of proposals
- (4) Ensure selection of offeror whose proposal is most advantageous yet realistic.

b. Requiring activities typically provide personnel to serve on source selection boards and/or provide technical assistance.

c. Detailed procedures are found in the Army Source Selection Guide.

### **7-7 Protests**

Contractors have limited rights to contest application of the procurement process. There are four forums available – Agency (local), Executive Agency Level Protest, the Government Accountability Office (GAO) and the Court of Federal Claims. In either case, protests are handled by the contracting officer. Requiring activities, however, usually are required to provide information and technical support.

## **Chapter 8 Contract Administration**

## **8-1 Contract Administration**

a. Planning for performance of the contract administration functions found in FAR Part 42 begins prior to the contractor's beginning of contract performance. Which can be found at <http://www.acquisition.gov/far/current/html/FARTOCP42.html#wp223483>

b. Requiring activities will ensure that COR/QARs are nominated and forwarded with the initial acquisition package (Appointment is by Contracting Officer) and trained, copies of performance requirements (such as performance work statements) are on-hand and understood, procedures for functions such as invoicing and property management are in place, and the prescribed method for evaluating contractor performance (i.e. QASP) is prepared. In addition, a COR/QAR contract surveillance file will be maintained and available for inspection at any time, at a minimum yearly, see COR File Inspection Checklist contained in Appendix S. Finally, COR/QAR duties are annotated on their respective Performance Support form.

## **8-2 Pre-Performance/Post-award orientation**

a. The contracting officer may direct a pre-performance/post-award conference be conducted between the Contracting Officer, successful offeror and requiring activity. This is not required for every contract and is at the discretion of the Contracting Officer.

b. Requiring activities should identify issues that may adversely affect contractor performance, such as potential misinterpretation of technical requirements.

## **8-3 Task/Delivery Order (TO/DO) Contracting**

a. A task order contract does not specify a firm quantity, but provides for the issuance of separate orders for the performance of tasks during the period of the contract (a delivery order contract is a similar contract for supplies instead of services). It is at times advantageous to have the flexibility to issue a T.O. (or D.O.) in lieu of awarding a new contract.

b. Requiring Activities should be aware of existing task/delivery order contracts available for their use; in particular, the scope of work allowable under such contracts.

## **8-4 Quality assurance/contract surveillance**

a. The contractor is legally obligated to perform to the level of quality as indicated in the contract (i.e. timelines, technical specifications).

b. Requiring activities must monitor actual performance against contractual requirements in accordance with the quality assurance surveillance plan. If the contractor fails to meet the required acceptable quality level (AQL), the requiring activity will notify the contracting officer in writing. Based in large part on this notification, the

contracting officer will determine what corrective action is needed, including contract modification and/or termination.

## **8-5 Invoicing/Payment**

a. Payment terms will be addressed in the contract. The Government only pays for supplies and services which conform to contract provisions.

b. Requiring activities must understand contract financial terms and conditions, as COR/QARs are frequently delegated responsibility to process invoices and monitor contractor payments.

c. Refer to Chapter 13 for instructions on proper execution of receiving reports.

d. Wide Area Workflow: Wide Area Work Flow - Receipts and Acceptance (WAWF-RA) is a paperless Resource Management DoD-wide application mandated to create invoices and receiving reports electronically. In the traditional DoD business method, three documents are required to make a payment - the contract, the receiving report and the invoice. Each of these may arrive at the payment office separately - if they are paper. They are processed individually as they arrive. Information is then manually keyed in to the payment system. Using WAWF-RA, electronic documents are shared, eliminating paper and redundant data entry. Data accuracy is increased and the risk of losing a document is greatly reduced. For WAWF information, refer to the following:

(1) WAWF Users Guide:

<http://www.dfas.mil/contractorpay/electroniccommerce/ECToolBox.html>

(2) WAWF Vendor's Guide, which can be provided to the contractor:

<http://www.dfas.mil/contractorpay/electroniccommerce/ECToolBox/WAWFVendorGettingStartedGuide.pdf>

(3) WAWF Training and General Information:

<http://www.dfas.mil/contractorpay/electroniccommerce/wideareaworkflow.html>

## **8-6 Contract modifications**

a. A modification is a formal change to the terms and conditions of the contract. Modifications are either unilateral (also known as a "change order") which does not require the acknowledgement of the contractor, or bilateral, which are agreed to by both the contractor and the contracting officer. Only the contracting officer has the authority to modify the contract.

b. Requiring activities may consult with the contracting officer and recommend modifications as needed. The COR/QAR maintains copies of all contract modifications and backup documentation in their contract surveillance file. Note: Any modifications

that add to the total value or increase in requirements must have an acquisition package approved by the appropriate approval authority.

## **8-7 Exercising Options**

a. The contracting officer may include options in contracts when it is in the government's interest. Prior to exercising an option it must first be determined that the requirement still exists. Requiring activities are responsible for evaluating the needs of their customers and ensuring that the government does not continue to obtain services that are no longer needed. Therefore, the requiring activity must work closely with the contracting officer to make the determination that exercise of an option is still in the government's best interest. Normally this determination is supported by a discussion of the need for continuity of services and the cost of disruption of said services

b. COR/QAR's should closely monitor the period of performance of each contract they are responsible for and provide adequate notification to the Contracting Officer to ensure continued performance of the contract. The vast majority of contracts occur on an annual basis and require a minimum of a sixty day notice to the contractor prior to the exercise of an option. A Notice of Intent to Exercise Option (See Appendix F) is sent by the contracting officer normally 6 months prior to contract expiration. In an effort to streamline the process of receiving CoS approval for the exercise of an option and supplying the service approval to the contracting activity the responsible activity's acquisition package will serve in two capacities: Obtaining the Service Contract Approval (SCA) for the exercise of an option is required and a justification for the determination to exercise the option must be contained in the JUSTIFICATION block of the SCA.

## **8-8 Contract closeout**

a. Effective contract management includes the timely close out of contracts that have been physically completed. Contract close out should yield equitable results for both the Government and the contractor. The COR/QAR MUST remain vigilant in ensuring the Contracting Office closes out and identifies any excess funds within 180 days of contract closeout to the Resource Management Officer for potential de-obligation.

b. Requiring activities assist the contracting officer in determining the status of technical terms and conditions of existing contracts, and identifying contracts and task/delivery orders eligible for close out procedures.

## **8-9 Terminations**

a. On occasion, it is in the Government's best interest to terminate an existing contract. This is accomplished by the contracting officer issuing a formal modification. Terminations are issued either for the convenience of the Government (T4C) and

usually involve payment of a fee to the contractor, or for default (T4D) in the case of the contractor's failure to perform in accordance with requirements.

b. Requiring activities consult with the contracting officer and may make recommendations for the need to terminate, either for convenience or default.

## **Chapter 9**

### **Contract Officer Representatives**

#### **9-1 The Role and Responsibilities of the COR/QAR**

a. The primary role of the COR/QAR is to monitor the contractor's performance and serve as the technical liaison between the contractor and the contracting officer, who has authority and responsibility over all aspects of the contract.

b. The contracting officer is responsible for the contract, including terms and conditions and has ultimate responsibility for ensuring that the contractor satisfies the requirements stated in the contract.

c. COR/QARs are not authorized to:

- Government;
- (1) Enter into and administer a contract on behalf of the U.S.
  - (2) Change or terminate an existing contract
  - (3) Make determinations and findings relating to the contract.
  - (4) Interpret unclear or ambiguous terms and conditions of the contract- this must be accomplished by a Contracting Officer.

d. The COR/QAR's authority is received by appointment from the contracting officer. This appointment must:

- (1) Be made by the contracting officer in writing;
- (2) Clearly describe the limits of the COR/QAR's authority
- (3) Ensure that the COR/QAR has received appropriate training. Further, that refresher training must be accomplished every three years.

f. The COR/QAR has the responsibility to:

- (1) Acknowledge in writing receipt of the delegation letter;

- (2) Carefully read and understand the contract;
- (3) Serve as a liaison between the contracting officer and the contractor;
- (4) Monitor the contractor's performance under the contract; ensure the contractor delivers in accordance with the contract.
- (5) COR must register into WAWF as an inspector/acceptor for Multiple DODAAC's in order to process invoices through WAWF.

## **9.2 Nomination and Appointment**

Only contracting officers have the authority to appoint a COR/QAR. DFARS Subpart 201.6 gives contracting officers the authority to designate a representative to assist in performing specific technical and administrative functions in support of a government contract. COR/QAR appointments should be made at the outset of the acquisition process if possible to enable the COR/QAR to participate in developing the contract specification/work statement and other pre-award activities that will affect the COR/QAR's post award responsibilities. Contracting offices should maintain a list of COR/QARs to use in providing relevant information related to contracting matters, best practices, and training opportunities.

a. Nomination. The requiring activity submits the nomination to the contracting officer in accordance with DFARS 201.602-2. The nominee's supervisor must certify the nomination before its submittal to the contracting officer. Nomination packages should demonstrate through training or relevant experience that the nominee possesses:

- (1) Knowledge of the government contracting process;
- (2) Understanding of pertinent contract clauses, such as changes, payments, government-furnished property, inspection and acceptance, and termination;
- (3) Familiarity with pertinent concepts, such as contracting authority, contract incentives, fixed-price versus cost reimbursable contracts, excusable versus non-excusable delays in contract performance, options, and Task Order contracts;
- (4) The ability to analyze, interpret, evaluate, and document factors involved in contract administration;
- (5) Sufficient time and resources to accomplish these duties, given the contracts nominee is currently managing and other workload commitments.
- (6) The nomination package should identify:

(a) The contract/requirement for which nominee will perform COR/QAR duties;

(b) Mandatory COR/QAR training, provide completion date and mode of instruction; and copy of training certificate

(c) If required, the nominee's security clearance or other specified requirements.

Note: The requiring activity must ensure the COR has the expertise to execute the technical oversight of the proposed contract prior to nomination.

(7) Each requiring activity should have an overall nominating official, normally the head of the requiring activity, to ensure that all nominees will have the experience, training, and ability appropriate to the importance and complexity of the contracts they will manage.

b. Appointment. DFARS 201.602-2 sets forth the following conditions for appointment of a COR/QAR.

(1) The individual must:

(a) Be a Government employee, unless otherwise authorized in agency regulations;

(b) Have training and experience commensurate with the COR/QAR responsibilities in accordance with department/agency guidelines.

(2) The designation must be in writing, with a copy furnished to the contractor and the contract administration office, stating:

(a) The extent of the COR/QAR's authority to act on behalf of the contracting officer;

(b) Any limitations on the COR/QAR's authority;

(c) The period covered by the delegation;

(d) That the authority cannot be re-delegated;

(e) That the COR/QAR may be personally liable for unauthorized acts.

(3) The COR/QAR may not receive the authority to:

(a) Perform functions that have been delegated to a contract administration office under FAR 42.202(a); or

(b) Make any commitments or changes that would affect the price, quality, quantity, delivery, or other terms and conditions of the contract.

(4) The COR/QAR must maintain a file for each assigned contract. The file must include, as a minimum:

(a) A copy of the contracting officer's letter of designation and any other documentation describing the COR/QAR's duties and responsibilities; and

(b) Documentation for all actions performed under the delegation of authority.

(5) Contracting officers normally only appoint one COR/QAR for each contract. In some cases, particularly in large or complex acquisitions, the contracting officer may appoint more than one COR/QAR. In addition, the contracting officer may designate an alternate COR/QAR with authority to assume the responsibilities and functions assigned to the COR/QAR, if the COR/QAR is absent due to leave, illness, or official business. The contracting officer must make this designation in writing, subject to the same requirements as the primary COR/QAR. The COR/QAR should maintain an active role throughout the life of the contract.

(6) When appointing a COR/QAR, the contracting officer must:

(a) Insert the clause at DFARS 252.201-7000, Contracting Officer's Representative, in the solicitation and contract;

(b) Prepare the appointment letter(s) in compliance with the requirements in DFARS 201.602-2;

(c) Determine that the nominee has the requisite job experience and accomplished the required training;

(d) Assess the nominee's technical and administrative competence to ensure his or her ability to perform the COR/QAR duties in an effective and responsible manner;

(e) Provide orientation, instructions, and training specific to the instant acquisition;

(f) Ensure that all COR/QAR appointment letters are properly signed by the appointee and returned in a timely manner; and

(g) Maintain records in the official contract file for each COR/QAR, including:

(i) The nomination package;

- (ii) Signed letters of appointment;
- (iii) Other pertinent documents relating to the COR/QAR's qualifications and actions.

### 9.3 Training Requirements

a. Initial Training: All COR/QARs must complete the US Army Logistics Management College's (ALMC) COR/QAR course or equivalent before the contracting officer may issue a letter appointment. Information about the ALMC COR/QAR course is available at <http://www.almc.army.mil/AMD/ALMC-CL/index.asp>. Prior COR/QAR experience is not an acceptable substitute for the ALMC or equivalent training. Some commands require additional COR/QAR training, as well.

b. Refresher Training: All CORs are required to attend refresher training at a minimum of three years following their initial training and every subsequent three years. A maximum of two on-line courses during a six year period is acceptable however a COR will not go any longer than 6 years without attending resident training.

c. For COR/QARS the following classes are as a minimum acceptable level for COR/QAR training:

(1) Resident at ALMC/DAU or equivalent: One-week, in resident at ALMC or DAU campuses or coordinated "off-site" locations.

(2) On-Site ALMC/DAU Accredited Training: Formal classroom instruction on-site using course materials furnished by ALMC, with the local activity providing facilities and instructors. ALMC instructors may augment the team, when available. Contact your training representative to find out about availability at your activity.

(3) Equivalent Courses: Several contractors and other sources offer COR/QAR courses. If the contracting officer agrees to accept a course as a valid substitute for the mandatory training, contact your training representative to arrange for taking the course.

(4) On-Line Coursework: DAU on line course CLC106 – COR With A Mission Focus. This course is acceptable for the three year refresher training requirement. On a limited basis, a new COR may utilize this training for conditional certification purposes, *however, the COR must complete resident coursework within six months or will be removed as a COR.*

d. COR/QARs should review training course materials frequently, but no less than annually. COR/QARs who manage large or complex contracts should consider taking the ALMC course or its equivalent to maintain currency in COR/QAR practices.

## 9.4 Unauthorized Commitments and Ratifications

a. Only the contracting officer has the authority to enter into, modify, interpret and administer a contract. The authority of the COR/QAR is limited to the responsibilities explicitly stated in the nomination letter.

b. Only a contracting officer can direct the contractor to take any action that would change the contract, such as the following:

- (1) Total price or estimated cost
- (2) Product deliverables
- (3) SOW/PWS
- (4) Delivery dates
- (5) Period of performance
- (6) The administrative provisions of the contract
- (7) Interpret unclear or ambiguous terms and conditions of the contract

c. When a COR/QAR exceeds his or her delegated authority, an unauthorized commitment (UAC) or a claim against the Government may result. (See Chapter 10 for processing of Unauthorized Commitments) For example, suppose a COR/QAR tells the contractor that the product would be better if the contractor used a different material or method. A UAC will result if the contractor takes the COR/QAR's statement to be direction and substitutes the new material or method for what was specified in the contract. To avoid an unauthorized commitment, the COR/QAR should first make it clear to the contractor that he or she does not have authority to give such direction and then submit a recommendation to the contracting officer to modify the contract.

d. Another example of a potential UAC is when the Government continues to conduct business as usual with the contractor after a contract lapses but has not been formally renewed or extended. In this case, the failure of the COR/QAR to notify the contracting officer in time to renew the contract or to promptly notify the contractor of the situation could be an unauthorized commitment.

e. In general, the COR/QAR must not take any of the following actions:

(1) A Commander has NO AUTHORITY to force the COR to commit an unauthorized commitment. The COR is ultimately responsibly for his/her actions.

NOTE: A Commander's apparent command authority in directing a contractor to perform outside the scope of a contract or without a contract does not legally bind the

government. This WILL result in an unauthorized commitment and the Commander may suffer personal pecuniary liability, in other words pay for the service or commodity with their own personal funds. Further, it is the duty of the COR to report any UAC as soon as identified through their Chain of Command.

(2) Make any commitments or promises relating to award of contracts or any representation that would be construed as such a commitment;

(3) Issue instructions to the contractor to start or stop work;

(4) Encourage the contractor by words, actions or a failure to act to undertake new work or an extension of existing work beyond the stated contract period;

(5) Interfere with the contractor's management prerogatives with its employees, such as "supervising" or otherwise directing their work efforts of an employee;

(6) Accept products or services not expressly required by the contract;  
and

(7) Unless directed by the contracting officer, authorize a contractor to:

(a) Obtain property for use under a contract; or

(b) Allow a contractor to use government property accountable under one contract in the performance of another contract.

f. In most cases, the contracting officer will counsel a COR/QAR that has exceeded his or her authority, or take other steps to ensure that the error is not repeated. However, in cases of gross abuse, the contracting officer may revoke the COR/QAR appointment immediately, without giving the COR/QAR a second chance.

g. UACs are very serious matters that may result in personal liability or other adverse consequences for the COR/QAR. For guidance related to unauthorized commitments and ratification procedures contact your contracting officer and refer to Chapter 11 of this Handbook.

## **9.5 Standards of Conduct (Ethics)**

a. As important representatives of the government, COR/QARs must maintain high ethical standards at all times. The Department of Defense Standards of Conduct Office (SOCO) at [http://www.defenselink.mil/dodgc/defense\\_ethics/](http://www.defenselink.mil/dodgc/defense_ethics/) provides information relating to the ethics and standards of conduct programs throughout DoD. This includes ethics training materials and links to DoD Regulation 5500.7-R, Joint Ethics Regulation (JER), which is available for download at [http://www.defenselink.mil/dodgc/defense\\_ethics/](http://www.defenselink.mil/dodgc/defense_ethics/).

b. The Acquisition Ethics Program is the primary guideline for the actions and activities of government representatives. Topics include favors, gratuities, and consideration for services, conflicts of interest, and the unauthorized use of official U.S. Government positions.

c. The Defense Acquisition Ethics Program sets the following fundamental ethical principles:

(1) Integrity: People with integrity are principled, honorable, and upright. They are consistent in their moral behavior and do not adopt an “end-justifies the means” philosophy.

(2) Honesty: Honest people are truthful, sincere, and candid. They do not mislead, act deviously, or misuse or disclose information learned in confidence.

(3) Fairness: Fair people show a commitment to justice, equal treatment, and tolerance. They are unbiased, open-minded, and where appropriate, willing to change their positions.

d. Actions the COR/QAR must do.

(1) Be familiar with the requirements of the JER and FAR 3.104, Procurement Integrity, and supplements.

(2) Treat contractors impartially.

(3) Avoid any situations involving conflicts of interest.

(4) Safeguard all procurement sensitive and proprietary information.

(5) Report any suspected violations to the contracting officer and/or the ethics counselor.

(6) File required financial and employment disclosure reports.

(7) Attend yearly ethics and procurement integrity training.

(8) If you are uncertain about any situation you encounter, contact your contracting officer or ethics counselor.

e. Actions the COR/QAR must not do.

(1) Discuss acquisition plans or provide advance information that might give one contractor an advantage over other potential contractors in a forthcoming procurement.

(2) Discuss with the contractor or subcontractors any potential employment opportunities for yourself or your friends, associates, or family members.

(3) Engage in any personal business or professional activity that would cause a conflict of interest between the private interests of the COR/QAR and the public interests of the United States.

(4) Use the COR/QAR position to induce, coerce, or influence any person, including subordinates, to provide any benefits financial or otherwise, for himself or others.

(5) Solicit or accept favors, gratuities, considerations, assistance, or entertainment offered to the COR/QAR or family members from a contractor or subcontractor that is contemplating doing business with the Government.

(6) Release to any individual, or any individual business concern or its representatives, any knowledge acquired in any way concerning proposed procurements by any procuring activity of the Department of the Army.

## **9.6 Duties performed by the COR/QAR**

Specific tasks for a COR/QAR vary with the type of contract and complexity of the acquisition. Each contract must be treated on an individual basis, because it may place responsibilities on the COR/QAR unique to that contract or task order. The primary duties of the COR/QAR are specified by the contracting officer appointment, however it is advantageous for the COR/QAR to take part in various pre-award activities. Early involvement by COR/QAR can make for a better contract. It will also give the COR/QAR better insight into the contract requirements to make the post-award tasks easier to accomplish.

a. Acquisition Planning. Acquisition planning is the process of identifying and describing requirements and determining the best method for meeting those requirements. Acquisition planning focuses on the business and technical management approaches designed to achieve the customer's objectives within specified resource constraints and the procurement and contracting strategies necessary for implementation. The most important steps in acquisition planning may include the following activities by the COR/QAR:

(1) Determination of Need

(a) Work with the user to forecast future acquisition requirements and look for long-range strategies to maximize competition, minimize costs, and reduce lead times.

(b) Prepare initial cost estimates and schedules and determine priorities

- (c) Describe needs in terms of desired outcomes and objectives.
- (d) Perform a cost/benefit analysis to prioritize the objectives.
- (e) Determine the need for test equipment/tooling, software, Government Furnished Property (GFP).
- (f) Identify documentation/data requirements.

## (2) Market Research/Market Surveillance

- (a) Obtain data from acquisition histories and other DoD sources. Collect and compile additional market information.
- (b) Conduct trade studies to evaluate alternatives and associated risks. As part of the trade study, consider supportability, reliability, cost and schedule as well as performance.
- (c) Estimate the proper price level or value of needed supplies or services.
- (d) Determine if commercial-off-the-shelf or non-developmental items (COTS/NDI) are applicable.

(3) Electronic Purchase Requests via Aquiline/PRWEB. Use market research results to determine, as appropriate:

- (a) Available sources
- (b) Contractor vs. government performance
- (c) Budgeting and funding needs
- (d) Product descriptions
- (e) Priorities, allocations, and allotments
- (f) Management information requirements
- (g) Security considerations
- (h) Government furnished property/information needs
- (i) Environmental considerations
- (j) Performance milestones

(4) Identify deliverable requirements, including options and foreign military sales, and work with the assigned contracting office to prepare the contract line item structure and any data requirements.

(5) Plan the requirements for the contract, including Performance Requirements Statement (PWS/SWO/SOO), as appropriate the Performance Requirements Summary (PRS), Quality Assurance Surveillance Plan (QASP), specification, project design reviews, acceptance requirements, and schedule.

(6) Ensure adequate funding to support technical requirements.

(7) Submit PR using procedures applicable at your location (including PRWeb).

b. Post-award Tasks.

(1) Contract Administration Planning. After award, the contracting office will send the following documents to the COR/QAR:

(a) The COR/QAR appointment letter

(b) A complete copy of the contract

(c) The Quality Control Plan (QCP) of the contractor

(d) The Quality Assurance Surveillance Plan (QASP)

(e) Maps, building numbers, wage determinations, and other pertinent documents.

(2) The contracting officer may call upon the COR/QAR to help:

(a) Develop planning milestones and due dates.

(b) Document planning activities in the contract file.

(c) Establish the agenda, time, place, and other logistics for a post-award orientation meeting.

(d) Establish communication channels and good working relations with the contractor.

(3) The COR/QAR should read the contract in its entirety to ensure complete understanding of the tasks, milestones, clauses, and other terms and conditions of the contract, in order to:

(a) Ensure the contract file is complete.

- (b) Establish a list of documents due from the contractor each month.
- (c) Establish a list of documents due from the COR/QAR to the contracting officer each month.
- (d) Determine the priorities of tasks that must be monitored.
- (e) Understand the surveillance and monitoring techniques that may be used.
- (f) Determine the contractor's obligations under the contract.
- (g) Identify potential problem areas in the contract.
- (h) Prepare for the initial visit to the work site or to contractor's office to meet key players.

c. Post Award Conferences. Conducted and chaired by the contracting officer. While it is not required for all contracts, the post-award or pre-performance conference can be a valuable tool for post-award planning. Although not the time to change a contract, sometimes the need for a modification may surface at this meeting. It is the opportunity for both parties to:

- (1) Meet one another face-to-face and work out administrative details. Identify government and contractor personnel and their roles
- (2) Achieve clear and mutual understanding of the contract requirements. Identify and resolve potential problems
- (3) It should focus on establishing a good working relationship between government and contractor personnel and in clarifying any remaining questions or issues, such as:
  - (a) Roles of the Government's contract management team members
  - (b) Roles of the contractor's contract management team members
  - (c) The contract type, options, deliverables, and delivery schedules
  - (d) Special contract clauses
  - (e) Incentive features and procedures
  - (f) Government Furnished Property or services

- (g) Allowable and non-allowable costs, if appropriate
- (h) Contractor reporting requirements
- (i) Contractor's quality control system/procedures
- (j) Inspection and acceptance provisions
- (k) Invoicing and billing procedures
- (l) The contractor's responsibilities
- (m) Critical milestones
- (n) The specifications and other requirements
- (o) The need for special technical directions
- (p) Waivers and deviations
- (q) Drawing/design approvals
- (r) Manuals
- (s) Production requirements
- (t) Production planning
- (u) Pre-production samples
- (v) Qualifications and environmental tests
- (w) Laboratory facilities
- (x) Insurance requirements
- (y) Department of Labor requirements, safety and security concerns

(z) The need for identification of contractor employees (badges, worksite, correspondence including electronic, use of Government telephones, attendance at meetings) Note: Contractors should not be issued badges for a period longer than the contract period, for example on a base plus four year contract, contractors would be issued an initial badge for the first year with renewal required for each option year.

(aa) Local regulations relating driving on the installation, emergency phone numbers

(ab) Environmental, safety, and health requirements

d. Contract Oversight and Surveillance. The COR/QAR has the responsibility/authority to monitor all aspects of the day-to-day administration of a contract. The COR/QAR must identify to the contracting officer areas of concern for corrective action (i.e. Inspection of Work, Technical Progress Reports, Technical Direction, Constructive Changes, etc.). Throughout the process, the COR/QAR must maintain accurate and complete records, while accomplishing the following tasks, as applicable.

(1) Provide a surveillance plan prior to award detailing contract monitoring procedures and performing the surveillance based upon the plan. Update this plan to maintain its currency.

(2) Report any instance of suspected conflict of interest or fraud, waste, and abuse to the contracting officer or the local Office of General Counsel.

(3) Maintain access to and/or furnishing all technical publications and regulations included in the contract.

(4) Ensure that the contractor has current security clearances for facilities and personnel.

(5) Provide recommendations to the contracting officer relative to approval/disapproval requests for public release of information regarding work under the contract.

(6) Ensure that contractor personnel working on a Government facility wear identification at all times and identify themselves as contractor employees when attending meetings, using the telephone, and in all correspondence (whether written or electronic).

(7) Perform property surveillance and/or oversight over accountability on government furnished property, except when a Property Administrator assists with this function.

(8) Initiate action for Government Furnished Property for contractor use and ensure that the contractor receives property in accordance with the contract.

(9) Furnish disposition instructions to the contractor for GFP or contractor-acquired property when requested by the contracting officer.

(10) Provide technical interpretations of the requirements to the contractor.

(11) Document in the COR surveillance file any technical assistance given to the contractor.

(12) Respond to the contractor in writing for significant matters, with a copy to the contracting officer.

(13) Notify the contracting officer immediately whenever the contractor disagrees with or refuses to comply with any technical aspects of the contract as interpreted by the COR/QAR.

(14) Refer any disagreements with the contractor to the contracting officer.

(15) Strive to void misunderstandings and conditions that could lead to a claim or dispute.

(16) Monitor the contractor's performance, including submittal of required reports and other documentation.

(17) Ensure prompt review of all reports.

(18) Provide approval/disapproval and comments to the contractor through the contracting officer.

(19) Monitor financial management controls and coordinate with government resource managers and Internal Review auditors on actions relating to funding and changes in the contract. Evaluate monthly cost data on a quantitative and qualitative basis to include trends and projections, if appropriate.

(20) Monitor contractor expenditures under cost reimbursable contracts to ensure that the contractor provides proper notice to the contracting officer and to provide appropriate recommendations to the contracting officer. Request that the contracting officer de-obligate excess funds, when appropriate.

(21) Review reimbursable contractor purchases to ensure that the contractor has provided evidence of receipt before requesting payment.

(22) Ensure proper billing of any contractor-acquired property and documentation in property accountability records.

(23) Notify the contracting officer when the contractor is behind schedule or not performing within cost.

- (a) Explain the reasons for the contractor's problems.
  - (b) Identify the work related to the overrun or schedule delay.
  - (c) Recommend corrective actions to the contracting officer.
  - (d) If a contract change is called for, submit a funded requisition to the contracting officer, describing the required changes related to the overrun.
- (24) Document your recommendations to the contracting officer for the need to modify the contract or for other contract actions.
- (25) Ensure that the contracting officer has issued the contract modification before the contractor may proceed with any changes in the work/services or delivery schedule.
- (26) Provide oversight of contractor in process QA procedures.
- (27) Provide appropriate coordination between the contracting officer and any technical inspectors or quality assurance evaluators/inspectors assigned to the contract.
- (28) Perform inspection of delivered supplies or services.
- (29) Reject nonconforming supplies or services and inform contracting officer of same.
- (30) Verify that the contractor has performed the technical and management requirements of the contract in accordance with the contract terms, conditions, and specifications.
- (31) Certify receipt of supplies/services for payment purposes. Ensure that the process is performed IAW contract quality provisions and within the contract performance period.
- (32) Verify that the contractor has successfully corrected any deficiencies in delivered supplies and services.
- (33) Coordinate with the contracting officer in sufficient time to exercise options to avoid losing the Government's right to exercise an option.
- (34) Make evaluations and recommendations concerning Task Order awards.

(35) Prepare the contractor's past performance assessments in Contractor Performance Assessment Reporting System (CPARS) for all contracts with an aggregate value exceeding \$1M.

e. Termination of COR/QAR Duties. The contracting officer should monitor the COR/QAR's performance during the contract to ensure that the COR/QAR's responsibilities and duties are being carried out. The contracting officer may revoke the COR/QAR appointment at any time. All terminations must be done in writing to the COR/QAR, the COR/QAR's supervisor and the contractor. Before terminating a COR/QAR's appointment for cause, the contracting officer should notify the COR/QAR in writing and consider taking other corrective actions as appropriate. For example, the contracting officer may counsel the COR/QAR or amend the appointment letter to clarify or further limit the COR/QAR's authority. In cases of gross dereliction or significant ethics violations the contracting officer may revoke the COR/QAR's authority immediately. In such cases, the COR/QAR must identify all contracts which he or she is managing. The contracting officer must notify the supervisor of the COR/QAR of the incident and other actions to protect the Government's interests. The supervisor should notify the contracting officers of other contracts the person may be managing. If a COR/QAR must request relief from duties, the COR/QAR should notify the contracting officer in sufficient time to permit timely appointment of a successor COR/QAR.

f. Documentation Requirements. Complete and orderly files are vital in administering the contract to ensure that the Government meets its obligations in order to have a successful contract, particularly when disagreements or questions of interpretation arise. The COR/QAR file will play a critical role in resolving a dispute before an administrative or legal review board. A good COR/QAR file will facilitate the transfer of responsibility if the COR/QAR is replaced during the contract. The contracting officer should hold periodic status or progress meetings with the COR/QAR, the contractor and other personnel, as necessary, to discuss problems, progress of the contract and contractor performance. COR/QARs must ensure that they receive copies of written minutes and other correspondence related to these meetings, including follow-up actions.

(1) COR/QARs must maintain records documenting all telephone calls, e-mails, and other correspondence between the COR/QAR, the contractor, the contracting officer, and other personnel relating to contract performance. The COR/QAR should maintain a log of any resulting actions.

(2) COR/QAR Working File. The COR/QAR file is a part of the official contract file and must be maintained in accordance with the contracting officer's instructions. The primary COR/QAR should maintain the official COR/QAR file, which must be available for review by the contracting officer, Inspector General, GAO, or other authorized officials.

(a) Maintain a separate current file for each contract (see [FAR 4.8](#) for contract file requirements).

(b) As a matter of practice, prepare a “Memorandum for Record (MFR)” no later than one business day after a significant meeting or discussions with the contractor or the contracting officer, including telephone conversations and trip reports.

(c) Clearly index all documents and file by group, in chronological order in a suitable folder.

(d) Forward to the contracting officer any correspondence received from the contractor.

(e) Send copies of all correspondence the COR/QAR prepares to the contracting officer.

(f) Mark the contract number clearly on all documents sent to the contracting officer.

(g) Upon completion of the contract, forward the COR/QAR file to the contracting officer for retention in the official contract file.

(h) Retain records that pertain to unsettled claims, open investigations, cases under litigation, or similar matters until final clearance or settlement, even if retention of these records exceeds the period required under FAR 4.8.

(i) Destroy duplicate copies of file documents after they have served their purpose, but in no event retain them more than one year after closeout of the contract. Remember that e-mails are legal documents.

(j) Some tips to remember in maintaining your contract file.

(i) Include the contract number on each record and all correspondence relating to the contract.

(ii) In your computer files, create a separate folder for each contract to enable ready access to pertinent files.

(iii) Be sure that the contracting officer and other interested parties receive copies of all significant correspondence.

(iv) Give the utmost care to safeguarding proprietary data and classified and business-sensitive information.

(v) Do not rely on your memory - document events on the day or next working day after they occur.

(vi) Keep a record of important telephone conversations.

(vii) Take good meeting notes, even when for the informal meetings.

(3) COR/QAR File Contents. Include the following documents in the COR/QAR file. The contents of each will vary according to the size and complexity of the contract.

(a) COR/QAR Nomination, Appointment and Termination Memos

(i) Names and position titles of individuals who are functioning as technical and administrative assistants

(ii) Copy of signed/acknowledged COR/QAR appointment and designation letters

(iii) Any correspondence from the contracting officer that amends the letter of appointment

(iv) Other materials or information pertaining to actions taken in accordance with the designation letter

(b) Contracting Officer Representative (COR/QAR) Training

(i) Proof of completion of the ALMC/DAU COR/QAR training or equivalent to include refresher training.

(ii) Copies of certificates/evidence of attendance for additional COR/QAR related training (i.e., COR/QAR refresher training, ethics training)

(c) COR/QAR File Reviews by the contracting officer

(i) COR/QAR File Review by contracting officer (no less than annually)

(ii) Copies of any written notifications from the contracting officer to the COR/QAR's Functional Area Supervisor

(iii) Copies of the checklist used by the contracting officer in conducting the COR/QAR reviews

(d) A copy of the contract, including all orders and contract modifications

(e) The Notice of Award or Notice to Proceed

(f) Minutes of the post award conference and all meetings and with the contractor. Identify persons present, dates, matters discussed, and actions taken.

- (g) A list of all applicable regulations
- (h) Approved and accepted plans that have been signed by the contracting officer and/or functional area office
  - (i) Quality Assurance Surveillance Plan
  - (ii) Quality Control Plan
  - (iii) Transition Plan
  - (iv) Strike (Labor/Union) Plan
  - (v) Contractor's approved work plan
  - (vi) Contractor Quality Control Plan
  - (vii) Any other approved or accepted plans
- (i) Installation security requirements and guides
  - (i) Names and social security numbers of all employees provided by the contractor for a post passes
  - (ii) Security passes for building entry
  - (iii) Contractor vehicles that require company identification
  - (iv) Security Clearances
  - (v) Other security requirements, as applicable
  - (vi) Correspondence relating to contract performance
- (j) Records of Meetings and Briefings
- (k) Synopses of telephone conversations with the Contractor
- (l) Documentation of on-site visit results
- (m) Data, reports, and other documentation furnished by the contractor, including COR/QAR's analysis and action taken
- (n) Approvals the COR/QAR has given to the contractor (Note: these approvals may only be within the COR/QAR designated authority.)

(o) Copies of any approvals by the contracting officer IAW the Materials and Workmanship clause in construction contracts

(p) Interim and final technical reports or other products

(q) Documentation of acceptability/unacceptability of deliverables

(r) COR/QARs final assessment of contract or order performance

(s) Copies of any other data as may be required by the contract provisions

(t) Any labor reviews and progress schedules approved by the contracting officer

(u) Surveillance Documentation

(i) DA 54372 - Contract Monitoring & Surveillance Report

(ii) DA 5475-R - COR/QAR Schedule

(iii) DA 5477-R - Customer Complaints

(iv) DA 5476-R - Surveillance Activity Checklists

(v) DA 5479-R - Contract Discrepancy Report- Utilized to document poor performance or discrepancies in the Contractors performance. Once completed it must be sent to the contracting officer for resolution.

(vi) Progress schedules approved by the Contracting Officer

(vii) Progress reports submitted by the contractor

(viii) Laboratory test reports (Note: in some construction contracts the technical specifications require laboratory tests for some materials used in the performance of the contract, including, samples, photographs, witness statements, and other factual data)

(ix) Records of unusually severe conditions that affected contract performance in accordance with the respective default clause. For example, weather conditions are particularly important for construction contracts and other contracts that call for performance outside.

(x) Delinquency Reports

(v) Other contractor reports

(i) Resumes due to contractor employee changes

(ii) Contractor Performance Assessment Reporting System (CPARS) Evaluations as input by the COR/QAR – threshold required for: Supplies - \$5,000,000, Services - \$1,000,000 and Construction - \$500,000.

(w) Concerning contract funding and payment

(i) Maintain a payment register/payment log that tracks all payments by the Government to ensure that expenditures do not exceed money available.

(ii) Ensure that payment register balances in the COR/QAR file match those in the contracting office file.

(iii) Maintain copies of all contractor invoices/receipt documents (DD Form 250s) processed with all supporting documents.

(x) Concerning any Government Furnished Property (GFP) and Contractor Acquired Property (CAP) under the contract

(i) Maintain an inventory list of all government owned property.

(ii) Take an inventory of government owned property on the contract at least annually.

(y) COR/QAR Status Reports to the contracting officer

## 9.7 COR/QAR Mandatory Performance Evaluation Verbiage

It is mandatory that COR/QAR responsibilities be included in their respective Performance Evaluation Reports and that COR/QARs be accountable for his/her additional COR responsibilities. Therefore, military COR Officer Evaluation Reports (OER), Noncommissioned Officer Evaluation Reports (NCOER) and civilian National Security Personnel System (NSPS), will include the following standardized objectives:

a. COR will attend and successfully complete regulatory training.

Note: The **MET** standard is mandatory completion of the initial formal, week-long ALMC/Defense Acquisition University (DAU) or equivalent COR training or refresher DAU Continuous Learning module (CLC 106) every three years following completion of the initial COR training.

**EXCELLENCE** is completing the formal, week-long on-site COR training and CLC 106 refresher training every 3 years and completing 10 hours of additional COR training on an annual basis.

b. COR will maintain a file for each contract assigned. The file will contain the contract, all contract updates, required surveillance reports, and daily logs (for construction contracts).

Note: The **MET** standard is that a complete and fully current COR file shows evidence of routine and timely surveillance throughout the performance period of the evaluation. **EXCELLENCE** is a complete and fully current file showing evidence of routine and timely surveillance throughout the life of the contract, AND a certified pass of inspection by a Contracting Officer or approved Representative.

c. COR will register into WAWF as an inspector/acceptor for Multiple DODAAC's in order to process invoices through WAWF and certify performance for payment in Wide Area Workflow (WAWF) within 5 days of email notification of invoice awaiting action in WAWF.

Note: The **MET** standard is certification of WAWF payments within five days of email notification and if not on WAWF, submission of a completed DD 25 or DFAS accepted equivalent, within 5 days after end of performance period. **EXCELLENCE** is WAWF certification within 3 days of the email notification. If not on WAWF, excellence is submission of a completed DD 250, or DFAS accepted equivalent, within 3 days.

d. COR will manage all requests for contract modification or exercise of options in a timely manner, in accordance with the supporting contracting office policies and procedures.

Note: The **MET** standard is to complete submission of exercise documentation 30 days prior to contract end date and submission of contract modification requests timely to the contracting officer. **EXCELLENCE** is submission of exercise documentation NLT 60 days prior to contract end date and submission of modification requests timely to the contracting officer.

## **Chapter 10**

### **Unauthorized Commitments**

#### **10-1. General**

a. An Unauthorized Commitments, (FAR) Part [1.602-3\(a\)](#) is defined as "an agreement or purchase 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." [FAR 1.602-1](#) provides UAC contract authority only to an appointed Contracting Officer within their delegated authority.

The unauthorized commitment of funds is a growing problem within the Army. These commitments represent an unwarranted expense to the Army budget as, invariably, the

administrative time expended far exceeds that required to purchase the very same item or service through appropriate procedures. Additionally (1) items which should not be purchased would be weeded out by the acquisition process and/or (2) many items/services may be purchased at a better price (i.e. either by best value or lowest cost) when competed in the marketplace.

b. "Ratification" as defined in [FAR 1.602.3\(a\)](#) "means the act of approving an unauthorized commitment by an official who has the authority to do so."

c. The Government can avoid an unauthorized commitment (UAC) only through attention to detail and strict adherence to official guidance by personnel throughout the chain of command. In a situation where an UAC has taken place, the "committer" and the chain of command must understand the process of ratification, the process of UAC investigation, and the final disposition for the transaction.

d. Unauthorized Government personnel must take care to avoid making statements that may be interpreted by vendors as commitments to either commence work or to provide services/supplies. All individuals working in positions requiring them to deal with commercial businesses must be aware of the policies to prevent problems in the procurement process and embarrassment to the Government. All ranks of Government employees, whether civilian or military, must abide by the same rules and assure only "authorized" personnel make financial commitments for the Government.

**10-2 Ratification Procedures.** The ratification (the act of approving a UAC by an official who has the authority to do so) is time-consuming, requires considerable documentation, and often damages the Government's ability to conduct future business with the firms involved.

a. Immediately notify the contracting officer of the potential UAC for determination if this meets the definition of a UAC. The contracting officer will provide clarification and actions required.

b. If determined to be a UAC:

(1) Potential UAC Identified: Outside source, Requiring Activity or Contracting identifies potential Unauthorized Commitment. Parties consult as if the action is in fact a UAC. It is the responsibility of the Requiring Activity as well as Contracting to ensure UAC is processed in a timely manner.

(2) Director of Contracting researches, identifies action should be processed as a UAC and then provides the UAC guide and fillable form for completion by the Command. (Refer to <https://usarcintra/caso>, then click <https://usarcintra/caso/ImportantAcquisitionMemorandums1.htm> Acquisition Policy Memorandums and Guidance to access UAC Guide and form). If not a UAC, appropriate resolution will be coordinated/completed by joint action between Requiring Activity and Contracting.

(3) Command completes Request For Approval of Unauthorized Commitment (Refer to <https://usarcintra/caso>, then click <https://usarcintra/caso/Important Acquisition Memorandums1.htm> Acquisition Policy Memorandums and Guidance to access UAC Guide and form):

(a) Individual committing potentially UAC and their supervisor completes part 1, section A, and attaches supporting documentation. Outlines description of UAC

(b) Unit Commander/Director/Activity Chief (O-6 or equivalent) in chain of command, completes part 1, section B. *Outlines Unit Commander's review, which includes disciplinary and corrective action.*

(c) If UAC greater than \$10,000 Installation Commander or 1<sup>st</sup> General Officer/Senior Executive Service (SES) Commander in unit's chain (see guide for clarification). Completes concurring official's validation.

(d) Command submits completed UAC package, purchase request for amount of UAC and vendor's invoice to include a statement from the Fund Certification Authority stating "funds were available at the time of the unauthorized obligation, funds were available at the time of the ratification and remained available throughout.

(e) Contracting Activity receives and process ratification. Process, from the time of contracting receives to closing, should normally take between:

(1) UAC under \$10,000 60 days

(2) UAC over \$10,000 up to 120 days.

## **Chapter 11 Government Purchase Card**

### **11-1 Purpose**

The Government Purchase Card is utilized for the acquisition of micro-purchases. Micro purchases are those for the procurement of supplies or services, the aggregate amount of which does not exceed; \$3,000.00 for supplies; \$2,500.00 for services; or \$2,000 for construction.

### **11.2 Government Purchase Card Program Management/Policies and Procedures**

The Government Purchase Card program credit cards will be managed through the Army Reserve Contracting Center and associated regional contracting offices. Further, all USAR activities will follow policies and procedures as established by the Department of the Army and further defined by the MICC USAR Center SOP:

a. Army Regulation AR-715-xx, REVISED 2 May 2007, Government Purchase Card Program. **ADD DIX AKO SITE FOR MEMO**

b. Army Reserve Contracting Center (Mission and Installation Contracting Center – Fort Dix), Government Purchase Card (GPC) Standard Operating Procedures (SOP), dated November 2008, **ADD DIX AKO SITE FOR MEMO**

### 11.3 Management of GPC Delinquencies

It is the responsibility of all Commanders to ensure that GPC accounts are paid in a timely manner. In accordance with Army Regulations, GPC accounts are required to be certified for payment through Access on Line (AXOL) within five business days of the billing cycle close date. Accounts remaining uncertified after 10 business days will be suspended.

Should a delinquency occur, the following procedures will be followed in management of delinquencies:

a. The Army Reserve Contracting Center (MICC USAR Center office) will generate an uncertified account report every Thursday. These reports will be provided to Approving Officials for action.

Note: Previously suspended accounts, no longer appearing on the report will be reopened. Accounts uncertified at the time of the report will remain suspended until the report is run the following Thursday. Uncertified accounts will not be individually reopened.

b. Accounts 30 days past due are considered delinquent and will be suspended until the account is certified; payment is received by the supporting Bank and the account no longer appears on the Bank Delinquency List.

c. An approving/certifying official's second appearance on the Delinquency List within 12 months will require in addition to the above, counseling by the approving/certifying official's immediate supervisor before the account is reactivated. This counseling, followed up in writing to the Level IV A/OPC, will consist of the importance of timely payments of accounts and corrective measures to ensure future payments will be made in a timely fashion.

d. The third appearance on the Delinquency List within 12 months will result in immediate suspension which will not be re-opened until a statement is received from the approving/certifying official's commander or director explaining actions taken to ensure compliance with payment procedures and requesting re-activation.

e. The fourth appearance on the Delinquency List within 12 months will result in a suspension of the account until a new approving/certifying official is assigned.

**11.4 Management Controls:** All commands are required to complete the Management Control Checklist for Administration of the Purchase Card Program (See Army GPC SOP with Appendix E being the checklist at **ADD DIX AKO SITE FOR**) as this checklist is a mandatory yearly Department of the Army requirement.

## **Chapter 12**

### **Unsolicited Proposal Processing**

**12-1 General.** An unsolicited proposal is a written proposal that is submitted to a Government agency for the purpose of obtaining a contract with the Government that is not in response to a specific request for proposals.

***NOTE: Strict guidelines are covered in Chapter 17 and WILL be adhered to as it relates to meeting with contractors and vendor demonstrations.***

a. It is the policy of the Government to foster and encourage the submission of unsolicited proposals. The Army also encourages prior contact by prospective submitters with Army subject matter experts so long as such contact is for the limited objective of conveying to the submitter, an understanding of the agency mission, responsibilities, and the needs relative to the type of effort contemplated, and the mechanism for submitting an unsolicited proposal. Information released to a contractor should be generally available to all contractors and potential contractors (subject to security considerations).

***NOTE: Before an activity encourages these types of actions or discusses any requirement contact the supporting Contracting Office as your intentions may not fit the definition of an Unsolicited Proposal. We also must ensure Procurement Integrity! Further, other Contracting Officer initiated Courses of Actions may better support your objectives such as Contracting Officer conducted Industry Days, formal Request For Information, etc.***

b. The submission of new and innovative ideas should be in response to Federal Business Opportunities (FEDBIZOPS, Broad Agency Announcements, Small Business Innovation Research topics, Small Business Technology Transfer Research topics, Program Research and Development Announcements, or any other Government-initiated solicitation or program.

c. However, when the new and innovative ideas do not fall under topic areas publicized under the aforementioned programs or techniques, the ideas may be submitted as unsolicited proposals. See note under paragraph a. above.

***NOTE: No contact or conversation other than forwarding potential Unsolicited Proposals, see 12-2. below, should be followed by the Requiring Activity.***

### **12-2 Procedures for Processing Receipt of Unsolicited Proposals.**

a. Requiring Activity will:

(1) NOT request unsolicited proposals.

(2) Coordinate potential courses of action with the supporting contracting officer.

(3) For any and all unsolicited proposals, the requiring activity will forward any received unsolicited proposal to internal contracting POC, in the case of USAR activities that would be the Contract Administration Support Office. Instruct vendor that all further communication regarding the unsolicited proposals be with that contracting POC/CASO.

b. Non-USAR Activity Contracting POC/CASO will:

(1) Receive and log in all unsolicited proposals.

(2) Forward to the applicable MICC USAR Center supporting contracting office for processing.

c. MICC USAR Center Supporting Contracting Office will process the Unsolicited Proposal within the guidelines set forth in the FAR.

## **Chapter 13 Processing of Receiving Reports**

### **13-1 General:**

a. All contractors must be paid, the Army's payment of choice for contracts is through a supporting Defense Finance & Accounting Services Office (DFAS). Payments are either processed via Wide Area Work Flow (WAWF) or manual transactions. Since the Army gets charged significantly for manual transactions, per each transaction, WAWF is an automated payment process which cost significantly less on a transactional basis thus the DoD is mandating 75% usage.

b. DFAS must have three documents to affect a contract payment: (1) a contract instrument, (2) an invoice requesting payment, and (3) a receiving report attesting to the receipt and acceptance of the supply or satisfactory completion of a service. As the Army is moving toward a paperless acquisition process, most of those required documents are now required to be submitted via the WAWF electronically; however, whether paper or paperless the lack of one of these documents will hold up payment to the vendor. In the case of a late receiving report, the requiring activity is often responsible for payment of interest under the Prompt Payment Act.

c. The leading cause of interest payments has been, for many years, the lack of or improper completion of the activity "receiving report." There are many reasons for late receiving reports, however none of these reasons will prevent interest from accruing.

All will ultimately cost the activity, and thus the Army, scarce dollars in interest payments and/or vendor confidence unless more attention is given to the timely and accurate processing of these documents.

d. Late payments benefit no one – not the vendor and certainly not the Army. Because they reduce funds that can be spent to the benefit of the soldier, late vendor payments have been a continuing concern at the Army level.

e. It should be noted that RECEIPT and ACCEPTANCE are not the same and cannot be used interchangeably. Receipt occurs when a vendor delivers goods to a specified point or individual or completes a service. Acceptance occurs when an authorized U.S. Government representative examines the goods or services, compares the goods or services to the procurement document, and is satisfied that they conform to the contract specifications. Receipt and acceptance may occur on the same day, but usually, acceptance is a few days after receipt. Keep in mind that acceptance must be accomplished within 7 calendar days of receipt of the item or service. The activity then has up to 5 additional days to get the receiving report to the DFAS payment office.

f. Receiving reports must be submitted for payment based on the completion of some act, i.e. delivery of items, monthly service, percentage of completion of a repair and maintenance (construction) requirement, etc. The receiving reports should coincide with the vendors approved invoicing methods and timelines. It is noted that services such as recurring leases or services with a monthly billing also require monthly receiving reports to allow DFAS payment.

**13-2 Processing Invoices via WAWF:** This is the DoD directed payment system of choice for the USAR. Procedures for processing payments via WAWF as well as useful training information can be found at the following DFAS Websites:

a. WAWF Users Guide:

<http://www.dfas.mil/contractorpay/electroniccommerce/ECToolBox.html>

b. WAWF Vendor's Guide, which can be provided to the contractor:

<http://www.dfas.mil/contractorpay/electroniccommerce/ECToolBox/WAWFVendorGettingStartedGuide.pdf>

c. WAWF Training and General Information:

<http://www.dfas.mil/contractorpay/electroniccommerce/wideareaworkflow.html>

**13-3 Manual Receiving Report Instructions:**

a. Regulatory guidance provides, in part, that payments will be made based on receipt of a proper invoice and satisfactory contract performance. It further provides that all invoice payments, with the exception of interim payments on cost-reimbursement contracts for services, must be supported by a receiving report or any other government documentation authorizing payment (e.g., government certified voucher).

b. The agency receiving official should forward the receiving report or other government documentation to ensure receipt by the designated payment office within 5 days after government acceptance or approval, unless other arrangements have been made.

c. Complete all applicable blocks, but as a minimum, the following must be shown on the form:

(1) Contract number/purchase order number which must match the contractual document.

(2) Adequate description of supplies or services to ensure identification of receipt and acceptance of goods or services ordered. For services, the description must include the period the services were rendered

(3) Quantities of supplies or services received or performed

(4) Receipt date. The date the supplies or services were received. The receipt date is the date the goods or services were delivered.

(5) Acceptance date. The date supplies or services were accepted. The acceptance date is the date the goods or services were inspected and determined to conform to the contract

(6) Receipt and acceptance dates are separate events, but may occur on the same date. A single date can be used if it certifies both receipt and acceptance, otherwise separate dates are required. Dates must identify if it is receipt or acceptance date.

(7) Constructive acceptance. Constructive acceptance applies if the acceptance date is more than 7 calendar days after date of receipt, unless the contract provides a longer acceptance period. Enter the constructive acceptance date in the Integrated Accounts Payable System (IAPS) as the acceptance date if constructive acceptance applies. Ensure that a written explanation of the method used to determine the acceptance date is annotated on/attached to the receiving report.

(a) Total dollar amount. Although not required by the FAR, dollar amount may be required for partial receipts and to the appropriate appropriation.

(b) Signature or approved electronic equivalent of government official authorized to accept supplies and services.

(c) Printed name, mailing address, and telephone number of designated government official accepting goods or services. Mailing address may be a commercial or organizational address. The state and zip code are required for organizational addresses. The telephone number may be a DSN or commercial number. An extension is not acceptable.

d. The following additional information/clarification is required to be included in receiving reports:

(1) The vendor name and address must be shown and COMPLETE contract number.

Examples: W91XXX-09-P-9999  
W91XXX-09-D-9999-0001  
W91XXX-09-C-9999

(2) Description by contract line item number (CLIN) and quantities of supplies delivered or services performed.

(3) The date supplies were delivered or services were performed as the "received date." Not the date you decided to sign.

(4) The date the merchandise or services were accepted. Not the date you decided to sign.

(5) Once the receiving report has been completed, transmit the document to the designated DFAS for payment or to the supporting GPC holder if within his/her monetary authority. If using a paper form, we recommend you use a transmittal document, sequentially numbered for tracking purposes. Fax copies may be accepted by some DFAS locations, however, check to ensure they will accept that method. Do not fax and mail the same document unless so directed by DFAS.

#### **13-4 Forms Used as Receiving Reports**

a. Standard Form 1449 (Commercial item order)

(1) Complete receiving report using a copy of the actual commercial order (SF 1449).

(2) Ensure completion of blocks 32a (check received/accepted blocks); 32b (signature of official authorized to accept supplies/services); 32c (date supplies/services accepted); 32d (printed name and title of authorized representative); 32e (mailing address of authorized representative); 32f (telephone number); block 32g (E-mail

address); 33 (shipment number); 35 (amount verified COR/QAR); 36 (payment - complete, partial or final);

(3) If partial payment is authorized, annotate number of items or amount of services that have been received and accepted, as well as total dollars per line item to be paid, by lining through the totals and writing in the new amount in ink. Then circle the change and initial. The lining through should not obliterate the figure - but clearly show that the total, for purposes of the partial payment, is a different figure than reflected on the original order.

b. DD Form 1155 (Delivery Order or non-commercial Purchase Order)

(1) Complete receiving report using a copy of the actual delivery order or purchase order (DD Form 1155).

(2) Complete Block 26 with a signature, printed name, telephone number and title of a government official authorized to receive and accept the item or service (also check corresponding blocks for receipt and acceptance); block 27 (check partial or final); 38 (received by) and; 39 (date of receipt). Block 26 and 38 may be the same person if the individual received and accepted the supplies or services. If a second individual actually noted the receipt of the supplies or services; that individuals name and date of receipt shall be placed in blocks 38 and 26.

(3) See instructions for partial payment for SF 1449 above - use same procedures.

c. DD Form 250 (Material Inspection and Receiving Report)

(1) The contractor may submit this form as an invoice. In that event, the receiving/acceptance activity will complete: Blocks 21a or b and 22 including signatures, typed names, titles, mailing address, and phone numbers. There may be a separate receiving official and acceptance official so Block 21 and 22 may reflect the same individual or a different individual.

(2) If an invoice has been completed separately by the vendor, complete DD Form 250 including blocks 1 through 20 as well as 21 a or b and 22.

d. Invoices Used As Receiving Reports

(1) A vendor's invoice can be used as a receiving report if the contract/purchase order provides for use of Government Certified Invoices instead of a separate receiving report. The invoice must be date stamped upon receipt by the office indicated in the contract to receive the invoice. In addition, the stamp must identify that office (i.e. not merely be a date stamp).

(2) If you are accepting vendor performance or delivery by using a Government Certified Invoice include the statement: "I certify that the goods/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 must contain printed name, title, telephone number, date, and signature of the government official authorized to receive and accept the supplies or services.

## **Chapter 14**

### **Contractors in the Workplace**

#### **14-1 General:**

a. Contractors are an integral part of the Army's work force. Many Army requirements (including BASOPS services) could not be performed without contractor support. In many cases, contractor personnel must interact on a daily basis and exchange knowledge with government employees to perform their tasks effectively. While there are work place differences between government and contractor personnel, government employees should not view contractor personnel in an "us versus them" relationship. Both contractors and government employees are working towards the same goal, to support the Army soldier.

b. There are differences in rules and regulations for contractor and government employees, just as there are distinctions between uniformed service members and government employees. Recognition of these distinctions, coupled with mutual respect and professionalism, may be the difference between success and failure.

c. Every year, most organizations host holiday parties and picnics. Some feel it necessary to invite contractors to these non-official organizational events and pay them to go. They may feel to do that otherwise would be to treat them differently and thereby harm the "team" spirit. This approach to treating all equally is inappropriate and results in the unsupported expenditure of tax dollars. Contractor employees can only attend functions of these types if; they are invited by a government representative, they receive approval to attend from their "contract supervisor", and they are in leave or a "non-payment/no cost to the government" status. A letter to the Contractor outlining the invitation and with the understanding that the contractors employees attend in a "non-billing/no cost" status. Attendance by the contractor employees is not at the expense of the government and also that the contractor cannot charge overtime to make up any missed work. See Appendix S Contractor Invitation Template.

d. Government employees have defined entitlements and duties that do not match those of contractor employees. Matters such as pay, leave, retirement, hiring, firing, promotion, education, awards, training all differ between government and contractor employees and differ between different contractors. For example, contractor employees are not entitled to cash awards from the government, that is at the contractor's expense

and part of the contractors not government's cost. Both sets of employees must look to different sets of laws to determine rights and obligations. When in doubt your first course of action is to check the contractual language. The second and sometimes most important venue are to consult with your legal advisor.

e. Contractor personnel attendance at government courses can help a company better understand the government organization or some aspects of a specific task within the scope of work. Generally, if a specific knowledge or skill is required, it should be identified in either the scope of work or under the personnel qualifications section of the contract. Companies are responsible for the individual development, including training, of their employees. However, there may be situations where it is in the best interests of the government to have a contractor employee receive training that is directly related to the scope of work being performed. It is important to keep in mind that meeting minimum contract personnel qualification requirements is a contractor responsibility. Government funded training of contractor employees would normally be limited to meeting the original contract requirements or any government sponsored changes identified by a Contracting Officer awarded contract modification. Government funding of training necessary to meet contract qualification requirements would not be appropriate. This would relieve the contractor of his responsibility to ensure his personnel are properly trained and transfers to the government the cost of such training. It is an example of the government assuming management responsibilities properly assigned to the contractor.

f. Most government schools will allow contractor employees to attend their courses, but will require payment for the training. The requiring activity must determine the validity of the training requirement and advise the contracting officer which costs, if any, the activity is willing to directly pay or reimburse the contractor.

g. Although contractors and government employees are working toward a common goal, there are some key distinctions that need to be made. The following information will help both supervisors and government employees understand their distinctive role versus that of the contract employee in the workplace.

(1) Contractors must be clearly identified within the workplace to ensure that those interacting with a contractor employee are aware that they are not interacting with a government employee. Therefore, contractors must have a distinctive badge, nametag or other signal as to their special status within the workplace. Contractors that have access to government email and other on-line systems must have user IDs in their email identifying them as contractors, drawing attention to their special status (by indicating KTR, or the company name, for example, after their given name in the user ID on the system). In addition, contractors should identify themselves as a contractor employee when answering the phone and their voicemail should likewise indicate their special status. All these safeguards are necessary to avoid potential conflicts of interest and other problems caused by inadvertent disclosure of proprietary or other sensitive information to non-government personnel.

(2) The contractor performs work based on the statement of work for which they have a written contract. It is very important that the statement of work be as clear and precise, as possible, in terms of what deliverable products are desired. It is important that government employees understand that there is a specific legal chain of authority through which instructions, clarifications and changes to contractor performance are authorized.

**NOTE: Government Personnel, COR/QARs or other personnel, will not directly negotiate or communicate changes to the Statement of Work/Statement of Objectives. The government will only negotiate any and all changes with the contractor through the Contracting Officer with changes being officially annotated via an awarded contract modification.**

(3) The general rule is that the government contracts only for "non-personal" services and it is a violation of statutes and civil service regulations when the contracting process is used to "hire" an employee/s. Only the contractor can manage or supervise their employees. Government supervisors and managers **CANNOT:**

- (a) Supervise contractor employees.
- (b) Stipulate contractor duty hours (except for that directed in the contract).
- (c) Require contractor employees to report to government personnel.
- (d) Maintain contractor personnel records/time cards.
- (e) Approve leave for contractor personnel.
- (f) Approve bonuses or performance awards for contractor personnel.
- (g) Develop duty rosters including names of contractors.

## **14-2 Liability**

COR/QARs, Commanders, Directors or other Government staff should be aware that they, not the U.S. Government, may assume a personal liability if they direct a contractor to take actions that are not part of the contract. This is an unauthorized commitment, refer to Chapter 11 for clarification on Unauthorized Commitments. ***Government employees may be held personally liable and have to pay out of pocket any cost of an unauthorized commitment, even if the Government benefits.***

## **14-3 Identification Of Contract Employees**

a. Ensure that the following requirements, as appropriate, are included in the Statement of Work (SOW) or Statement of Objectives (SOO) of any contract in which

contractor personnel will attend meetings, use Government telephones and e-mail, or participate in other activities where the contractor's status is not obvious.

(1) Identification of Contractor Employees. The contractor shall provide each employee with identification (ID) badge made of nonmetallic material, easily readable and including employee's name, contractor's name, functional area of assignment, and recent color photograph of the employee.

(2) Display of ID Badges: Contractor personnel shall wear the ID badge at all times when performing work under a contract, including while attending Government meetings and conferences that may take place outside the Government facility. Unless otherwise specified in the contract, each contractor employee shall wear the ID badge in a conspicuous place on the front of exterior clothing and above the waist except when safety or health reasons prohibit such placement.

(3) Answering Telephones: Contractor personnel shall identify themselves as a contractor employee when answering Government telephones.

(4) Utilizing Electronic Mail: When prime contractor or subcontractor personnel send e-mail messages, each sender shall include his/her name (both first and last names), [E-mail address and the name of the individual's employer].

b. The contracting officer or designee (COR/QAR) shall ensure that accounts established in Government E-mail systems for prime contractor or subcontractor personnel shall identify individuals as contractor personnel in the "address book" display and on individuals' e-mail. Detailed "properties" for the account shall include the name of the individual's employer and the name of the customer for the contract. The customer's information assurance security officer that established the account shall be notified immediately when a contractor employee is no longer performing duties that require an account in the government E-mail system.

#### **14-4 Ethical Considerations**

a. All Army employees shall be familiar with the Joint Ethics Regulation, DOD 5500.7-R. Briefly stated, a government employee has a responsibility to uphold the public's trust in the United States Government. Unlike private industry, a government employee must ensure that their actions are "fair" to all parties of the process. Understanding the public perceptions of "fairness" is the guiding principal on how a government employee deals with contractors.

b. Procurement officials are a special category of government employee, for instance, the contracting officer, who has a substantial decision making role in the procurement process. There are specific statutes and regulations that, among other things, place restrictions on the future employment of procurement officials, and require them to provide annual financial disclosure statements. Most government employees

are not procurement officials, but if you think you or one of your employees could fall into this category, check with your SJA Ethics Advisor.

c. Procurement officials are required to complete annual ethics requirements as required/conducted by their organization's designated Ethics Advisor.

d. Avoid compromising your objectivity when asked for recommendations on contractor employees. As a government official, you can provide the contractor with the names of individuals you know to be competent and qualified, but you **cannot tell** a contractor they **should/must hire** a particular individual nor can you design the work requirements around a single individual. Be aware that the contractor may misinterpret your "suggestion" as a mandate. The contractor is solely responsible for their employees.

e. DO NOT threaten the contractor with option non-renewal. The decision to not renew an option is a business decision based on all available factors and must be made in conjunction with the Contracting Officer and with the advice of the local legal advisor.

f. **DO NOT** accept gifts from a contractor or their employees. Accepting a gift from contractors is prohibited except for:

- (1) The gift does not exceed \$20 value per occasion.
- (2) Total gifts cannot exceed \$50 per source, per year.

**Note: Appearance of impropriety is critical here, see g below.**

g. As a government official you and your employee's actions should be able to stand this simple test: "How would this look on the evening news?" If you are debating a contractor related issue that could pose an ethical question, call your SJA Ethics Advisor. Your Supporting Directorate of Contracting is also your acquisition advisor. These staffs are available to provide assistance on matters involving a variety of contracting issues.

h. Government and contractor are on different sides of the bargaining table with different loyalties. We must ensure that, in pursuit of meeting mission requirements, we do not lose sight of the fact that contractors must be allowed to retain responsibility for managing his contract responsibilities. Does this mean that we cannot cooperate or work together efficiently? Does this mean that we cannot be nice and polite to one another or be friends on an individual basis? No. All it means is that we have to be aware of the appropriate time to say to a contractor employee the unpleasant statement "I have no authority to resolve your problem. Go to your supervisor." It also means that we should not be reaching out to the contractor to pay his employees to do things that are not contract/mission related such as picnics, Prevention of Sexual Harassment or employee qualification training.

## **Chapter 15**

### **Meetings with Contractors & Contractor Demonstrations**

#### **15-1 General**

a. All government employees and officials, military and civilian, are reminded of the limitations and restrictions imposed by law on the release or disclosure of procurement information and are urged to use reasonable care in their daily contact with Army contractor personnel.

b. "The Procurement Integrity Act" (41 USC 423) prohibits a "person" (as defined in the statute, which includes Government employees) from knowingly disclosing "contractor bid or proposal information" or "source selection information" before award of a contract. The Act also prohibits a person (any person) from knowingly obtaining "contractor bid or proposal information" or "source selection" information before award of a contract. The terms "contractor bid or proposal information" and "source selection information" are more particularly described in the Act. Knowing and intentional violation of these disclosure rules carries the possibility of criminal, civil, and administrative action against those responsible against both offending government employees and private contractors. Procurement information, although typically associated with bid pricing, proposed costing, technical evaluation plans, and competitive evaluation of contractor offers, may also include "inside information" from customer organizations on the installation staff. This kind of "inside information" usually deals with aspects of present and future installation plans for the acquisition of products and services, and as such, is of significant interest to a host of potential competitors. It is not to be disclosed outside of the respective staff element and or responsible Army Contracting office developing the solicitation."

c. Generally, government personnel and associated contractor employees are reasonably informed and well intentioned with respect to the prevention of prohibited procurement-related disclosures. And typically, authorized access to and permissible use of procurement information involving installation acquisition requirements is limited to those contracting and requirements personnel who are participating, "personally and substantially", in the conduct of the particular acquisition.

d. Improper inquiries from firms seeking Army business can target anyone within the Army, and, in fact, are often directed toward the potential user of the product or service being offered to the Army. Therefore, all government employees and officials, military and civilian, regardless of position or rank, are reminded of their obligation to ensure that the business of Army procurement is done fairly, according to law, and on a "level playing field." Do not assume that because you received the inquiry on your e-mail system that it must have come from some other government employee - dozens of contract employees have legitimate use of our e-mail and send messages on it EVERYDAY. Before you just release sensitive procurement information, KNOW TO WHOM YOU ARE SENDING IT!

e. Please note that draft "statements of work" and related technical supporting data on pending or proposed procurements are considered protected "procurement information". Treat all applicable information as FOUO until properly released by authorized sources. Proper disclosure of such requirements will be made available by authorized contracting officials through periodic release of approved solicitations, requests for information, related publications, etc. - not by government personnel through inappropriate discussion with contractor or other private parties.

f. If queried by potential contractors (including former government personnel, either military or civilian) on matters related to potential procurements, DO NOT DISCLOSE "inside information." This could jeopardize current planning and impair the integrity of the procurement process. Use common sense and promptly report any such incidents, together with any related questions, to your superiors. Supervisors should then report these matters to both the Ethics Counselor and the contracting officer for appropriate action.

**15-2 Contact with DoD Contractors. MEETING WITH CONTRACTORS IS INTENDED TO PROVIDE A MANAGEMENT MECHANISM FOR THE RECEIPT OF CONTRACTOR CAPABILITIES AND OR PRODUCT INFORMATION; THIS PROCESS IS NOT TO BE UTILIZED TO OBTAIN INFORMATION TO DISCUSS CURRENT WORK OR CREATE FUTURE REQUIREMENTS.**

a. Purpose. To provide guidance on discussions with contractor representatives.

b. Facts.

(1) General Policy is to preserve competitiveness and maintain a level playing field. Be sensitive to whether a meeting, action, or release of information would give a competitive advantage to a contractor. Only a warranted Contracting Officer may release requirements to the contractor community. This assures that all similarly situated contractors will receive equal treatment. Do not meet with a contractor without your SJA, CASO or Contracting Office representative present. When you meet with a contractor, do not release information that has not been released by a Contracting Officer to the entire DOD contractor community. All governmental personnel must sign the Meeting With Potential Contractors memorandum. (See Appendix T) or for Vendor Demonstrations see Appendix U) the government representative and Contracting Officer must sign.

NOTE: As it relates to Vendor Demonstrations, it is recommended that these are best conducted in conjunction with the supporting MICC USAR CONTRACTING CENTER contracting office. Contact CASO or the supporting Contracting Activity for coordination. Loans of equipment is discouraged, however, loans of equipment to the government MUST be approved by a warranted Contracting Officer.

(2) Setting an Agenda. After agreeing to meet with a contractor, the contractor should identify the name of the firm, the topic for discussion, and any current contracts, competitions, or active proposals that the company has pending with the army.

(3) Primary Purpose of Meetings is to Receive Information. While it is all right to ask informational and clarifying questions during a briefing, you should avoid asking contractors to send follow-up information. The meeting should not be the basis for further action, and should not unintentionally solicit formal proposals.

(4) Unauthorized commitments. Only a warranted contracting officer can bind the government. Do not make unauthorized commitments, promises purporting to bind the government, or representations that would compromise the Government's position. For the same reason, do not offer assistance or advice. Contractors may interpret suggestions as requests to take action, resulting in a claim against the Army.

(5) Impartiality. Do not give preferential treatment to any private party. Accordingly, do not give VIP visitor treatment to contractor representatives who visit in that capacity or who intend to discuss contractor business; i.e., no government vehicle rides from the airport, no all-day escort, no officially-hosted free dining.

(6) "Inside" Information. Do not release "inside" information that is not otherwise available to the public (or to a relevant community of DOD contractors). This includes:

(a) Information not available to the public under the Freedom of Information Act;

(b) Information protected under the Privacy Act, Trade Secrets, and classified material;

(c) Selective release of advance procurement information, Army requirements, or premature release of contract award decisions; and,

(d) Acquisition information, such as, unopened bids, proposed costs, the Army's estimate of costs, source selection plans, price evaluations, competitive range determinations, ranking of bids, proprietary information (such as labor rates), reports of Source Selection Evaluation Boards, and other information marked "SOURCE SELECTION INFORMATION."

(7) Gifts. It is the policy of the USAR to NOT accept small gifts occasionally offered in meetings with contractors. Food and refreshments that are not a meal (e.g. coffee and donuts) may be accepted but again highly discouraged. You may also accept presentation items, such as commemorative coins, or items worth less than \$20. Consult your legal advisor when something other than a nominal gift is offered. Gifts that may not be retained personally will usually become Army property.

(8) Restricted Contacts with Former DoD Officials and Retired Military Officers.

(a) Former senior DoD civilian employees (SES level V and above) and retired general officers are prohibited from attempting to influence official actions in their former department or agency for one year after their departure. (This is the one-year "cooling off" restriction.) 18 USC 207 (c)

(b) Former officers and employees are forever prohibited from representing someone in a particular matter that involved non-Federal parties, and in which they were personally and substantially involved while working for the Government. 18 USC 207(a)(1).

(c) Federal officials who had authority to award contracts, make payments, set overhead rates, and settle claims of more than \$10 million are prohibited for a period of one year after the official action, from working for the contractor who received the payment. 41 USC 423

## **Chapter 16**

### **Conference Planning**

#### **Army Reserve Workshops/Conferences**

**16-1 General:** Holding a conference can be an appropriate method of conducting an activity's business. However, Army policy requires conference planning to minimize costs to the Government and to ensure the safety and security of conference participants.

**16-2 Planning:** In the earliest stages of contemplating conferences, all requiring activities will make every effort to coordinate their conference planning to maximize opportunities to accomplish conference objectives effectively and efficiently. Conference proponents must refer to the Joint Travel Regulations (JTR), Chapter 4, Part S, and the Joint Federal Travel Regulations (JFTR), Chapter 2, Part G, as part of their conference planning process.

a. Conference Considerations:

(1) Requiring Activities will not contact local hotels for any contract proposals. Instead, the requirement shall be documented utilizing the command specific Conference Requirement form and said form will be forwarded to the appropriate city/locality Visitors Bureau to conduct a query of the local market for proposals. The requiring activity will consider this as part of their Market Research as well as to be used to formulate their Independent Government Estimate. Once received, the market research will be forwarded to the servicing Contracting Office .

(a) Location. The first choice for conference locations will be U.S. military or other Government installations. Conference proponents will maximize the use of

Government-owned or Government-provided conference facilities. Commercial facilities will be used only when they can be proven more economical, or when military or other Government facilities are unavailable when needed. Efforts must be made to adjust conference scheduling to fit the availability of military or other Government facilities. Conferences will not be held in any facility in which the cost for lodging exceeds the lodging rate for that locality, unless approved in advance by the approval authority.

**NOTE: Requiring Activities are encouraged not to utilize Las Vegas or Reno, Nevada unless specifically authorized by their higher commands as a matter of public perception. Further, Five-star resorts should also be avoided as the appearance of “opulence” and impropriety to the taxpayer may be perceived. Requiring Activities should always consider when selecting a conference site, “Can this pass the Washington Post test?”**

(i) It is recommended that the requiring activity not solicit hotels for potential costs, the requirement will be sent to the MICC USAR Contracting Center contracting office with the outlined requirements and source selection criteria as well as Market Research data obtained from the appropriate Visitor’s Bureau. The contracting office will determine potential contractors and of which the requiring activity can conduct site visits and participate in the selection of the conference contractor.

(ii) Any reductions to the per diem lodging rate available under the Army’s Lodging Success Program or directly from a hotel must be deducted from the offsite cost comparison for lodging when doing the cost comparison calculations.

(iii) Do not accept money, gifts, gratuity or preferred customer “points” from hotels or any other entities unless they can be credited to the overall cost of the conference, do not accept “points” for an individual’s use of credit. Examples include, but are not limited to fruit baskets, wine and spa treatments. Accepting such remunerations or gifts may violate ethics rules. Do not arrange perks for VIPs or General Officers, such as room upgrades or complementary food or drink unless the “extra benefit” is provided to all workshop attendees at no additional cost to the government. The best rule of thumb is to accept NOTHING!

(b) Cost. The number and cost of conferences should be kept to an absolute minimum as all conference costs will reflect an economical and efficient use of taxpayer dollars. Conference proponents will minimize all conference costs, including administrative costs, conference attendees’ travel and time costs, and will limit conference attendance to the minimum number of individuals required.

(c) Honorariums/Fees. Honorariums and fees for speakers are limited. Refer to Defense Finance and Accounting (DFAS) 37–1 Regulation, Chapter 9 at 092010 for limitation on amount.

(d) Refreshments and Meals. All refreshments and meals proposed to be provided at Government expense, other than temporary duty (TDY) per diem, must be

approved by the approval authority in advance. Costs must be fully documented. Further, if meals are provided travel orders must be properly documented to decrement the traveler the corresponding Per Diem amount for the provided meal.

(e) Light Refreshments.

(1) The authority to use appropriated funds to purchase light refreshments and other food items for in-house training conferences has recently been severely curtailed by DoD policy. See Joint Federal Travel Regulation revision, which incorporates the DoD policy memorandum (Refer to <https://usarcintra/caso> , then click <https://usarcintra/caso/Important Acquisition Memorandums1.htm> Acquisition Policy Memorandums and Guidance to access guidance).

(2) Under the new DoD policy, most in-house training conferences will not qualify for the use of appropriated funds to purchase light refreshments. Events such as Commander's Conferences, Senior Leader War Councils, Yearly Training Conferences, and nearly all other Conferences will not qualify as "formal conferences" because "formal conferences" require actual topics-for and participation-by non-DoD personnel who are not on Army travel orders (e.g. TDY or invitational travel orders).

(4) The DoD policy was implemented in the April 2008 revision of the Joint Federal Travel Regulation (JFTR), (Refer to <https://usarcintra/caso> , then click <https://usarcintra/caso/Important Acquisition Memorandums1.htm> Acquisition Policy Memorandums and Guidance to access guidance). The JFTR revision incorporated-by-reference the 2005 DoD Office of General Counsel (Fiscal) Memorandum, Subject: Use of Appropriated Funds to Purchase Food at Conferences, Meetings and Events. The JFTR revision declared the contents of the DoD memorandum as binding DoD policy.

(5) The DoD OGC memorandum reaffirms the general rule that food is a personal expense for which appropriated funds are not available, absent specific legal authority. The DoD OGC memorandum lists eight exceptions to the general rule. The use of one of the exceptions must be supported by a case-by-case legal analysis, following the multi-part test presented in the DoD OGC memorandum for the use of the exception.

(6) If the conference plan does not meet one of the DoD exceptions for the use of APFs to purchase food, then the conference planner cannot justify the use of APFs to purchase light refreshments or other food items.

a. In this instance, the planner may collect a voluntary, non-reimbursable fee (informal funds) from those conference participants who wish to consume light refreshments or other food at the conference. The purchase of the light refreshments may not be carried out under a government contract that uses appropriated funds. The conference planner may use the informal funds to pay for the refreshments separately, on a cash-and-carry basis. (See Chapter 20 for procedures on Informal Funds Accounts For Light Refreshments and Social Events)

b. Non-contracting government personnel should never sign or enter an agreement for a vendor to provide refreshments if that planner does not have adequate informal fund cash to pay for the entire agreement in advance of the purchase. Doing so will result in personal liability on the part of the planner, because the government will not pay for the food purchases.

(f) Spouse Travel: Spouse travel must be IAW army travel policy. Generally spouses may not accompany military or civilian personnel on official duty at government's expense. A legal review from your servicing SJA is required.

(g) Legal, Support. The conference proponent will initiate coordination with the supporting SJA office for a legal opinion. Early and consistent coordination with your ethics counselor and contracts attorney in your servicing staff judge advocate office remains essential to successfully planning and executing your workshop.

(h) Funding. All funding plans for conferences will be clearly stated in the conference request documentation and approved by the approval authority before the obligation of funds.

(i) Contracting Authority. All contracts related to holding the conference (for example, facility contracts and conference support contracts) must be fully funded with an approved Government appropriation prior to contract award. All contracts must be signed by a warranted contracting officer. No contract will be awarded without an approved and validated conference approval package.

(j) Contract, Fiscal, and Ethics limitations. If the conference is to involve the collection of fees from any government or commercial participant, the reviewing official must coordinate with the conference proponent's legal advisor. Conference planners must ensure all conference funding complies with Section 1341, Title 31, United States Code (31 USC 1341), Section 3302, Title 31, United States Code (31 USC 3302), and Department of Defense (DOD) 7000.14-R. Conference planners will not accept complimentary hotel lodging rooms to be used by individual attendees based on rank or position. Appropriated funds may not be used to purchase conference mementos to distribute to attendees.

(k) Travel Regulations. Conference proponents will comply with the JFTR and JTR.

(l) Security:

(1) Integration of security. The conference proponent must ensure security measures are integrated into the event planning process. Security of participants and protection of classified information will be a consideration in the selection of an event location.

(2) Foreign national screening. All conferences involving the attendance by foreign government representatives require advance screening of the foreign national attendees prior to submitting the conference request to the approval authority.

(3) Classified conferences. All conferences involving classified information will be held only at a secure location on U.S. military or other U.S. Government installations or at a cleared U.S. contractor facility. Conference proponents must adhere to the provisions of AR 380–5 and coordinate with the appropriate G-2 if additional guidance is necessary.

(4) Priority of site selection. For conferences not involving classified information, the priority of site selection from most to least secure is—

(a) Military installations. Existing installation security plans will be deemed sufficient for conferences held on U.S. military installations. A vulnerability assessment and conference security plan will not be necessary for those facilities located on military installations, unless the threat assessment identifies known threats.

(b) DOD-cleared Government or contractor facilities where public access can be controlled.

(c) Non-DOD cleared Government or civilian facilities with a security force.

(d) Government or civilian facilities with no security force.

(5) Security oversight: The supporting Provost Marshall (PM) will provide security oversight and ensure the appropriate activity is tasked for security support.

(6) Facility security.

(a) Conference facilities will have security personnel available to assist in planning and implementing security measures and contingency plans for emergencies. The selection decision for a conference facility will consider the facility's security arrangements and ability to augment security with professional security personnel or off-duty civilian law enforcement officers. Security requirements must be made a part of the contract with the conference facility.

(b) Representatives from the requiring activity, supporting PM and the conference facility security officer will meet at the conference facility site to plan the following: site security, risk identification and assessment requirements; vehicle control, including parking; attendees' lodging and points of ingress/egress; identification needs; and any other pertinent security risk mitigation issues.

(c) The conference proponent will provide personnel to control access to the conference area through visual recognition or identification. If appropriate, the conference proponent will require the conference facility to provide professional security

personnel. The cost for security requirements is the responsibility of the conference proponent and will be captured within the total cost of the event.

(7) Use of military personnel in support of security operations. The conference proponent must comply with DoDD 5525.5.

(m) Deliverables: All conferences must have a tangible deliverable of written material and an After-Action Report (AAR). Follow on conferences will not be approved unless an AAR for the prior conference was received. Note: Power point slide presentations are not written materials.

**16-3 Procedures:** All Conference or Workshop acquisition packages should submit their packages at to the MICC USAR Center at a minimum of 120 days prior to the start of the conference. Submission of the conference request must be made prior to contract award and comply with the following procedures for processing acquisitions.

a. Conferences Requiring a contract: (Contract costs **\$2,500.00 and above**)

(1) An approved acquisition package (See Appendix H) must be forwarded to the supporting MICC USAR Contracting Center contracting office NLT 120 days prior to the start of a conference. The requiring activity must forward the documents in time to allow for competitively procured conference support and/or facility contracts.

(2) The Acquisition Package will include:

(a) Market Research – list of local hotels or conference facilities in the local area. Contact your local Visitors Bureau for potential planning costs. Do not contact hotels for costs. (See Appendix H)

(b) Performance Work Statement (PWS) (See Appendix H)

(c) Source Selection Criteria (See Appendix H)

(d) Independent Government Cost Estimate (IGCE) (See Appendix H)

(e) COR Nomination Memorandum and proof of training.

(f) Quality Assurance Surveillance Plan (QASP) (See Appendix H)

(g) Copy of Aquiline Request (DA 3953 as an exception only) or MIPR

(h) A copy of any local legal opinions concerning the proposed conference.

**NOTE: The requiring activity should not solicit hotels for potential costs, the requirement will be sent to the MICC USAR CONTRACTING CENTER contracting office with the outlined requirements and your source selection criteria. The**

**contracting office will determine potential contractors and of which the requiring activity can conduct site visits and participate in the selection of the conference contractor.**

c. Once Approved, the coordinating activity will coordinate with the MICC USAR Contracting Center supporting Contracting Office for the issuance of a Purchase Order document. **DO NOT SIGN** or **ASK** a contracting officer to sign any contractor drafted agreement with a hotel or other commercial activities, e.g. conference center and provide solicitations for at least three hotels or activities at each location

**NOTE: In no event will a Government employee commit the Government to the use of any facility, sign any agreement, or otherwise obligate the Government for conference facilities or support before approval of the conference by the approval authority. Additionally, Government employees are prohibited from directing or recommending that a support contractor employee take any action that purports to bind the Government in any way. A Government employee who lacks authority to bind the Government could be held personally liable if he/she signs an agreement for conference facilities or for other conference support.**

d. Security Coordination to consider. Conference documentation must be submitted at least 90 days prior to the start of the planned event to the appropriate security office for initial security coordination. After receipt of approval from the approval authority, the requiring activity will forward a copy of the approved conference request to the security office for further security coordination of the conference. The requiring activity must notify the supporting PM of any changes in date or location. Conference proponents must be aware that a proposed conference location may be denied because of an unfavorable threat assessment. It is the responsibility of the requiring activity to ensure appropriate coordination with the security office. Submission of requests with more than a 90 day lead time is strongly encouraged.

e. Funding and contracting. After approval by the approval authority, the conference proponent will forward documentation of the approval to the resource manager and contract procurement activity.

(1) No funds are to be obligated for a conference until the conference has received approval by the conference approval authority. This includes charges to be made using the Government purchase card.

(2) The contracting activity will not award a contract or task order for conference requirements until the conference has received approval by the approval authority.

(3) The conference proponent must forward to the contract procurement activity a funding document indicating commitment of funds and a contract statement of work to include contract conference security requirements.

## **Chapter 17**

### **Property Accountability**

#### **17-1 Government Furnished Property Definitions**

- a. “Contractor-acquired property” means property acquired, fabricated, or otherwise provided by the contractor for performing a contract and to which the Government has title.
- b. “Government-furnished property” means property in the possession of, or directly acquired by, the Government and subsequently furnished to the contractor for performance of a contract.
- c. “Government property” means all property owned or leased by the Government. Government property includes both Government-furnished property and contractor-acquired property.
- d. “Property” means all tangible property, both real and personal.
- e. “Property Administrator” means an authorized representative of the contracting officer appointed in accordance with agency procedures, responsible for administering the contract requirements and obligations relating to Government property in the possession of a contractor.
- f. “Real property” means land and rights in land, ground improvements, utility distribution systems, and buildings and other structures. It does not include foundations and other work necessary for installing special tooling, special test equipment, or plant equipment.
- g. “Sensitive property” means property potentially dangerous to the public safety or security if stolen, lost, or misplaced, or that shall be subject to exceptional physical security, protection, control, and accountability. Examples include weapons, ammunition, explosives, controlled substances, radioactive materials, hazardous materials or wastes, or precious metals.

#### **17-2 Responsibility and Liability for Government property**

- (a) Generally, contractors are not held liable for loss, damage, destruction, or theft of Government property under the all types of contracts unless held accountable by the terms and conditions of the individual contract.
- (b) The contracting officer may revoke the Government’s assumption of risk when the property administrator determines that the contractor’s property management practices are inadequate and/or present an undue risk to the Government.

(c) A prime contractor that provides Government property to a subcontractor shall not be relieved of any responsibility to the Government that the prime contractor may have under the terms of the prime contract.

### **17-3 Government-Furnished Property And Services**

The Government will provide the facilities, equipment, parts, supplies, and materials described herein as Government Furnished Property (GFP). Government Furnished as defined in each individual contract. Property consists of Government-Furnished Facilities (GFF), Government-Furnished Equipment (GFE), Government-furnished supplies and materiel, Government-Furnished Utilities and Government-Furnished Services provided to the Contractor for exclusive use in performance of the Contract. The Contractor shall not use Government Furnished Property for any purpose other than execution of work under the Contract. The Government will make the Government Furnished Property available to the Contractor, on a one-time basis or as defined in the individual contract. Refusal to accept some or all of the Government Furnished Property offered by the Government shall not relieve the Contractor from Contract performance. The Government Furnished Property provided may or may not be sufficient to meet the requirements of the Contract.

a. Contractor Accountability. The Contractor shall be directly responsible and accountable for all Government Property in accordance with FAR parts 45 and 52 as applicable as well as AR 735-5, Policies, and Procedures for Property Accountability and AR 710-2, Supply Policy Below the National Level.

(1) Transfer of Responsibility. The Contractor shall become accountable and responsible for Government Furnished Property when the Government Accountable Officer issues it to the Contractor.

(2) Inventory Management, Initial Inventory Procedures. The Contractor shall attend a Transition Period Government Furnished Property transfer and inventory meeting with the Contracting Officer, Government Accountable Officer and Property Administrator. The Contracting Officer will schedule the meeting prior to Contract performance start date.

(3) Property Shortages And Damages. The Contractor may be liable for the shortages, loss, damage, destruction, or excessive consumption of Government property as outlined in FAR parts 45 and 52 as applicable as well as AR 735-5, Policies, and Procedures for Property Accountability and AR 710-2, Supply Policy Below the National Level.

(a) The Contractor shall report discovery of lost, damaged, or destroyed Government-furnished property via telephone or messenger to the Property Administrator no later than one working day after the discovery. The notification shall include the date of discovery, the nomenclature of the property and the circumstances of the loss, damage or destruction.

(b) The Contractor shall report discovery of lost, damaged, or destroyed Government Property, to include General Services Administration vehicles, to the Government Accountable Officer within one workday after discovery. The Contractor shall initiate and process lost, damaged, or destroyed documentation as instructed by the Government Accountable Officer.

(4) Title to Government Property

(a) Title to Government-furnished property. The Government retains title to all Government-furnished property until properly disposed of, as authorized by law or regulation. Property that is leased by the Government and subsequently furnished to the contractor for use shall be considered Government-furnished property under FAR clause [52.245-1](#), Government Property.

(b) Title to contractor-acquired property.

(1) Under fixed price type contracts, the contractor retains title to all property acquired by the contractor for use on the contract, except for property identified as a deliverable end item. The Government acquires title to property acquired or fabricated by the contractor in accordance with the financing provisions or other specific requirements for passage of title in the contract. If a deliverable item is to be retained by the contractor for use after inspection and acceptance by the Government, it shall be made accountable to the contract through a contract modification listing the item as Government-furnished property.

(2) Under cost type and time-and-material contracts, the Government acquires title to all property to which the contractor is entitled to reimbursement, in accordance with paragraph (e)(3) of FAR clause [52.245-1](#).

(3) Security. The Contractor shall be responsible for the physical security of Government Furnished Property and installed equipment in accordance with AR 190-51, Security of Unclassified Army Property, and the requirements of the Contract. The Contractor shall maintain an activity security checklist using SF 701, Activity Security Checklist, for each individual facility as part of the Contractors Physical Security Plan if specified by the individual contract.

b. Facilities. The Government will furnish or make available to the Contractor facilities; areas within facilities; equipment, tools, furniture, materials, and supplies in the facilities as specified in the Government Furnished Facilities TE. The Contractor shall use Government Furnished Facilities in accordance with the approved Contractor Property Control Plan. The Government reserves the right to reallocate and relocate assigned facilities during the term of the Contract. The Government will provide the Contractor with a marked set of keys to facilities.

c. Government Furnished Equipment will be provided to the Contractor for use in performing work specified in the Contract.

d. Supplies and Materials. The Government will furnish current inventory levels of supplies, parts, subassemblies, raw materials, and other components and end items utilized to accomplish work or services described in the Contract.

e. Publications. The Government will provide to the Contractor the publications listed in Section C.6, Applicable Publications and Forms.

f. Files. The Government will provide files required for the performance of the Contract during the specified Transition Period outlined in the contract.

g. Government Or Army Unique Training. The Government will provide training that is Government and/or Army unique and deemed essential by the Contracting Officer for Contractor employees performing work under the Contract.

### **17-3 Authorizing the Use And Rental Of Government Property**

a. Use and Rental. The following prescribes policies and procedures for contractor use and rental of Government property, as stipulated in the specific contract:

(1) Government property shall normally be provided on a rent-free basis in performance of the contract under which it is accountable or otherwise authorized.

(2) Rental charges, to the extent authorized do not apply to Government property that is left in place or installed on contractor-owned property for mobilization or future Government production purposes; however, rental charges shall apply to that portion of property or its capacity used for non-government commercial purposes or otherwise authorized for use.

(3) The contracting officer cognizant of the Government property may authorize the rent-free use of property in the possession of nonprofit organizations when used for research, development, or educational work and—

(i) The use of the property is in the national interest;

(ii) The property will not be used for the direct benefit of a profit-making organization; and

(iii) The Government receives some direct benefit, such as rights to use the results of the work without charge, from its use.

### **17-5 Government Property Technical Exhibits**

Contracts containing Government Furnished Property will include technical exhibits in support of said Government Furnished Property. Examples of full Technical Exhibits are enclosed at Appendix U.

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## **Appendix A Acronyms/Abbreviations and Terms**

### **Part I Abbreviations**

|         |  |
|---------|--|
| AAR     | After Action Review  |
| ACC     | Army Contracting Command   |
| AFARS   | Department of the Army FAR Supplement                                |
| ALMC    | USA Logistics Management College                                     |
| APF     | Appropriated Funds   |
| AQL     | Acceptable Quality Level   |
| AR      | Army Regulation  |
| ASM     | Acquisition Strategy Memorandum                                      |
| BASOPS  | Base Operations  |
| BPA     | Blanket Purchase Agreement   |
| CAR     | Chief, Army Reserve  |
| CASO    | Contract Administration Support Office                               |
| CCE     | Contracting Center of Excellence                                     |
| CDR     | Commander  |
| CG      | Commanding General   |
| CICA    | Competition in Contracting Act                                       |
| CME     | Contract Manpower Equivalent   |
| CMRA    | Contract Manpower Reporting Application                              |
| COR/QAR | Contracting Officers Representative/Quality Assurance Representative |
| CoS     | Chief of Staff   |
| CPARS   | Contractor Performance Assessment Reporting System                   |
| CSM     | Command Sergeant Major   |
| DA      | Department of the Army   |
| DAEO    | Designated Agency Ethics Officer                                     |
| DASOCO  | Department of the Army Standards of Conduct Office                   |
| DAU     | Defense Acquisition University                                       |
| DCG     | Deputy Commanding General  |
| DCoS    | Deputy Chief of Staff  |
| D&F     | Determination and Findings   |
| DO      | Delivery Order   |
| DoD     | Department of Defense  |
| DoDOGC  | Department of Defense Office of General Counsel                      |
| DFARS   | Department of Defense FAR Supplement                                 |
| DFAS    | Defense Finance and Accounting Service                               |
| eDARTS  | Defense Automated Requisition Tracking System-Electronic             |
| FAR     | Federal Acquisition Regulation                                       |
| FASA    | Federal Acquisition Streamlining Act                                 |

**Acronyms/Abbreviations and Terms - Continued**

|       |  |
|-------|--|
| FOUO  | For Official Use Only                            |
| GAO   | Government Accountability Office                 |
| GFP   | Government Furnished Property                    |
| GO    | General Officer                                  |
| GPC   | Government Purchase Card                         |
| HQ    | Headquarters                                     |
| HQDA  | Headquarters Department of the Army              |
| ID    | Identification                                   |
| IDDQ  | Indefinite Delivery Definite Quantity Contract   |
| IDC   | Indefinite Delivery Contract                     |
| IDIQ  | Indefinite Delivery Indefinite Quantity Contract |
| IFB   | Invitation for Bid                               |
| IGCE  | Independent Government Cost Estimate             |
| IR    | Internal Review                                  |
| J&A   | Justification and Approval                       |
| JET   | Joint Ethics Regulation                          |
| JFTR  | Joint Federal Travel Regulation                  |
| JTR   | Joint Travel Regulation                          |
| KO    | Contracting Officer                              |
| MIPR  | Military Interdepartmental Purchase Request      |
| MSC   | Major Subordinate Command                        |
| NCOER | Non Commissioned Officer Evaluation Form         |
| NSPS  | National Security Personnel System               |
| OCAR  | Office of the Chief, Army Reserve                |
| OER   | Officer Evaluation Form                          |
| OGE   | Office of Government Ethics                      |
| PBSA  | Performance Based Service Acquisitions           |
| PD2   | Procurement Desktop-Defense                      |
| PM    | Provost Marshall                                 |
| PR    | Purchase Request                                 |
| PRS   | Performance Requirements Summary                 |
| PWS   | Performance Work Statement                       |
| RFQ   | Request for Quotation                            |
| RFP   | Request for Proposal                             |
| RSC   | Regional Support Command                         |
| QA    | Quality Assurance                                |
| QASP  | Quality Assurance Surveillance Plan              |
| RM    | Resource Management                              |
| SADBU | Small and Disadvantaged Business Utilization     |
| SES   | Senior Executive Service                         |
| SJA   | Staff Judge Advocate                             |
| SOO   | Statement of Objectives                          |
| SOW   | Statement of Work                                |
| SPS   | Standard Procurement System                      |

**Acronyms/Abbreviations and Terms - Continued**

|       |  |
|-------|--|
| SRCC  | Southern Region Contracting Center                   |
| SSEB  | Source Selection Evaluation Board                    |
| T4C   | Termination for Convenience <i>of the Government</i> |
| T4D   | Termination for Default                              |
| T&M   | Time and Materials Contract                          |
| TO    | Task Order   |
| UAC   | Unauthorized Commitment                              |
| UCM   | Unit Coin Medallions                                 |
| USAR  | United States Army Reserve                           |
| USARC | United States Army Reserve Command                   |
| WAWF  | Wide Area Work Flow                                  |

## **Part II Terms**

### **Acquisition**

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.

### **Acquisition Planning**

The process by which the efforts of all personnel responsible for an acquisition are coordinated and integrated through a comprehensive plan for fulfilling the agency need in a timely manner and at a reasonable cost.

### **Competition**

Army Reserve requiring activity must conduct acquisition planning in a manner which ensures competition to the maximum extent possible for each acquisition. The Competition in Contracting Act (CICA) requires contracting officers to promote and provide for full and open competition in awarding government contracts.

### **Contract**

An agreement, enforceable by law, between two or more competent parties, to do or not to do something not prohibited by law, for a legal consideration.

### **Contractor-Acquired Property**

Property acquired, fabricated, or otherwise provided by the contractor for performing a contract and to which the Government has title.

### **Contract Administration**

Any administrative activity undertaken by either the Government or the contractor during the time from contract award through contract closeout. More specifically, the term refers to steps taken by the Government representatives responsible for ensuring Government and contractor compliance with the terms and conditions of the contract. Such steps include routine tasks such as monitoring contractor progress, reviewing invoices, processing payments, inspecting deliverables, and closing out the contract file.

### **Contracting**

Purchasing, renting, leasing, or otherwise obtaining supplies or services from non-federal sources.

#### **Contracting Officer**

Person warranted/appointed in writing who is responsible for the contract, including terms and conditions and has ultimate responsibility for ensuring that the contractor satisfies the requirements stated in the contract.

## **Terms - Continued**

### **Contracting Officer Representative (COR/QAR)**

An employee of a contracting activity designated by a contracting officer to perform certain contract administration activities. A COR/QAR is an authorized representative of a contracting officer within the scope of his or her authority but is rarely given the authority to enter into contractual agreements or modifications.

### **Federal Acquisition Regulation (FAR)**

The primary document in the federal acquisition regulations system, containing uniform policies and procedures that govern the acquisition activity of all federal agencies. The FAR is prepared, issued, and maintained jointly by the Secretary of Defense, the Administrator of General Services, and the NASA Administrator.

### **Gift**

Anything of monetary value

### **Government-Furnished property**

Property in the possession of, or directly acquired by, the Government and subsequently furnished to the contractor for performance of a contract.

### **Government Property**

Property owned or leased by the Government. Government property includes both Government-furnished property and contractor-acquired property.

### **In-sourcing**

Process by which civilian employees are hired to perform new functions or functions that were previously performed by contractors.

### **Market Research**

Market research is a process to collect, organize, maintain and analyze data to develop competitive sources in the market place to meet an organizations needs for supplies or services. See Appendix C for helpful guidance on performing Market Research.

### **Modification**

Any written change in the terms of a contract. Modifications are either bilateral or unilateral.

### **Offloading**

Payment of a service fee to an agency or activity for usage of a contract vehicle issued by a contracting office to obtain supplies, services, or construction.

## **Terms - Continued**

### **Option**

A unilateral right in a contract by which, within a specified period, the Government may elect to purchase additional supplies or services called for by the contract or may elect to extend the contract. Options are the most frequently used technique in Government contracting to buy goods and services over periods of time longer than the single year for which appropriations are normally made.

### **Performance Work Statement (PWS)**

The performance work statement defines the Government's requirements in terms of the objective and measurable outputs. It should provide the vendor with answers to five basic questions: what, when, where, how many, and how well. It is important to accurately answer these questions in order to allow the vendor the opportunity to accurately assess resources required and risks involved.

### **Performance Requirements Summary (PRS)**

A PRS is a synopsis of the scope of work and output performance measurements as defined by the PWS usually shown in tabular form as a graphical representation of the measurements established in the contract.

### **Procurement**

All stages of the process of acquiring property or services, beginning with the determination of a need and ending with contract completion and closeout.

### **Procurement Integrity**

Rules of conduct, contained in the 1989 amendments to the Office of Federal Procurement Policy Act that were formalized for the purpose of upholding the integrity of the Government procurement process. Implemented by FAR 3.104.

### **Property**

All tangible property, both real and personal.

### **Property Administrator**

An authorized representative of the contracting officer appointed in accordance with agency procedures, responsible for administering the contract requirements and obligations relating to Government property in the possession of a contractor.

### **Publicizing Contract Actions**

The contracting officer must publicize contract actions in order to increase competition, broaden industry participation in government contracting, and help small businesses and other such concerns to obtain contracts and subcontracts.

## **Terms - Continued**

### **Ratification**

The act of approving an unauthorized commitment by an official who has the authority to do so."

### **Real Property**

Land and rights in land, ground improvements, utility distribution systems, and buildings and other structures. It does not include foundations and other work necessary for installing special tooling, special test equipment, or plant equipment.

### **Scope (of the contract)**

All work that was fairly and reasonably within the contemplation of the parties at the time the contract was made. Nearly all Government contracts contain a Changes clause that permits the contracting officer to make unilateral changes in designated areas, within the general scope of the contract.

### **Sensitive Property**

Property potentially dangerous to the public safety or security if stolen, lost, or misplaced, or that shall be subject to exceptional physical security, protection, control, and accountability. Examples include weapons, ammunition, explosives, controlled substances, radioactive materials, hazardous materials or wastes, or precious metals.

### **Service Contracts**

Those contracts which are primarily for "time and effort" to perform tasks.

### **Socioeconomic Programs**

It is the policy of the government and specifically the Chief, United States Army Reserve to provide small business to the maximum practicable, contracting opportunities at the prime contract level. Particular emphasis shall be placed on ensuring prime contract awards to small disadvantaged, HUBZONE, service-disabled veteran-owned, veteran-owned and women-owned small business concerns, such as small business concerns.

### **Standards of Conduct**

Strict standards of conduct apply to government procurement personnel. The requirements are based on criminal statutes that are complex and can result in serious consequences if violated. Since government acquisition personnel must sometimes work with contractor personnel, it is particularly important to understand the required standards of conduct and activities that are prohibited.

### **Statement of Work (SOW)**

The portion of a contract that describes the actual work to be done by the contractor by means of (1) specifications or other minimum requirements, (2) quantities, (3) performance dates, (4) time and place of performance of services, and (5) quality requirements.

## **Terms - Continued**

### **Terms and Conditions**

All the provisions of a contract.

### **Unauthorized Commitments**

An agreement or purchase 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

### **Unsolicited Proposal**

A written proposal that is submitted to a Government agency for the purpose of obtaining a contract with the Government that is not in response to a specific request for proposals

**Appendix B**  
**CERTIFICATE OF PROCUREMENT INTEGRITY AND NON-**  
**DISCLOSURE**

## CERTIFICATE OF PROCUREMENT INTEGRITY AND NON-DISCLOSURE

Name: \_\_\_\_\_

### 1. Role in the Acquisition Process:

- Government Employee (Acquisition Package Development Team, Technical Advisor, SSEB Member, SSEB Chair)
- Contracting Officer Representative (COR)
- Quality Assurance Evaluator (QAE)
- Government Inspector/Acceptor
- Supervisor
- Director of Functional Activity
- Contractor

2. Solicitation / Contract Number: \_\_\_\_\_ / \_\_\_\_\_

3. Description of Services: \_\_\_\_\_

4. **Participation.** Based on my role(s) above, my position requires development and/or access to pre-award / post-award acquisition documents that are protected for unauthorized release and disclosure. This includes access to: Contractor Proprietary information, Government source selection and evaluation documentation, and other related procurement sensitive information. As a result, I participate personally and substantially in one or more of the following activities:

a. Planning and coordination meetings necessary to identify an approach to meet Agency mission requirements. To include development of planning estimates, budget requirements, workload analysis, market research efforts, and the development of the Independent Government Estimate.

b. Draft, review, or approve the Specification, Statement of Work, or Performance Work Statement; and the Quality Assurance Surveillance Plan, Independent Government Estimate, Purchase Request, and Bid Schedule; or draft, review, or approve changes to these documents.

c. Assist in preparation or development of the solicitation (pre-award) or requests for proposal (pre-award and post-award). Solicitation includes, but is not limited to, the Bid Schedule, Section J Attachments, Sections L - Instructions to Offerors; Section M - Evaluation of Offerors; and/or the Governments Source Selection Evaluation Plan.

d. Participate in the development of, or review of, market research; review of potential sources under Small Business Programs; and/or participating in the selection of a Small Business Program set-aside decision based on the market research in the event the changes in current contract acquisition strategy is required based on contract administration issues.

e. Evaluate bids or proposals in either an evaluator or technical advisor role.

f. Participate in the negotiation of price or terms and conditions of the contract in either an evaluator or advisory role. This includes contract modification adjustments.

g. Review the award of the contract and/or contract modification.

h. Directly and actively supervise a subordinate who performs the roles and responsibilities outlined above.

i. Serve as the Director of the Activity, actively managing/supervising individuals participating in the procurement process outlined above.

Due to my participation in these procurements, I am required by law and implementing regulations to make certain disclosures and promises.

5. **Nondisclosure.** I understand that there are federal laws and regulations which prohibit the disclosure of confidential information and procurement information, and that these restrictions apply to me during my participation in the acquisition process. I have been provided a copy of these laws and regulations (Enclosures 2, 3 and 4), and I have been provided guidance on how to comply with these restrictions (Enclosure 1). I also have been advised on whom to contact should I have any questions concerning release of restricted information. Therefore I am comfortable in certifying that I will comply with these procurement integrity and nondisclosure laws and regulations.

6. **No Conflicting Financial Interest.** To the best of my knowledge and belief, neither I nor any members of my immediate family (spouse and minor children) have any direct or indirect financial interest in any company or business which is expected to submit a proposal (prime contractor) in the procurement identified above, or which is expected to be part of a proposal submitted in the procurement identified above (subcontractor).

In addition, should I become aware that I have or may have a conflicting financial interest, I promise that I will immediately make a full report of the situation to the Contracting Officer and the Agency Ethics Official.

7. **No Appearance of Impropriety.** To the best of my knowledge and belief, neither I nor any members of my family (immediate or extended) have any financial interest, or other interest or relationship, which might cause a reasonable individual to question my impartiality or my participation in this acquisition process. In addition, should I become aware that such an appearance of impropriety may exist, I promise that I will immediately make a full report of the situation to the Contracting Officer and the Agency Ethics Official.

The purpose of this Certificate of Procurement Integrity / Non-Disclosure is to protect the employee and the Agency. ***If you are in any doubt as to whether your participation could create the potential for a Conflicting Financial Interest or the Appearance of Impropriety, now or in the future, STOP – Do not sign this form, ask to be excused, and set up a meeting with your Supervisor, the Contracting Officer, and the Agency Ethics Official (Installation Legal Office.) The restrictions of the Procurement Integrity Act apply whether or not you sign this form. Therefore, if you are in doubt, leave and pursue “recusal” from participation through your Supervisor, Legal, and the Contracting Officer.***

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PRINT NAME

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DATE

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SIGNATURE

## **Enclosure 1 – Nondisclosure Laws**

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### **USC TITLE 18, SECTION 1905;**

#### **DISCLOSURE OF CONFIDENTIAL INFORMATION**

Whoever, being an officer or employee of the United States or of any department or agency thereof, publishes, divulges, discloses, or makes known in any manner to any extent not authorized by law any information coming to him in the course of his employment or official duties or by reason of any examination or investigation made by, or return, report or record made to or filed with, such department or agency or officer or employee thereof, which information concerns or relates to the trade secrets, processes, operations, style of work, or apparatus, or to the identity, confidential statistical data, amount of any source of income, profits, losses, or expenditure of any person, firm partnership, corporal/on or association; permits any income return or copy thereof to be seen or examined by any person except as provided by law;, shall be fined not more than \$1,000, or imprisoned not more than one year, or both, and shall be removed from office or employment.

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### **USC TITLE 41, SECTION 423(a);**

#### **PROHIBITON ON DISCLOSING PROCUREMENT INFORMATION**

(1) A person described in paragraph (2) below shall not, other than as provided by law, knowingly disclose contractor bid or proposal information or source selection information before the award of a Federal agency procurement contract to which the information relates.

(2) Paragraph (1) above applies to any person who -(i) Is a present or former official of the United States, or a person who is acting or has acted for or on behalf of, or who is advising or has advised the United States with respect to, a Federal agency procurement; and (ii) By virtue of that office, employment, or relationship, has or had access to contractor bid or proposal information or source selection information.

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## Enclosure 2 - CFR §2635.703 Use of Nonpublic Information

(a) **Prohibition.** An employee shall not engage in a financial transaction using nonpublic information, nor allow the improper use of nonpublic information to further his own private interest or that of another, whether through advice or recommendation, or by knowing unauthorized disclosure.

(b) **Definition of nonpublic information.** For purposes of this section, nonpublic information is information that the employee gains by reason of Federal employment and that he knows or reasonably should know has not been made available to the public. It includes information that he knows or reasonably should know:

(1) Is routinely exempt from disclosure under 5 U.S.C. 552 or otherwise protected from disclosure by statute, Executive order or regulation;

(2) Is designated as confidential by an agency;, or

(3) Has not actually been disseminated to the general public and is not authorized to be made available to the public on request.

Example 1: A Navy employee learns in the course of her duties that a small corporation will be awarded a Navy contract for electrical test equipment. She may not take any action to purchase stock in the corporation or its suppliers and she may not advise friends or relatives to do so until after public announcement of the award. Such actions could violate Federal securities statutes as well as this section

Example 2: A General Services Administration employee involved in evaluating proposals for a construction contract cannot disclose the terms of a competing proposal to a friend employed by a company bidding on the work. Prior to award of the contract, bid or proposal information is nonpublic information specifically protected by 41 U.S.C. 423.

Example 3: An employee is a member of a source selection team assigned to review the proposals submitted by several companies in response to an Army solicitation for spare parts. As a member of the evaluation team, the employee has access to proprietary information regarding the production methods of Alpha Corporation, one of the competitors. He may not use that information to assist Beta Company in drafting a proposal to compete for a Navy spare parts contract. The Federal Acquisition Regulation in 48 CFR parts 3, 14 and 15 restricts the release of information related to

procurements and other contractor information that must be protected under 18 U.S.C. 1905 and 41 U.S.C. 423.

Example 4: An employee of the Nuclear Regulatory Commission inadvertently includes a document that is exempt from disclosure with a group of documents released in response to a Freedom of Information Act request. Regardless of whether the document is used improperly, the employee's disclosure does not violate this section because it was not a knowing unauthorized disclosure made for the purpose of furthering a private interest.

Example 5: An employee of the Army Corps of Engineers is actively involved in the activities of an organization whose goals relate to protection of the environment. The employee may not, other than as permitted by agency procedures, give the organization or newspaper reporter nonpublic information about long-range plans to build a particular dam.

#### Enclosure 4 - 32 CFR, Part 286h, Release Of Acquisition Related Information

1. Purpose. This part sets forth Department of Defense (DoD) policy for the release of acquisition-related information.

2. Applicability and scope.

(a) This part applies to the Office of the Secretary of Defense (OSD), the Military Departments, the Chairman, Joint Chiefs of Staff and Joint Staff (CJCS), the Unified and Specified Commands, and the Defense Agencies (hereafter referred to collectively as "DoD Components").

(b) This part is issued pursuant to section 822 of Public Law 101-189, which requires the Department of Defense to prescribe a single uniform regulation for dissemination of, and access to, acquisition information.

3. Policy.

(a) General. It is the Department of Defense's policy to make the maximum amount of acquisition-related information available to the public, and to respond promptly to specific requests from the public for such information, except for the information identified in paragraph (b) of this section, for which release is restricted.

(b) Information for which release is restricted. The information identified below may be released only as set forth herein.

(1) Release subject to statutory restrictions. This information may be released only in accordance with the applicable statutory requirements. Once the statutory requirements

have been satisfied, the information may be released unless it falls within one of the categories described in the following paragraphs, in which case the policies governing re-release of information within those categories shall be followed.

(2) Classified information. (i) Any information or material, regardless of its physical form or characteristics that is owned by, produced by or for, or under the control of the United States Government, and which, for national security purposes must be protected against unauthorized disclosure and is so designated or marked with the appropriate classification.

(ii) Release, access, and dissemination of classified information shall be made through existing security channels in accordance with DoD 5220.22–R;1 DoD 5220.22–M;2 and DoD 5200.1–R,3 which are implementing publications for safeguarding classified information release, access, and dissemination to United States and foreign concerns.

**(3) Contractor bid or proposal information.** (i) This is information prepared by or on behalf of an Offeror and submitted to the Government as a part of or in support of the Offeror's bid or proposal to enter into a contract with the Government, the disclosure of which would place the Offeror at a competitive disadvantage or jeopardize the integrity or the successful completion of the procurement. Contractor bid or proposal information includes cost or pricing data, profit data, overhead and direct labor rates, and manufacturing processes and techniques. Contractor bid or proposal information does not include information that is available to the public.

(ii)(A) Sealed bids. (1) Prior to bid opening, no release or disclosure of contractor bid information shall be made to anyone other than those who are involved in the evaluation of the bids or to other individuals authorized by the Head of the DoD Component, or his or her designee.

(2) After contract award, contractor bid information may be released or disclosed by those authorized by the Head of the DoD Component, or his or her designee, to make such release or disclosure, if the information to be re-leased or disclosed is not subject to a restrictive legend authorized by Federal Acquisition Regulation (FAR) 52.215–12 or release is not otherwise restricted by law.

(3) Negotiated procurements. Prior to contract award, no release or disclosure of contractor proposal information shall be made to anyone other than those who are involved in the evaluation of the proposals or the source selection or to other individuals authorized by the Head of the DoD Component, or his or her designee. DoD Components shall adopt procedures in accordance with FAR 15.413 to protect against release or disclosure of contractor proposal information. After contract award, contractor proposal information may be released or disclosed by those authorized by the Head of the DoD Component, or his or her designee, to make such release or disclosure, if the information to be released or disclosed is not subject to a restrictive legend authorized by FAR 15.509 or FAR 52.215–12 or release is not otherwise restricted by law.

**(4) Source selection information.**

(i) This is information prepared or developed for use by the Government in connection with the selection of a bid or proposal for the award of a contract. Only the following information, including copies or extracts thereof, is source selection information:

(A) Bid prices submitted in response to a Government solicitation for sealed bids or lists of such bid prices (applicable prior to bid opening only);

(B) Proposed costs or prices submitted in response to a Government solicitation prior to award of the contract, a list of proposed costs or prices;

(C) Source selection plans;

(D) Technical evaluation plans;

(E) Technical evaluations of competing proposals;

(F) Cost or price evaluations of competing proposals;

(G) Competitive range determinations;

(H) Rankings of competitors;

(I) The reports and evaluations or source selection boards, advisory councils, or the source selection authority (SSA); and

(J) Any other information which:

(1) If disclosed, would give an Offeror a competitive advantage or jeopardize the integrity or successful completion of the procurement; and

(2) Is marked with the legend "Source Selection Information."

**(ii) Release of or access to source selection information (SSI)—(A) Access to SSI.**

The SSA (including the contracting officer when the contracting officer is the SSA) shall restrict access to source selection information to only those Government employees directly involved in the source selection process or to those individuals who have been authorized by the Head of the DoD Component, or his or her designee, to have access to such information. If the contracting officer or the SSA have not been appointed, the Head of the DoD Component, or his or her designee, shall assure access to such information is properly restricted. Employees supervising or managing employees directly involved in the source selection process are not themselves by virtue of their positions directly involved in the source selection process.

**(B) Release of SSI—(1) Prior to contract award.** Source selection information shall not be released prior to contract award unless the Head of the DoD Component, or his or her designee, determines that release is in the public interest and would not jeopardize the integrity or successful completion of the procurement. The information to be released shall only be released by the contracting officer. The contracting officer shall make release in a manner that does not provide any potential Offeror with a competitive advantage.

**(2) After contract award.** The need to protect source selection information generally ends with contract award. The contracting officer may release, or authorize the release of, any source selection information related to that contract award except: Source selection information specifically developed or prepared for use with more than one solicitation when there is a continuing need to protect that information; unless otherwise permitted by law, source selection information containing contractor data or extracts thereof which are protected by law; information which would reveal the relative merits or technical standing of the competitors or the evaluation scoring; and any pre-decisional or other information not subject to release under the Freedom of Information Act. Debriefings to unsuccessful Offerors shall be conducted in accordance with FAR 15.1003 and Defense Federal Acquisition Regulation Supplement (DFARS) 215.1003(a).

(5) Planning, programming, and budgetary information.

(not provided)

(c) Freedom of Information Act. Where a request for information, the release of which is restricted under paragraph 286h.3(b) is made under the Freedom of Information Act, the request shall be forwarded to the appropriate official for disposition in accordance with DoD 5400.7–R.4 Requests for contractor bid or proposal information pursuant to the Freedom of Information Act shall be subject to subparagraph 5–207 a. of DoD 5400.7–R, which requires notice to a non-United States Government source of a record.

4. Responsibilities.

(not provided)

**APPENDIX C**  
**MARKET RESEARCH MEMORANDUM & GUIDANCE**

## MARKET RESEARCH MEMORANDUM

1. **TITLE OR NAME OF PROJECT:** (Click to enter name of the project)
  
2. **DESIRED DELIVERY DATE OR PERIOD OF PERFORMANCE:** (Click to enter the period of performance or delivery date)
  
3. **IS THIS A NEW REQUIREMENT, EXERCISE OF AN OPTION OR MODIFICATION OF AN EXISTING REQUIREMENT?** (Click to enter the type requirement)
  
4. **IS THE PROPOSED PROCUREMENT A DUPLICATION OF EFFORT: (Is this work covered by Full Time Support, contracted support or Off-loaded Support?)** (Click to enter the work effort)
  
5. **DESCRIPTION OF PROJECT: (Attach Performance Work Statement or Statement of Objectives)** (Click to describe the project)
  
6. **STATE THE ANTICIPATED BENEFITS FOR THE COMMAND BY CONTRACTING FOR THIS WORK:** (Click to enter the benefits derived by the Command as provided by the contract)
  
7. **WHAT METRICS WILL BE USED TO MEASURE ANTICIPATED BENEFITS OF WORK ACCOMPLISHED? I.E. Turn-around time of 22 days... Delinquency rate less than 2%, etc.** (Click to enter metrics to be used to assess the contractors performance)
  
8. **ESTIMATED TOTAL COST (Breakdown by base plus each option year cost): (Include Independent Government Estimate)** (Click to enter the total cost)
  
9. **FUND CITE:** (Click to enter the fund cite)
  
10. **LIST OF POTENTIAL VENDORS (Company Name, address, phone number): (If possible provide three)** (Click to list potential vendors as discovered by the market research)

**11. DOES THE ABOVE MARKET RESEARCH INDICATE THAT ONLY ONE VENDOR OR ONE TYPE OF COMMODITY CAN FULFILL THE REQUIREMENT? IF YES, WHY?** (Click to enter the fund cite)

**12. IF REQUESTING SOLE SOURCE, PROVIDE DETAILED RATIONALE - Refer to the Federal Acquisition Regulation, Part 6.3 Other Than Full and Open Competition for the only authorized rationale (Note Lack of Advance Acquisition Planning is not a valid justification for a Sole Source Procurement):** (Click to enter the rationale if seeking a sole source procurement)

**13. HAS THIS ACQUISITION BEEN SUBMITTED TO COMPLY WITH PUBLISHED CONTRACT ACQUISITION LEAD TIMES (CALT):** (Refer to chapter 6-3, Contract Acquisition Lead Times, contained in this Handbook for published CALT times) (Click to answer Yes or No, if no the reason for not meeting the CALTs)

**14. CAN THIS WORK BE CONTRACTED FOR THROUGH THE MICC USAR CONTRACTING CENTER? IF THE ANSWER IS NO, PROVIDE RATIONALE WHY WORK CANNOT BE DONE BY MICC USAR CONTRACTING CENTER :** (Click to answer Yes or No, if no provide rationale why work cant be done by the MICC USAR Contracting Center

**15. WAS THIS OFF-LOAD VALIDATED BY AN MICC USAR CONTRACTING CENTER CONTRACTING OFFICER AND APPROVED BY THE APPROPRIATE COMMANDER? (PROVIDE OFF LOAD APPROVAL FORM):** (Click to answer Yes or No, if no provide reason)

## PURPOSES FOR MARKET RESEARCH

1. Ascertain whether needs can be met by items available in the commercial marketplace:

***NOTE: THE GOVERNMENT REQUIREMENT WILL NOT BE DISCUSSED IN DETAIL WITH A VENDOR THAT WOULD GIVE THEM AN UNFAIR COMPETITIVE ADVANTAGE.***

- a. Determine if there are sources capable of satisfying requirements.
- b. Determine if commercial items are available to;
  - (1) Meet requirements
  - (2) Could be modified to meet requirements; or
  - (3) Could meet requirements if requirements are modified to a reasonable extent.
- c. If commercial items are not available, determine if non-developmental items are available that;
  - (1) Meet requirements;
  - (2) Could be modified to meet requirements; or
  - (3) Could meet requirements if requirements are modified to a reasonable extent.
- d. Determine the extent to which commercial items or non-developmental items could be incorporated at the component level.

2. Identify commercial practices regarding customizing, modifying or tailoring items to meet customer needs.

3. Identify customary industry terms and conditions

- a. Warranties
- b. Acceptance
- c. Inspection
- d. Buyer financing
- e. Maintenance support
- f. Packaging and marking

4. Identify normal distribution and logistics support capabilities of the commercial market.
5. Ensure maximum and effective use of competitive market forces.
  - a. Identify level of market competition
  - b. Identify sources potentially capable of satisfying requirements
    - (1) Price
    - (2) Quality
    - (3) Features
    - (4) Speed of technological improvement
    - (5) Energy efficiency
    - (6) Service
    - (7) Support
  - c. Identify items that could be modified to meet requirements
  - d. Reasonably modify requirements to expand potential sources
6. Ensure maximum practical use of recovered materials and promote energy conservation and efficiency.
  - a. Identify extent of recovered materials used in market products
  - b. Identify efficiency standards in marketplace
  - c. Identify extent of market pressures on energy conservation and efficiency

## Techniques For Collecting Information.

1. Begin with a description of need sufficient to allow conduct of market research.
2. Contact knowledgeable individuals to inquire about
  - a. Market capabilities to meet requirements
  - b. Successful acquisition strategies
  - c. Industry best practices
  - d. Pitfalls to avoid
  - e. Successful incentives
3. Review recent history, results of market research undertaken to meet similar requirements.
4. Participate in interactive, in-line communication among industry, acquisition personnel, and customers.
5. Reviewing catalogs and other generally available product literature published by manufacturers, distributors, and dealers or available on-line.
6. Conducting interchange meeting or holding pre-solicitation conferences to involve potential offerors early in the acquisition process.

## HELPFUL MARKET RESEARCH WEB SITES

<http://www.ceoexpress.com>

<http://www.ccr.gov/>

<http://www.firstgov.gov/>

<http://www.whitehouse.gov/omb/egov/>

<http://www.sba.gov>

<http://www.gsaadvantage.gov>

<http://www.commerce.gov>

<http://www.fedbizopps.gov>

<http://www.thomasregister.com>

<http://www.yellowpages.com>

<http://www.cadv.org>

<http://www.govcon.com>

<http://www.industrylink.com>

<http://bigbook.com>

<http://switchboard.com>

<http://www.stpt.com>

<http://www.webcrawler.com>

<http://www.acq.osd.mil/dpap/>  
<http://aca.saalt.army.mil>  
<http://acquisition.army.mil>

## Market Research Techniques

1. Acquire and review information, literature and publications describing manufacturers and suppliers, their products, industry trends, product availability, reliability, and prices.

a. Publications such as the Thomas Register.

b. Trade catalogs, magazines, publications, and journals. Examine business and trade association directories to identify additional sources to solicit and acquire basic information about these sources.

c. Vendor brochures and catalogs.

d. Telephone Yellow Pages.

e. Local source files. Analyze procurement history by examining quality and extent of competition, prices, and performance results. This information can be used to revise requirements, specifications, and contracting approach based on lessons learned.

f. Advertisements.

g. Consumer organization reports.

h. Defense Technical Information Center documents.

i. Great 800 Toll-Free Directory.

2. Publicize contract actions offering competitive opportunities:

a. Informational requests for quotations, pre-solicitation notices, draft RFPs.

b. Advance notices and solicitation synopses published in the FedBizOpps as well as trade journals and other publications to solicit inquiries. These "sources sought" efforts should be accomplished as soon as coordination begins between the requiring activity and the contracting officer.

c. Display solicitations and mail solicitations to trade associations (after J&A is approved unless it is a draft solicitation).

3. Investigate the market to determine current status of technology, extent of commercial applications, and source availability.

a. Evaluate commercial items to determine if they can be incorporated into the military operating environment. Evaluate the system design and the extent of adaptation needed to meet requirements. Identify impediments to effective competition.

b. Attend industry and scientific conferences to gain knowledge of current technology and commercial successes and failures as applied to military requirements.

#### 4. Outreach:

a. Coordinate with the Chamber of Commerce.

b. Coordinate with the Minority Business Office.

c. Visit potential qualified sources that typically do not respond to solicitations. Determine why selected contractors do not respond to a solicitation. This will give you insight into what impediments to effective competition might exist. This may encourage new and possibly better sources to respond to requirements. Document and publish lessons learned

d. Encourage industry to come to you by sponsoring open-house activities or promotions like a small business week.

e. Participate in events sponsored by professional business organizations.

f. Obtain from prime contractors the names of subcontractors, cross-reference to part numbers, and determine the responsible government agency for centrally managed items.

#### 5. Government resources:

a. Request assistance from the Small Business Administration, the Department of Commerce, and the General Services Administration.

b. Use the Small and Disadvantaged Business Utilization Specialist (SADBUS) for your organization to coordinate with the SADBUS from other departments or agencies. The SADBUS reviews requirements and locates small business sources for many requirements. Likewise, the competition advocate (CA) for your organization can contact other CAs to identify sources for your item/service.

c. Use the Small Business Administration Dynamic

d. Use databases that contain information about past procurements of the same or similar supplies or services. Identify government contractors, what was purchased, and if the purchase was competitive. Through comparison with past procurements, you may obtain data about tests, modifications, costs, performance and delivery schedules, or show successes or failures

e. Consult with other federal agencies that may buy the same or similar products or services.

f. Examine GSA Federal Supply Schedules to identify products or services on schedules at a favorable price and terms.

g. Educate personnel with "know your item tours." If you can take a look at what you are buying, it may be easier to determine whether portions of your specification are restrictive. You may also be able to determine whether there are other products that can meet your needs.

6. BOTTOM LINE. Develop a "THINK COMPETITION" attitude within your organization. When everyone involved in the acquisition process is thinking competition, new market research ideas materialize.

|

**Appendix D**  
**CONTRACT ACQUISITION PACKAGE CHECKLIST**

**CONTRACT ACQUISITION PACKAGE CHECKLIST**

|  | ENCL | S/SV/C    | DOCUMENT   |
|--|------|-----------|--|
| 1  |      | S/SV/C    | Copy of current contract/task order (If Modification/Exercise of Option/New Acquisition for an on-going requirement)   |
| 2  |      | S/SV/C    | Contracting Agency Memorandum/Email to exercise contract Option Year <i>(As provided by Army Contracting Command/Army Reserve Contracting Center)</i>                              |
| 3  |      | S/SV/C/CF | Performance Work Statement (PWS)/Statement of Objectives (SOO) Statement of Work (SOW) <i>Attach drawings or other technical specifications or exhibits</i>                        |
| 4  |      | S/SV/C/CF | Contracting Officer Representative (COR/QAR) Nomination Letter or Appointment Letter <i>(For exercise of Options only)</i> and COR's specific Training Certificate                 |
| 5  |      | SV/CF     | Quality Assurance Surveillance Plan (QASP)   |
| 6  |      | S/SV/C/CF | Market research with minimum of one vendor sources <i>(Preferred three vendor sources)</i>   |
| 7  |      | S/SV/C/CF | Independent Government Estimate (IGE)  |
| 8  |      | S/SV/C/CF | Source Selection Criteria. Required when selecting contractor based on Best Value – those factors other than cost alone.   |
| 9  |      | SVC       | Request For Civilian Hire Or Services Contract Approval form (Services greater than \$2500)  |
| 10   |      | S/SV/C/CF | Funding Document: DA Form 3953 Purchase Request and Commitment/Copy of Aquiline Request or DD Form 448 Military Interdepartmental Purchase Request (MIPR) for funds transfers only |
| 11   |      | SV        | If Leasing, Lease vs. Buy Analysis   |
| 12   |      | C         | Signed and approved USAR Facilities Support Request <i>(Engineer Project Approval)</i> Form 4283   |
| <b>S-Supplies, SV-Service, C-Construction, CF-Conference</b> |      |           |  |

**Appendix E**  
**Sample Notice of Intent to Exercise Option**



DEPARTMENT OF THE ARMY  
ARMY CONTRACTING AGENCY  
ARMY RESERVE CONTRACTING CENTER  
5418 SOUTH SCOTT PLAZA  
FORT DIX, NJ 08640-5097

REPLY TO  
ATTENTION OF

AFRC-FA-DCA

December 31, 2007

SUBJECT: Contract W91XXX-06-P-XXXX – Notice of Intent to Exercise **Option Year 02**

TM Enterprises  
ATTN: COR  
COR Address  
COR City State

Dear Ms. COR,

The First Option Period for Contract Number W91XXX-06-P-XXXX with CONTRACTOR NAME, UNIT USARC, Flushing, New York is due to expire on **31 Mar 2008**. The contract is to perform custodial services in buildings 118, 121, 123, 124, 128, 200, 206, 319, and 330 in strict accordance with the Statement of Work.

In accordance with FAR Clause 52.217.9, the Government is hereby giving preliminary written notice of its intent to extend performance of the services you are presently providing under the terms of the contract. The **Second Option Period** shall be from **01 Apr 2008** through **31 Mar 2009**. This preliminary notice does not commit the Government to an extension.

Please acknowledge receipt of this notice of intent as provided below. Should you need additional information, please contact Contract Administrator at (609) xxx-xxx or e-mail address [contractadministratori@us.army.mil](mailto:contractadministratori@us.army.mil)

Sincerely,

Connie KO  
Contracting Officer

ACKNOWLEDGEMENT:

Receipt of this notification is hereby acknowledged.

---

(Name/Title/Signature)

---

(Date

## **Appendix F**

### **Statement of Work Guide (SOW)/Performance Work Statement (PWS) Templates (Over \$100K)/Review Checklist**

## Performance Work Statement Guide

### 1. Developing the Performance Work Statement

The Performance Work Statement (PWS):

- Defines the work: the responsibilities, products, services, and workload in terms of the output.
- Establishes measurable performance standards in such areas as: Timeliness, Quality, Quantity, and Effectiveness.
- Provides the “how to” for surveillance (Choose only critical areas to monitor).

There are 5 steps to developing a PWS:

- Conduct an Analysis
- Apply the “So What?” test
- Capture the results of the analysis
- Write the Performance Work Statement
- Let the contractor solve the problem

### 2. Conduct an Analysis.

Preparing a PWS begins with an *analytical process*, often referred to as a “job analysis.” It involves a close examination of the agency’s requirements’ and tends to be a “bottom up” assessment. This analysis is the basis for establishing performance requirements, developing performance standards, writing the performance work statement, and producing the quality assurance plan. Those responsible for the mission or program are essential to the performance of the job analysis.

- Define the desired outcomes: *What must be accomplished to satisfy the requirement?*
- Conduct an outcome analysis: *What tasks must be accomplished to arrive at the desired outcomes?*
- Conduct a performance analysis: *When or how will I know that the outcome has been satisfactorily achieved, and how much deviation from the performance standard will I allow the contractor, if any? What are the Acceptable Quality Levels (AQLs)?*

The AQL establishes the allowable error rate or variation from the standard. OFPP’s best practices guide (<http://oamweb.osec.doc.gov/pbsc/home.html>) cites this example: In a requirement for taxi services, the performance standard might be “pickup within five minutes of an agreed upon time.” The AQL then might be five percent; i.e., the taxi could be more than five minutes late no more than five percent of the time. Failure to perform within the AQL could result in a contract price reduction or other action.

With regard to performance standards and AQLs, the team should remember that an option is to permit contractors to propose standards of service, along with appropriate price adjustment or other action. This approach fosters a reliance on standard commercial practices. (Remember that all these points – performance standards, quality levels, and price – are negotiable.)

### 3. Apply the “So What?” Test.

An analysis of requirements is often, by its nature, a close examination of the status quo; that is, it is often an analysis of process and “how” things are done...exactly the type of detail that is not supposed to be a in a PWS. The integrated solutions team needs to identify the essential inputs, processes, and outputs during job analysis. Otherwise, the danger is that contractors will bid back the work breakdown structure, and the agency will have failed to solicit innovate and streamlined approaches from the competitors.

One approach is to use the “so what?” test during job analysis. For example, once job analysis identifies outputs, the integrated solutions team should verify the continued need for the output. The team should ask questions like: Who needs the output? What is the output needed? What is done with it? What occurs as a result? Is it worth the effort and cost? Would a different output be preferable? And so on.

### 4. Capture the results of the analysis in a matrix. (Typically utilized for larger acquisitions)

As the information is developed, the integrated solutions team should begin capturing the information in a performance matrix that addresses the following:

- Desired Outcomes: What do we want to accomplish as the end result of this contract?
- Required Service: What task must be accomplished to give us the desired result? (Note: Be careful this doesn't become a “how” statement).
- Performance Standard: What should the standards for completeness, reliability, accuracy, timeliness, customer satisfaction, quality and/or cost be?
- Acceptable Quality Level (AQL): How much error will we accept?
- Monitoring Method: How will we determine that success has been achieved?
- Incentives/Disincentives for Meeting or Not Meeting the Performance Standards?
- What carrot or stick will best reward good performance or address poor performance? [This reflects priced and un-priced adjustments based on an established methodology. Reductions can be made for reduced value of performance.]

Take the desired outcomes, performance objectives, performance standards, and acceptable quality levels that have been developed during the analytical process and document them in a Performance Requirements Summary (PRS). The PRS matrix has five columns: performance objective, performance standard, acceptable quality level, monitoring method, and incentive. The PRS serves as the basis for the performance work statement.

A sample PRS might look like:

| <b>PWS</b>      | <b>Required Service</b>                  | <b>Performance Standard</b>                     | <b>Acceptable Level of Perf</b> | <b>Surveillance Method</b> | <b>Payment Deduction (*)</b> |
|-----------------|--|---|---------------------------------|----------------------------|------------------------------|
| <b>Para 5.1</b> | <b>School bus driver arrives on time</b> | <b>Plus or minus 3 minutes</b>                  | <b>100%</b>                     | <b>Random Sampling</b>     | <b>100%</b>                  |
| <b>Para 5.2</b> | <b>Driver files incident Reports</b>     | <b>Reports filed within 24 hours</b>            | <b>95%</b>                      | <b>100% inspection</b>     | <b>100%</b>                  |
| <b>Para 5.3</b> | <b>Availability of PM</b>                | <b>PM available<br/>Between 6AM<br/>And 7PM</b> | <b>95%</b>                      | <b>Random Sampling</b>     | <b>25%</b>                   |

**(\*) Indicate a payment deduction percentage or dollar amount for any AQL that uses random or 100% inspection. For customer complaints and planned (periodic) sampling insert N/A**

TYPES OF SURVEILLANCE TO SELECT FROM:

RANDOM SAMPLING: APPROPRIATE FOR FREQUENTLY RECURRING TASKS. EVALUATE RANDOMLY SELECTED SAMPLES OF THE LOT TO DETERMINE THE ACCEPTABILITY OF THE ENTIRE LOT.

RANDOM INSPECTION GUIDE, METHOD OF SURVEILLANCE, LOT SIZE, SAMPLE SIZE, PERFORMANCE REQUIREMENT, SAMPLING PROCEDURE, INSPECTION PROCEDURE

100 PERCENT INSPECTION: APPROPRIATE FOR TASKS THAT OCCUR INFREQUENTLY. INSPECT AND EVALUATE PERFORMANCE EACH TIME TASK IS PERFORMED

PERIODIC SURVEILLANCE: EVALUATION OF SAMPLES SELECTED ON OTHER THAN 100% OR STATISTICALLY RANDOM BASIS. (I.E. MONTHLY, QUARTERLY, SEMI-ANNUALLY ETC.)

VALIDATED CUSTOMER COMPLAINT: COMPLAINTS MUST BE VALIDATED.

**NOTE: YOU MAY ALSO USE ANY SURVEILLANCE METHOD USED IN THE COMMERCIAL MARKET TO SURVEIL THE REQUIRED SERVICE. (THIS WILL BE DISCOVERED WHEN MARKET RESEARCH IS CONDUCTED).**



6. Write the performance work statement using the following template.

a. Template to be utilized for simplified acquisitions (under \$100K) and or Commercial Items:

## PERFORMANCE WORK STATEMENT

### TITLE PAGE

The title page should include the name of your project or program, the date prepared, and the preparing organization.

### 1.0 INTRODUCTION

The introduction section should give the reader just enough information to recognize what you are procuring, normally one to three sentences. Concern yourself more with clarity and content rather than length.

### 2.0 BACKGROUND

The background section provides historical information which is necessary to understand how and/or why the current requirement evolved, where it is headed, and current information that helps the reader understand the requirement. Identify research, studies, or other efforts that contribute to the reader's understanding of the requirement, and include only information that is relevant.

### 3.0 SCOPE

The scope section is an overview of the PWS and should emphasize the most important aspects of the requirements rather than minor details. It should identify the objective or purpose of your requirement and it should help the reader understand the magnitude of the effort to be performed.

The desired result or the product of the effort should be clear and should be consistent with the requirements specified in Technical Requirements. Please keep in mind that the contractor will not be required to provide something that is only referred to or implied.

The requiring activity must specifically state in the PWS exactly the requirements that exist and cannot leave "wiggle room" to imagine that the contract will also cover functions he may have 'forgotten' in the planning process. If some of the requirements for the contract are anticipated for a later time, but are not needed immediately, or are not yet fully developed, the requiring activity is in a unique position to build-out the scope of the contract to accommodate the later requirement. The requiring activity must state in the PWS that the contracting officer may later modify the contract to include the additional subject matter. Since the PWS is an essential element of the solicitation and becomes part of the contract, the statement of intent in the PWS to later modify the

contract for the new subject matter is also part of the solicitation and contract. In this way, the acquisition planner builds the scope of the acquisition in a broad enough manner to include the anticipated but presently excluded subject matter.

#### 4.0 APPLICABLE DOCUMENTS

This section lists all documents referenced in Technical Requirements that the contractor will have to comply within performance of the PWS (e.g., Army Directives, Specifications, and Standards). Do not list non-mandatory documents that are referenced in the technical requirements section for informational or guidance purposes.

If there are no documents cited in the technical requirements section, then type “none” in this section.

#### 5.0 TECHNICAL REQUIREMENTS

The technical requirements section should identify what the contractor is required to do and not how the contractor should accomplish the effort. All major tasks and sub-tasks need to be defined in adequate detail so that the contractor knows what is required and the government knows when and if the contractor has complied with the requirement(s).

All level one paragraphs (e.g., 5.1, 5.2, 5.3, etc.) in this section should represent a major task.

As you define the major tasks and sub-tasks, keep in mind the following questions:

1. Did you identify the desired result for each task or sub-task as appropriate?
2. Does the contractor have enough information to determine what is required?
3. How would you know if the contractor complied with this requirement?
4. Are the tasks written so that there is no doubt what is intended?
5. Will the contractor have all the information he needs to price the task?

A complete identification of all data including the title, content, format, frequency and delivery requirements will be necessary. Therefore, you must ensure that each task that generates data has a corresponding data reporting requirement.

#### 6. DELIVERABLES

This section contains information on what the contractor is to provide and when it is required. It will help you and the contracting officer to monitor and manage contractor performance. Express the outputs (deliverables) in concise, easily understood measurable terms.

#### 7. SUPPORTING INFORMATION

This part sets forth information that applies to the contract performance but does not fit anywhere else in the PWS format. Typically these considerations are in support of, rather than part of, the work requirement. They may include information related to the place and period of performance, government furnished property or information, contractor qualification considerations, security or contractual requirements unique to the specific procurement.

Let the contractor solve the problem, including the labor mix.

First, keep this important “lesson learned” in mind:

*Don't specify the requirement so tightly that you get the same solution from each offeror.*

Second, performance-based service acquisition requires that the team usually must jettison some traditional approaches to buying services...like specifying labor categories, educational requirements, or number of hours of support required. Those are “how” 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 the proposed personnel. In making the shift to performance-based acquisition, remember this:

Prescribing manpower requirements limits the ability of offerors to propose their best solutions, and it could preclude the use of qualified contractor personnel who may be well suited for performing the requirement but may be lacking – for example – a complete college degree or the exact years of specified experience.

For some services, in fact, such practices are prohibited. Congress passed a provision (section 813) in the 2001 Defense Authorization Act, now implemented in the FAR (with government-wide applicability of course). It prescribes that, when acquiring information technology services, solicitations may not describe any minimum experience or educational requirements for proposed contractor personnel unless the contracting officer determines that needs of the agency either (1) cannot be met without that requirement or (2) require the use of other than a performance-based contract.

Remember that how the performance work statement is written will either empower the private sector to craft innovative solutions...or limit or cripple that ability.

b. Template to be utilized for large (over \$100K), complex acquisitions and or Non-Commercial Items:

**Performance Work Statement (PWS)**

For

**(ADD TITLE OF SERVICE)**

**(NOTE TO THE WRITER: YOU MUST TAILOR THE DOCUMENT FOR YOUR AGENCY BY INCLUDING YOUR UNIQUE REQUIREMENTS AND QUANTITIES FOR WORKLOAD ESTIMATES, IF NECESSARY. IF YOU REQUIRE SPECIFIC SURVEILLANCE TECHNIQUES YOU SHOULD ADD THEM TO THE APPROPRIATE SECTION.)**

PART 1  
GENERAL INFORMATION

*The performance work statement defines the Government's requirements in terms of the objective and measurable outputs. It should provide the vendor with answers to five basic questions: what, when, where, how many, and how well. It is important to accurately answer these questions in order to allow the vendor the opportunity to accurately assess resources required and risks involved.*

1.1 Description of Services/Introduction: The contractor shall provide all personnel, equipment, tools, materials, supervision, and other items and non-personal services necessary to perform \_\_\_\_\_ as defined in this Performance Work Statement except as Specified in section C-3 as government furnished property and services at \_\_\_\_\_. The contractor shall perform to the standards in this contract.

1.2 Background: *(Complete as appropriate)*

1.3 Objectives: *(Add a few bullets stating what the basic services objective is)*

1.4 Scope: *(Usually a paragraph. i.e. This work involves or The contractor shall provide services for (insert the type of services will be providing). Services include (insert what is included in the services to be provided). The contractor shall accomplish (complete if applicable).*

1.5 Period of Performance: *(State period of performance and option years)* The period of performance shall be for one (1) Base Year of 12 months and two (2) 12-month option years. The Period of Performance reads as follows:

Base Year  
Option Year I

## Option Year II

The Government reserves the right to extend the term of this contract at the prices set forth in Section B in accordance with the terms and conditions contained in clause 52.217-9 entitled, "Option to Extend the Term of the Contract".

### 1.6 General Information

1.6.1 Quality Control: *(If necessary)* The contractor shall develop and maintain an effective quality control program to ensure services are performed in accordance with this PWS. The contractor shall develop and implement procedures to identify, prevent, and ensure non-recurrence of defective services. The contractor's quality control program is the means by which he assures himself that his work complies with the requirement of the contract. As a minimum, the contractor shall develop quality control procedures that address the areas identified in Technical Exhibit 1, "Performance Requirements Summary". After acceptance of the quality control plan the contractor shall receive the contracting officer's acceptance in writing of any proposed change to his QC system. ***(Add when the QC Plan is to be delivered)***

a. 1.6.2 Quality Assurance: The government shall evaluate the contractor's performance under this contract in accordance with the Quality Assurance Surveillance Plan. This plan is primarily focused on what the Government must do to ensure that the contractor has performed in accordance with the performance standards. It defines how the performance standards will be applied, the frequency of surveillance, and the minimum acceptable defect rate(s).

b.

c. 1.6.3 Government Remedies: The contracting officer shall follow FAR 52.212-4, "Contract Terms and Conditions-Commercial Items" or 52.246-4, "Inspection of Services-Fixed Price" for contractor's failure to perform satisfactory services or failure to correct non-conforming services.

d. 1.6.4 Recognized Holidays: *(State if the contractor is or is not required to perform services on these days Holidays)*

New Year's Day

Labor Day

Martin Luther King Jr.'s Birthday  
President's Day  
Memorial Day  
Independence Day

Columbus Day  
Veteran's Day  
Thanksgiving Day  
Christmas Day

e. 1.6.5 Hours of Operation/Place of Performance: The contractor is responsible for conducting \_\_\_\_\_ between the hours of (insert appropriate hours for your organization here) Monday thru Friday except Federal holidays or when the Government facility is closed due to local or national emergencies, administrative closings, or similar Government directed facility closings. The Contractor must at all times maintain an adequate work force for the uninterrupted performance of all tasks defined within this statement of work when the Government facility is not closed for the above reasons. When hiring personnel, the Contractor shall keep in mind that the stability and continuity of the work force are essential. ***(Or whatever hours your requirement calls for AND add where the place of performance is, if necessary)***

f.

g. 1.6.6 Type of Contract: The government anticipates award of a \_\_\_\_\_.

h. 1.6.7 Security Requirements: *(Indicate the level of security required, if necessary. If a DD254 is required the unit security monitor should initiate a DD 254 that will become an attachment to this PWS).*

1.6.7.1 PHYSICAL Security. The contractor shall be responsible for safeguarding all government property provided for contractor use. At the close of each work period, government facilities, equipment, and materials shall be secured.

1.6.7.2 Key Control. *(If Necessary)* The Contractor shall establish and implement methods of making sure all keys/key cards issued to the Contractor by the Government are not lost or misplaced and are not used by unauthorized persons. NOTE: All references to keys include key cards. No keys issued to the Contractor by the Government shall be duplicated. The Contractor shall develop procedures covering key control that shall be included in the Quality Control Plan. Such procedures shall include turn-in of any issued keys by personnel who no longer require access to locked areas. The Contractor shall immediately report any occurrences of lost or duplicate keys/key cards to the Contracting Officer.

1.6.7.2.1. In the event keys, other than master keys, are lost or duplicated, the Contractor shall, upon direction of the Contracting Officer, re-key or replace the affected lock or locks; however, the Government, at its option, may replace the affected lock or locks or perform re-keying. When the replacement of locks or re-keying is performed by the Government, the total cost of re-keying or the replacement of the lock or locks shall be deducted from the monthly payment due the Contractor. In the event a master key is lost or duplicated, all locks and keys for that system shall be replaced by the Government and the total cost deducted from the monthly payment due the Contractor.

i. 1.6.7.2.2. The Contractor shall prohibit the use of Government issued keys/key cards by any persons other than the Contractor's employees. The Contractor shall prohibit the opening of locked areas by Contractor employees to permit entrance of persons other than Contractor employees engaged in the performance of assigned work in those areas, or personnel authorized entrance by the Contracting Officer.

1.6.7.3 Lock Combinations. *(If necessary)* The Contractor shall establish and implement methods of ensuring that all lock combinations are not revealed to unauthorized persons. The Contractor shall ensure that lock combinations are changed when personnel having access to the combinations no longer have a need to know such combinations. These procedures shall be included in the Contractor's Quality Control Plan.

1.6.7.4 Conservation of Utilities. The contractor shall instruct employees in utilities conservation practices. The contractor shall be responsible for operating under conditions that preclude the waste of utilities, which include turning off the water faucets or valves after using the required amount to accomplish cleaning vehicles and equipment.

j. 1.6.8 Special Qualifications: *(Insert any special certification requirements for employees if deemed appropriate i.e. The contractor is responsible for ensuring all employees possess all required licenses for operating/used in the execution of this contract).*

1.6.9 Post Award Conference/Periodic Progress Meetings: The Contractor agrees to attend any post award conference convened by the contracting activity or contract administration office in accordance with Federal Acquisition Regulation Subpart 42.5. The contracting officer, Contracting Officers Representative (COR/QAR), and other Government personnel, as appropriate, may meet periodically with the contractor to review the contractor's performance. At these meetings the contracting officer will apprise the contractor of how the government views the contractor's performance and the contractor will apprise the Government of problems, if any, being experienced. Appropriate action shall be taken to resolve outstanding issues. These meetings shall be at no additional cost to the government.

1.6.10 Contracting Officer Representative (COR/QAR): The (COR/QAR) is identified below:

*(Insert the name and address, phone number, fax and e-mail address of the COR/QAR)*

The COR/QAR monitors all technical aspects of the contract and assists in contract administration The COR/QAR is authorized to perform the following functions: assure that the Contractor performs the technical requirements of the contract: perform inspections necessary in connection with contract performance: maintain written and

oral communications with the Contractor concerning technical aspects of the contract: issue written interpretations of technical requirements, including Government drawings, designs, specifications: monitor Contractor's performance and notifies both the Contracting Officer and Contractor of any deficiencies; coordinate availability of government furnished property, and provide site entry of Contractor personnel. A letter of designation issued to the COR/QAR, a copy of which is sent to the Contractor, states the responsibilities and limitations of the COR/QAR, especially with regard to changes in cost or price, estimates or changes in delivery dates. The COR/QAR is not authorized to change any of the terms and conditions of the resulting order.

1.6.11 Contract Manager: The contractor shall provide a contract manager who shall be responsible for the performance of the work. The name of this person and an alternate who shall act for the contractor when the manager is absent shall be designated in writing to the contracting officer. The contract manager or alternate shall have full authority to act for the contractor on all contract matters relating to daily operation of this contract.

1.6.12 Identification of Contractor Employees: All contract personnel attending meetings, answering Government telephones, and working in other situations where their contractor status is not obvious to third parties are required to identify themselves as such to avoid creating an impression in the minds of members of the public that they are Government officials. They must also ensure that all documents or reports produced by contractors are suitably marked as contractor products or that contractor participation is appropriately disclosed. *(Indicate if contractor personnel will be required to obtain and wear badges in the performance of this service)*

PART 2  
DEFINITIONS & ACRONYMS

*(This section includes all special terms and phrases used in the PWS. The definition must clearly establish what is meant. Each definition provided should be carefully considered, for that definition becomes binding for all requirements in the contract. This section should also contain a complete listing of all acronyms used, giving both the acronyms and the words represented by the acronym).*

PWS – Performance Work Statement

Contracting Officer's Representative (COR/QAR): A representative from the requiring activity assigned by the Contracting Officer to perform surveillance and to act as liaison to the contractor

CCE– Contracting Center of Excellence

Defective Service. A service output that does not meet the standard of performance associated with it in the Performance Work Statement.

Quality Assurance Surveillance Plan (QASP). An organized written document specifying the surveillance methodology to be used for surveillance of contractor performance.

Quality Control. Those actions taken by a contractor to control the performance of services so that they meet the requirements of the PWS.

Quality Assurance. Those actions taken by the government to assure services meet the requirements of the Performance Work Statement.

***IF YOU ARE DOING A TIME AND MATERIALS OR LABOR HOURS CONTRACT THE BELOW DEFINITION MUST BE INCLUDED AND TAILORED TO YOUR ACQUISITION IF NECESSARY:***

Best Effort: That effort expended by the contractor to perform within the awarded ceiling price all work specified in this task order (TO) and all other obligations under this TO and the basic contract. This effort includes providing required qualified personnel, properly supervised, and following industry accepted methodologies and other practices. The effort is further characterized by operating at all times with the Government's best interest in mind, using efficient and effective methods, and demonstrating sound cost control. The effort must be identical to the effort that would be expended if this were a firm-fixed price TO and the contractor's profits were dependent upon reducing costs while meeting the Government's requirements in terms and quality and schedule. Failure to provide this required effort may result in the withholding of payment for hours expended that do not qualify as best effort or a reduction in the rate per hour to reflect decreased value of services received.

PART 3  
GOVERNMENT FURNISHED PROPERTY, EQUIPMENT, AND SERVICES

*(If the Government is to provide any property, services, or information to the contractor, this section is used to describe what will be provided. If the list or lists are fairly extensive, they should be made into a technical exhibit or attachment. COMPLETE AS APPROPRIATE).*

k. 3.1 GENERAL: The government shall provide, the facilities, equipment, materials, and/or services listed below.

3.2 Equipment: The Government will provide :

l.

m. 3.3 Services:

n. 3.3.1 Utilities. All utilities in the facility will be available for the contractor's use in performance of duties outlined in this PWS. The Contractor shall instruct employees in utilities conservation practices. The contractor shall be responsible for operating under conditions that preclude the waste of utilities.

o.

p. 3.4 Facilities: The Government will furnish the necessary workspace for the contractor staff to provide the support outlined in this PWS to include desk space, telephones, computers and other items necessary to maintain an office environment.

PART 4  
CONTRACTOR FURNISHED ITEMS AND SERVICES

*(In this section, describe property or services that the contractor shall provide. Complete as appropriate).*

4.1 General: Except for those items specifically stated to be government furnished in Part 3, the contractor shall furnish everything required to perform this PWS.

*(If applicable state if the contractor needs any kind of facility clearance)*

4.2 Secret Facility Clearance: The Contractor shall possess or be eligible to receive and maintain a SECRET facility clearance from the Defense Security Service. The Contractor's employees, performing work in support of this contract shall have been granted a SECRET security clearance from the Defense Industrial Security Clearance Office. \_\_\_\_\_

## PART 5 SPECIFIC TASKS

*(Specific tasks are the heart of the Statement of work). This section defines how the contracting effort fits within the existing or intended customer environment both technically and organizationally. Examples of items to include here are a detailed description of the services required and other pertinent information.*

**5.1 BASIC SERVICES.** The contractor shall provide services for (insert the services to be provided by the contractor).

## PART 6 APPLICABLE PUBLICATIONS

6.1 Publications applicable to this PWS are listed below. The publications must be coded as mandatory or advisory, the date of the publication, and what chapters or pages are applicable to the requirement. All publications listed are available via the Internet at the specified e-mail address.

## TECHNICAL EXHIBIT 1

### Performance Requirements Summary

The contractor service requirements are summarized into performance objectives that relate directly to mission essential items. The performance threshold briefly describes the minimum acceptable levels of service required for each requirement. These thresholds are critical to mission success.

| <b>Performance Objective</b><br>(The Service required—usually a shall statement) | Standard | Performance Threshold<br>(This is the maximum error rate. It could possibly be “Zero deviation from standard”) | <b>Method of Surveillance</b><br>(and who performs)<br>{e.g. 100% inspection by COR/QAR} |
|--|----------|--|--|
| <b>PRS # 1.</b><br>(Insert PWS paragraph)  |          |  |  |
| <b>PRS # 2</b><br>(Insert PWS paragraph #)                                       |          |  |  |
| <b>PRS # 3</b><br>(Insert PWS paragraph #)                                       |          |  |  |
| <b>PRS # 4</b><br>(Insert PWS paragraph #)                                       |          |  |  |

#### TYPES OF SURVEILLANCE TO SELECT FROM:

RANDOM SAMPLING: APPROPRIATE FOR FREQUENTLY RECURRING TASKS. EVALUATE RANDOMLY SELECTED SAMPLES OF THE LOT TO DETERMINE THE ACCEPTABILITY OF THE ENTIRE LOT.

RANDOM INSPECTION GUIDE, METHOD OF SURVEILLANCE, LOT SIZE, SAMPLE SIZE, PERFORMANCE REQUIREMENT, SAMPLING PROCEDURE, INSPECTION PROCEDURE

100 PERCENT INSPECTION: APPROPRIATE FOR TASKS THAT OCCUR INFREQUENTLY. INSPECT AND EVALUATE PERFORMANCE EACH TIME TASK IS PERFORMED

PERIODIC SURVEILLANCE: EVALUATION OF SAMPLES SELECTED ON OTHER THAN 100% OR STATISTICALLY RANDOM BASIS. (I.E. MONTHLY, QUARTERLY, SEMI-ANNUALLY ETC.)

VALIDATED CUSTOMER COMPLAINT: COMPLAINTS MUST BE VALIDATED.

**NOTE: YOU MAY ALSO USE ANY SURVEILLANCE METHOD USED IN THE COMMERCIAL MARKET TO SURVEIL THE REQUIRED SERVICE. (THIS WILL BE DISCOVERED WHEN MARKET RESEARCH IS CONDUCTED).**

**TECHNICAL EXHIBIT 2**  
**DELIVERABLES SCHEDULE**

*(A deliverable is anything that can be physically delivered but may include non-physical things such as meetings).*

| <u>DELIVERABLE</u>                     | <u>FREQUENCY</u>  | <u># OF COPIES</u> | <u>MEDIUM/FORMAT</u>                   | <u>SUBMIT TO</u> |
|--|---|--------------------|--|------------------|
| <b>(Indicate PWS paragraph number)</b> | <b>(by the 5<sup>th</sup> of every month or within 30 days of contract award)</b> |                    | <b>(May be paper or CD in MS Word)</b> |                  |
|  |   |                    |  |                  |
|  |   |                    |  |                  |
|  |   |                    |  |                  |

**TECHNICAL EXHIBIT 3**  
**ESTIMATED WORKLOAD DATA**

*(Sample for the PWS Part 5 above)*

| <i>ITEM</i> | NAME | ESTIMATED QUANTITY |  |
|-------------|------|--------------------|--|
|             |      |                    |  |
| 1           |      | _____              |  |
| 2           |      | _____              |  |
| 3           |      | _____              |  |
| 4           |      | _____              |  |
| 5           |      | _____              |  |

(NOTE: ADD OTHER WORKLOAD)

**Performance Work Statement (PWS)**  
**Review Checklist**

| <b><i>Checklist for Drafters of Performance Work Statements</i></b>   | <b>Yes/<br/>No</b> | <b>Point of<br/>Contact</b> |
|---|--------------------|-----------------------------|
| <b>1. BUILD A SCHEDULE</b>  |                    |                             |
| Identify milestones (use the <i>Technical Management Services' Toolkit on CD</i> milestone chart as a starting point. Tailor it to your needs.)                                   |                    |                             |
| 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 WORK BREAKDOWN STRUCTURE</b>  |                    |                             |
| Are all Mission Requirements and Service needs captured in the WBS?<br>How do you know?   |                    |                             |
| Does the WBS cover all required items for Deployments, Contingencies,<br>and Surges?  |                    |                             |
| Include requirements from all applicable Support Agreements.  |                    |                             |
| <i>Did you have Technical Experts review the WBS for accuracy and<br/>missing items?</i>  |                    |                             |
| Is the WBS specific enough to allow you to capture all of the<br>Government Furnished Property/Equipment (GFP and GFE) currently<br>used to perform the work?                     |                    |                             |
| Did you eliminate all "Nice to Have" services (that aren't tied to specific<br>mission requirements?)   |                    |                             |
| Is the WBS easily understood, with a logical flow?  |                    |                             |
| Are all Major parts of the WBS broken down into sublevels for greatest<br>accuracy?   |                    |                             |
| <b>3. SERVICES ANALYSIS</b>   |                    |                             |
| Did you utilize the <i>Service Analysis Matrix</i> to determine and scrub the<br><i>Inputs, Service and Outputs</i> ?   |                    |                             |
| Have government forms, reports, procedures, formats, etc. been<br>removed from the requirements?  |                    |                             |
| Are only mission essential tasks included? Did you avoid stating how the<br>tasks should be done?   |                    |                             |
| Are each of the standards and AQL's really necessary for<br>accomplishment of the mission?  |                    |                             |
| Did you conduct market research (ref: FAR parts 10 &12)?  |                    |                             |
| Is there Commercial availability of each of the services?   |                    |                             |
| In deciding who to research, did you find other organizations who have<br>contracted<br>for this type of work? Did you check with other agencies; web sites;<br>Industry on line? |                    |                             |

| <b>Checklist for Drafters of Performance Work Statements</b>   | <b>Yes/<br/>No</b> | <b>Point of<br/>Contact</b> |
|--|--------------------|-----------------------------|
| Who did you benchmark against? How did the organization under study compare?<br>What commercial standards and practices did you adopt for the PWS?<br>Can you adapt Quality Assurance (QA) methods to the PWS? |                    |                             |
| Did you draft a complete set of questions to ask when benchmarking?  |                    |                             |
| Did you discuss proprietary rights to information with Legal before Benchmarking?  |                    |                             |
| <b>4. GATHER DATA</b>  |                    |                             |
| Are all <i>Workload Data</i> estimates accurate?   |                    |                             |
| Are all <i>Workload Data</i> estimates tied to the COR/QAR responding WBS element?   |                    |                             |
| Can you demonstrate how <i>each</i> workload estimate was derived, using traceable data from the WBS?  |                    |                             |
| Are mission changes—increases or decreases in workload captured?   |                    |                             |
| Did you use the <i>Workload Analysis Matrix</i> to accurately document your workload data?   |                    |                             |
| Did functional experts review the data?  |                    |                             |
| Did you <i>normalize</i> the data? (Compare with same size functions/organizations?)   |                    |                             |
| Is all Facility Data collected using the <i>Facility Analysis Matrix</i> ? (Include building location, room number, and square feet?)  |                    |                             |
| Is all facility data specified in the PWS to allow the offerors to accurately prepare their bid?   |                    |                             |
| Was the GFP information collected from the WBS and workload analysis matrix used, so GFP matches the workload requirement?   |                    |                             |
| Is all <i>Equipment Analysis</i> data collected?   |                    |                             |
| Did you check with Technicians and equipment custodians and document the equipment quantities, locations, GFP, stock number, serial numbers, condition, etc?   |                    |                             |
| Are the Government Furnished Property decisions made in the best interest of the government using the <i>GFP Guidance Table</i> in the PWS Workshop Handbook?  |                    |                             |
| Does the PWS clearly state who will maintain, repair, and replace each piece of GFP and GFE when it breaks or is no longer useable?  |                    |                             |
| Is all <i>Material Analysis</i> data collected and verified?   |                    |                             |
| Does the PWS state who will replace materials when they are expended?  |                    |                             |
| Have all <i>Government Furnished Services</i> been included? (e.g., Janitorial; Utilities; Pest control; Maintenance; Recycling; Phones—local and long distance; Police and Fire protection; Medical; etc.)    |                    |                             |
| Has all Government Furnished Training been addressed?  |                    |                             |

| <b>Checklist for Drafters of Performance Work Statements</b>   | <b>Yes/<br/>No</b> | <b>Point of<br/>Contact</b> |
|--|--------------------|-----------------------------|
| Did you receive CSO approval of all GFP decisions (including each decision not to provide an item as GFP?) <i>A-76 Circular Attch B, paragraph (D)(8)</i>  |                    |                             |
| <b>5 PERFORMANCE ANALYSIS</b>  |                    |                             |
| Performance Indicators—Have you avoided 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, state that the lawn must be maintained between 2-3”, or “in accordance with the <i>Lawn Maintenance Association of America</i> standards.”) |                    |                             |
| Did you include specific numbers (measurable performance standards) for minimum mission accomplishment?  |                    |                             |
| Are those standards being met today?   |                    |                             |
| Did you use Commercial Standards whenever possible?  |                    |                             |
| Do you have justification for each government standard that you decide to use?   |                    |                             |
| Does the <i>Performance Requirements Summary</i> identify all of the mission critical requirements in specific, measurable, legally enforceable terms?   |                    |                             |
| Were stakeholders (functional experts and Quality specialists) provided the opportunity to comment on draft performance indicators, standards and AQLs, the Government QA plan, and performance incentives?  |                    |                             |
| <b>QUALITY ASSURANCE SURVEILLANCE PLAN (QASP)</b>  |                    |                             |
| Did you check the Source Selection Plan and Acquisition Strategy Plan for key factors to surveil?  |                    |                             |
| Is each mission critical output addressed in the QASP?   |                    |                             |
| Were lessons learned from predecessor acquisitions used to avoid problems?   |                    |                             |
| Does the QASP specifically describe how the service provider’s performance will be measured?   |                    |                             |
| Has each item in the QASP been 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? How do you know?   |                    |                             |
| Did you define the surveillance techniques the government will use to review the contractors work? (Check commercial practices)  |                    |                             |
| Were stakeholders provided the opportunity to comment on<br>— The final performance requirements and standards?  |                    |                             |
| — The government QA plan?  |                    |                             |
| — The performance incentives?  |                    |                             |

| <b>Checklist for Drafters of Performance Work Statements</b>   | <b>Yes/<br/>No</b> | <b>Point of<br/>Contact</b> |
|--|--------------------|-----------------------------|
| <b>6 ANALYZE DIRECTIVES</b>  |                    |                             |
| Using the <i>Services Analysis</i> from Step 3, did you identify all government specs and standards that are used by your organization today?                    |                    |                             |
| Does the PWS identify all of the specific directives required to be followed?  |                    |                             |
| If government standards, specifications, etc., 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 don't benefit your organization?) |                    |                             |
| Did your technical experts assist you in tailoring directives?   |                    |                             |
| Are all documents referenced in the PWS available for bidders to review (either in the Technical Library or on-line?)  |                    |                             |
| Has a Technical Library been established?  |                    |                             |
| Is it complete?  |                    |                             |
| When the PWS references other documents, is each referenced document properly identified?  |                    |                             |
| <b>7 CHECK ANALYSES</b>  |                    |                             |
| Are all services <i>truly</i> 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 indicator, standard and AQL 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?  |                    |                             |
| Have you properly accounted for surge requirements and emergencies?  |                    |                             |
| 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 that Pre-Proposal conference?  |                    |                             |
| <b>PWS Appendices</b>  |                    |                             |
| <b>Definitions</b>   |                    |                             |
| Are all acronyms used in the PWS defined?  |                    |                             |
| Are all terms used in the PWS defined?   |                    |                             |

| <b>Checklist for Drafters of Performance Work Statements</b>   | <b>Yes/<br/>No</b> | <b>Point of<br/>Contact</b> |
|--|--------------------|-----------------------------|
| <b>Workload Data</b>   |                    |                             |
| Has all workload data that is too voluminous for the main body of the PWS been included in the Appendix?                                   |                    |                             |
| Is workload data consistent with the data in the main body of the PWS?   |                    |                             |
| <b>Government Furnished Property</b>   |                    |                             |
| Did you include all Serial numbers of property where appropriate?  |                    |                             |
| Did you include Quantities of property where appropriate?  |                    |                             |
| Did you include Condition of property where appropriate?   |                    |                             |
| <b>Reference Publications</b>  |                    |                             |
| Did you comply with Step 6 of the PWS Workshop, <i>Analyze Directives</i> ?  |                    |                             |
| <b>Maps and Facility Drawings</b>  |                    |                             |
| Are all building locations and room layouts identified in enough detail to allow the offerors to develop an accurate bid?                  |                    |                             |
| <b>Required Reports</b>  |                    |                             |
| Did you clearly identify content and format requirements for each required report?   |                    |                             |
| Did you clearly identify due dates for each report?  |                    |                             |
| <b>Support Agreements</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?   |                    |                             |
| Have you adequately taken into account the workload data adjustments caused by these Support Agreements?                                   |                    |                             |
| Have you verified the start and end dates of each Support Agreement and included the necessary workload adjustments in the PWS?            |                    |                             |
| <b>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 no contingency requirement has been omitted?                                       |                    |                             |
| Have you adequately taken into account the workload data adjustments caused by these Support Agreements?                                   |                    |                             |
| <b>Transition Plan</b>   |                    |                             |
| Has a Transition Plan (TP) been developed?   |                    |                             |
| Will one TP suffice, or will you need a separate TP for the MEO?   |                    |                             |
| Does the TP specify each service that will be supplied to 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 period (e.g., "L minus" dates)? |                    |                             |

| <b>Checklist for Drafters of Performance Work Statements</b>                                    | <b>Yes/<br/>No</b> | <b>Point of<br/>Contact</b> |
|---|--------------------|-----------------------------|
| Does the TP include a clear and thorough list of the government responsibilities?               |                    |                             |
| Does the TP include a list of the Contractor responsibilities?                                  |                    |                             |
| Have Training and Security requirements been identified and included in the TP?                 |                    |                             |
| Were lessons learned from predecessor acquisitions used to avoid problems?                      |                    |                             |
| <b>PWS WRITING TIPS</b>   |                    |                             |
| Does the PWS follow a clear, logical format?  |                    |                             |
| Did you describe all work/outputs in terms of “WHAT” and NOT “HOW TO”?                          |                    |                             |
| Were you consistent in using terms (especially the technical ones) throughout the PWS?          |                    |                             |
| Did you use short descriptive sentences to increase clarity?                                    |                    |                             |
| Is the PWS and Performance Criteria Summary written in legally enforceable terms, e.g. “Shall?” |                    |                             |
| Did you avoid ambiguities? (Terms like “optimum clarity” or “prompt response”)                  |                    |                             |
| 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 Contracts will quickly become “business as usual,” and lose all PBSC benefits, if it is not administered well. A survey by Coopers & Lybrand reported an unexpected experience from performance based service contracting: *“Even though contract direction does not specify ‘how to,’ government people on site insist upon telling the contractor how to perform certain tasks”* This clearly signals the need for training and leadership in making PBSC work.

If you are writing a PWS for an A-76 Study, remember that the MEO must comply with all requirements, just as a contractor would have to, and the QASP will be used to evaluate the MEO performance, too

**Appendix G**  
***Statement of Objectives (SOO) Preparation Guide/Sample SOO***

## ***Statement of Objectives (SOO) Preparation Guide***

### **1. INTRODUCTION**

The SOO is a Government prepared document incorporated into the RFP that states the overall solicitation objectives. It can be used in those solicitations where the intent is to provide the maximum flexibility to each offeror to propose an innovative development approach. Offerors use the RFP, PWS product performance requirements, and SOO as a basis for preparing their proposals.

### **2. PURPOSE**

The SOO expresses the basic, top-level objectives of the delivery order and is provided in the Request for Proposal (RFP) in lieu of a government-written Performance Work Statement (PWS). This approach gives potential Offerors the flexibility to develop cost effective solutions with the opportunity to propose innovative alternatives that meet those objectives. The SOO reduces the inherent instructions to Offerors regarding “how to” accomplish the procured work typically found in the Performance Work Statement.

### **3. APPROACH**

The preferred approach is for the government to include a brief (2 to 4 pages) SOO in the RFP and request that the offerors provide a PWS in their proposal. The SOO is included as an attachment to the RFP, typically appended to section L. The SOO does not become part of the contract.

### **4. PROCESS**

The following steps provide the conceptual process for developing the SOO.

**Step 1.** The site RFP team develops a set of objectives compatible with the overall program direction including the following:

- The user(s) basic requirements for service
- Draft technical requirements and
- Workload Data (historical and projected)

**Step 2.** Once the program objectives are defined, they will need to be distilled or focused to arrive at the SOO addresses product oriented goals, rather than performance oriented requirements. As a goal, the SOO should not exceed 4 pages, longer documents may be providing too much detail.

### **5. CONTENT**

SOO content depends both on the type of services and on the program phase. It is possible that a “mature” program, such as a software product which is currently being used, could require slightly more detail in the SOO to properly integrate with other software program under development or operation. In any case, the key is to keep the document short and concise.

For example, a SOO may instruct the bidder to address his engineering approach. Users will get the best service and competition will be maintained if dissimilar objectives are submitted on separate SOOs for bidding by the contractors.

## **6. RFP RELATIONSHIPS**

### **6.1 Instructions to Offerors**

The RFP must include instructions to the offeror that require using the SOO to construct and submit a proposal.

Suggested Instructional wording is as follows:

The Statement of Objectives (SOO), included as (site location in the RFP), provides the Government's overall objectives, and the Offeror's required support to achieve those objectives. The offeror shall use the SOO, together with other applicable portions of the RFP as a basis for preparing a proposed Performance Work Statement (PWS). The PWS shall be submitted as part of the proposal and will become an attachment to the contract at award.

The offeror's PWS shall include appropriate compliance and reference documents. The documents that are included shall be listed in a fashion sufficient to properly identify the revision that will be used, and shall include appropriate tailoring. The offeror shall comply with all requirements contained in compliance documents, as tailored. As a minimum, the PWS shall include the compliance documents listed in the RFP, including tailoring. The offeror may propose additional compliance documents, provided such documents are existing, or propose Government or industry specifications or standards.

### **6.2 Source Selection Criteria**

When writing Source Selection criteria, the requiring activity should include sufficient criteria for evaluating the offeror's ability to reflect the objectives of the SOO in the resulting proposal (i.e., PWS, Integrated Master Plan (IMP), etc.). Since the concept of asking the contractor to propose a PWS without strict guidance is new, the government's intention to evaluate the proposed PWS should be stressed in the Instructions to the Offerors and Source Selection Criteria.

## **7. TEMPLATE FOR WRITING A SOO**

### **Program Objectives**

Define Objectives of Program on a global scope

#### **Sample 1**

The objective of the Evolved Expendable Launch Vehicle (EELV) program is to design and develop a space lift system, evolved from current launch vehicle systems or major subsystems thereof, in accordance with the EELV System Performance Document (SPD) requirements. This space lift system will preserve or improve reliability, maintainability, and operability and reduce cost over current systems.

#### **Sample 2**

The objective of the Space Based Infra-red System (SBIRS) is to procure an integrated, cost-effective, flexible system that will meet United States infrared space surveillance needs through the next two to three decades. Management Objectives Describe the management objectives for the overall program or for each of the contract phases as appropriate.

### **Sample 3**

The primary management objective is twofold: (a) allow the contractor maximum flexibility to innovatively manage program cost, schedule, performance, risks, warranties, contracts and subcontracts, vendors, and data required to deliver an effective and affordable SLRS and (b) maintain clear government visibility into program cost, schedule, technical performance, and risk.

### **Sample 4**

#### **PBSA Statement Of Objectives (PWS is prepared by the contractor)**

The Department of Interior is examining its existing exchange structure in order to retain, or improve, the exchange benefit, and streamline the operations and management of the XYZ system. Assistance is being sought from industry to answer the following question... "What would be the most efficient and cost effective way to organize and operate our system in order to meet agency needs, maintain good customer service, ensure competitive pricing and continue support for the public who benefit from this system?"

Employing a "due-diligence type" methodology, the contractor shall conduct a detailed organizational and financial analysis/study of all functional areas of the current agency structures (i.e. headquarters, regions, distribution centers, and locations within the agency). The results of the study will include, as a minimum, the following:

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

- (1) An evaluation of each functional area of system use.
- (2) The identification of feasible organizational options to the Oversight Board that would accomplish the objectives identified above. The universe of feasible organizational options will include as a minimum, the current structure as a baseline and those options proposed by the contractor. It may also include options proposed by the Agency.
- (3) An evaluation and comparative analysis of those organizational options selected by the Oversight Board on the basis of cost, risk, service unique needs, benefit and return on investment.
- (4) Recommendations based on the results of the evaluation and comparative analysis that identify and array those options which are considered to best satisfy the objectives identified above.
- (5) A cost estimate shall be provided for each implementation alternative postulated. The cost estimate shall be in a rough order of magnitude for the work that is to be performed.

Phase II of the study will encompass the implementation of the chosen alternative of Phase I if the agency requires assistance in implementation.

## **8. RECEIVING YOUR PWS**

When reviewing your PWS, ensure the contractor avoids words such as *will, etc., as required, as necessary, periodically*. Make the contractor define exactly what is to be performed and when it shall be delivered. This is difficult to do, but it is essential to have specific requirements in your PWS in order to clearly define what services you will be receiving.

If the contractor specifies providing technical support, analysis, planning, assistance, control, interface, monitoring, developing, operation, training, implementation, management, testing, be sure the PWS states specifically what these terms mean and what will be delivered.

If the contractor specifies efficient and reliable exchange, maximum uptime, make sure the contractor quantifies these terms and the metrics and reporting process they will use.

## **Example of SOO – Network Managed Services Contract**

### STATEMENT OF OBJECTIVES

#### STATEMENT OF OBJECTIVES

1. The purpose of the United States Army Reserve (USAR) Managed Services acquisition is to obtain the following results:
  - a. The provision of reliable, secure nation-wide network support capabilities.
  - b. Enhanced operational effectiveness and support through increased coverage and capabilities.
  - c. Reduced capital and operational costs through operational consolidation.
  - d. Transition the Army Reserve from being a direct IT service provider to a consumer and manager of IT services.
  - e. Ensure a predictable cost for IT management.
2. The speed and quality of contract execution, and the commoditization of IT pricing at the lowest possible levels throughout the life of the contract, are of paramount importance in achieving those goals.
3. Important Notice: The USAR seeks a competitive, innovative, integrated solution set (management, business, and technical) for its near and long term needs. It is fully recognized and expected that technology and requirements will evolve as the USAR transitions to a fully converged network (data, voice and video). To that end only the highest level objectives and the constraints mandatory to the acquisition are provided in this Statement of Objectives. Readers should not imply any other constraints on solutions, other than as specified in this document. The government strongly encourages innovative, big picture solution sets that address USAR requirements.

#### **Overview:**

4. The Army Reserve supports network and network security services globally, at fixed and remote locations. Fixed plant network services are provided at approximately 940 facilities in CONUS, many with multiple buildings in a campus environment, supporting approximately 50,000 full-time personnel. Remote connectivity is provided from Internet, NIPRNet, and corporate LAN based personnel (drilling Reservists and full-time personnel in travel or training status), with Virtual Private Network (VPN) technologies.
5. The USAR ARNet II is one of the largest Wide Area Networks within the DoD providing service in CONUS, Hawaii, and Puerto Rico. The ARNet II supports approximately 50,000 Active Guard & Reserve (AGR), Military Technician (MilTech) and Department of the Army Civilian (DAC) users. The ARNet employs about 2700 devices

that fall under Network Managed Services. The following list projects numbers and types of devices expected to be deployed at time of award:

- (a) 302 Edge Access Routers (T-1)
- (b) 32 Cisco 3845 ISR Series routers (DS3)
- (c) 52 Cisco 2851 ISR Series routers (T1 thru Fractional DS3)
- (d) 3 Cisco 6509 Series routers (OC3)
- (e) 529 Edge Access Routers (T1 thru Fractional DS3)
- (f) 752 Cisco 3750G Series switches (48 port stackable)
- (g) 256 Cisco 3560G Series switches (48 port non-stackable)
- (h) 186 Cisco 3560 G Series switches (24 port)
- (h) 748 Edge Access Switches (48 Port)
- (i) 2 Virtual private Network (VPN) Concentrators

6. A number of the switches in the network are controlled by local units as part of their LANs and not currently centrally managed. Network Managed Services include central management of these devices.

7. There are currently 81 network security devices of which 29 connect to the Defense Information Switched Network / Global Information Grid (DISN/GIG). The devices that fall under Network Managed Services consist of the following:

- (a) 28 Juniper Net Screen Firewalls
- (b) 52 MacAfee Intrusion detection Systems (IDS)
- (c) 5 Tipping Point Intrusion Detection Devices
- (d) 2 Blue Coat Security Devices
- (e) 8 Ciphertrust Iron Mail Servers

8. The USAR is currently reconfiguring its security architecture and there may be some additional security devices at time of award.

9. The USAR has a strategic plan is to provide ubiquitous SIPRNet access to USAR General Officers. Classified network managed services would include physically diverse LAN segmentation, WAN routing, and interface with unit COMSEC personnel and services. The USAR will pursue a strategic goal of tunneling SIPR traffic over some segments of LANs and the WAN for General Officers. This project is currently unfunded and in the concept phase.

10. The routers and core switches (first switch behind the router) are currently centrally managed. All switches below the core switch are currently managed by the local units as individual LANs.

11. Maintenance of the network devices is currently provided via contract personnel located at various locations across the United States that travel to a location that is having an outage that requires hands on repair or replacement.

12. WAN services utilize the Multi-Protocol Label Switched (MPLS) technology. LAN services utilize both wired and wireless services, and are standards-based, 802.3 Ethernet (100-Base predominantly), and 802.11 (Wireless B, G, and N). While the USAR has wireless LAN equipment in place it is over four years old, out of warranty and only supports 10MB transmission rates. Much of it is either no longer installed and probably will not be reinstalled. If it is installed it is currently under the control of local units and the USAR G2/6 does not have visibility of it. The only future requirements the USAR sees for wireless implementation will be in Joint Reserve Centers that the USAR will own. These facilities have classrooms that will be shared by all services located there. It will be less expensive to install multiple wireless access points for each service that it will be to install hard wiring in each classroom for each service. The known wireless equipment that may be installed in the USAR network is comprised of the following:

- a. 10 Wireless Security Gateways – Airfortress Model AF7500
- b. 42 Wireless Intrusion Detection Devices – Airdefense Model AR148
- c. 42 Ethernet Injectors – Power Over Ethernet Airdefense Model AR149
- d. 18 Wireless Access Points – Cisco Aironet 1200
- e. 5 Wireless Bridges – Cisco Aironet 1410

13. The ARNet II is an MPLS network. Network management, routing, Quality of Service (QoS) and Class of Service (CoS) are all provided by the network provider. The network requires the use and management of Border Gateway Protocol (BGP) and encapsulated Frame Relay on all network routers. The network is designed to provide Community of Interest Networks (COINs) for data, voice and video.

14. As network devices are changed out, the USAR will be replacing existing multi-box technology (router, switch and PBX) with “Office in a Box” technology that incorporates all three existing devices into a single chassis. This will occur at approximately 850 sites. All these sites are classified by the USAR as small and medium sites. This means that these sites have 24 or fewer users. The “Office in a Box” technology devices utilize an open standards operating system that will require a separate management system from the Cisco devices at large and extra large sites.

15. This paragraph is reserved.

16. At approximately 70 Large and Extra Large sites (100 users to hundreds of users) the USAR is replacing equipment with what would be a standard architecture of router, switch, and PBX configurations utilizing Cisco network devices and existing PBX's.

17. The USAR will be implementing VoIP convergence utilizing IP Trunking to a VoIP services provider. The projected implementation will utilize a Primary Rate Interface (PRI) connection from the PBX to the router if the PBX is not Internet Protocol (IP) capable. If the PBX is IP capable the connection of the PBX will be via an RJ 45 connection to the distribution switch.

**Contract:**

18. Contract Type: Firm Fixed Price utilizing commodity (unit) pricing per device, per month.

19. Reserved

20. Period of Performance: Base year and four option years.

21. Scope: The contractor shall provide all labor, management expertise, facilities, management tools (software and hardware), materials and equipment (except as indicated as government furnished) and travel necessary to provide network managed services and maintenance in accordance with the Information Technology Infrastructure Library (ITIL) framework and the Army Enterprise Network Operations Integrated Architecture (ANEIA); specifically those functional elements defined within the IP transport Management, Security Management, and Enterprise Support areas. The Army Reserve Network (ARNet II) is comprised of approximately 2,600 network devices, 81 security devices and 940 PBX's. Provide near-real time performance reporting, historic performance reporting for trend reporting, and asset inventory reporting. Provide a contractor owned/contractor operated (COCO) network operations center and security operations center, computer incident response team, and security program management capabilities that include, but is not limited to:

- a. Incident Management
- b. Configuration Management
- c. User Account Management
- d. Performance Management
- e. Security Management
- f. Service Desk Services
- g. Web Based Management Portal
- h. Network (ARNet II) accreditation
- i. IA policy and procedures
- j. Capacity Management
- k. Change Management
- l. Problem Management
- m. Service Level Management
- n. Availability Management
- o. IT Service Continuity Management

22. The scope includes all the services, supplies, facilities, equipment and travel necessary to perform the tasks to support the network infrastructure and operations; as well as implementation.

23. The Army Reserve will retain ownership of network and network security support infrastructure. This includes network devices, telecom equipment, and wiring plant.

The Army Reserve will provide replacement and technical refreshment of this support infrastructure in support of USAR scheduled life-cycle sustainment. The Contractor is responsible for hardware maintenance, supporting contracts and/or service restoration Government Furnished Equipment when such Government Furnished Equipment is deemed Non-Repairable per the Mission Assurance Category (MAC) levels identified by the Army Reserve.

24. The Army Reserve will add and remove numerous facilities, with attendant network service infrastructure, as a result of the Base Realignment and Closure Act of 2005 (BRAC). The Government will identify the sites affected by BRAC with projected timelines.

#### **Partnering Philosophy:**

25. A major intent of this Statement of Objectives is to create a partnership between the USAR and the contractor. The contract will be structured to ensure that the contractor's goals and objectives are aligned with those of the USAR. Superior performance by the contractor will directly and indirectly link to superior USAR mission accomplishment through the economic management of the USAR network infrastructure and the reliable availability of all functional capabilities. A premier partner to the USAR will demonstrate corporate capacity, capability, and willingness to provide reach back and/or surge responsiveness to unforeseen conditions.

#### **USAR Network Managed Services Objectives:**

26. The objectives have been deliberately developed at a high level to encourage potential vendors to be innovative and creative in responding with their proposed solution. Ample time and opportunity will be provided during the due diligence phase of the solicitation for vendors to examine documentation of the as-is state of the USAR network and ask pertinent questions as needed to understand this state.

#### **Partnership:**

27. Within the context of the USAR/contractor partnership, the USAR does not use the terms "partner" and "partnership" as legal terms. The USAR/contractor partnership will reflect the attributes of an open, collaborative and customer oriented professional relationship. In addition to meeting the USAR's objectives, the contractor is encouraged to:

- a. Consistently take steps to understand the USAR's priority business issues and opportunities.
- b. Share the risks and responsibilities of joint implementations and initiatives.

- c. Ensure that its products and services deliver tangible and meaningful business benefits.
- d. Work collaboratively with other contractors, government personnel and business partners to ensure project success.
- e. Ensure that the Government retains intellectual property rights to developed or integrated solutions.
- f. Demonstrate reach back and surge capacity, capability, and willingness.

Systems Management:

28. Deliver services that include planning, design, deployment, operations, program management and maintenance of the USAR ARNet II that support USAR missions and business goals.

- a. Provide dedicated systems and applications for proactive monitoring and management services, including fault detection, isolation and repair of service affecting events.
- b. The configuration management system shall ensure all aspects of the network are properly documented. Documentation will follow DoD Architecture Framework guidelines, and be delivered to USAR representatives without restriction. The system shall support network adds, moves, changes and repairs.
- c. Maintain a record of all the assigned IP addresses and will adhere to the USAR's current addressing plan. Provide technical resources to perform any new IP addressing plan requirements.
- d. The account management system shall be able to monitor service and resource usage; administration of network usage, costs, charges, and access to various resources. The system shall be able to administer users, passwords, and system privileges for those personnel authorized access to network devices.
- e. The performance management system shall gather network statistics, and be able to evaluate and optimize network performance.
- f. The security management system shall ensure that only authorized users have access into the USAR WAN network and that all access is tracked to a specific user. Any security anomalies shall be tracked and resolved.
- g. The Contractor shall provide USAR with access to trouble ticketing information, an asset database, and a list of standard and custom reports.

h. Provide a web-based customer portal that allows authorized USAR users access to Service Level Agreement (SLA) and network performance information. The portal shall be directly linked to the various USAR network management systems giving USAR instant and direct access to a full view of the status of the network.

#### Performance Management:

29. Under a performance-based contract structure, performance metrics and service level agreements will be used extensively to monitor the performance of this contract. The USAR and the contractor will baseline and monitor progress using agreed upon performance metrics and service level agreements.

a. Provide an effective and efficient performance-based management information system that provides insightful, accurate and timely management and operational information and data on all aspects of program, performance and contractual management.

b. Maintain the highest level of service consistent with service level agreements, performance metrics, performance goals and objectives, and cost effectiveness.

c. Demonstrate improved performance, reliability, availability and security of the delivered services throughout the life of the contract.

d. Methodically measure and forecast capacity and system growth in coordination with the USAR planning requirements and constraints.

#### Contract:

30. Propose contract methodology and operations that are flexible, facilitate change, and allow for continuity and compatibility with current service and equipment providers.

31. Provide appropriate data rights as well as cooperation for transition to another provider to insure continuity of service in the unlikely event of contract termination or upon contract re-competition.

#### Standards:

32. Comply with all applicable DoD, Army and USAR directives, instructions, regulations and HANDBOOKS.

#### Constraints:

33. The following constraints are communicated:

a. Contractor must have an existing facility that meets the following criteria at the time of award:

(1). Contractor must provide separate management organizations for the sensitive, but unclassified operations (Routers & Switches) and the USAR Information Assurance (IA) management operations (Network Security Devices). There must be separate NOC and SOC operational areas.

(2). The facility must have an Emergency Operations Center on site to facilitate coordinated work between the USAR and Contract personnel to work major emergencies.

(3). The facility must have rapid recoverability to support Continuity Of Operations (COOP). This recoverability must be in compliance with DISAI 630-230-19, Information Systems Security Program and NIST Special Publication 800-34, Contingency Planning Guide for Information Technology Systems, and Army Reserve recoverability objectives.

(4). Both the primary and back up facilities must have a Facility Security Clearance at the SECRET level from DSS. The facility must meet building standards imposed by the Unified Facilities Criteria (UFC) 4-10-1 with Change #1, DoD Minimum Antiterrorism Standards for Buildings, 22 Jan 07. Both the primary and back-up facilities must be part of an accredited, DoD system that has a current Authority To Operate (ATO) granted by a DoD Designated Approving Authority (DAA) in accordance with the Defense Information Assurance Certification and Accreditation Process (DIACAP) or the Defense Information Technology Security Certification and Accreditation Process (DITSCAP). If the facilities currently are not part of a system as described above; they will be considered qualified if they have met the above criteria within the eighteen month period preceding the submission of proposals.

(5). The facility must meet the physical security requirements of a DoD Mission Assurance Category II - sensitive system as specified in DOD Instruction 8500.2, IA Controls. Should the USAR implement SIPR Tunneling as described in paragraph 9., above, the facility may need to meet the requirements of MAC Level II – classified. The facility and operations must meet the requirements of DoD Directive 8500.1E, Information Assurance in Defense Acquisition; DoD Instruction 8500.2, Information Assurance Implementation; Army Regulation 25-2, Information Assurance; and DoD CIO Guidance and Policy memorandum No. 6-8510, Department of Defense Global Information Grid Information Assurance. The SOC facility must be capable of being certified at the MAC I level if required.

(6). The facility must have a DoD approved Information Systems Security Officer (ISSO) to ensure security requirements are met.

b. Both the facility and circuits into the facility must be “Air-Gapped” from both the Public Internet and any commercial network circuits should the vendor have any.

c. The network management operations must be tied into Army and Regional Computer Emergency Response Team (ACERT/RCERT) alerting.

d. The facility must have been constructed to the “Secret” level per applicable DoD and Army directives.

e. All personnel working in the facility that are involved in the management of the USAR network must be US Citizens and possess (at minimum) Secret Security Clearances.

f. All work must comply with industry standards, particularly International Electrical and Electronic Engineers (IEEE) 802.3 (FAST and GIG Ethernet), 802.11 (Wireless Ethernet B, G, and N), and Electronic Industry Alliance / Telecom Industry Association (EIA/TIA) standards (568B).

g. All processes and work will follow Information Technology Infrastructure Library (ITIL) best business practices.

h. Contractor’s solution shall integrate into and with the Army Reserve’s mandated enterprise tool suite, into a productive, cost-effective management solution.

i. The USAR is pursuing a strategic plan for the transmission of classified traffic over the unclassified network via ‘tunneling’ technologies and DoD approved encryption. The Contractor’s solution shall provide maintenance and operational support for the successful delivery of this classified traffic should the USAR implement this strategic initiative.

J. The contractor must provide a fulltime, on site project manager/coordinator to be located at the USAR G2/6 Peachtree City, GA facility to work with the USAR G2/6 Emergency Network Operations and Security Center (ENOSC) and the personnel assigned to the USAR G2/6 IA Division. The contractor will also provide a fulltime person to act as a an ENOSC team member coordinating between contractor operations in the NOC/SOC facility and the government personnel assigned to the USAR ENOSC.

k. The Peachtree City, GA facility is subject to Base Realignment and Closure (BRAC) legislation and subject to closure beginning in Fiscal Year 2008. The positions required for the Peachtree City location will have to relocate with the USAR G2/6 staff to a location to be determined.

l. The contractor will conduct IAVM compliance scans of all devices on the network on both a scheduled and emergency on call basis in response to IAVM messages and

alerts. Results will be provided to the USAR Data Center for patching. Contractor will provide rescan of patched systems to validate systems are no longer vulnerable. The contractor will submit IAVM Compliance reporting in accordance with current Army policy."

m. Contractor personnel located in Peachtree City, GA shall attend mandatory training within USARC G2/6 and in accordance with Army policy as required. Most, if not all positions shall require a security designation of IT-I or IT-II as defined in paragraph 4-3 of Army Regulation 25-2, Information Assurance. Contractor personnel holding positions designated as IT-I or IT-II must successfully complete appropriate IA security certification training course of instruction within 6 months of assumption of duties. Specific training requirements are set forth in AR 25-2, para 4-3 and supplementing Army Best Business Practice entitled, "Information Assurance (IA) Training and Certification".

n. The contractor must provide Certificate to Operate (CTO) testing for software and hardware to evaluate security risks and determine the suitability of adding the software or hardware to the USAR network. All reports will be provided to the USAR G2/6 information Assurance Division for the Designated Approving Authority (DAA) signature.

o. The USAR ARNet II network is government owned. Existing technologies within the network are necessary to future projects of the USAR. The network provider will not be changed.

34. Government Furnished Equipment: The government will provide workspace and computer workstations for contractor personnel assigned to the Peachtree City Facility.

35. Other items provided to the contractor: The government will provide the balance of any maintenance contracts or warranties that are in effect at the time of award.

36. Federal Holidays: The following Federal Holidays are observed :

|                                    |                                      |
|------------------------------------|--------------------------------------|
| January 1 <sup>st</sup>            | 1 <sup>st</sup> Monday of September  |
| 3 <sup>rd</sup> Monday of January  | 2 <sup>nd</sup> Monday of October    |
| 3 <sup>rd</sup> Monday of February | November 11 <sup>th</sup>            |
| Last Monday of May                 | 4 <sup>th</sup> Thursday of November |
| July 4 <sup>th</sup>               | December 25 <sup>th</sup>            |

a. In addition to the Federal Holidays listed above, any other Presidential or Congressional imposed closures of Federal Government Offices in recognition of these special events or occasions may or may not be observed by the contractor employees, due to specific mission, and Government and/or contractor discretion. This does not apply to closures associated with continuing resolution authority (CRA) associated with the approval of the Federal Budget.

b. When a holiday falls on a Sunday, the following Monday will be observed as a holiday and when a holiday falls on a Saturday, the preceding Friday is observed as a holiday by U.S. Government Agencies.

**Appendix H**  
**Conference Acquisition Package**

**MARKET RESEARCH:**

| <b>MARKET RESEARCH<br/>USARC G-18 Conference<br/>10/18 - 25/2008</b>  |   |       |   |  |
|---|---|-------|---|--|
| Hotel   | Availability  | Rate  | Contact   | Comments   |
| Hyatt Regency<br>93 Airport Drive<br>Hotel City, FL                   | All dates   | \$109 | Josephine Snuffy, CMP<br>jsnuffy@hyatt.com<br>Senior Sales Manager<br>555-555-1325 direct line<br>555-555-9652 fax          | Can meet requirements of conference.<br>(See enclosed proposal from Hotel City<br>Visitors Bureau)   |
| Royal Plaza Hotel<br>1905 Hotel Plaza Way<br>Hotel City, FL,          | All dates   | \$99  | Donald Duck<br>National Sales Manager<br>Phone (555) 555-2828<br>Fax (555) 555-6338<br>dduck@royalplaza.com                 | Can meet requirements of conference,<br>will be the main client for that period in<br>the hotel. (See enclosed proposal from<br>Hotel City Visitors Bureau)                          |
| Omni<br>5 Mickey Mouse Way<br>Hotel City, FL,                         | Question as to<br>availability -<br>request by hotel<br>to slip dates | \$85  | Minnie Mouse<br>Sales Manager<br>(555) 555-6664 Main<br>(555) 555-1265 Direct Line<br>(555) 555-6525 Fax<br>mmouse@omni.com | Requested to move dates of conference as<br>cannot meet initial dates. Re-evaluating<br>to see if they can meet dates. (See<br>enclosed proposal from Hotel City<br>Visitors Bureau) |
| <b>HOTELS UNABLE TO PARTICIPATE</b>                                   |   |       |   |  |
| <b>Buena Vista Palace Hotel and Spa</b>                               |   |       |   |  |
| - Must regret due to No Availability.                                 |   |       |   |  |
| <b>Caribe Royale Orlando All-Suites Hotel &amp; Convention Center</b> |   |       |   |  |
| - Must regret due to No Availability.                                 |   |       |   |  |
| <b>Doubletree Hotel</b>   |   |       |   |  |
| - Must regret due to No Availability.                                 |   |       |   |  |
| <b>Hotel City Hotel and Conference Center,</b>                        |   |       |   |  |
| - Must regret due to No Availability.                                 |   |       |   |  |
| <b>Hard Rock Hotel®</b>   |   |       |   |  |
| - Must regret due to No Availability.                                 |   |       |   |  |
| <b>JW Marriott Hotel City</b>   |   |       |   |  |
| - Must regret due to No Availability.                                 |   |       |   |  |
| <b>Renaissance Resort Hotel</b>                                       |   |       |   |  |
| - Must regret due to No Availability.                                 |   |       |   |  |
| <b>Rosen Centre Hotel</b>   |   |       |   |  |
| - Must regret due to No Availability.                                 |   |       |   |  |

## STATEMENT OF WORK

**HOTEL:** Facility with full restaurant, business support services, handicap access, and some audiovisual services including free high-speed Internet access in the guest rooms. Guest services shall include exercise facility and baggage storage area. Guestrooms shall provide double or king beds. Some disabled rooms shall be available. Request menus of choice for lunches.

Shuttle service to / from airport or reliable point of contact (POC) for public transportation.

Army Reserve will provide all audiovisual equipment and personnel for the conference, excluding requirements outlined in this Performance Work Statement (PWS).

**Conference Dates:** 18-25 October 2008 (*Peak occupancy will be on Wednesday - Saturday*)

**Conference City:** Hotel City, FL

**Guest Rooms:** 1510 total room-nights in standard guestrooms which shall be paid for individually by the attendees, unless noted otherwise. Personal expenses in guest rooms, such as movies, laundry, and room service, will be paid for by the guest. The Government will provide the hotel with the appropriate state sales tax exemption forms for their records.

The room nights will be used as follows:

| DAY            | Sat       | Sun       | Mon       | Tues      | Wed       | Thu       | Fri       | Sat       | Sun       |
|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| DATE           | 18<br>Oct | 19<br>Oct | 20<br>Oct | 21<br>Oct | 22<br>Oct | 23<br>Oct | 24<br>Oct | 25<br>Oct | 26<br>Oct |
| Room<br>Nights | 30        | 80        | 190       | 290       | 330       | 290       | 290       | 10        |           |
|                |           |           |           |           |           |           |           | Ckout     |           |

**Snap shot room requirements:**

| Date      | Function                           | Set Up      | # of<br>Personnel |
|-----------|------------------------------------|-------------|-------------------|
| 18-25 OCT | Conference Room for Staff Planners | Theater     | 35                |
| 18-25 OCT | Support Staff Admin Room           | Special Set | 20                |
| 18-25 OCT | Storage Room                       | No Req      |                   |

| Date      | Function                      | Set Up   | # of Personnel |
|-----------|-------------------------------|--|----------------|
| 18-25 OCT | Operation Center              | Special Set  | 10             |
| 19-23 OCT | Registration Room             | Special Set  | 10             |
| 19-25 OCT | Computer Room (Internet Café) | Special Set  | 30             |
| 19-25 OCT | 3 Rooms for Displays          | 1 <sup>st</sup> Room<br>2 <sup>nd</sup> Room<br>3 <sup>rd</sup> Room | 32<br>8<br>6   |
| 20-25 OCT | 8 to 9 Executive Board Rooms  | 1 Table w/<br>16 Chairs  | 16             |
| 21-22 OCT | IMA Conference Room           | Classroom  | 50             |
| 21-22 OCT | CSM Conference Room           | Classroom  | 70             |
| 22 OCT    | CCWO Conference Room          | U-Shape  | 25             |
| 22 OCT    | CXO Conference Room           | Classroom  | 40             |
| 23-25 OCT | General Session               | Classroom  | 325            |
| 23-25 OCT | QOL Conference Room           | Rounds   | 70             |

**Signs:** The Hotel shall provide signs or marquees to direct attendees to meeting rooms.

**Parking:** Hotel shall provide complimentary parking for up to **30** vehicles for conference organizers and local participants.

**Storage:** Hotel to provide dedicated storage space (14x14) with four (4) hard walls to store computers, audiovisual equipment, supplies and the capability to lock door and have full access to the room.

**Security: Also see Annex A** Hotel to provide security officers on a 24hour basis to include a uniformed security officer on post for all functions held in common areas of the hotel during the conference. Hotel security will coordinate with local police for a uniformed police officer for arrest authority and emergency response. Local police will provide a K9 unit to sweep the conference rooms and break out areas for the conference. The total cost for the hotel security and local police will be written into the contract for the hotel.

**Audiovisual Requirements:** The United States Army Reserve will bring their own audio visual equipment, excluding requirements outlined under each room below. USAR personnel will operate, set up and take down same.

**Meeting Space Requirements:**

**Operations Room (18-25 OCT):** Hotel shall provide a room for the operation center located adjacent to the general session with five (5) tables and ten (10) chairs for

workspace to accommodate ten (10) people and storage space. This room shall be able to be secured so that supplies and equipment can be left in place overnight.

**Food/Beverages:** Ice water and glasses for staff.

**Audiovisual Requirement:** One (1) voice telephone line with phone, and One (1) data line for fax machine.

**Conference Room for Staff Planners (18-25 OCT):** Hotel shall provide a briefing room located adjacent to the operations center with two (2) tables and thirty five (35) chairs in a theater style layout. This room shall be able to be secured so that supplies and equipment can be left in place overnight.

**Audiovisual Requirement:** One (1) Podium

**Support Staff Admin Room (18-25 OCT):** Hotel shall provide an administrative room with tables and chairs for workspace to accommodate twenty (20) personnel with a TV. This room shall be able to be secured so that supplies and equipment can be left in place overnight.

**Internet Cafe (19-25 OCT):** Room to support ten (10) tables with thirty (30) chairs at which fifteen (15) Government-provided laptop computers and two (2) printers can be placed for guests to access the Internet. This room shall be able to be secured so that supplies and equipment can be left in place overnight.

**Internet Connections:** 10 Hard Wire Connections

**Registration Room (19-23 OCT):** Provide a registration room located adjacent to the operations center with eight (8) tables and twelve (12) chairs for workspace to accommodate the registration process. This room shall be able to be secured so that supplies and equipment can be left in place overnight.

**Executive Board Meeting Room (20-25 OCT):** Hotel to provide nine (9) rooms with 1 executive table to support 16 chairs.

**Informational Display Location (19-25 OCT):** Hotel shall provide space located adjacent to general session room for up to twenty (20) six (6') foot display tables for informational displays (trade-show style displays). Power outlets and adequate lighting shall be available in this space. To include:

**Display Room 1 (19-25 OCT):** Provide eight (8) tables and thirty two (32) chairs.

**Display Room 2 (19-25 OCT):** Provide 4 tables and 8 chairs.  
- **Internet Connections:** 1 Hard Wire Connections

**Display Room 3 (19-25 OCT):** Provide 4 tables and 8 chairs.

- **Internet Connections:** 1 Hard Wire Connections

**Special Conference Room (21 – 22 OCT) (8:00 AM – 6:00 PM):** Hotel shall provide one (1) conference room to accommodate 50 personnel in a classroom setting with pens and paper for note taking, Ice water and glasses for attendees and the capability to conduct rehearsals the day prior.

**Audiovisual Requirement:** One (1) large screen and One (1) Podium and patch to house sound.

**Food/Beverages (Light Refreshments – cost not included in contract to be paid for by informal funds provided by individual participants):**

*Morning Break (7:00 - 8:00 AM):* Selection of breakfast pastries, sliced fruit, and beverages including coffee, tea, and an assortment of cold beverages for 50 people.

*Morning Replenish (9:30 -10:00 AM):* Request breakfast items to remain for morning break with replenish of beverages, as required.

*Lunch (12:00 - 1:30 PM):* Buffet for 50 including salad, light entree, starch, dessert, coffee, tea, and assortment of cold beverages. **(Not in contract and individually paid for by participating individuals)**

*Afternoon Break (3:30 - 4:00 PM):* Assortment of cookies, nuts, hot and cold beverages and bottled water for 50 people, (Request leftover beverages to be relocated to Administrative Room after break service).

**CSM Conference Room (21 – 22 OCT) (7:00 AM – 6:00 PM):** Classroom style seating for 70 people with pens and paper for note taking, Ice water and glasses for attendees.

**Audiovisual Requirement:** Two (2) large screen, one (1) podium and patch to house sound.

**Food/Beverages (Light Refreshments – cost not included in contract to be paid for by informal funds provided by individual participants)**

*Morning Break (6:00 - 7:00 AM):* Selection of breakfast pastries, sliced fruit, and beverages including coffee, tea, and an assortment of cold beverages for 70 people.

*Morning Replenish (9:00 -9:30 AM):* Request breakfast items to remain for morning break with replenish of beverages, as required.

*Lunch (12:00 - 1:30 PM):* Buffet for 70 including salad, light entree, starch, dessert, coffee, tea, and assortment of cold beverages. **(Not in contract and individually paid for by participating individuals)**

*Afternoon Break (3:30 - 4:00 PM):* Assortment of cookies, nuts, hot and cold beverages and bottled water for 70 people, (Request leftover beverages to be relocated to Administrative Room after break service)

**CCWO Conference Room (22 OCT) (8:00 AM - 6:00 PM):** U - Shaped style seating for 25 people with pens and paper for note taking, Ice water and glasses for attendees.

**Audiovisual Requirement: (22 Oct)** One (1) podium and patch to house sound.

**CXO Conference Room (22 Oct) (8:00 AM – 6:00 PM):** Classroom style seating for 40 people with pens and paper for note taking, Ice water and glasses for attendees.

**Audiovisual Requirement:** One (1) large screen and patch to house sound.

**Food/Beverages (Light Refreshments – cost not included in contract to be paid for by informal funds provided by individual participants):** Includes CCWO and CXO personnel.

*Morning Break (7:00 - 8:00 AM):* Selection of breakfast pastries, sliced fruit, and beverages including coffee, tea, and an assortment of cold beverages for 65 people.

*Morning Replenish (9:30 -10:00 AM):* Request breakfast items to remain for morning break with replenish of beverages, as required.

*Lunch (12:00 - 1:30 PM):* Buffet for 65 including salad, light entree, starch, dessert, coffee, tea, and assortment of cold beverages. **(Not in contract and individually paid for by participating individuals)**

*Afternoon Break (3:30 - 4:00 PM):* Assortment of cookies, nuts, hot and cold beverages and bottled water for 65 people, (Request leftover beverages to be relocated to Administrative Room after break service).

**No Host Social Food/Beverages (22 OCT):**

*Evening Reception/Ice Breaker/Networking Meeting (6:30 - 8:00 PM):* Meeting space or other suitable area for a hosted cocktail reception for up to 300 personnel. Round table seating and high top tables shall be provided with draped tablecloth. Minimum of three cash bars.

*Appetizers:* fruit and cheese plate, vegetable plate, three (3) hot appetizers for 300 people; assortment of soda, water and iced tea or based or based on the hotel menu.

**Cost will not be paid by contract but by a non-refundable registration fee.**

**General Session Room (23-25 OCT) - (8:00 AM – 6:00 PM)** Hotel shall provide one (1) large conference room to accommodate 325 personnel in a classroom style layout. (6' tables with 2 chairs per, 3 riser in the rear and 12 risers for the front stage). The capability to conduct rehearsals the day prior. The Last day (25 OCT) will end at 1:00 PM.

**Audiovisual Requirement:** Two (2) large screens, one (1) Podium, and patch to house sound

**Food/Beverages: (Light Refreshments – cost not included in contract to be paid for by informal funds provided by individual participants)**

*Breakfast (7:00 - 8:00 AM): Light Refreshments - Bagels/cream cheese, croissants and sliced fruit plate for approximately 300 personnel. Beverage service including coffee, tea, juices, and assorted cold beverages.*

*Morning Replenish (9:30 -10:00 AM):* Request breakfast items to remain for morning break with replenish of beverages, as required.

*Lunch (12:00 - 1:30 PM):* Buffet for 250 including salad, light entree, starch, dessert, coffee, tea, and assortment of cold beverages. **(Not in contract and individually paid for by participating individuals)**

*Afternoon Break (2:45 - 3:45 PM):* Beverage service including coffee, tea, juices, assorted cold beverages, and assorted cookies and fruit.

**- Internet Connections:** 1 Hard Wire Connections

**QOL Conference Room (23-25 OCT):** Hotel shall provide one (1) conference room to accommodate 70 personnel with tables set as rounds. Room must be away from the general session and the capability to conduct rehearsals the day prior. The Last day (25 OCT) will end at 1:00 PM.

**Audiovisual Requirement:** Two (2) screens, One (1) Podium, and patch to house sound.

**Food/Beverages: (Light Refreshments – cost not included in contract to be paid for by informal funds provided by individual participants)**

*Morning (7:00 - 8:00 AM): Light Refreshments - Bagels/cream cheese, croissants, sliced fruit and cheese tray for approximately 70 personnel. Beverage service including coffee, tea, juices, and assorted cold beverages.*

*Morning Replenish (9:30 -10:00 AM): Request breakfast items to remain for morning break with replenish of beverages, as required.*

*Lunch (12:00 - 1:30 PM): Numbers are included in the general session for lunch.*

*Afternoon Break (2:45 - 3:45 PM): Beverage service including coffee, tea, juices, assorted cold beverages, and assorted cookies, nuts, sliced fruit and cheese.*

**- Internet Connections:** 1 Hard Wire Connections

## STATEMENT OF WORK

### *Appendix A* Statement of Performance Expectations Security Services

1. General. The Headquarters, United States Army Reserve Command, expects the following as it relates to security services during the period of 22-25 October 2008:

a. Performance Location. Hotel City, FL.

b. Performance Objective. The Police Department personnel performing security services under contract of the hotel are expected to focus security efforts exclusively on the United States Army Reserve Command Senior Leader War Council event.

c. Period of Performance. The Police Department will perform security services under exclusive contract with the selected hotel 22-25 October 2008.

d. Duty Performance Requirements. All personnel performing security services under contract with the hotel shall meet the following minimum performance requirements:

(1) All personnel will be fully sworn and certified police officers in Hotel City, FL.

(2) All personnel will be certified to enforce all applicable municipal, state, and federal laws and ordinances as required.

(3) All personnel will possess full arrest and detention authority of any person in the pursuit of protecting life and property.

(4) All personnel will be dressed in the department issued military-style police uniform currently worn by the Hotel City Police Department.

(5) The Hotel City Police Department will have at least one fully marked patrol vehicle available for exclusive use by security personnel, and stationed at the hotel, for the entire period of performance.

e. Standards of Conduct. Personnel performing security services under contract with the hotel are required to follow all protocols, policies, and operational procedures currently in effect with the City of Orlando Department.

2. Cost Reimbursement. The hotel is responsible for directly reimbursing all Hotel City police officers for the security services provided per contractual agreement with the Headquarters, United States Army Reserve Command. An accounting for the services contract line item is as follows:

## STATEMENT OF WORK

### *Appendix A*

#### **Subject: Statement of Performance Expectations - Security Services - Army Reserve Senior Leaders War Council – 22-25 October**

- a. The Army Reserve Expectation is for the Hotel City, FL to provide a minimum of 4 fully sworn police officers to provide law enforcement services at the hotel conference site and other designated locations in the Hotel City, FL during the period of performance. Each officer will be assigned at an hourly rate of \$40/35.00 per hour, and will work an eight-hour shift.
  - b. The Army Reserve Expectation is for the Hotel City, FL to provide a minimum of one fully sworn police officer, certified with K-9, to provide bomb-search services at the hotel conference site and other designated locations in the City of Orlando during the period of performance (20 hours minimum). Each K-9 officer will be assigned at an hourly rate of \$40/35.00 per hour. Preliminary estimate, excluding any surcharge applied by the hotel.
3. Point of Contact. The Army Reserve Provost Marshal Office will establish a security control room at hotel for the duration of the period of performance.
- a. The Army Reserve expectation is that all Hotel City, FL Police Department personnel performing security services will work in coordination with the Army Reserve Provost for the duration of the period of performance.
  - b. MAJ Hooah Soldier, Deputy Provost Marshal, Army Reserve G-3 Provost Marshal Office, is the Army Reserve PMO OIC for this event, and may be reached at commercial (555) 555-1212 or email at [hooah.soldier@usar.army.mil](mailto:hooah.soldier@usar.army.mil).

## **SOURCE SELECTION CRITERIA**

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

1. **Facility Assessment**, which includes: Availability of meeting space and rooms to support conference requirements, amenities and locations. Ability to meet requirements as stated in Statement of Work.
2. **Past Performance**: Relevant past performance which consists of performance similar to this requirement and accomplished with the past five years. Provide three (3) references based on similar size conferences that you have organized. References shall include name, address, phone number, email address and point of contact.
3. **Price**

Award: Award will be made based on the best value to the Government. Award will be based on Facility Assessment, Past Performance and Price. Facility Assessment and past performance are of equal importance and together are somewhat more important than price.

### **Criteria Importance:**

#### **Most important source selection criteria are:**

1. **Facility Assessment and**
2. **Past Performance**

#### **This is slightly more important than:**

**Conference Costs**

**SAMPLE INDEPENDENT GOVERNMENT ESTIMATE**  
**ROOM COST (Note included in contract Individual Traveler Paid)**

| DAY         | Sat      | Sun     | Mon      | Tues      | Wed       | Thu      | Fri      | Sat    |
|-------------|----------|---------|----------|-----------|-----------|----------|----------|--------|
| DATE        | 18-Oct   | 19-Oct  | 20-Oct   | 21-Oct    | 22-Oct    | 23-Oct   | 24-Oct   | 25-Oct |
| Room Nights | 30       | 80      | 190      | 290       | 330       | 290      | 290      | 10     |
| Room Cost   | \$ 99    | \$ 99   | \$ 99    | \$ 99     | \$ 99     | \$ 99    | \$ 99    | \$ 99  |
| Total Cost  | \$ 2,970 | \$7,920 | \$18,810 | \$ 28,710 | \$ 32,670 | \$28,710 | \$28,710 | \$ 990 |

**\$119,790**

**Conference/Administrative Space:**

|                               | Sat    | Sun    | Mon    | Tues   | Wed    | Thu    | Fri    | Sat    | Total | Cost Per | Total     |
|-------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|-------|----------|-----------|
|                               | 18-Oct | 19-Oct | 20-Oct | 21-Oct | 22-Oct | 23-Oct | 24-Oct | 25-Oct | Req   | Req      | Cost      |
| General Session Room (325)    |        |        |        |        |        | 1      | 1      | 1      | 3     | \$ 7,500 | \$ 22,500 |
| Conference Rooms (25)         |        |        |        |        | 1      |        |        |        | 1     | \$ 350   | \$ 350    |
| Conference Rooms (40)         |        |        |        |        | 1      |        |        |        | 1     | \$ 350   | \$ 350    |
| Conference Rooms (50)         |        |        |        | 1      | 1      |        |        |        | 2     | \$ 350   | \$ 700    |
| Conference Rooms (70)         |        |        |        | 1      | 1      | 1      | 1      | 1      | 5     | \$ 350   | \$ 1,750  |
| Admin Rooms:                  |        |        |        |        |        |        |        |        |       |          | \$ -      |
| Storage Room                  | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 8     | \$ 350   | \$ 2,800  |
| Security Room                 |        |        |        |        | 1      | 1      | 1      | 1      | 4     | \$ 350   | \$ 1,400  |
| Operations Room               | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 8     | \$ 350   | \$ 2,800  |
| Support Staff Admin Room      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 8     | \$ 350   | \$ 2,800  |
| Internet Café                 |        | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 7     | \$ 350   | \$ 2,450  |
| Registration Room             |        | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 7     | \$ 350   | \$ 2,450  |
| Board Meeting Rooms           |        |        | 9      | 9      | 9      | 9      | 9      | 9      | 54    | \$ 350   | \$ 18,900 |
| Information Displays/Breakout |        | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 14    | \$ 350   | \$ 4,900  |

**\$ 64,150**

**Audio Visual/Internet:**

|         | Sat    | Sun    | Mon    | Tues   | Wed    | Thu    | Fri    | Sat    | Total | Cost Per | Total    |
|---------|--------|--------|--------|--------|--------|--------|--------|--------|-------|----------|----------|
|         | 18-Oct | 19-Oct | 20-Oct | 21-Oct | 22-Oct | 23-Oct | 24-Oct | 25-Oct | Req   | Req      | Cost     |
| Podium  |        |        |        | 2      | 3      | 2      | 2      | 2      | 11    | \$ -     | \$ -     |
| Screens |        |        |        | 3      | 4      | 3      | 3      | 3      | 16    | \$ 100   | \$ 1,600 |

|                 |  |    |    |    |    |    |    |    |    |       |          |          |
|-----------------|--|----|----|----|----|----|----|----|----|-------|----------|----------|
| Patch Sound     |  |    |    | 2  | 4  | 2  | 2  | 2  | 12 | \$ 75 | \$ 900   |          |
| Internet Hookup |  | 12 | 12 | 12 | 12 | 14 | 14 | 14 | 90 | \$ 25 | \$ 2,250 | \$ 4,750 |

**Light Refreshments:**

|             | Sat<br>18-Oct | Sun<br>19-Oct | Mon<br>20-Oct | Tues<br>21-Oct | Wed<br>22-Oct | Thu<br>23-Oct | Fri<br>24-Oct | Sat<br>25-Oct | Total<br>Req | Cost Per<br>Req | Total<br>Cost |           |
|-------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|--------------|-----------------|---------------|-----------|
| Continental |               |               |               | 120            | 195           | 395           | 395           | 395           | 1500         | \$ 18           | \$ 27,000     |           |
| Beverage    |               |               |               | 120            | 195           | 395           | 395           | 395           | 1500         | \$ 10           | \$ 15,000     | \$ 42,000 |

**Security:**

|                 | Sat<br>18-Oct | Sun<br>19-Oct | Mon<br>20-Oct | Tues<br>21-Oct | Wed<br>22-Oct | Thu<br>23-Oct | Fri<br>24-Oct | Sat<br>25-Oct | Total<br>Req | Cost Per<br>Req | Total<br>Cost |          |
|-----------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|--------------|-----------------|---------------|----------|
| Personnel Costs |               |               |               | 24             | 24            | 24            | 24            | 24            | 120          | \$ 40           | \$ 4,800      |          |
| K-9 Cost        |               |               |               | 2              | 2             | 2             | 2             | 2             | 10           | \$ 45           | \$ 450        | \$ 5,250 |

**Total Conference Cost** \$235,940

**Total Contract Cost (Minus Rooms)** \$116,150

**QUALITY ASSURANCE SURVEILLANCE PLAN (QASP)  
EXAMPLE SMALL SERVICEACQUISITIONS**

*FOR*

**United States Army Reserve Command  
G-18 CONFERENCE – Fall 2008**

## 1 General

### 1.1 Introduction

This Quality Assurance Surveillance Plan (QASP) is developed for United States Department of the Army (DA), United States Army Reserve Command for use in ensuring quality of the Fall 2008 USARC G-18 Conference Hotel services work performed under Contract No. \_\_\_\_\_, a firm fixed price commercial services contract solicited and awarded in accordance with FAR Part 12 and 13.

### 1.2 Purpose

The QASP is developed to implement the Government Quality Assurance Program in accordance with FAR Part 46.401, Government Contract Quality Assurance and FAR Part 46.404, Government Contract Quality Assurance for Acquisitions at or Below the Simplified Acquisition Threshold. This plan also covers commercial services procured using FAR Part 13.5, Test Program for Certain Commercial Items in amounts greater than the Simplified Acquisition Threshold but not exceeding \$5 Million (\$10 Million for acquisitions as described in FAR 13.500(e)).

### 1.3 Objective

The QASP is developed with the intent of providing Government Contracting Officer Representative (COR) with an understandable guide to systematically and effectively monitor and evaluate a Contractor's work performance. It comprehensively defines surveillance and evaluation procedures to be followed by the Government COR to ensure that the Contractor provides the required services and that required performance standards are achieved.

### 1.4 QASP Development

The QASP provides guidelines for Contract surveillance methodology, evaluation, documentation, and reporting.

### 1.5 QASP Revisions / Changes

The QASP is a management tool to evaluate the performance under the contract and is a living document that can be adjusted via formal revision to ensure the requirements of the contract are being obtained. The COR forwards QASP revisions to the Contracting Officer for approval. The COR shall not deviate from the approved QASP until the KO

has signed the revised QASP. Each approved revision of the QASP will include an effective date on the front cover, and that date shall indicate implementation begins the first day of the month following the date it was signed by the KO.

2. Roles and Responsibilities of Government Personnel. Notwithstanding the Contractor's responsibility for total management responsibility during the performance of this contract, the administration of the contract will require maximum coordination between the Government points of contact during performance of the contract:

2.1 Contracting Officer: All contract administration will be effected by the Contracting Officer, via the assigned Contract Specialist, address as shown on face page of the contract. Communications pertaining to contractual administrative matters will be addressed to the Contract Specialist. No changes in or deviation from the scope of work shall be effected without a modification executed by the Contracting Officer authorizing such changes.

2.2 Contracting Officer's Representative (COR): A Contracting Officer's Representative (COR) will be delegated authority by the Contracting Officer to monitor all technical aspects and assist in the administration of the contract.

2.2.1 The types of actions within the purview of the COR authority are to assure that the Contractor performs the technical requirements of the contract; to perform or cause to be performed inspections necessary in connection with performance of the contract; to maintain both written and oral communications with the contractor concerning the aspects of the contract and notify the Contractor and Contracting Officer of any deficiencies observed; and to coordinate government furnished property availability and provide for site entry of Contractor personnel if required.

2.2.2 COR do not have the authority to: a) Clarify, make, or infer legal interpretation concerning the scope or intent of the contract. b) Approve Contractor's procedures or authorize the expenditure of funds. c) Levy or impose any task not specifically provided for in the contract. d) Issue instructions that could be construed as changes to contract terms or conditions. e) Enter into contractual agreements with the Contractor. f) Issue directives to the Contractor. g) Offer advice or recommendations to the Contractor that could directly or indirectly affect any pending Contracting Officer determination concerning fault or negligence of any contractual party.

2.2.3 A letter of designation will be issued to the COR with a copy supplied to the Contractor, stating the responsibilities and limitations of the COR.

### 3. QUALITY ASSURANCE EVALUATION PROCESS.

3.1 On the scheduled delivery/performance completion dates of the conference, the COR will review the services performed against the contract requirements at the performance destination identified in the contract.

3.1.1 If services performed conform to the contract requirements, the COR will complete the DD Form 250, Materiel Acceptance and Receiving Report, or electronic equivalent in Wide Area Workflow.

3.1.2 If services performed do not conform to the contract requirements, the COR will complete a DA Form 5479-R (Contract Discrepancy Report).

3.1.2.1 DA Form 5479-R (*Contract Discrepancy Report, or approved form*): COR will report unacceptable performance by the Contractor using the DA Form 5479-R. COR will complete the following information: contract number in block 1, Contractor and project manager name in block 2, COR/QAE name and address that identified discrepancy in block 3, date DA Form 5479-R is prepared, description of discrepancy, and COR name and title under "Close Out" block. The COR will forward the completed Contract Discrepancy Report (CDR) to the Contracting Officer. The COR will also sign and date the form under "Close Out" when the CDR has been closed by the KO.

3.1.2.2 COR shall forward the hard copy (e.g. paper version) DA Form 5479-R package to the designated Contract Specialist (CS) within 2 workdays of completion of the inspection.

3.1.2.3 The CS will forward the package to the Contractor within 2 workdays, and request the Contractor provide a written resolution.

3.1.2.4 CS will return a copy of completed and signed DA Form 5479-R from the Contractor (e.g. resolution) to the COR for review.

3.1.2.5 The COR will review the Contractor's response, and provide a written review (in block 11 on DA Form 5479-R) to the CS within 5 workdays.

3.1.2.6 The COR's written review will clearly indicate if they concur or non-concur with the Contractor's response.

3.1.2.7 If the COR non-concurs with the Contractor's response, the COR will provide an explanation of the non-concurrence in their written review.

3.1.2.8 The CS will then determine within 1 workday if the CDR can be closed out or requires further action.

3.1.2.9 If the CDR can be closed out the CS annotates the resolution in block 12 on the form, and forwards the CDR to the Contractor, COR and KO for signatures and dates in the "CLOSE OUT" blocks at the bottom of the form.

3.1.2.10 If the CDR can not be closed out, because the COR did not concur with the Contractor's response, the CS will setup a joint meeting (or teleconference) with the Contractor, COR and KO to discuss the issue and determine a resolution.

3.1.2.11 The KO makes the final decision and completes the close-out block accordingly or initiates required action under contract clause FAR 52.212-4.

3.1.2.12 The CS forwards the finalized CDR to COR and Contractor. If the KO determines the CDR is not valid the COR annotates "invalid CDR" on the form to document closure.

3.1.2.13 Once a CDR is closed out the Contract Specialist shall ensure CDR packages are filed with the contract and include: CDR form and all supporting documentation (e.g. report excerpts, validated customer complaint, etc.) used in the inspection. The COR/QAE shall retain their copy with their official COR records.

### 3.2 Contract Issues and Questions

If during performance of the contract an issue arises where the intent of the contract is in question, the COR shall notify the CS / KO in writing and request clarification. Only the KO can interpret, infer meaning, or clarify contract requirements.

### 3.3 Additional Guidance

Contact the CS and KO.

## 4. Evaluating and Documenting Contractor Past Performance

4.1 No contractor performance assessment reporting is required is required for this service contract as this is a commercial item under the Simplified Acquisition Threshold (SAT) (\$100K),.

4.1.1 Although not required by agency regulations, the COR may elect to submit a Contractor Performance Assessment for commercial items below the SAT in instances whereby performance substantially exceeded or failed to meet contract requirements.

## 5. COR Files

5.1 COR files shall contain a copy of the contract and all modifications.

5.2 COR files shall contain a copy of the COR appointment.

5.3 COR files contain a copy of the Approved QASP, and all associated revisions.

5.4 COR file version of the QASP matches the version approved by the KO.

5.5 COR files contain all completed DD Form 250's, Materiel Acceptance and Receiving Report, or approved electronic versions.

5.6 COR files contain copies of all supporting correspondence, Contract Discrepancy Reports, Contractor Performance Assessment Reports, and Annual Contractor Manpower Report, if applicable.

**APPENDIX I  
COR/QAR NOMINATION AND APPOINTMENT LETTERS  
&  
COR SURVEILLANCE CHECKLIST**

**REQUEST FOR COR/QAR OR QAE APPOINTMENT**

**DATE:**

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**FROM:**, COR NAME/UNIT/ADDRESS

**TO:** Army Reserve Contracting Center  
( ) North – 88<sup>th</sup> RSC AOR  
( ) East – 99<sup>th</sup> RSC AOR  
( ) South – 81<sup>st</sup> RSC AOR  
( ) West – 63<sup>rd</sup> RSC AOR  
( ) Enterprise – USARC/OCAR/O&F HQs

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**NOMINEE**

Name:  
Address:  
Telephone:

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**CONTRACT No. / PROJECT DESCRIPTION:**

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**RECOMMENDED BY:** (*Supervisor*)

Signature:  
Printed Name:  
Title: Contracting Officer Representative

**APPROVED BY:**

Contracting Officer

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1. The nominee possesses sufficient experience in this functional area and has demonstrated a high degree of technical knowledge of the contracted service.
2. The nominee possesses sufficient retainability to ensure continuity of surveillance during the contract performance period.
3. The nominee has completed the mandatory Contracting Officer's Representative (COR) training. (Provide copy of certificate.)
4. The nominee has sufficient knowledge of the government contracting process to perform the (COR/COTR) duties.
5. The nominee has an understanding of pertinent contract clauses, such as changes, payments, government-furnished property, inspection and acceptance, and termination.
6. The nominee has the ability to analyze, interpret, evaluate, and document factors involved in contract administration.
7. The nominee will be provided sufficient time and resources to accomplish the (COR/COTR) duties, taking into consideration other contracts that the nominee is currently managing and other workload commitments.
8. The nominee's contributions will be addressed in their annual performance review.

90. The nominee has the security clearance or other specified requirements, as needed.

SIGNATURE  
FUNCTIONAL COMMANDER/FUNCTIONAL DIRECTOR

## QAR Appointment Letter – Non-Construction

Headquarters, Northern Region  
Army Reserve Contracting Activity  
5418 South Scott Plaza  
Fort Dix, NJ 08640-5097

SFCA-NR-ARCA

15 November 2012

MEMORANDUM FOR:

SUBJECT: Designated of Quality Assurance Representative

1. You are hereby designated as the Quality Assurance Representative (QAR) in administration of the following contract:

Contract Number: W91LV2-0  
For:  
Contractor:

2. You are authorized by this designation to take any and all action with respect to the following that could lawfully be taken by me as Contracting Officer, except any action specifically prohibited herein or by the terms of the subject contract.

a. Verify that the contractor performs the technical requirements of the contract in accordance with the terms, conditions, and specifications.

b. Perform, or cause to be performed, inspections necessary in connection with 2a above and verify that the contractor has corrected all deficiencies. Perform acceptance for the Government of services performed under this contract.

c. Maintain liaison and direct oral communication with the contractor.

d. Monitor the contractor's performance and notify the contractor of deficiencies observed during surveillance, and direct appropriate action to effect correction. Record and report to the Contracting Officer incidents of faulty or nonconforming work, delays, or problems. In addition, you are required to submit monthly reports concerning performance of services rendered under this contract.

e. Coordinate site entry for contractor personnel and ensure that any Government furnished property is available when required.

f. You are responsible for entering certain initial information and ensuring that contractors report the required information, as set forth in the Contract Manpower Reporting system. As such, you must monitor the contractor's reporting of required information after you enter the certain initial information. As the requiring activity

representative, you are responsible for all resources, including funding, associated with the collection and reporting of this data. For technical questions regarding the CMR system, please contact the helpdesk at 703-377-6199.

g. You are responsible for reporting information regarding the contractor's performance under this contract on the Contractor Performance Assessment Reporting System (CPARS). Before you can access the CPARS system, you are required to complete online training. The website for the online training is [http://www.cpars.navy.mil/allapps/cpartng/webtrain/webtrain\\_all.htm](http://www.cpars.navy.mil/allapps/cpartng/webtrain/webtrain_all.htm). The classes that need to be completed for the subject contract are *CPARS Overview* and *Quality and Narrative Writing*.

3. You must adhere to the following limitations:

a. You are not empowered to award, agree to, or sign any contract (including delivery orders) or modification thereto, or in any way obligate the payment of money by the Government.

b. You may not take any action that may impact on contract or delivery order schedules, funds, or scope.

c. You may not make any contractual agreements, commitments, or modifications that involve prices, quantities, quality, or delivery schedules. Only the Contracting Officer shall make these.

4. This designation as a QAR shall remain in effect through the life of the contract, unless sooner revoked by the Contracting Officer. Such termination of the designation shall be in writing. If your designation is revoked for any reason before completion of this contract, turn your records over to the successor QAR or obtain disposition instructions from the Contracting Officer. If you are reassigned or separated from service, you shall request termination and relief from your duties from the Contracting Officer sufficiently in advance of reassignment or separation to permit timely selection and designation of a successor QAR. You may not re-delegate your QAR Authority.

5. You are further required to maintain adequate records to sufficiently describe the performance of your duties as Quality Assurance Representative during the life of this contract, and to distribute such records as applicable. As a minimum, the QAR file shall contain the following:

a. A copy of letter of appointment from the Contracting Officer.

b. A copy of the contract or the appropriate part of the contract and all modifications thereto.

c. A copy of the applicable quality assurance (QA) surveillance plan.

d. All correspondence initiated by the functional representative concerning performance of the contract.

- e. The name and position titles of individuals who serve on the contract administration team.
- f. Record of inspections performed and their results. – Copies of which shall be forwarded to the respective contract administrator in DOC on a minimum of once a week.
- g. Memoranda for record or minutes of any pre-performance conferences.
- h. Memoranda for record or minutes of any meetings and discussions with the contractor, or others, pertaining to the contract or contract performance.
- i. Applicable laboratory tests, if any.
- j. Records about the contractor's quality control system and plan, and the results of the quality control effort. – Copies of which shall be forwarded to the respective contract administrator in DOC on a minimum of once a week
- k. Copy of the approved surveillance schedule.

6. All personnel engaged in contracting and related activities shall conduct business dealing with industry in a manner above reproach in every aspect and shall protect the U.S. Government's interests, as well as maintain its reputation for fair and equal dealings with all contractors. DOD 5500.7R, Joint Ethic Regulation, sets forth applicable standards of conduct for all personnel directly and indirectly involved in contracting. You must review Joint Ethic Regulation, DOD 5500.7R semiannually.

7. Any QAR who may have direct or indirect financial interest that would place him or her in a position where there is a conflict between his or her private interest and the public interest of the United States shall advise his or her supervisors and the Contracting Officer of the conflict so that appropriate actions may be taken. A QAR shall avoid the appearance of such conflict to maintain public confidence in the U.S. Government's conduct of business with the private sector.

8. You are to acknowledge receipt of this appointment on the original copy and return it to the Contracting Officer for retention in the contract file. A duplicate copy should be retained for your QAR file. Your signature also serves as certification that you have read and understand the contents of DOD 5500.7R, Joint Ethic Regulation, and that you have received QAR Orientation and a copy of the Handbook for Surveillance of Service Contracts dated, June 1983.

ANNEMARIE WALSH  
Contracting Officer

Receipt of this appointment is hereby acknowledged:

\_\_\_\_\_  
Name (Print/Type)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Rank/Grade

\_\_\_\_\_  
Telephone Number

## QAR Appointment Letter – Construction

Headquarters, Northern Region  
Army Reserve Contracting Activity  
5418 South Scott Plaza  
Fort Dix, NJ 08640-5097

SFCA-NR-ARCA

31 October 2008

MEMORANDUM FOR:

SUBJECT: Designation of Quality Assurance Representative

1. You are hereby designated the Quality Assurance Representative (QAR) in administration of the following contract:

Contract Number: ,  
For:  
Contractor: .

2. You are authorized by this delegation to take any and all action with respect to the following which could lawfully be taken by me as Contracting Officer except any action specifically prohibited herein or by the terms of the subject contract.

a. Verify that the contractor performs the technical requirements of the contract in accordance with the contract terms, conditions, and specifications.

b. Perform, or cause to be performed inspections necessary in connection with 2a above and verify that the contractor has corrected all deficiencies. Perform acceptance for the Government of services performed under this contract.

c. Maintain liaison and direct oral communications with the contractor.

d. Monitor the contractor's performance and notify the contractor of deficiencies observed during surveillance, and direct appropriate action to effect correction. Record and report to the Contracting Officer incidents of faulty or nonconforming work, delays, or problems, In addition, you are required to submit a bi-weekly Progress Report indicating the contractor's current percentage of completion.

e. Coordinate site entry for contractor personnel and ensure that any Government furnished property is available when required.

3. You must adhere to the following limitations:

a. You are not empowered to award, agree to, or sign any contract(including delivery orders) or modifications thereto, or in any way obligate the payment of money by the Government.

b. You may not take any action that may impact on contract or delivery order schedules, funds, or scope.

c. You may not make any contractual agreements, commitments, or modifications that involve prices, quantities, quality, or delivery schedules. Only the Contracting Officer can make agreements of this nature.

4. This designation as a Quality Assurance Representative(QAR) shall remain in effect through the life of the contract, unless sooner revoked by the Contracting Officer. Such termination of the designation shall be in writing. If your designation is revoked for any reason before completion of this contract, turn your records over to the successor QAR or obtain disposition instructions from the Contracting Officer. If you are reassigned or separated from services, you shall request termination and relief from your duties from the Contracting Officer, sufficiently in advance of reassignment or separation to permit timely selection and designation of a successor QAR. You may not re-delegate your QAR authority.

5. You are further required to maintain adequate records to sufficiently describe the performance of your duties as Quality Assurance Representative during the life of this contract, and to distribute such records as applicable. As a minimum, the QAR file shall contain the following:

a. A copy of letter of appointment from the Contracting Officer.

b. A copy of the contract or the appropriate part of the contract and all modifications thereto.

c. A copy of all approved contractor Material Submittals.

d. All correspondence initiated by the functional representative concerning performance of the contract.

e. The name and position titles of individuals who serve on the contract administration team.

f. Record of inspections performed and their results.

- g. Memoranda for record or minutes of any pre-performance conferences.
  - h. Memoranda for record or minutes of any meetings and discussions with the contractor, or others, pertaining to the contract or contract performance.
  - i. Applicable laboratory tests, if any.
  - j. Records about the contractor's quality control system and plan and the results of the quality control effort.
  - k. Copy of the approved Progress Schedule.
6. All personnel engaged in contracting and related activities shall conduct business dealings with industry in a manner above reproach in every aspect and shall protect the U.S. Government's interests, as well as maintain its reputation for fair and equal dealings with all contractors. Joint Ethic Regulation DOD 5500.7R sets forth applicable standards of conduct for all personnel directly and indirectly involved in contracting. You must review Joint Ethic Regulation OD 5500.7R semiannually.
7. Any QAR who may have direct or indirect financial interest that would place him or her in a position where there is a conflict between his or her private interests and the public interest of the United States shall advise his or her supervisors and the Contracting Officer of the conflict so that appropriate actions may be taken. A QAE shall avoid the appearance of such conflict to maintain public confidence in the U.S. Government's conduct of business with the private sector.
8. You are to acknowledge receipt of this appointment on the original copy and return it to the Contracting Officer for retention in the contract file. A duplicate copy should be retained for your QAR file. Your signature also serves as certification that you have read and understand the contents of Joint Ethic Regulation DOD 5500.7R and that you have received QAR Orientation.

ANNEMARIE WALSH  
Contracting Officer

Receipt of this appointment is hereby acknowledged:

\_\_\_\_\_  
Name (Print/Type)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Rank/Grade

\_\_\_\_\_  
Telephone Number

## COR SURVEILLANCE CHECKLIST

**COR:** \_\_\_\_\_

**CONTRACT #:** \_\_\_\_\_

**CONTRACTOR:** \_\_\_\_\_

(Circle One)

**1. COR INDIVIDUAL TRAINING/PERFORMANCE APPRAISAL:**

- A. Was the COR training completed before contract performance began within the last three years. YES NO
- B. Does the COR's annual performance assessment include the COR's duties in monitoring contracts? YES NO

**2. COR/QAE APPOINTMENT LETTER:**

- A. Was the COR appointed, in writing, in accordance with DFARS 201.602-2? YES NO
- B. Is the COR designation letter up-to-date, properly identifies the current contract and COR by name? YES NO
- C. Are the COR's responsibilities listed in the appointment letter YES NO

**3. COR/QAE FILE REVIEW: *Has the COR performed their designated responsibilities***

- A. Does the QASP version being used by the COR match the QASP approved by the KO? YES NO
- B. Does the COR have a copy of the latest QC Plan "Accepted" by the KO? YES NO
- C. Does the COR have a copy of the contract and all modifications? Are mods posted to SOW/PWS? YES NO
- D. Did the COR utilize the QASP for monitoring and surveillance of the contractor YES NO
- E. Did the COR/QAE conduct surveillance as outlined in the QASP? *Review COR documentation that would verify the COR actually uses the QASP for monitoring the contractor* YES NO
- F. File Maintenance - Is the COR/QAE properly maintaining the following Surveillance records?  
(Recommend that these records be maintained as a complete package for each month of performance):

(1) Is COR registered into WAWF as an inspector/acceptor for their applicable DODAAC's in order to process invoices through WAWF. YES NO

(2) Wide Area Work Flow utilized/DD Form 250, Material Inspection & Receiving Report for the month? YES NO

(3) Is all supporting documentation (Contractor Schedule(s), Activity Logs, and any other supporting documentation) filed to substantiate COR/QAE surveillance occurred IAW the QASP? YES NO

(4) At the completion of each contract payment period (Monthly), has the COR/QAE certified the services actually received under the contract IAW Contracting Officer directives and include the statement: "I certify the services have been received and were accepted on \_\_\_\_\_ and payment is due in the amount of \_\_\_\_\_." YES NO

G. COR Customer Complaint Program: Is there evidence that the COR took action when required to report contract performance deficiencies and weaknesses to the cognizant contracting officer's processed as outlined in the QASP? YES NO

H. Did COR annually provide contractor's performance for input by the Contracting Office into the Contractor Performance Assessment Report System. (CPARS) YES NO

**COR SURVEILLANCE CHECKLIST**

**COR:** \_\_\_\_\_

**CONTRACT #:** \_\_\_\_\_

**CONTRACTOR:** \_\_\_\_\_

***SURVEILLANCE NOTES:***

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A letter/email notifying the CASO and Functional Director of the COR/QA performance deficiencies identified was sent on \_\_\_\_\_ with a requested Functional Director response date of \_\_\_\_\_. (Copy Attached if filled in)

**CONTRACT SPECIALIST SIGNATURE:**

**Date: (YYYY/DD/MM)**

\_\_\_\_\_

\_\_\_\_\_

**INSPECTOR NAME/TITLE**  
**(Contracting Officer/CASO/Internal Review Personnel Only)**

\_\_\_\_\_

**INSPECTOR'S SIGNATURE:**

**Date: (YYYY/DD/MM)**

\_\_\_\_\_

\_\_\_\_\_

## **Appendix J**

### **Quality Assurance Surveillance Plan/Sample Small Acquisitions/Sample Large Acquisitions**

#### 1. Introduction

The Quality Assurance Surveillance Plan (QASP) is a document designed to provide the Contracting Officer's Representative (COR) with an effective and systematic surveillance method for evaluating contractor performance. The PWS and QASP should be developed simultaneously.

The QASP is the written instruction by which the COR ensures that the government is getting what is contractually required. The QASP consists of written instructions for the COR and a checklist containing items of contract performance, which have been extracted from the Performance Work Statement. It depicts a planned process to monitor contractor performance, using systemic methods, surveillance, inspections, and measurement. The QASP is developed by the government, based on contractual quality requirements of the contract or task order. The provisions of the QASP can be shared with the contractor.

#### 2. QASP Development

The QASP is critical to the total acquisition process. Each QASP must be tailored to a particular contract and PWS. At times, a PWS may be extremely comprehensive and should be, clear, consistent, and unbiased; but without accurate and supportive ways to measure a contractor's performance, time and effort may be wasted.

The QASP is an in-house document that is not released with the solicitation. However, contractors should be aware of surveillance requirements and responsibilities. A post-award conference is a good time to brief the contractor on the government's quality expectations.

#### 3. How is the QASP developed?

The requiring activity develops the QASP. He or she is familiar with the required services and can best use that knowledge in writing the QASP.

The QASP is based on the performance requirement summary (PRS) and the workload contained in the Performance Work Statement. The focus should be on the overall performance of the contractor, not on single successes or failures. Specifically, the QASP is concerned with outputs (e.g., deliverables), not the processes or steps used. The PRS is key to developing the QASP, since it lists the required services, the standards that must be met, the Acceptable Performance Levels (APL), the planned

method of surveillance, and, if appropriate, the contract deduction percentage. All of this information is required by the COR to complete surveillance forms and compile reports about the contractor.

The content of the PRS normally lists:

- Required Service
- Performance Standard
- Acceptable Level of Performance
- Surveillance Method
- Deductions, if any

#### 4. Required content

Although a QASP must be tailored to meet the specific PWS requirements and operating conditions, the following areas must be addressed:

1. Introduction
  - a. Purpose
  - b. Functions surveyed
2. How to use the plan
  - a. Scheduling
  - b. Sampling procedures
  - c. Inspection procedures
  - d. Documentation/reporting procedures

## Sample Quality Assurance Surveillance Plan – Small Acquisitions

### QUALITY ASSURANCE SURVEILLANCE PLAN

This Quality Assurance Surveillance Plan is not part of the Invitation for Bid nor will it be made part any resulting contract. It is provided in order to allow a contractor to understand that the Government will be performing Quality Assurance on his services in accordance with a detailed established Quality Assurance Plan. The Government has the right to change or modify inspection methods at its discretion.

#### SECTION 1

##### 1. General:

a. This Quality Assurance Surveillance Plan has been developed to aid the Quality Assurance Representative (QAR) in providing effective and systematic surveillance of all aspects of the contract. This plan provides for monitoring contract requirements using Surveillance Activity Checklists and Validated Customer Complaints.

b. The objective of this surveillance plan is to evaluate how the contractor is performing in key areas.

c. The plan contains random sample guides which establish inspection procedures and random sampling (tally) checklists which are used to record information about the samples. A surveillance activity checklist is provided for items periodically checked.

#### SECTION 2

##### How To Use the Surveillance Plan

1. This surveillance plan has been organized to facilitate use by the person(s) performing surveillance. It is the responsibility of the person(s) performing surveillance to develop a monthly schedule for activities based on the surveillance plan's requirements. The monthly schedule will be completed by the last workday of the preceding month and a copy will be submitted to the Contracting Officer for their information and review. The Contracting Officer should review the schedules to insure that all requirements of the contract are periodically surveilled.

2. To build the inspection schedule, the person(s) performing surveillance will select the areas and times for the random sampling using standard random sampling procedures. The periodic checklist items to be surveilled during the month will be programmed into the schedule and should show what the person(s) is/are monitoring each day. Once completed, it shall be marked "FOR OFFICIAL USE ONLY" and not shown to the Contractor. Changes will be posted weekly and copies sent to the

Contracting Officer. The reasons for changes will be fully documented and explained. Actual surveillance activity must be comparable to the monthly schedule.

One should be able to conduct a complete audit trail from the monthly schedule, from observing the person(s) performing sampling or other checklist surveillance, to completion of the random sampling and other checklists. An auditor or Inspector General should be able to track from the above items to the Contracting Officer's actions (payment deduction or other actions as necessary) described on a Contract Discrepancy Report (CDR).

3. A monthly random sampling (tally) checklist prepared for each sampling guide will be used to tally information on observations and defects. Each observation in the sampling will be recorded on the random sampling checklists. Any discrepancies detected during the course of the surveillance, even if not of sufficient degree to render the service unsatisfactory, will require Contractor corrective action. If the sampling (tally) checklists indicate that the service will be considered unsatisfactory and the Contractor will be issued a Contract Discrepancy Report by the Contracting Officer. When completed and signed, the Contract Discrepancy Report, along with the random sampling checklist become the documentation supporting payment or nonpayment or other actions as necessary for the Contractor's compliance or noncompliance with the contract provisions.

4. If the sampling checklists indicate that the month's service is unsatisfactory, the person(s) performing surveillance will identify the possible causes of the unsatisfactory performance. The findings of the person(s) performing surveillance are for Government use and should not be shared with the Contractor. The Contractor must manage the operation and take whatever corrective actions necessary to deliver contract requirements.

5. There are some requirements in the contract which are more conveniently monitored on an individual periodic basis. For example, the Contractor is required to maintain specific files, provide material costs, data, etc. When these items are checked, the observation will be recorded on the appropriate checklists. When these items are discovered to be unsatisfactory, actions as described above will be taken.

6. During the course of the month, the person(s) performing surveillance may receive customer complaints about the quality of service. Each complaint must be validated to insure the service was required and that the standard was not met. These observations will be noted and the Contractor informed, but the defect will not be counted to determine unsatisfactory performance under the random sample. A number of these defects discovered during the random sampling will be counted when a sampling checklist is the method of surveillance.

7. Good Performance. When a Contractor's standard operating procedure works, good performance results. If the result of a surveillance shown consistently good performance, the amount of surveillance may be decreased as determined by the

Contracting Officer.

8. Revisions of this surveillance plan are the joint responsibility of the Contracting Officer's Representative and the Contracting Officer.

-\_\_\_\_

## Sample Quality Assurance Surveillance Plan – Small Acquisitions Below Small Acquisition Threshold (<100K)

### QUALITY ASSURANCE SURVEILLANCE PLAN (QASP) FOR

**Contract:** \_\_\_\_\_

**Contractor:** \_\_\_\_\_

**1. PURPOSE.** This QASP is a Government developed and applied document used to ensure that the Contractor performs all requirements of the Contract/Order, that the Government receives quality services, and that the Government pays only for services actually provided. The QASP provides a systematic method to evaluate the services the contractor is required to furnish.

**2. SCOPE.** The Contractor is responsible for management and quality control necessary to perform the required services. The QASP provides for the Government's oversight of the Contractor's quality control efforts to assure timely, responsive services are provided IAW the Contract/Order. The contractor is responsible for management and quality control actions to meet the terms of the contract. The role of the Government is to perform quality assurance to ensure contract standards are achieved.

#### **3. ROLES AND RESPONSIBILITIES.**

**Contracting Officer (KO):** A duly appointed individual with the authority to enter into, administer and terminate contracts on behalf of the Government. Only the KO can legally commit the Government and, as the Government's agent, modify the Contract/Order. The KO is the final authority for determining adequacy of the Contractor's performance. KO decisions arising under or relating to the contract are final.

**Contracting Officer's Representative (COR)** – An individual designated in writing by the KO to perform specific technical and administrative functions within the scope and limitations of their written appointment (e.g., surveillance of Contractor's performance, accept services). The COR is not empowered to make any contractual commitments or authorize any changes to the order/contract or in any way obligate additional funds by the Government; such authority rests solely with the KO.

**4. METHODS OF SURVEILLANCE.** Simplified methods of surveillance will be used by the Government to evaluate contractor performance. The primary methods of surveillance are periodic inspections and/or customer feedback.

**Periodic Inspections** – Periodic Inspections could be a onetime evaluation of contractor performance for short duration contracts or for services that occur over a number of months, the COR will perform an inspection on a monthly basis and upon completion of the services. Periodic Inspection could be COR on-site inspection or the use of objective quality evidence such as customer feedback or trusted contractor supplied performance data.

**Customer Feedback** – Customer feedback is typically obtained via telephone or email. Telephonic customer complaints must be followed up in writing/email. The customer complaint must clearly articulate the nature of the complaint, time, date, etc. The COR will investigate the complaint; if determined valid, the COR will advise the KO and the Contractor of the deficiency. Copies of valid complaints and the resolution must be retained in the official contract file.

#### **5. QUALITY ASSURANCE (QA) SURVEILLANCE TASKS.**

- a. The COR will perform surveillance on all services required of the contractor either through periodic inspection or the use of objective quality evidence (i.e. customer feedback or evaluation of contractor supplied performance data), and will ensure all required services of the Contract/Order are properly executed.
- b. The COR will immediately report any noted contractual deficiencies to the Contractor and the KO, to include date, specific contract requirement, deficiency, request for contractor corrective action and suspense date. When Contractor contractual performance deficiencies are noted increased periodic inspections will take place to assure contract compliance.
- c. The COR will re-inspect services that were found deficient. Failure to complete corrective actions will be reported immediately to the KO for further action.
- d. Upon satisfactory completion of the work, the COR will accept the services provided and authorize payment, by approving the Contractor's invoice in Wide Area Workflow.

**6. DOCUMENTATION.** When services are provided IAW the Contract/Order it is not uncommon for a low dollar value and low complexity and/or duration service to be performed without any remedial actions required by the Government. Based on the low dollar value and the low complexity and/or duration of the Contract/Order, documentation will be kept to a minimum. Documentation of COR surveillance of contractor performance can be as simple as a memo for record as long as it includes date, type of surveillance, what was observed and results. The COR must forward all records they maintained to the KO after accepting the Contractor's services for use in the event of a future contract claim/dispute.

# Sample Quality Assurance Surveillance Plan – Acquisitions Between Small Acquisition Threshold (<100K) and \$1M

## QUALITY ASSURANCE SURVEILLANCE PLAN (QASP)

FOR

**Contract:** \_\_\_\_\_  
**Contractor:** \_\_\_\_\_

**1. PURPOSE.** This QASP is a Government developed document used to ensure that the Government receives quality services, and pays only for services actually provided. The QASP provides a systematic method to evaluate the services the Contractor is required to furnish.

**2. SCOPE.** The role of Government Quality Assurance is to ensure contract standards are achieved. The QASP provides guidelines and methods for the Government’s oversight of the Contractor’s quality control efforts to assure timely, effective services are provided IAW the contract/order. The Contractor, and not the Government, is responsible for management and quality control actions to meet the terms of the contract.

### **3. ROLES AND RESPONSIBILITIES.**

**Contracting Officer (KO)** - A person duly appointed with the authority to enter into, administer and terminate contracts on behalf of the Government. The KO is the only person who can legally commit the Government and only the KO, as the Government’s agent, can modify the contract/order. The KO is the final authority for determining the adequacy of the Contractor’s performance. KO decisions arising under or relating to the contract are final.

**Contracting Officer’s Representative (COR)** – An individual designated in writing by the KO to perform specific technical and administrative functions within the scope and limitations of their written appointment (e.g., surveillance of Contractor’s performance, accept services). The COR is not empowered to make any contractual commitments or authorize any changes to the order/contract or in any way obligate additional funds by the Government; such authority rests solely with the KO.

**Quality Assurance Evaluator (QAE)** – An individual designated by the requiring activity to assist the COR and provide technical oversight of the Contractor’s performance. The QAE’s primary duty is to monitor the Contractor’s performance by physically checking to see that tasks are completed, reports are submitted, and desired outcomes are achieved. When a surveillance observation results in an unacceptable evaluation, the QAE will report the unacceptable performance to the COR. The QAE is not authorized to direct work, offer advice on how the work should be performed, change the contract, or in any way obligate payment of funds by the Government.

**4. METHODS OF SURVEILLANCE.** Surveillance is performed by the Government to provide objective quality evidence that there is a reasonable level of confidence that the services provided by the Contractor have met all the requirements of the contract before authorizing payment. The primary methods of surveillance are periodic inspections and customer feedback.

**Periodic Inspection:** Inspections are planned at specific intervals or dates as determined by the surveillance schedule. Periodic inspections will be performed regularly, yet randomly, during all hours of the Contractor’s

training. Periodic inspections may be performed more frequently if the COR/QAE discovers the quality of the Contractor's performance is less than acceptable.

Customer Feedback: Customer feedback is firsthand information from the actual users of the service and is typically obtained via telephone or email. Customer complaints obtained via telephone must be followed up in writing/email. The customer complaint must clearly articulate the nature of the complaint, time, date, etc. The COR/QAE will validate the complaint within 24 hours of receipt, complete the validation section on DA Form 5477-R, Customer Complaint Record, and forward a copy to the KO for resolution with the Contractor. The KO will return a copy of the completed and signed DA Form 5477-R to the COR for inclusion in the contract/order file. If the COR/QAE determines a complaint is invalid, rationale will be cited in the validation section and retained for future reference. Customer feedback will be used to supplement other forms of performance evaluation, but will not be a primary method of evaluating the Contractor's performance.

## **5. SURVEILLANCE PROCEDURES.**

a. The COR will develop a monthly schedule of surveillance activities based on the Performance Standards as outlined in the contract/order and Performance Requirements Summary, as applicable, as well as any other critical contractual requirements the COR determines to be higher risk requiring oversight. The surveillance outlined in the monthly schedule will be as detailed and in-depth as necessary to provide the Government with the objective quality evidence required to support acceptance of a monthly contract invoice. The schedule should provide periodic surveillance during all required hours of the Contractor's operation including nights and weekends. The schedule is "FOR OFFICIAL USE ONLY" and is not releasable to anyone other than authorized Government personnel. The schedule will identify the date of inspection, activity to be monitored, and who will conduct the surveillance (dates and times can be altered without a formal change to the schedule as long as all inspections are performed). The DA Form 5475-R, COR/QAE Surveillance Schedule, may be used for this purpose. The monthly schedule will be completed no later than seven calendar days prior to the beginning of the period it covers and a copy forwarded to the KO for information and review.

b. The COR/QAE will monitor performance in accordance with the schedule and will ensure all services required by the order/contract are successfully performed. All inspections will be documented and include as a minimum date and time, who performed the inspection, what was inspected, to what standard and the results. Successful or exceptional performance will be documented as well as deficiencies in Contractor performance. Documentation will be maintained for future reference, audit, and proof of inspection. Any uncorrected unacceptable observation will result in an unacceptable rating, a corrective action request to the Contractor and notification to the KO.

c. The COR will notify the Contractor, in person, each time an unacceptable observation has been recorded and ask the Contractor to correct the problem. The COR/QAE will record the contract requirement, the specific deficiency to the requirement, the date and time it was discovered, and have the Contractor initial the entry. The Contractor will be given two working days after notification to correct the deficiency in accordance with requirements of the contract. Deficiencies that cannot be corrected within two working days will be reported to the Contracting Officer.

d. The COR will report more serious (systemic in nature) deficiencies or recurring deficiencies in the same area that could indicate a trend by using DA Form 5479-R, Contract Discrepancy Report (CDR). The CDR will state the Contract Requirement, the specific contract reference and the specific nonconformance to the requirement. The COR will forward copies of CDRs to the KO within one working day. The KO will notify the Contractor and request corrective action. The KO may require the Contractor to re-perform any services

that do not meet contract requirements at no additional cost to the Government. The Contractor will return a copy of the completed and signed CDR to the KO for inclusion in the contract/order file.

e. The COR/QAE will re-inspect services that were found deficient to ensure corrections were made within the timeframe outlined in the contract or other agreed upon time. The COR/QAE will not consider the services complete until all deficiencies have been corrected. Contractor's failure to complete corrective actions will be reported immediately to the KO for further action.

f. The COR/QAE will accept the services provided and authorize payment, typically on a monthly basis or upon satisfactory completion of the work. This is done by approving the Contractor's invoice in Wide Area Workflow.

g. The COR/QAE will submit a brief monthly activity report to the KO which will include the next months surveillance schedule, summary of inspections performed and results, summary of customer feedback, summary of contract discrepancies and corrections, recommendations, invoices accepted and any other pertinent activities.

**6. PERFORMANCE STANDARD.** The performance standard, as set forth in the PWS/PRS, is the standard the Contractor must meet for a particular Performance Objective to be deemed acceptable. The maximum degree of deviation from the requirement is the percent defective or the maximum number of defects per month that can be reached without the performance being considered overall unsatisfactory for a particular Performance Objective. Exceeding the number of defects or percent will cause the service to be deemed unsatisfactory.

**7. QUALITY ASSURANCE SURVEILLANCE FILE:.** The COR/QAE file shall contain:

a) Copy of the COR appointment letter from the KO, any changes to that letter, and any termination letters; b) Training Certifications for COR; c) Copy of the contract and all contract modifications; d) Copy of the applicable Quality Assurance Surveillance Plan (QASP); e) Copy of the contractor's Quality Control Plan (QCP); f) All correspondence initiated by authorized representatives (Contractor or Government) concerning performance of the contract; g) Names, position titles and contact information of all key personnel assigned to this contract both Government and Contractor; h) Monthly surveillance schedules & Surveillance Checklists; i) Records of all inspections performed and the results; j) Customer Feedback; k) Memoranda for record of minutes of any meeting, telephone conversations and discussions with the contractor or others pertaining to the contract or contract performance; l) Documentation pertaining to acceptance of services, reports or data.

**8. RECORDS:** All records will be retained for the life of this contract. The COR/QAE will forward these records to the KO upon completion of the contract/order.

**9. CHANGES:** The QASP is a living document and, as such, may be changed as needed. However, the KO must approve changes. The COR will submit recommended changes to the KO for approval.

# Sample Quality Assurance Surveillance Plan – Commercial Services Acquisitions Between Small Acquisition Threshold (<100K) and \$1M

## QUALITY ASSURANCE SURVEILLANCE PLAN (QASP) FOR

**Commercial Services Contract:** \_\_\_\_\_  
**Contractor:** \_\_\_\_\_

**1. PURPOSE.** This QASP is a Government developed document used to ensure that the Government receives quality services, and pays only for services actually provided. The QASP provides a systematic method to evaluate the services the Contractor is required to furnish.

**2. SCOPE.** The role of Government Quality Assurance is to ensure contract standards are achieved. The QASP provides guidelines and methods for the Government's oversight of the Contractor's quality control efforts to assure timely, effective services are provided IAW the contract/order. The Contractor, and not the Government, is responsible for management and quality control actions to meet the terms of the contract.

### **3. ROLES AND RESPONSIBILITIES.**

**Contracting Officer (KO)** - A person duly appointed with the authority to enter into, administer and terminate contracts on behalf of the Government. The KO is the only person who can legally commit the Government and only the KO, as the Government's agent, can modify the contract/order. The KO is the final authority for determining the adequacy of the Contractor's performance. KO decisions arising under or relating to the contract are final.

**Contracting Officer's Representative (COR)** – An individual designated in writing by the KO to perform specific technical and administrative functions within the scope and limitations of their written appointment (e.g., surveillance of Contractor's performance, accept services). The COR is not empowered to make any contractual commitments or authorize any changes to the order/contract or in any way obligate additional funds by the Government; such authority rests solely with the KO.

**Quality Assurance Evaluator (QAE)** – An individual designated by the requiring activity to assist the COR and provide technical oversight of the Contractor's performance. The QAE's primary duty is to monitor the Contractor's performance by physically checking to see that tasks are completed, reports are submitted, and desired outcomes are achieved. When a surveillance observation results in an unacceptable evaluation, the QAE will report the unacceptable performance to the COR. The QAE is not authorized to direct work, offer advice on how the work should be performed, change the contract, or in any way obligate payment of funds by the Government.

**4. METHOD OF SURVEILLANCE.** Simplified methods of surveillance will be used by the Government to evaluate contractor performance. The primary methods of surveillance are periodic assessments of service and customer feedback.

**Periodic Assessment of Services:** For services that occur over a number of months, the COR will evaluate Contractor performance on a quarterly basis and upon completion of services. Generally, the Government will rely on the Contractor's Quality Control system to ensure that services conform to contract quality requirements before they are tendered to the Government for acceptance.

**Customer Feedback:** Customer feedback is typically obtained via telephone or email. Telephonic customer complaints must be followed up in writing/email. To be considered valid, the customer complaint must clearly articulate the nature of the complaint, time, date, etc. The COR will investigate the complaint; if determined valid, the COR will advise the KO and the Contractor of the deficiency. Copies of valid complaints and the resolution must be retained in the official contract file.

## **5. SURVEILLANCE PROCEDURES.**

a. The COR/QAE will evaluate the Contractor's performance quarterly against Performance Standards established in the contract/order. Evaluations will be to the extent practical to assure the contractor provides quality services IAW the requirements of the contract. Evaluations could be evaluation/validation of contractor supplied performance data, as well as analysis of Customer feedback, for performance trends and to ensure valid customer concerns are resolved timely.

b. If at any time the COR/QAE receives indicators (e.g., valid customer complaints or notes Performance Standards are not being met) that the Contractor's performance is less than acceptable, the COR/QAE will investigate to determine if this is a onetime issue that has been promptly corrected, or if the discrepancy is systemic in nature. If the issue is determined to be an isolated occurrence, the COR will continue with Quarterly Evaluations. If the issue is recurring and systemic in nature, the COR/QAE will perform more frequent evaluations.

c. The COR/QAE will notify the Contractor each time an unacceptable observation has been recorded and ask the Contractor to correct the problem. The COR will record the contract requirement, the specific deficiency to the requirement, the date and time it was discovered, and have the Contractor initial the entry. The Contractor will be given two working days after notification to correct the deficiency in accordance with requirements of the contract. Deficiencies that cannot be corrected within two working days will be reported to the Contracting Officer.

d. The COR/QAE will re-examine services that were found deficient. Failure to complete corrective actions will be reported immediately to the KO for further action.

e. Upon satisfactory completion of the work, the COR/QAE will accept the services provided and authorize payment, by approving the Contractor's invoice in Wide Area Workflow.

## **6. SURVEILLANCE STANDARD.**

a. The Performance Standard set forth in the PWS is the standard the Contractor must meet for services to be deemed acceptable. Generally, under commercial services contracts, the Government is relying on the Contractor's assurances that the services conform to contract requirements. Consistent with FAR 52.212-4, Contract Terms and Conditions, (a) Inspection and Acceptance, the Contractor shall only tender for acceptance those services that conform to the requirements of the contract/order. The Government may require re-performance of nonconforming services at no increase in contract price. The Government reserves the right to refuse acceptance of nonconforming services. In no case shall the Government's right to inspect services under the inspection provisions of the contract be prejudiced.

**7. QUALITY ASSURANCE SURVEILLANCE FILE:** The COR/QAE file should contain:

a. Copy of the COR appointment letter from the KO, any changes to that letter, and any termination letters; b)

Training Certifications for COR; c) Copy of the contract and all contract modifications; d) Copy of the applicable Quality Assurance Surveillance Plan (QASP); e) Copy of the contractor's Quality Control Plan (QCP); f) All correspondence initiated by authorized representatives (Contractor or Government) concerning performance of the contract; g) Names, position titles and contact information of all key personnel assigned to this contract both Government and Contractor; h) Surveillance schedules; i) Surveillance Checklists; j) Records of all inspections performed and the results; k) Customer Feedback; l) Memoranda for record of minutes of any meeting, telephone conversations and discussions with the contractor or others pertaining to the contract or contract performance; m) Documentation pertaining to acceptance of services, reports or data.

**8. RECORDS:** All records will be retained for the life of this contract. The COR will forward these records to the KO upon completion of the contract/order.

**9. CHANGES:** The QASP is a living document and, as such, may be changed as needed. However, the KO must approve changes. The COR will submit recommended changes to the KO for approval.

# Sample Quality Assurance Surveillance Plan – Training Acquisitions Between Small Acquisition Threshold (<100K) and \$1M

## QUALITY ASSURANCE SURVEILLANCE PLAN (QASP)

### FOR

**Contract:** \_\_\_\_\_  
**Contractor:** \_\_\_\_\_

**1. PURPOSE.** This QASP is a Government developed document used to ensure that the Government receives quality services, and pays only for services actually provided. The QASP provides a systematic method to evaluate the services the Contractor is required to furnish.

**2. SCOPE.** The role of Government Quality Assurance is to ensure contract standards are achieved. The QASP provides guidelines and methods for the Government’s oversight of the Contractor’s quality control efforts to assure timely, effective services are provided IAW the contract/order. The Contractor, and not the Government, is responsible for management and quality control actions to meet the terms of the contract.

### **3. ROLES AND RESPONSIBILITIES.**

**Contracting Officer (KO)** - A person duly appointed with the authority to enter into, administer and terminate contracts on behalf of the Government. The KO is the only person who can legally commit the Government and only the KO, as the Government’s agent, can modify the contract/order. The KO is the final authority for determining the adequacy of the Contractor’s performance. KO decisions arising under or relating to the contract are final.

**Contracting Officer’s Representative (COR)** – An individual designated in writing by the KO to perform specific technical and administrative functions within the scope and limitations of their written appointment (e.g., surveillance of Contractor’s performance, accept services). The COR is not empowered to make any contractual commitments or authorize any changes to the order/contract or in any way obligate additional funds by the Government; such authority rests solely with the KO.

**Quality Assurance Evaluator (QAE)** – An individual designated by the requiring activity to assist the COR and provide technical oversight of the Contractor’s performance. The QAE’s primary duty is to monitor the Contractor’s performance by physically checking to see that tasks are completed, reports are submitted, and desired outcomes are achieved. When a surveillance observation results in an unacceptable evaluation, the QAE will report the unacceptable performance to the COR. The QAE is not authorized to direct work, offer advice on how the work should be performed, change the contract, or in any way obligate payment of funds by the Government.

**4. METHODS OF SURVEILLANCE.** Surveillance is performed by the Government to provide objective quality evidence that there is a reasonable level of confidence that the services provided by the Contractor have met all the requirements of the contract before authorizing payment. The primary methods of surveillance are periodic inspections and customer feedback.

**Periodic Inspection:** Inspections are planned at specific intervals or dates as determined by the surveillance schedule. Periodic inspections will be performed regularly, yet randomly, during all hours of the Contractor’s

training. Periodic inspections may be performed more frequently if the COR/QAE discovers the quality of the Contractor's performance is less than acceptable.

Customer Feedback: Customer feedback is firsthand information from the actual users of the training and will be obtained using the Contractor's Student Critique Forms. Student Critiques will be used to establish customer satisfaction and to identify problem areas that might not be observed during normal surveillance. After reviewing the Student Critiques, the COR/QAE will prepare a Summary of the results. The Summary will be compared to the acceptable quality level for Customer Satisfaction in the contract/order and Performance Requirements Summary (PRS), as applicable. Student complaints that are received outside of the critiques will be thoroughly investigated by the COR/QAE. The COR/QAE will validate each complaint within one working day of receipt, complete the validation section on DA Form 5477-R, Customer Complaint Record, and forward a copy to the KO for resolution with the Contractor. The KO will return a copy of the completed and signed DA Form 5477-R to the COR/QAE for inclusion in the contract/order file. If the COR/QAE determines a complaint is invalid, rationale will be cited in the validation section and retained for future reference.

## **5. SURVEILLANCE PROCEDURES.**

**a.** The COR will develop a monthly schedule of surveillance activities based on the Performance Standards as outlined in the contract/order and PRS, as applicable. The surveillance outlined in the monthly schedule will be as detailed and in-depth as necessary to provide the Government with the objective quality evidence required to support acceptance of a monthly contract invoice. The schedule should provide periodic surveillance during all required hours of the Contractor's operation including nights and weekends. The schedule is "FOR OFFICIAL USE ONLY" and is not releasable to anyone other than authorized Government personnel. The schedule will identify the date of inspection, activity to be monitored, and who will conduct the surveillance (dates and times can be altered without a formal change to the schedule as long as all inspections are performed). The DA Form 5475-R, COR/QAE Surveillance Schedule, may be used for this purpose. The monthly schedule will be completed no later than seven calendar days prior to the beginning of the period it covers and a copy forwarded to the KO for information and review.

**b.** The COR/QAE will monitor performance in accordance with the schedule and will ensure all services required by the order/contract are successfully performed. All inspections will be documented and include as a minimum date and time, who performed the inspection, what was inspected and to what standard and the results. Successful or exceptional performance will be documented as well as deficiencies in Contractor performance. Documentation will be maintained for future reference, audit, and proof of inspection.

**c.** COR/QAE surveillance will include as a minimum one inspection of the Contractor's training class in session per month. Emphasis will be placed on the adequacy of training provided. The surveillance will be assigned either an acceptable or an unacceptable rating based on whether or not the training observed meets contract requirements. Any uncorrected unacceptable observation will result in an unacceptable rating, a corrective action request to the Contractor and notification to the KO.

**d.** The COR will notify the Contractor, in person, each time an unacceptable observation has been recorded and ask the Contractor to correct the problem. The COR/QAE will record the contract requirement, the specific deficiency to the requirement, the date and time it was discovered, and have the Contractor initial the entry. The Contractor will be given two working days after notification to correct the deficiency in accordance with requirements of the contract. Deficiencies that cannot be corrected within two working days will be reported to the Contracting Officer.

e. The COR will report more serious (systemic in nature) deficiencies or recurring deficiencies in the same area that could indicate a trend by using DA Form 5479-R, Contract Discrepancy Report (CDR). The CDR will state the Contract Requirement, the specific contract reference and the specific violation to the requirement. The COR will forward copies of CDR to the KO within one working day. The KO will notify the Contractor and request corrective action. The KO may require the Contractor to re-perform any services that do not meet contract requirements at no additional cost to the Government. The Contractor will return a copy of the completed and signed CDR to the KO for inclusion in the contract/order file.

f. The COR/QAE will re-inspect services that were found deficient to ensure corrections were made within the timeframe outlined in the contract or other agreed upon time . The COR/QAE will not consider the services complete until all deficiencies have been corrected. Contractor's failure to complete corrective actions will be reported immediately to the KO for further action.

g. The COR/QAE will accept the services provided and authorize payment, typically on a monthly basis or upon satisfactory completion of the work. This is done by approving the Contractor's invoice in Wide Area Workflow.

h. The COR/QAE will submit a brief monthly activity report to the KO which will include the next months surveillance schedule, summary of inspections performed with results, summary of student critiques, summary of contract discrepancies, recommendations, invoices accepted and any other pertinent activities.

**6. PERFORMANCE STANDARD.** The performance standard, as set forth in the PWS/PRS, is the standard the Contractor must meet for a particular Performance Objective to be deemed acceptable. The maximum degree of deviation from the requirement is the percent defective or the maximum number of defects per month that can be reached without the performance being considered overall unsatisfactory for a particular Performance Objective. Exceeding the number of defects or percent will cause the service to be deemed unsatisfactory.

**7. QUALITY ASSURANCE SURVEILLANCE FILE:.** The COR/QAE file shall contain:

a) Copy of the COR appointment letter from the KO, any changes to that letter, and any termination letters; b) Training Certificates for COR; c) Copy of the contract and all contract modifications; d) Copy of the applicable Quality Assurance Surveillance Plan (QASP); e) Copy of the contractor's Quality Control Plan (QCP); f) All correspondence initiated by authorized representatives (Contractor or Government) concerning performance of the contract; g) Names, position titles and contact information of all key personnel assigned to this contract both Government and Contractor; h) Monthly surveillance schedules & Surveillance Checklists; i) Records of all inspections performed and the results; j) Student Critique Forms and summary of student critiques; k) Memoranda for record of minutes of any meeting, telephone conversations and discussions with the contractor or others pertaining to the contract or contract performance; l) Documentation pertaining to acceptance of services, reports or data.

**8. RECORDS:** All records will be retained for the life of this contract. The COR/QAE will forward these records to the KO upon completion of the contract/order.

**9. CHANGES:** The QASP is a living document and, as such, may be changed as needed. However, the KO must approve changes. The COR will submit recommended changes to the KO for approval.

|  |   |
|--|---|
| <b>CONTRACT DISCREPANCY REPORT</b><br>For use of this form, see AR 5-20; the proponent agency is OACSIM. | 1. CONTRACT NUMBER<br>W911SA-____-____-____ |
|--|---|

|   |                                     |
|---|-------------------------------------|
| 2. <b>TO:</b> (Contractor and Manager Name) | 3. <b>FROM:</b> (Name of QAE) _____ |
|---|-------------------------------------|

| DATES    |                   |                        |                 |
|----------|-------------------|------------------------|-----------------|
| PREPARED | ORAL NOTIFICATION | RETURNED BY CONTRACTOR | ACTION COMPLETE |

4. DISCREPANCY OR PROBLEM (Describe in Detail: Include reference in PWS /Directive: Attach continuation sheet if necessary.)

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5. SIGNATURE OF CONTRACTING OFFICER

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|                                     |                              |
|-------------------------------------|------------------------------|
| 6. <b>TO:</b> (Contracting Officer) | 7. <b>FROM:</b> (Contractor) |
|-------------------------------------|------------------------------|

8. CONTRACTOR RESPONSE AS TO CAUSE, CORRECTIVE ACTION AND ACTIONS TO PREVENT RECURRENCE. ATTACH CONTINUATION SHEET IF NECESSARY.  
 (Cite applicable Q.A. program procedures or new A. W. procedures.)

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|   |          |
|---|----------|
| 9. SIGNATURE OF CONTRACTOR REPRESENTATIVE | 10. DATE |
|---|----------|

11. GOVERNMENT EVALUATION (Acceptance, partial acceptance, rejection: attach continuation sheet if necessary)

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12. GOVERNMENT ACTIONS (Payment deduction, cure notice, show cause, other.)

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| CLOSE OUT           |                |           |      |
|---------------------|----------------|-----------|------|
| CONTRACTOR NOTIFIED | NAME AND TITLE | SIGNATURE | DATE |
|                     |                |           |      |
| QAE                 |                |           |      |
| CONTRACTING OFFICER |                |           |      |

## Sample Quality Assurance Surveillance Plan – Large, Complex Acquisitions

### QUALITY ASSURANCE SURVEILLANCE PLAN (QASP) EXAMPLE LARGE/COMPLEX ACQUISITIONS

*FOR*

**United States Army Reserve Center**

#### ***SITE SURVEILLANCE PLAN***

##### **1. PURPOSE:**

- A. This Quality Assurance Surveillance Plan (QASP) will be used as a guide to Government Quality Assurance Personnel (QAP). It provides a systematic method to evaluate the services the contractor is required to furnish. The Surveillance/Evaluation Methods identified in the QASP, in concert with the Contractor's Quality Control Procedures will assure the Government of satisfactory contractor performance. The QASP is the management tool for documenting site surveillance conducted on contractors, contractor performance evaluation, and reporting of contractor performance.
- B. The QASP is intended to be a "living document". That is, it should be revised or modified as circumstances warrant throughout the contract period **BUT CAN ONLY BE REVISED BY THE CONTRACTING OFFICER**. Following contract award, this document should be reviewed by the QAP to ensure that it will work cooperatively with the Contractor's Quality Control Plan, but not duplicate its provisions.
- C. The contractor, and not the government, is responsible for management and quality control actions to meet the terms of the contract. The role of the government is quality assurance to ensure contract standards are achieved.

##### **2. SURVEILLANCE PROCEDURES:**

###### Service Delivery/Surveillance Summary

- Timeliness: Delivery dates are met
- Quality: Accurate, complete, clear, well-organized, in requested format (if applicable), reflect best practices

- Tasks: Performed according to PBSOW requirements.
- Problem Resolution: Contractor submits draft deliverables at least one week prior to deadline and resolves any deficiencies identified by client in final submission. Following final submission, contractor resolves any additional deficiencies identified by client and resubmits within one week.

**Quality Assurance Surveillance Plan (QASP)**

***Deliverables*** are addressed in our PRS, coincident with the pertinent Task.

| Deliverable/ Service  | Measures of Success Indicators   | Standards/Criteria for Acceptance   | Target  | Surveillance Method  |
|---|--|---|---|--|
| <p>Deliverable 1, Para. 5.1, relates to Tasks 1-5:</p> <p>Task 1. Voice Communications Transition Management Oversight.</p> <p>Task 2. Voice Communications Engineering Support.</p> <p>Task 3. Transition to IP-Based Voice Infrastructure.</p> <p>Task 4. Enterprise Wide WAN Management.</p> <p>Task 5. Enterprise Wide Total Network Management</p> <p>Project Notebook Deliverables Tasks 1-5:</p> <ol style="list-style-type: none"> <li>1. Action Plans</li> <li>2. Disaster Recovery Plans</li> <li>3. Business Case Analysis (BAC)</li> <li>4. Contractor Financial Statements</li> <li>5. Current Staffing Plans &amp; Resumes</li> <li>6. In-Progress Reviews</li> </ol> | <p>Completeness</p> <p>Up-to-Date</p>  | <p>Adequate for its purpose and intent to:</p> <ul style="list-style-type: none"> <li>• Keep the client management informed on the project triple constraint management.</li> <li>• Document proactive management.</li> </ul> | <ul style="list-style-type: none"> <li>• The client is kept abreast of cost, schedule, or scope slippages.</li> <li>• Problems, problem resolution, and lessons learned documentation is adequate for technical and managerial knowledge transfer.</li> <li>• No major-impact incidence where client management makes bad decisions based on incomplete, absence, or obsolete data, or fails to make timely decision due to absence of data.</li> <li>• Improvement goals are systematically identified and implemented on a continuous basis.</li> <li>• Contractor established additional criteria for acceptance--documenting what "good" looks like for software individual work products, project management, and performance.</li> </ul> <p><b>Exceptional:</b> Contractor is an industry trend setter for what "good" looks like—is raising the bar, and has deployed those standards in performing this task.</p> | <p>Client assessment of the contractor's overall software process capability, and its management of the improvement of that capability based on</p> <ul style="list-style-type: none"> <li>• Project Notebook documentation.</li> <li>• Observed contractor process improvements.</li> </ul> |
| <p>Deliverable 2, Para.5.2, relates to Tasks 1 and 2.</p> <p>Consolidated Web-based Billing Solution</p> <ol style="list-style-type: none"> <li>1. Invoice Tracking.</li> <li>2. Invoice consolidation.</li> <li>3. Invoice reporting.</li> </ol>   | <p>Adequate for its purpose and intent of keeping the client informed on the project triple constraint management.</p> | <p>Project Managed and Controlled by the Plan</p>   | <ul style="list-style-type: none"> <li>• The version of the work product in use at any given time (past or present) is known (version control, and changes are incorporated in a controlled manner (i.e., change control.).</li> <li>• If a greater degree of control is implied, then the work product has been placed under the full discipline of configuration management.</li> <li>• Software baseline library is established.</li> <li>• Intra-group and intergroup coordination, collaboration, and communications plans proved to be effective in containing costs, maintaining schedules, and insuring quality.</li> <li>• Contractor key personnel are trained in process improvement.</li> </ul>   | <p>Periodic or activity driven reviews and reports.</p> <p>Observations</p> <p>Metrics</p>   |

| Deliverable/<br>Service  | Measures of Success<br>Indicators   | Standards/Criteria for<br>Acceptance  | Target  | Surveillance Method  |
|--|---|---|---|--|
| <p>Deliverable 3, Para. 5.3, Relates to Tasks 1 and 2, and to Deliverable 2.</p> <p>Detail and Roll-up Reports</p> <ol style="list-style-type: none"> <li>1. Monthly</li> <li>2. Quarterly</li> <li>3. Annually</li> <li>4. Ad Hoc</li> </ol>          | <p>Software work products are identified, controlled, and available.</p>                      | <p>Managed and Controlled by the Plan</p>   | <ul style="list-style-type: none"> <li>• As the systems requirements allocated to software change, the necessary adjustments to software plans, work products, and activities are made.</li> <li>• Measurements are used to determine the status of the activities performed for managing the allocated requirements (e.g., total number of requirements changes that are proposed, open, approved, and incorporated into the baseline)?</li> <li>• Activities for managing allocated requirements on the project are subjected to SQA review.</li> <li>• Measurements are used to determine the effectiveness of any integrated software management activities (e.g., frequency, causes and magnitude of replanning efforts).</li> <li>• New technologies were identified, evaluated, and incorporated to improve software quality, increase productivity, and decrease the cycle time for product development.</li> </ul>   | <p>Observation</p> <p>Periodic or activity driven reviews and reports.</p>   |
| <p>Deliverable 4, Para. 5.4 relates to Task 3 Transition to IP-Based Voice Infrastructure</p> <ol style="list-style-type: none"> <li>1. Migration Project Plans</li> <li>2. Migration timeline</li> <li>3. Migration tracking documentation</li> </ol> | <p>Completeness for purpose of engineering activities and management of software project.</p> | <p>Examples of plans that could be included:</p> <ul style="list-style-type: none"> <li>• Software Development Plan.</li> <li>• Software Quality Assurance Plan</li> <li>• Software Configuration Management Plan</li> <li>• Software Test Plan</li> <li>• Risk Management Plan</li> <li>• Process Improvement Plan</li> <li>• Technology Change Management Plan</li> </ul> | <ul style="list-style-type: none"> <li>• The combination of plans provides adequate visibility into actual progress so that management can take corrective actions when the software project's performance deviates significantly from the software plans.</li> <li>• Software plans documented the activities to be performed and the commitments made for the software project.</li> <li>• Adequate resources were provided for planning the software project (e.g., funding and experienced individuals).</li> <li>• Project manager reviewed activities for planning the project periodically and on an event driven basis.</li> <li>• Definitive estimates were documented for use in planning and tracking the software project.</li> <li>• Software engineering metrics were used to determine the functionality and quality of the software products (e.g., numbers, types, and severity of defects identified).</li> <li>• SQA required testing is performed, allocated</li> </ul> | <p>Government tracking and oversight:</p> <ul style="list-style-type: none"> <li>• Involves tracking and reviewing the software accomplishments and results against documented estimates, commitments, and plans.</li> <li>• Monitoring the adjusting of these plans based on the actual accomplishments and results.</li> </ul> |

| Deliverable/ Service  | Measures of Success Indicators  | Standards/Criteria for Acceptance  | Target   | Surveillance Method  |
|---|---|--|--|--|
|   |   |  | requirements traced through the software requirements, design, code and test cases.  |  |
| <p>Deliverable 5, Para. 5.5, relates to Tasks 2. Coordination meeting, teleconferences, and coordination reviews.</p> <ol style="list-style-type: none"> <li>Ad Hoc</li> <li>Ad Hoc In-Process Reviews for large or critical projects.</li> <li>Weekly audio teleconference on trouble ticket and service request.</li> <li>Monthly video teleconference customer satisfaction meetings.</li> <li>Annual On-site meeting for bill and invoice justification.</li> </ol> | <p>High morale</p> <p>High level of knowledge transfer within contractor group and to client.</p>   | <ul style="list-style-type: none"> <li>High morale guards against schedule slippages and increased costs.</li> <li>High level of knowledge transfer within group provides an increased support level.</li> <li>High level of knowledge transfer to customer decreases software lifecycle costs.</li> </ul> | <ul style="list-style-type: none"> <li>No serious schedule slippages due to morale problems.</li> <li>Skills are effectively and efficiently imparted to group members to insure effective and timely performance.</li> <li>Training needed is identified and addressed.</li> <li>Adequate resources are provided to implement the contractor's training program, and measurements are used to determine the quality of the training.</li> <li>Peer reviews are used to prevent defects, contain costs and transfer knowledge.</li> <li>Training programs are reviewed with the client on periodic basis.</li> <li>Knowledge transfer to customers is adequate to an effective working partnership.</li> <li>Knowledge transfer to customers is adequate to contain software lifecycle costs.</li> </ul> | <p>Observation of competency: Members of the software engineering group and customer groups have received the training to perform their roles.</p> <p>Periodic or activity driven reviews and reports.</p> |
| <p>Deliverable 6, Para. 5.6, Relates to Task 4. Coordination meeting, teleconferences, and coordination reviews.</p> <ol style="list-style-type: none"> <li>On-site and/or video teleconference ·Planning and Coordination meetings to validate, correct, and justify planning and project documentation.</li> <li>In-Process Reviews for large scale or critical projects and implementation..</li> </ol>  | <p>Quality is planned in.</p> <p>Functionality</p> <p>Reliability</p> <p>Maintainability</p> <p>Usability</p> <p>Code Reusability</p> <p>Year 2000 Compliant</p> <p>508 Compliant</p> | <p>Measurable and prioritized goals for managing according to plan established to satisfy expectations of the client and needs of organization. Costs are contained.</p>   | <ul style="list-style-type: none"> <li>Comparison metrics to measure quality to goals are documented and quantified: Very Weak— quality is mostly tested or inspected in; Average--Combination of planned in and tested in; Strong—Planned in with good results validated by testing.</li> <li>Cost of any poor quality is documented.</li> <li>Trend analysis of types of defects is performed and actions to prevent further occurrence are taken.</li> </ul>  | <p>Observation, Test Plans, Customer Use Feedback, Periodic and ad hoc reports, meetings, and communications.</p>  |
| <p>Deliverables of Para. 6.0 Security</p> <ol style="list-style-type: none"> <li>Safeguarding Security of</li> </ol>  | <p>Cost Containment</p>   | <p>Low total cost of ownership.</p>  | <ul style="list-style-type: none"> <li>Contractor documents quality against industry standards.</li> <li>Contractor documents expected total cost of ownership estimates based on the</li> </ul>   | <p>Cost of Total Ownership Metrics</p> <p>Earned Value Metrics.</p>  |

| Deliverable/ Service  | Measures of Success Indicators                                       | Standards/Criteria for Acceptance   | Target   | Surveillance Method   |
|---|--|---|--|---|
| <p>Army Reserve Information and systems.</p> <p>2. Multiple layer security implementation.</p> <p>3. Controlled physical access to facility.</p> <p>4. Secure role-based access, to web-based bill management system; i.e., BillPort.</p> <p>5. Authenticated PKI user sessions with secure Socket Layer protection</p> |  |   | <p>characteristics of the code design and documentation delivered.</p> <ul style="list-style-type: none"> <li>• Contractor provides metrics and trend analysis based on help desk requests.</li> <li>• Contractor provides code metrics--new code, reused code, code troubleshooting incidences, and reworked or corrected code.</li> <li>• A software baseline library is established containing the software baselines and is updated continuously.</li> </ul>   |   |
| <p>Estimating All deliverables, where required, but mainly 8, 9, 10, and 12.</p>  | Precision and Range  | <p>Order of magnitude, +75, -25%</p> <p>Budget, +25, -10%</p> <p>Definitive, +10, -5%</p>   | <ul style="list-style-type: none"> <li>• Estimates are within range for level of precision.</li> <li>• Some estimates are missed, but trend analysis shows that accuracy is increasing.</li> <li>• Estimates for the size of software work products (or changes) are derived according to a documented procedure.</li> <li>• Estimating procedure is adequate to produce reliable results, produce effective trend analysis, accuracy in progress measurement, and earned value analyses at the definitive estimate level .</li> </ul>   | <ul style="list-style-type: none"> <li>• Observed Results</li> <li>• Earned Value Analysis</li> </ul>         |
| <p>Reporting Deliverable 11</p>   | <p>Accuracy</p> <p>Completeness</p> <p>Readability</p> <p>Timely</p> | <ul style="list-style-type: none"> <li>• Reporting is based on a baseline WBS for all projects and help desk support.</li> <li>• Planned activities will be presented by WBS with Triple constraint information—cost, schedule, and scope (quality).</li> </ul> | <ul style="list-style-type: none"> <li>• Provides adequate visibility into actual progress so that management can take effective actions when the project’s performance deviates more than 10% from plans.</li> <li>• Cost savings and process improvements were tracked and documented.</li> <li>• Risks to the triple constraint were identified, and the risk management plan implemented.</li> <li>• Reports are on time with a less than 3% exception rate.</li> <li>• Final task close out report is submitted by the 10<sup>th</sup> of the month.</li> <li>• Release of Claims received within 60-days of tasks end date.</li> </ul> | <p>Receipt of scheduled monthly reports and hoc reports.</p> <p>Formal and informal reviews and meetings.</p> |
| <p>Project tracking and oversight</p>   | Timely   | <p>Corrective Actions taken and documented-- may</p>  | <ul style="list-style-type: none"> <li>• Adequate resources and tools are used in tracking and oversight.</li> </ul>   | <p>Observations, reports, meetings.</p>   |

| Deliverable/<br>Service                                       | Measures of Success<br>Indicators  | Standards/Criteria for<br>Acceptance  | Target  | Surveillance Method  |
|---|--|---|---|--|
| All deliverables.   |  | include revising the plan to reflect actual accomplishments, and replanning the remaining work, or taking actions to improve the performance.       | <ul style="list-style-type: none"> <li>• Proper identification of cause and effect is timely according to the savings in cost, schedule, or scope slippage.</li> <li>• Activities are reviewed with the client on both a periodic and event-driven basis.</li> <li>• Industry Standards and Benchmarks are used.</li> <li>• Contractor has structured processes that demonstrates an awareness of best practices, industry standards such as ISO 9000 series, SEI/CMM, Help Desk Institute, etc.</li> <li>• Contractor has basic project management repeatable processes in place for the task.</li> <li>• Key personnel on the task are trained in these processes.</li> </ul> |  |
| Software Work Products<br>Acceptance<br><br>All deliverables. | Functionality--<br>Fitness for Use<br><br>Meets Customer expectations.<br><br>Meets requirements definition.<br><br>Meets Contractor Developed Acceptance Attributes and Standards | Customer Satisfaction<br><br>Customer Satisfaction<br><br>As stated in Requirements Definition Plan<br><br>As stated in the various software plans. | Meets requirements definition. Requirements definition contains no major oversights attributable to the contractor.<br><br>Customer Surveys report at least a medium to an above medium level of satisfaction. (Customers for survey purposes are: 1) frequent users; and 2) managers.)<br><br>Meets all standards, except where unknown risks, which the contractor could not have reasonably been expected to have identified, created the failure.   | Customer Surveys<br><br>Product Testing and Customer Surveys<br><br>Product Testing and Contractor Reporting<br><br>Product Testing and Contractor Reporting |

### 3. METHODS AND FREQUENCY:

The principal methods that apply to the type of work being performed on this contract are management information systems, i.e., schedules, reports, inspection, observation, and receiving formal complaints. One or any combination may be used. The Client Representative will provide timely feedback to the contractor on unacceptable performance. Prompt feedback is essential so the contractor can develop and implement a corrective action plan. Surveillance will be conducted on an as required basis. The surveillance Logs will be submitted to the Site Manager at quarterly intervals. The Site Surveillance Report, a summary of the Surveillance Logs, will be prepared by the Site Manager and submitted to the ACO, in turn, bi-annually. Out of cycle reports may be submitted in support of unacceptable performance identified during the performance period by the Client Representative or when there is a significant change in performance that alters the assessment in one or more evaluation areas.

### 4. PERFORMANCE AREAS:

#### A. Management Responsiveness.

Evaluate the adequacy of the contractor's responsiveness. Address the extent to which the contractor demonstrates a thorough understanding of the customer's environment, keeps the government informed of work progress and provides for early problem identification and effective corrective action plans. In addition, the effectiveness of corporate off-site support to the on-site workforce should be considered along with the timeliness of their proposal submission activity.

#### B. Contract Management/Administration.

Evaluate the quality and effectiveness of the contractor's management of the contract. The contractor shall use the hours authorized to provide support throughout the period of performance. The contractor will be evaluated in the successful control of resources devoted to the delivery order. The Client Representative (CR) shall compare monthly the contractor's rate of labor and funds usage with those allocated for the effort. Address the adequacy of the contractor's initial and replenishment staffing. Also, evaluate effectiveness of subcontract management activity, if applicable.

#### C. Schedule Control.

Evaluate the contractor's overall adherence to contract or task order schedules. For task order contracts, quantify to the extent possible, the percentage of tasks being complete on time, ahead of schedule or behind schedule. For all delivery orders, discuss the milestones, deliverable items or significant data items that contribute to the schedule evaluation. Discuss causes and evaluate effectiveness of contractor corrective actions.

#### D. Performance.

The contractor will be evaluated as to the quality of the output of their work. The contractor's personnel should be technically competent in the functional area(s)

identified in the delivery order. Included in the technical performance are the contractor's contributions in meetings and reviews, the quality of the contractor's technical reports, contractor's productivity and the overall quality of the technical support provided.

## 5. EVALUATION CRITERIA:

- A. (Exceptional). Indicates performance clearly exceeds contractual requirements. The area of evaluation contains few minor problems for which corrective actions appear highly effective.
- B. (Satisfactory). Indicates performance clearly meets contractual requirements. The area of evaluation contains some minor problems for which the corrective actions appear satisfactory.
- C. (Marginal). Indicates performance meets contractual requirements. The area of evaluation contains a serious problem for which corrective actions have not yet been identified, appear only marginally effective, or have not been fully implemented.
- D. (Unsatisfactory). Indicates the contractor is in danger of not being able to satisfy contractual requirements and recovery is not likely in a timely manner. The area of evaluation contains serious problems for which the corrective actions appear ineffective.
- E. Upward ↑ or downward ↓ arrows may be used to indicate an improving or worsening trend insufficient to change the assessment status.

## 6. DOCUMENTATION:

Documentation used and referenced to perform surveillance will consist of technical reports, contractor plans and procedures, schedules, customer feedback and contract data requirements. During the course of the contract, the Site Manager retains a copy of all inspection schedules and surveillance activity logs. At the end of the surveillance period, the Site Manager forwards these records for inclusion in the contract file. However, when a specific service becomes unsatisfactory during a surveillance period the inspection documentation supporting the contract discrepancy report is forwarded to the CO.

### A. Recording Observations.

Using Surveillance Logs to record information on scheduled observations and defects noted. Each observation is recorded on the log. The documents then become a formal record for reference. The contractor is told each time that a defect is found during scheduled observations. The Site Manager makes a notation on the surveillance log of the date and time the defect was discovered, then the Site Manager asks the contractor task leader to initial the notation, documenting notification of the defect only.

### B. Potential Unacceptable Performance.

The Client Representative must identify the specific service that is unacceptable and the possible causes, and ask a number of questions, which if answered, will probably pinpoint the source of the problem.

C. Documenting Unacceptable Performance.

1. The Client Representative attempts to resolve the problem with the contractor. The original log and the attempted solution, along with an evaluation of results, are posted electronically in the contract file.
2. Based on the severity of the discrepancy and the success of the solution, the ACO will notify the CO. The contractor shall complete a response to the unacceptable evaluation if requested by the ACO, CO or by its own choice.

D. Taking Action.

1. The Client Representative may evaluate the contractor's performance and document any non-compliance, but only the CO may take action against the contractor for an unacceptable rating.
2. When the contractor's performance is unacceptable and a formal action is indicated, the Client Representative and the Site Manager will determine what action is appropriate for the specific circumstances and make a recommendation to the ACO and the CO.

**7. RATING:**

All contractor tasks will be rated as Exceptional, Satisfactory, Marginal, or Unsatisfactory on the surveillance log. The Site Manager will collect the surveillance logs and necessary supporting documentation and then prepare a Surveillance Report to give a site rating for each of the performance areas using the evaluation criteria in Section 5 of the plan.

**8. SURVEILLANCE ACTIVITY SCHEDULE:**

Surveillance intervals will be set up for every ninety (90) days.

**9. SURVEILLANCE LOGS AND REPORT:**

The Surveillance Logs will be used to record observations and defects and rate individual contractor tasks. The Surveillance Report will be used to give overall ratings in the performance areas identified in Section 4.

**10. ACCEPTANCE OF SERVICES:**

Invoices shall be submitted monthly for work performed the prior month. Invoice will be posted in GSA's electronic Web-Based Order Processing System, currently ITSS, with attached backup information for client acceptance. After client representative or designated representative has accepted invoice in ITSS the contractor may submit an invoice to GSA Finance for payment.

//SIGNED//  
WILE E. COYOTE  
31 AUG 05

## Surveillance Log

CONTRACTOR:

ACO/COTR:

Site Manager:

PERIOD OF PERFORMANCE:

QUARTER COVERED: \_\_\_\_\_

CONTRACT NO:

CONTRACT TITLE:

CONTRACT DESCRIPTION:

.

PERFORMANCE AREA : **MANAGEMENT RESPONSIVENESS**

Exceptional ( )  
Satisfactory ( )  
Marginal ( )  
Unsatisfactory ( )

Justification for Rating of Exceptional or Unacceptable:

Corrective action required (if any):

PERFORMANCE AREA: **CONTRACT MANAGEMENT/ADMINISTRATION**

Exceptional ( )  
Satisfactory ( )  
Marginal ( )  
Unsatisfactory ( )

Justification for Rating of Exceptional or Unacceptable:

Corrective action required (if any):

PERFORMANCE AREA: **SCHEDULE CONTROL**

Exceptional ( )  
Satisfactory ( )  
Marginal ( )

Unsatisfactory ( )

Justification for Rating of Exceptional or Unacceptable:

Corrective action required (if any):

**PERFORMANCE AREA:      PERFORMANCE**

Exceptional ( )

Satisfactory ( )

Marginal ( )

Unsatisfactory ( )

Justification for Rating of Exceptional or Unacceptable:

Corrective action required (if any):

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**APPENDIX K  
INDEPENDENT GOVERNMENT ESTIMATE**

## IGE (Straight-Line Approach)

1. General. The material provided in sections III, IV and V provide a broad outline of cost elements commonly found within the framework of service contracts. The basic data needed to develop the IGE will include an estimate of the number of personnel in each job title/classification, the number of labor hours for each, an estimate of the material, transportation, and other direct costs, overhead, G&A, and profit or fee for the particular acquisition.

2. Components. To eliminate the large number of cost element details in a typical acquisition, the estimator may utilize the "straight-line" approach in developing the government estimate. While these figures are not exact, they do provide a fairly accurate estimate that can be used for comparison purposes. Those requirements that provide for priced option years should have inflation factors included for "exempt" labor and any significant materials.

a. Direct labor. In general, pricing direct labor at total available man-hours per year (1920). Use 2080 hours if costs for vacation, holidays, and sick leave, are not separately included in H&W).

b. Labor burden. Includes payroll additives consisting of FICA, FUTA, SUTA, and workmen's compensation as well as fringe benefits such as health and welfare. Labor burden factors are fairly consistent, therefore, they may be consolidated and expressed as a percentage of labor costs. For general estimating purposes, this can be expressed as 30-35% percent of the direct labor costs.

c. Other direct costs. This is a total compilation of costs to be incurred in direct support of the acquisition not already captured in direct labor, labor burden, direct material (if separately costing out material), etc. May include material if not separate classification, equipment, vehicle expenses, transportation, etc.

d. Overhead. Overhead is normally expressed as a percentage of direct labor, labor burden, and other direct costs. May also have a material overhead classification if direct materials are separately identified. For estimating purposes, a figure of 8-15% is appropriate.

e. G&A. This is also normally expressed as a percentage. A figure of 5-15% may be used in the absence of historical data or other information in a Government estimate. While this figure is valid for general estimating purposes, actual G&A that contractors incur can be significantly more. The contracting officers will closely review the G&A proposed by the contractor before it is accepted. Page A-3 provides an example of a completed IGE for a DPW functional requirement. Back up paperwork depicting labor hours by category, types of materials, etc., must be provided as attachments when furnishing the IGE to the contracting office.

f. Profit/Fee. Profit represents the monetary excess realized by a contractor after the deduction of cost incurred. Fee represents a predetermined amount beyond the initial estimate of cost. The size of the acquisition in terms of both

risk and degree of difficulty should help in determining profit/fee. Profit or fee for a low risk contract may be as low as 5%, whereas a high-risk contract may be as high as 10-12%. Small business profit ratio is generally higher than large business. Recommend use of an average of 5-10% when using the straight-line method.

Note: The percentages listed above are for general estimating purposes and will not necessarily agree with actual figures submitted by the contractors. Your contracting officer will determine the validity of contractor figures, when appropriate, before an award is made.

**Sample** Straight-Line Independent Government Cost Estimate

DPW Services

|                                  |           |                    |
|----------------------------------|-----------|--------------------|
| Total direct labor               | \$506,515 |                    |
| Labor burden @ 30%               | 151,954   |                    |
| Subtotal direct labor and burden |           | 658,469            |
| Other direct cost                | 63,000    |                    |
| Subtotal                         |           | 721,469            |
| Overhead @ 15%                   | 108,220   |                    |
| Subtotal                         |           | 829,689            |
| G&A @ 15%                        | 124,453   |                    |
| Subtotal                         |           | 954,142            |
| Profit @ 10%                     | 95,414    |                    |
| Total estimated contract price   |           | <u>\$1,049,556</u> |

Applicable Period: **From:** \_\_\_\_\_ **To:** \_\_\_\_\_ (Submit IGE for each option period.)

Prepared by: John Doe/SFIM-NE-PW

Signature: \_\_\_\_\_

Date prepared: \_\_\_\_\_

Validated by: Jane Smith/ SFIM-NE-PW

Signature: \_\_\_\_\_

**APPENDIX L**  
**SOURCE SELECTION CRITERIA**

## Simple Acquisition – Conference Site

### SOURCE SELECTION CRITERIA

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

1. **Facility Assessment**, which includes: Availability of meeting space and rooms to support conference requirements, amenities and locations. Ability to meet requirements as stated in Statement of Work.
2. **Past Performance**: Relevant past performance which consists of performance similar to this requirement and accomplished with the past five years. Provide three (3) references based on similar size conferences that you have organized. References shall include name, address, phone number, email address and point of contact.
3. **Price**

Award: Award will be made based on the best value to the Government. Award will be based on Facility Assessment, Past Performance and Price. Facility Assessment and past performance are of equal importance and together are somewhat more important than price.

#### Criteria Importance:

Most important source selection criteria are:

1. **Facility Assessment and**
2. **Past Performance**

This is slightly more important than:

## Conference Costs Large/Complex Acquisition – Conference Site

### SOURCE SELECTION CRITERIA

#### Section L:

#### PROPOSAL CONTENT

**PART I** shall contain the signed original of all documents requiring the signature of an offeror. Use of reproductions of signed originals is authorized in the second and succeeding copies of the proposal. All certifications required by the solicitation shall be completed in Part I.

#### Part II – Resources

Resources – By using staffing matrices, charts, and position or job descriptions, the contractor must demonstrate the adequacy of staffing for each function, sub-function, or area described in Section C.5 of the Performance Work Statement (PWS). These charts and matrices must include all labor and management required to fulfill PWS functions, including all labor subcontracting, management and any quality control resources required for the effort. Charts and matrices must clearly illustrate the proposed interrelationships among the various parts of the organization, and a breakdown of resources assigned to each component on the chart.

1. The offeror shall provide a detailed matrix, by shop or organizational element, of the personnel (including sub-contractors, identified as such) that will be employed to perform the requirements of this solicitation. The matrix shall include functional area work assignments, skill classifications, position titles, and productive hours per year and equivalent man-years. Each individual employee shall be identified by a unique identification number, and the matrix should clearly identify individuals performing in more than one position.
2. The offeror shall provide position descriptions demonstrating their appropriateness for the work and tasks to be performed. An offeror proposing to use unmodified job titles and descriptions as established by the Collective Bargaining Agreement or as published in the Department of Labor's Service Contract Act Directory of Occupations, need only identify such positions in their matrix by the appropriate title and code.
3. Organizational charts shall reflect all staffing within each organizational block indicating job titles and whether positions are full time equivalent (FTE) or part time (PT). It should also show subtotals within each organizational block, and a bottom line total of FTE and PT positions.
4. Executive Summary – the offeror must submit a brief (not more than 10 pages) narrative that explains the resourcing approach, organizational structure, matrices, management or any other information the offeror deems pertinent to explain and justify the proposed resources.

#### PART III Past Performance

1. The offeror shall use the record format at Attachment A and B, Section L for providing information regarding relevant past performance. These references must include contract number, names, addresses, and phone numbers of persons having knowledge of the contract. To expedite the review process, this information may be provided in advance of other proposal submissions, preferably no later than two weeks in advance of proposal submission deadline.

2. The past performance references shall include a list of contracts and subcontracts completed, on-going or initiated, during the past five years and all contracts and subcontracts currently in process that are relevant to the size and scope of the services specified in the Performance Work Statement (PWS), Section C. Contracts listed may include those entered into with the Federal Government, agencies of the state and local governments and commercial concerns. Offerors are encouraged to provide information on problems encountered and corrective measures taken with regard to any references. Past performance is the evaluation of the quality of products or services provided to previous customers with requirements that were similar to those in the solicitation. The past performance ratings will be based on information obtained from public records, Government sources and databases, and/or obtained from an offeror's customers where similar services were provided. In accordance with the FAR, offerors without a record of relevant past performance, or for whom information on past performance is not available, will be rated neither favorably nor unfavorably. The Government reserves the right to query any references considered to be relevant and the right to pursue sources other than those provided by the offeror.

**Part IV COST PROPOSAL:** The Offeror's cost proposal shall provide a complete and auditable description of costs for the performance of all work. The cost proposal shall consist of a practical, straightforward, specific, concise and complete narrative that supports the cost spreadsheets. This narrative shall include documentation to support all cost assumptions made; such as but not limited to quotations obtained, and actual or historical records. The Offeror and each proposed subcontractor shall prepare the Cost portion of their proposal in accordance with their Disclosure Statement (established accounting system for those Offerors not CAS covered). The Offeror shall propose according to his/her standard accounting system and provide an explanation of the base and pool allocations. Cost spread sheets must be prepared in accordance with the Excel matrices at Attachments C and D. Any additional cost spreadsheets prepared to support the narrative must be prepared in Excel. The use of advanced Excel techniques in spreadsheets for example excessively linked worksheets or data in calculations, hidden data, pivot tables, etc. is discouraged. The intent is to keep all documentation as straightforward and simple as possible for evaluation purposes.

1. **Related Information & Cost Summary:** The cost proposal shall detail all information related to the pricing for each solicitation contract line item and shall include a summary of costs in the format outlined at Attachment C. The cost figures provided must indicate the maximum estimated Government obligations for the contract time frames.

2. **Financial Information:** Provide information concerning determinations of the adequacy of the Offeror's accounting system pertaining to accumulation of costs under

cost reimbursement contracts. The Offeror shall include, as a part of the cost proposal, complete CPA audited financial statements for the Offeror's most recent three fiscal years, (i.e., Balance Sheet, Profit and Loss Statements, and Cash-Flow Analysis), a detailed statement of any financial aid now in existence, and a copy of the Offeror's latest Defense Contract Audit Agency (DCAA) audit report. If the Offeror has not been audited by the DCAA or by a CPA firm, a statement to that effect shall be in the proposal. Un-audited financial statements will be provided and are subject to review by the DCAA. The Offeror shall provide documentation to support their financial capability to perform the contract, i.e. letters of intent to fund the project from parent companies and/or information on lines of credit. The Offeror shall ensure that this information is provided for each proposed subcontractor whose contract value is in excess of \$550,000 (including all option periods). Significant changes in data, occurring after submission of the proposal and, evaluation of offers shall be furnished when requested by the Contracting Officer. These changes will not be construed as proposal revisions as defined by FAR Clause 52.215-1.

**3. Labor Costs:** Detail all information related to labor costs in the format outlined at Attachment D. It is recommended that a full man-year (productive and non-productive time) be priced. Direct Labor Cost shall include Labor Burden, i.e., benefits required by law, worker's compensation, and taxes (i.e. FUTA, SUTA). The Offeror shall provide documentation to support all labor burden, employee insurance, and compensation plans. Deviations from this procedure must be fully explained. A staffing chart listing all positions, category of employment (full or part time) and Service Contract Act classifications will be included.

Required productive man-year and supporting documentation: The Offeror must state their man-year hours. Non-productive time due to breaks, set-up, lapse hours, etc. must be factored in the calculation to determine the productive man-year. The Offeror must provide factors or rationale used for attrition and subsequent replacement and training. In general, any reduction in cost due to attrition (lapse hours) must account for those additional costs incurred for hiring, training, overtime, and other related expenses, therefore, and it is recommended that all non-productive time be priced.

**4. Indirect Rates:** The Offeror shall include as part of the cost proposal the overhead and G&A ceiling rates that were provided in section G. Offerors shall list all proposed indirect rates chargeable to this effort. If rates are negotiated forward pricing rates, a copy of the current forward pricing rate agreement shall be provided. If the rates are not negotiated forward pricing rates, then the basis for the proposed rates shall be explained. The Offeror shall prepare separate spreadsheets demonstrating the pools used, confidence levels, and calculations for overhead rates and G&A rates for each performance period. Overhead should be applied against direct labor, however the proposal shall also contain information as to the company's policy and the basis for application of overhead and G&A expense. The rate used in computing cost shall be supported by data listing the expense items comprising the pool, information as to how the rate compares with that applicable to other company operations, how the rate quoted compares with current book rate experience, how it compares with the rates experienced during the prior two fiscal or calendar years, basis for any changes to these rates, and whether the company anticipates any appreciable change in the business volume, other than the affect of the proposed contract, which would materially affect the G&A expense rate. The Offeror should discuss their confidence levels in their forecasts

of future business volume. Any indirect labor rates shall be detailed in a similar fashion as the above. If proposing as a joint venture or teaming arrangement, provide a detailed explanation of the development of any indirect cost pools and sample of vouchers from each of the parties to the joint venture or teaming arrangement.

5. **Other Direct Costs (ODC)** – All ODC shall be identified and included in one of the following categories:

- (a) Contractor Acquired Property (CAP). Items, which the contractor will be fully reimbursed and for which title shall pass to the Government
- (b) Leases (such as copiers and printers, PC's)
- (c) Special tools and equipment (if purchased by the contractor).
- (d) Shipping/postage
- (e) Travel – Travel and subsistence costs usually include the costs of transportation, lodging, meals, and incidental expenses incurred by personnel while in a travel status. Per Diem costs as specified in Joint Travel Regulations (JTR).

Separate spreadsheets for the cost estimates of ODC, Purchase Orders, quotes, catalog items, basis of estimate or prior history with escalation shall be provided to validate the estimates. For the purpose of bidding, Offerors shall use the estimated plug figure of \$500,000 for supplies and material per performance period.

6. **Total Estimated Cost:** Provide the sum of the prices for Phase-In, the Base Period, and all Option Periods. Note that Non-priced resources, equipment, materials, and subcontractors proposed within the quality proposal will be presumed to be nonexistent.

7. **Fee Structure:** Offerors shall include in their cost proposal a proposed fee structure for this effort covering the initial performance period and each of the four (4) option periods. The fee structure shall consist of a base fee and an award fee. The Government desires a limited base fee because an Offeror's limited investment and relative absence of cost risk involved in performance under a cost-type contract. The proposed award fee should be sufficient to provide a meaningful positive incentive towards excellence in overall performance.

8. **Cost Control:** Discuss in detail the proposed financial accounting system that will be used to ensure control, accountability, and reporting of financial information required by the RFP. Discussions shall include the proposed methodology for implementing and maintaining the cost control system, and an explanation supporting the adequacy of the Offeror's accounting system pertaining to the accumulation of costs under a cost reimbursement contract and an Offeror's financial capability to fund the project. The Offeror shall also include a description of the budget variance analysis and other cost reports that will be provided to the Government.

9. **Uncompensated Overtime:** The use of uncompensated overtime for this acquisition is discouraged. If any Offeror includes uncompensated effort, the following requirements shall be met and reflected in the proposal:

- (a) The Offeror must have an established DCAA approved cost accounting system that records all employee hours worked and all employee uncompensated hours worked for all contract types.

(b) The Offeror shall clearly identify hours of uncompensated effort proposed by labor category, identify the amount of uncompensated effort which will be performed without supervision and without support personnel. The Offeror shall assess the productivity of and identify the means by which the Offeror controls or schedules uncompensated overtime for its' employees as well as where the uncompensated effort will be accomplished.

(c) The proposal shall describe the extent to which employees are required or encouraged to perform uncompensated effort and the impact the use of uncompensated effort has on work effectiveness.

(d) The proposal shall include a copy on the corporate policy addressing the uncompensated effort.

(e) The requirements stated in this uncompensated paragraph shall be met for each subcontract which has uncompensated effort included in the proposal.

**10. Transition Cost:** Offerors shall place projected transition (i.e. joint property inventory) costs in the Phase-In Period. These costs must be broken out and a rationale for each must be provided.

## Section M - Evaluation Factors for Award

### SECTION M

#### EVALUATION FACTORS FOR AWARD

##### BASIS FOR AWARD

###### I. GENERAL

1. Subject to the terms and conditions contained herein, award will be made to a single offeror. Award will be based upon the best overall proposal with appropriate consideration given to the evaluation factors stated below. No proposal will be accepted that does not cover the total amount of work specified in the performance work statement. (PWS)
2. The Government will evaluate each proposal under informal source selection procedures strictly in accordance with its content, and will not assume that performance will include areas not specified in the offeror's proposal.
3. The offeror shall submit a proposal that completely addresses all evaluation areas, specifically identifying how each proposed contractual requirement will be satisfied.

###### II. EVALUATION APPROACH

###### 1. Evaluation factors are:

- a. Resources
- b. Past Performance
- c. Cost

These factors will be evaluated separately as specified below:

- (1) Resources- The Resource Factor will be evaluated to determine whether solicitation requirements can be satisfied with proposed resources. Each offeror's Resources proposal will be evaluated to determine if it demonstrates a clear understanding of all the technical aspects and has the ability to meet all requirements in a timely manner providing the Government with a high level of confidence in their ability to successfully provide all required services.
- (2) Past Performance will be used to perform a risk assessment that is aimed at assessing the offeror's probability of succeeding. A neutral rating will be assigned when a proposal has an equal chance of either success or failure or has no relevant past performance history.
- (3) Cost Factor - the Government will evaluate each offeror's cost proposal on the basis of the total evaluated dollar amount which is the sum total of the phase-in, base and

option period cost. Cost realism will be addressed in relation to the offeror's quality approach. Each offeror's estimate shall be subject to the addition or reduction of costs based on the Quality and Cost reviews, resulting in a Most Probable Cost. Fee structure will be reviewed and evaluated to reflect risk and performance incentives.

III. SIGNIFICANT EVALUATION FACTORS: Award will be based upon the best overall value to the Government. Resources and Past Performance, the non-cost factors are equal in importance. When combined, they are not significantly more important than Cost. They are somewhat more important than Cost. The Government is interested in proposals that offer value in meeting the requirement providing quality performance with acceptable risk at fair, reasonable and realistic estimated cost. In selecting the best overall proposal, the Government will consider the value of each proposal in terms of the Resources and Past Performance factors, as compared to Cost. The importance of the cost factor in the selection will increase as the scored (Resources and Past Performance) differences between proposals decreases.

IV. Determining the Best Value Offer: In selecting the best overall proposal, the Government will consider the best value proposal in terms of the Resources rating and the probability of success offered in relation to the cost factor as set forth above.

**APPENDIX M**  
**LEASE VS. PURCHASE ANALYSIS**

**LEASE vs. PURCHASE ANALYSIS**

*Using Present Value Analysis*

*Date of Form: 24 Jan 07*

**INSTRUCTIONS:**

- |   |  |
|---|--|
| (1) Insert make & model of desired item.  | (7) Insert anticipated purchase price.                               |
| (2) Insert name of organization submitting requirement.   | (8) Insert depreciation rates, available from vendor.                |
| (3) Insert name of individual who performed analysis.   | (9) Insert monthly maintenance cost if purchasing and if applicable. |
| (4) Insert date of analysis and length of economic or useful life of item.  | (10) - (15) Continue with steps 10 - 15 if lease is desired.         |
| (5) Insert anticipated monthly lease payments.  |  |
| (6) Insert Treasury Interest Rate, available at <a href="http://www.whitehouse.gov/omb/circulars/a094/a94_appx-c.html">http://www.whitehouse.gov/omb/circulars/a094/a94_appx-c.html</a> |  |

|     |                                       |                      |
|-----|---------------------------------------|----------------------|
| (1) | Item to be acquired:                  | <input type="text"/> |
| (2) | Item acquired for which organization: | <input type="text"/> |
| (3) | Analysis performed by:                | <input type="text"/> |
| (4) | Date of Analysis:                     | <input type="text"/> |

|     |   |                      |                      |                        |                        |                        |
|-----|---|----------------------|----------------------|------------------------|------------------------|------------------------|
| (5) | Monthly Lease Payment:                        | \$ 50,000.00         |                      |                        |                        |                        |
| (6) | Treasury Interest Rate:                       | 4.90%                |                      |                        |                        |                        |
|     | Length of need in Months:                     | 12                   | 18                   | 24                     | 30                     | 36                     |
|     | <b>Present Value (PV) of Lease:</b>           | <b>\$ 586,760.07</b> | <b>\$ 869,554.12</b> | <b>\$ 1,145,517.67</b> | <b>\$ 1,414,815.70</b> | <b>\$ 1,677,609.21</b> |
| (7) | Item Price:                                   | \$ 2,500,000.00      |                      |                        |                        |                        |
|     | Length of need in Months:                     | 12                   | 18                   | 24                     | 30                     | 36                     |
| (8) | Depreciation:                                 | 20.00%               | 30.00%               | 40.00%                 | 50.00%                 | 60.00%                 |
|     | Fair Market Value @ end of item's need:       | \$ 2,000,000.00      | \$ 1,750,000.00      | \$ 1,500,000.00        | \$ 1,250,000.00        | \$ 1,000,000.00        |
|     | PV of Fair Market Value @ end of item's need: | \$ 1,904,552.27      | \$ 1,626,231.61      | \$ 1,360,244.75        | \$ 1,106,158.25        | \$ 863,552.41          |
|     | <b>Present Value of Item Purchase:</b>        | <b>\$ 595,447.73</b> | <b>\$ 873,768.39</b> | <b>\$ 1,139,755.25</b> | <b>\$ 1,393,841.75</b> | <b>\$ 1,636,447.59</b> |

|     |  |                   |                   |                   |                   |                   |
|-----|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| (9) | Monthly Maintenance Cost:              | \$ 100.00         |                   |                   |                   |                   |
|     | Length of need in Months:              | 12                | 18                | 24                | 30                | 36                |
|     | Total Monthly Maintenance Cost:        | \$ 1,200.00       | \$ 1,800.00       | \$ 2,400.00       | \$ 3,000.00       | \$ 3,600.00       |
|     | <b>Present Value Maintenance Cost:</b> | <b>\$1,168.75</b> | <b>\$1,732.04</b> | <b>\$2,281.72</b> | <b>\$2,818.12</b> | <b>\$3,341.57</b> |

|  |                                 |              |              |                 |                 |                 |
|--|---------------------------------|--------------|--------------|-----------------|-----------------|-----------------|
|  | <i>Based on length of need,</i> | 12 months    | 18 months    | 24 months       | 30 months       | 36 months       |
|  | <b>RECOMMENDED ACTION:</b>      | <b>LEASE</b> | <b>LEASE</b> | <b>PURCHASE</b> | <b>PURCHASE</b> | <b>PURCHASE</b> |

**CONTINUE WITH ANALYSIS IF LEASE IS DESIRED**

Answer a zero "0" to indicate NO or a one "1" to indicate YES.

|      |   |              |                               |       |
|------|---|--------------|-------------------------------|-------|
| (10) | Will the ownership of the property be transferred to the Government at the end of the lease?          |              | 0                             |       |
| (11) | Does the lease contain a bargain-price purchase option?   |              | 0                             |       |
| (12) | Are all risks of ownership transferred to the Government?   |              | 0                             |       |
| (13) | Is the asset built to a unique specification and not of general purpose?                              |              | 0                             |       |
| (14) | Length of Economic or Useful Life in Months:  | 60.00        | Desired Lease Term in Months: | 18.00 |
|      | Is the lease term greater than or equal to 75% of the economic or useful life of the asset?           |              | 0                             |       |
| (15) | Present value of desired lease:   | \$869,554.12 |                               |       |
|      | Is the present value of the desired lease greater than or equal to 90% of the asset's purchase price? |              | 0                             |       |

**LEASE TYPE:** **OPERATING LEASE**

- NOTES:**
- A. This worksheet assumes maintenance costs are part of leasing costs when item is leased.
  - B. Vessels, aircraft and vehicle leases are limited to 18 months in duration.  
(See DFARS 207.470)
  - C. Capital Leases require OPA funding.
  - D. There's a possibility that purchases less than \$250,000 may be obtained with OMA funding.  
(See DFAS-IN Manual 37-100-07, Appendix A, paragraphs C.1.f. and C.2.b.)

**APPENDIX N**  
**INVITATION TO CONTRACTORS TEMPLATE**



REPLY TO  
ATTENTION OF

**DEPARTMENT OF THE ARMY**  
**HEADQUARTERS, UNITED STATES ARMY RESERVE COMMAND**  
**1401 DESHLER STREET SW**  
**FORT MCPHERSON, GA 30330-2000**



Name of Contractor  
Address of Contractor  
City, State Zip Code of Contractor

Attn: Contractor Program Manager Name

Dear (Insert Contractor Program Manager Name) :

We would like to take this opportunity to invite your employees to participate in our upcoming Installation Organization Day held on Friday, 29 June 2007 in the vicinity of JACOBS Park at Fort McPherson. Request your acceptance/denial of your employee's participation in this event. In your capacity as the principal manager, you are the authorized approval authority for the invitation on behalf of your employees. Your employee(s) cannot accept on their own behalf.

In accepting this invitation, you understand that your employees who attend must be in a leave or "non-billable/no cost" status. USARC can not be charged for their time, nor can it result in the government getting billed extra for the contractor making up the lost time (e.g. paying them overtime to come in on Saturday to make up the work that was missed by attending the Installation Organization Day on Friday). Keep in mind that time off for contractor employees is never determined by any government supervisor/employee, but rather by the terms of the contract and the contractor's own management decisions.

Thanks for your consideration in this matter and request you contact the undersigned no later than 28 June 2007.

Sincerely,

Joseph P. Snuffy  
COL, GS  
Chief of Staff

**APPENDIX O**  
**SAMPLE VENDOR MEETING AGREEMENT**

MEETING WITH POTENTIAL CONTRACTORS  
GOVERNMENT AGREEMENT

Date of Meeting

SUBJECT: Contact with Current or Potential Defense Contractors (Name of Contractor /Location of Meeting/List of Attendees)

1. PURPOSE. To provide guidance for meetings with current or potential defense contractors.
2. BOTTOM LINE. USAR personnel must exercise caution during meetings with current or potential defense contractors to preserve competitiveness and maintain a level playing field. USAR personnel must be especially sensitive to the possibility that any meeting, action, or release of information could give a contractor a competitive advantage or compromise the Government's position on a particular matter. Appearance often equals reality. Therefore, all similarly situated contractors must receive equal treatment.

3. DISCUSSION.

a. Deciding Whether to Meet with a Contractor. Contractors often ask to meet with senior USAR personnel. Some of these contractors have existing contracts that impact or involve USAR, and some of these contractors are interested in learning more about new contracts that USAR may be initiating. USAR personnel must carefully weigh the decision to meet with these contractors since potential procurement actions could result in numerous contractor requests for meetings. As a general rule, USAR personnel should decline requests for meetings with competing contractors once a solicitation has been released. If any questions, contact your supporting Contracting Officer, CASO or SJA for guidance.

b. Document the Discussion. If USAR personnel choose to meet with a contractor, they will fully document both the purpose of the meeting and the substance of the discussion.

c. Conducting the Meeting.

(1) Impartiality. USAR personnel must act impartially and avoid giving preferential treatment to any contractor.

(a) USAR personnel who choose to meet with one contractor must normally give other similarly situated contractors the same opportunity to avoid the appearance of preferential treatment.

(b) USAR personnel should not give contractor representatives who visit USAR in that capacity and intend to discuss contractor business "VIP treatment" (e.g., rides to or from the airport in Government vehicles, all-day escorts, officially-hosted free meals, etc.), regardless of any former status or position.

(2) Location. USAR personnel should normally conduct meetings in their office—rather than the contractor's office—and should avoid private discussions about the contractor's business and its relationship with USAR, the Army, or the DoD.

(3) Attendees. USAR personnel should have members of their staff present—and taking notes—during the course of the discussion, regardless of the location. This must include at a minimum a SJA or CASO representative or preferably both if possible. The meeting will not be conducted without the attendance of either of these representatives.

(4) No Commitments. USAR personnel must be careful not to make unauthorized commitments, promises purporting to bind the Government, or representations that would compromise the Government's position in any current or future procurement action.

(5) No Offers of Assistance. USAR personnel may not tell a contractor that they, or any other DoD employee, will:

(a) Try to influence another person or agency; or

(b) Give preferential treatment to the contractor in the award of future contracts or the use of existing contractual instruments.

(6) No Advice. USAR personnel should not offer contractors advice because such action may constitute preferential treatment. In addition, contractors may construe any suggestions as a request to act, which may give rise to a claim against the Government.

(7) No "Inside" Information. USAR personnel must not release information that is not otherwise available to the public. This includes:

(a) Information not available to the public under the Freedom of Information Act;

(b) Information protected under the Privacy Act or the Trade Secrets Act;

(c) Classified information or materials;

(d) Information regarding USAR, Army, or DoD requirements; and

(e) Acquisition information, such as anticipated requirements, unopened bids, proposed costs, independent Government cost estimates, source selection plans, price evaluations, competitive range determinations, ranking of bids, other contractors' proprietary information (e.g., labor rates), reports of Source Selection Evaluation Boards, and/or any other information marked "Source Selection Information."

(8) Asking Questions. USAR personnel may ask informational or clarifying questions during the meeting. However, the primary objective of the meeting should be simply to receive information from the contractor. It should not be to solicit a formal proposal from the contractor. Therefore, USAR personnel should avoid asking the contractor for any follow-up information.

(9) Existing Contracts. If the discussion involves an existing contract, USAR personnel must be careful not to direct the contractor to take action beyond the scope of the contract, or consent to a change in the contract requirements.

e. Restricted Contacts with Former Military and Civilian Personnel. USAR personnel should not knowingly meet with former military and civilian personnel whose dealings with the Government are restricted by statute or regulation.

(1) Retired general or flag officers and former senior DoD civilian employees (*i.e.*, SES level V and above) are prohibited from attempting to influence official actions in their former department or agency for one year after their departure from the DoD.

(2) Former military and civilian personnel are forever prohibited from representing someone regarding a particular matter that involved non-Federal parties if they were personally and substantially involved in that matter while they were working for the DoD.

(3) Former military and civilian personnel are prohibited from representing someone regarding any matter that was under their general supervisory responsibility during their last year of Government service for two years after their departure from the DoD.

(4) Former military and civilian personnel who had authority to award contracts, make payments, set overhead rates, or settle claims of \$10 million or more are prohibited from working for any contractor who received a payment that they authorized for a period of one year after their official action.

f. Gifts. Small gifts are occasionally offered in meetings with contractors.

(1) It is the policy of the USAR to politely reject a gift from a contractor. However, USAR personnel may accept refreshments that are not a meal (e.g., coffee and donuts); presentation items (e.g., commemorative coins); and items worth less than \$20 from a contractor, provided the aggregate value of all gifts received from that contractor does not exceed \$50 per calendar year.

(2) USAR personnel should consult the Office of the Staff Judge Advocate whenever contractors offer them something other than a nominal gift.

g. Avoiding Conflicts of Interest. In order to avoid a financial conflict of interest, USAR personnel should ensure that neither they nor their dependents have—or intend to acquire—financial interests in the contractor’s company.

4. CONCLUSION. Within the limits of these restrictions, USAR personnel may discuss matters of mutual interest with current and potential defense contractors. Contractors may present capability briefings, discuss the contractor’s methods and skills, and discuss technological developments. However, USAR personnel may not divulge specific information on planned acquisitions, nor may they say or do anything that could be construed as preferential treatment.

GOVERNMENT ACKNOWLEDGMENTS:

THE UNITED STATES ARMY

BY: \_\_\_\_\_ Signature: \_\_\_\_\_  
Written Name of Government Rep/Activity

BY: \_\_\_\_\_ Signature: \_\_\_\_\_  
Written Name of Government Rep/Activity

BY: \_\_\_\_\_ Signature: \_\_\_\_\_  
Written Name of Government Rep/Activity

BY: \_\_\_\_\_ Signature: \_\_\_\_\_  
Written Name of Government Rep/Activity

BY: \_\_\_\_\_ Signature: \_\_\_\_\_  
Written Name of Government Rep/Activity

BY: \_\_\_\_\_ Signature: \_\_\_\_\_  
Written Name of Government Rep/Activity

**APPENDIX P**  
**SAMPLE VENDOR DEMONSTRATION LETTER**

DEPARTMENT OF THE ARMY  
(ADDRESS)

VENDOR DEMONSTRATION/PRODUCT DISPLAY/"FREE" SERVICE AGREEMENT

\_\_\_\_\_ hereinafter referred to as the "vendor", is authorized to conduct a demonstration, product display, or no cost service for Fort \_\_\_\_\_, subject to the terms of this agreement.

DEMONSTRATION, PRODUCT DISPLAY, OR NO COST SERVICE (DESCRIBE):

LOCATION OF DEMONSTRATION, DISPLAY, OR SERVICE:

DATE(S) AND DURATION OF DEMONSTRATION, DISPLAY, OR SERVICE:

LOCAL POINT OF CONTACT:

The parties to this document agree as follows:

1. Vendor demonstration, product displays, and no cost services are conducted for the sole purpose of demonstrating the capability of particular items or services & not for fulfilling mission requirements for an interim time frame. The examination and demonstration of items or services will in no way, expressed or implied, obligate the U.S. Army to purchase, rent, or otherwise acquire the items demonstrated, displayed, or furnished. Normally, vendors will have sole responsibility for furnishing all supplies equipment, etc., necessary to accomplish the demonstration, display, or service. On occasion, it may be desirable to furnish certain supplies and/or equipment from Government assets to support vendor demonstrations. These supplies and/or equipment will not be furnished unless approved by proper Army authority. The vendor agrees to repair, replace or fully reimburse the Government for any damage or loss incurred while the supplies and/or equipment are in his/her possession or use. Manufacture, transportation, maintenance, and demonstration of items shall be accomplished without cost to the Army. An authorized representative of the vendor furnishing the items or services for demonstration shall conduct demonstrations. Army personnel will neither demonstrate nor endorse the vendor's products. The Army assumes no cost or obligation, expressed or implied, for damage or destruction of, or injuries resulting from the submission to the Army of defective items for demonstration. The Contracting Officer is the duly authorized representative of the Government for purposes of this agreement.
2. The vendor understands that any data provided by the vendor becomes the property of the United States Army and the vendor does not possess a proprietary interest in any of the data provided.

3. The vendor will not file any claim against the Army or otherwise seek compensation for any equipment, materials, supplies, information, or services provided.

a. The United States Army and the Department of Defense (DOD) are not bound, or obligated to follow any recommendations of the vendor. The United States Government is not bound, or obligated, in any way to give any special consideration to the vendor on future contracts.

b. In the event the Army agrees to provide any government-owned supplies for use by the contractor, the following statement becomes a part of this agreement:

**“GOVERNMENT-FURNISHED PROPERTY”**

c. The Government will deliver to the vendor, for use only in connection with this agreement, the property described below (hereinafter referred to as “GOVERNMENT-FURNISHED PROPERTY”).

d. Title to Government-Furnished Property shall remain with the government. The vendor shall maintain adequate control of GFP in accordance with good business practices.

e. Unless otherwise provided in this agreement, the vendor, upon delivery of any GFP, assumes the risk of, and shall be responsible for, any loss thereof or damage thereto; any GFP consumed in the performance of this agreement is reimbursable to the government.

f. Description (Include nomenclature, including model and serial #, as applicable):

Current Market Value: \$\_\_\_\_\_

VENDOR: \_\_\_\_\_  
(Type or Print Name of Vendor)

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
(Signature of Vendor Representative)

\_\_\_\_\_  
(Type or Print Name and Title of Vendor Representative)

THE UNITED STATES ARMY

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
(Requiring Agency Rep)

\_\_\_\_\_  
(Type or Print Name of Requiring Agency Rep)

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
(Signature of Contracting Officer)

\_\_\_\_\_  
(Type or Print Name of Contracting Officer)

**APPENDIX Q**  
**SECTION C.3 - GOVERNMENT FURNISHED PROPERTY AND**  
**SERVICES & SECTION**  
**&**  
**C.4 - CONTRACTOR FURNISHED PROPERTY AND SERVICES**

**WHEN THE GOVERNMENT MAINTAINS THE OFFICIAL RECORD**

REVISED: MAY 2008

**SECTION C.3 - GOVERNMENT FURNISHED PROPERTY AND SERVICES**

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**NOTE:**

**PARAGRAPHS C.3.1 THRU C.3.4.4 ARE REQUIRED  
ON ALL CONTRACTS WITH GFP.**

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**NOTE:**

**PARAGRAPHS C.3.5 THRU C-3.5-16 ARE OPTIONAL  
AS THEY APPLY TO THE ACTIVITY COVERED BY  
THE PWS OF THE CONTRACT.**

## **SECTION C.3 - GOVERNMENT-FURNISHED PROPERTY AND SERVICES.**

### **C.3.1 GENERAL.**

The Government will provide the facilities, equipment, parts, supplies, and materials described herein as Government Furnished Property (GFP), Government-Furnished Utilities and Government-Furnished Services to the Contractor for exclusive use in performance of the Contract. The Contractor shall not use Government Furnished Property for any purpose other than execution of work under the Contract. The Government will make the Government Furnished Property available to the Contractor, on a one-time basis. Refusal to accept some or all of the Government Furnished Property offered by the Government shall not relieve the Contractor from Contract performance. The Government Furnished Property provided may or may not be sufficient to meet the requirements of the Contract.

#### **C.3.1.1 CONTRACTOR ACCOUNTABILITY.**

C-3.1.1.1 General. The Contractor Shall be directly responsible and accountable for all Government Property in accordance with FAR 52.245-1 (b) (2), AR 710-2 Paragraph 2-10, AR 735-5 paragraph 2-5, and DA Pam 710-2 chap 5.

C.3.1.1.2 TRANSFER OF RESPONSIBILITY. The Contractor shall become accountable and Responsible for Government Furnished Property when issue the property by the Government Accountable Officer.

C-3.1.1.3 Property Control Plan (PCP). The Contractor shall submit a Property Control Plan to the Government Property Administrator no later than 30 days after Contract award. The Property Control Plan shall describe how Government Furnished Property shall be managed throughout the duration of the Contract in accordance with Federal Acquisition Regulation (FAR) Part 45.105, 52.245-1 (b), and 52.245-2. + The Contractor shall implement the plan upon receiving the approval of the Property Administrator. The Contractor shall update the Property Control Plan annually at Contract anniversary date or upon change of property regulations and requirements. The Contractor shall provide a revised Property Control Plan to the Property Administrator no later than 60 working days prior to any planned change. The Contractor will not implement any property control plan revisions or changes until approved by the Property Administrator.

C.3.1.1.3.1.1 The Contractor shall verify that the Property Control Plan contains methods of communication between the Contractor, Property Administrator and the Government Accountable Officer.

C.3.1.1.3.1.2 The Contractor shall verify that the Property Control Plan contains as a minimum, specific surveillance techniques and procedures for accounting, utilization, protection, storage and disposal of Government Furnished Property.

The Contractor shall maintain records of all Contractor surveillance inspections and corrective action related to Government Furnished Property. This file shall be maintained by the Contractor throughout the term of the Contract and shall be made available at Fort Dix to the Contracting Officer or Property Administrator during the term of the Contract.

C.3.1.1.3.1.3 The Contractor shall verify that the Property Control Plan addresses submission of documentation in accordance with Federal Acquisition Regulation (FAR) 52.245-1, Records and Reports of Government Property, and requirements of the Government Accountable Officer, on all Government Furnished Property in the possession of the Contractor.

C.3.1.1.3.1.4 The Contractor shall verify that the Property Control Plan addresses Preventive measures and corrective action related to prevention of fraud, waste and abuse of Government Furnished Property in the Contractors custody.

C.3.1.1.3.1.5 The Contractor shall verify that the Property Control Plan addresses responsibility for records such as hand receipts.

C.3.1.1.3.1.6 Government may audit the contractor's Property Control Plan as frequently as conditions warrant. These audits may take place at any time during contract performance, upon contract completion or termination, or at any time thereafter during the period the contractor is required to retain such records. The contractor shall make all such records and related correspondence available to the auditors.

C.3.1.1.3.1.7 The contractor shall require any of its sub-contractors possessing or controlling Government Property to adequately care for and maintain that property and assure that it is used only as authorized by the contractor. The contractor's approved Property Control Plan shall include procedures necessary for accomplishing this responsibility.

C.3.1.1.4 Property Administration. The Contractor shall perform property administration (PA) in accordance with Federal Acquisition Regulation (FAR) Part 45, and (FAR) Part 52.245-1.

C.3.1.1.5 Removal of Property. The Contractor shall not remove Government Furnished Property from the Installation or other supported areas without written approval from the Contracting Officer and in accordance with Federal Acquisition Regulation (FAR) Part 45, and (FAR) Part 52.245-1

#### C.3.1.2 INVENTORY MANAGEMENT.

C.3.1.2.1 Initial Inventory Procedures. The Contractor shall attend a Transition Period Government Furnished Property transfer and inventory meeting with the Contracting Officer, Government Accountable Officer and Property Administrator. The Contracting Officer will schedule the meeting prior to Contract performance start date.

C.3.1.2.1.1 During the Transition Period, the Contractor shall conduct a Phase-in 100 percent joint inventory in accordance with instructions received from the property administrator.. This inventory shall include, facilities to include keys; all property received from the Government Accountable Officer.

On-hand supplies shall be inventoried at a summary level. The Property Administrator will provide the schedule for inventory of activities. This provision does not preclude prior inspection of Government Furnished Property by the Contractor. The Contractor shall provide a written list to the Property Administrator of any item found to be broken or not suitable for its intended purpose. The Contractor and the Government Accountable Officer and Property Administrator shall jointly determine the operational or conditional status of all Government Furnished Property. The Government Accountable Officer and Property Administrator and the Contractor shall certify as accurate the joint inventory. The Contractor shall keep a copy of the initial inventory on file.

#### C.3.1.2.2 Annual/Periodic Inventories.

C.3.1.2.2.1 The Contractor shall inventory Government-Furnished Property as instructed by the Government Accountable Officer. The Contractor must inventory a 100 percent of Government-Furnished Property annually. The Contractor shall submit a copy of the results to the Government Accountable Officer and the Property Administrator.

C.3.1.2.2.2 The Contractor will conduct a 100 percent physical inventory of all accountable Property upon the transfer of Responsible Individuals (Hand Receipt Holders). The Contractor will notify the ICPBO at least 5 workdays prior to the start of these changeover inventories. Appropriate reports and results of inventory will be furnished to the ICPBO and Property Administrator. The Contractor will ensure the person assuming hand receipt responsibility for the Property receipts for the property from the ICPBO.

C.3.1.2.2.3 The Contractor shall conduct other inventories as directed by the Property Administrator (for example, missing items, discrepancies in accounting records). The Property Control Plan effectiveness will directly affect the quantity of additional inventories.

#### C.3.1.2.3 Contract Completion/Termination Inventory Procedures.

The Contractor shall attend a Phase-Out Government Furnished Property transfer and inventory meeting with the Contracting Officer the Government Accountable Officer and Property Administrator. The Contracting Officer will schedule the meeting approximately 60 calendar days prior to Contract completion or termination date.

C.3.1.2.3.1 The Contractor shall conduct an inventory of all Government Property 30 calendar days prior to completion or termination of the contract to determine adequate disposal of all Government Property applicable to the contract. Immediately upon termination or completion the Contractor shall conduct a 100% inventory with the Government Accountable Officer and Property Administrator to transfer responsibility back to the Government Accountable Officer. The inventory shall be certified by the Contractor and the Government Accountable Officer. All discrepancies discovered during the inventory shall be adjusted by the Contractor.

C-3.1.2.3.2 The Contractor shall return the same Government Furnished Property provided or an authorized substitute. During the period of the Contract, the Government Accountable Officer providing the property will determine whether or not a like item is authorized. The Contractor shall verify that Government Furnished Property is in the

same or better condition than when originally furnished, less fair wear and tear as determined by the Government Accountable Officer.

#### C.3.1.3 PROPERTY SHORTAGES AND DAMAGES.

The Contractor may be held liable for the shortages, loss, damage, destruction, or excessive consumption of Government property. FAR 45-104, FAR 45-105, FAR 52-245.2, DFAR 245-7302-10, AR 735-5 paragraph 2-12d, and AR 735-5 paragraph 14-13.

C.3.1.3.1 The Contractor shall report discovery of shortages, lost, damaged, or destroyed of Government-furnished property, to include General Services Administration vehicles, via telephone or messenger to the Property Administrator no later than one working day after the discovery. The notification shall include the date of discovery, the nomenclature of the property and the circumstances of the shortage, loss, damage or destruction. The Contractor shall investigate and submit a report of the investigation to the Property Administrator as soon as the facts are known. The Contractor shall also attach a copy of the investigation report to the documentation submitted for the shortage, lost, damaged, or destroyed Property.

C.3.1.3.2 The Contractor shall report discovery of shortage, lost, damaged, or destroyed of Government Property, to include General Services Administration vehicles, to the Government Accountable Officer within one workday after discovery. The Contractor shall initiate and process shortage, lost, damaged, or destroyed documentation as instructed by the Government Accountable Officer.

#### C.3.1.4 SECURITY.

The Contractor shall be responsible for the physical security of Government Furnished Property in accordance with AR 190-51, Security of Unclassified Army Property, and the requirements of the Contract. The Contractor shall secure all Government Furnished Facilities when not occupied by Contractor personnel. The Contractor shall maintain an activity security checklist using SF 701-101, Activity Security Checklist, or SF 702-101 Security Container Check List, for each individual facility as part of the Contractors Physical Security Plan.

#### C.3.1.5 CHANGE OF STATUS FOR GOVERNMENT-FURNISHED PROPERTY.

When Government Furnished Property is no longer required or suitable for intended use, or has reached the end of its economic life (as determined by a Government technical representative), the Contractor shall prepare and provide turn-in documentation to the Government Accountable Officer for approval and disposition directions. Upon approval, the Contractor shall process the items in accordance with instructions from the Government Accountable Officer. All property furnished under the Contract shall remain the property of the Government. The Government will retain all salvage rights.

#### C.3.1.6 MARKINGS.

The Contractor shall verify that existing identification information such as serial numbers, facility numbers, and manufacture nomenclature are not removed from Government Furnished Property. The Contractor shall obtain approval from the

Contracting Officer before marking or affixing any decals, emblems or signs portraying the Contractors name or logo to Government Furnished Property.

#### C.3.1.7 PROPERTY RIGHTS.

All Government Furnished Property furnished under, and all scrap resulting from, this Contract shall remain the property of the Government. The Contractor shall comply with all Government Accountable Officer procedures for turn-in and withdrawal of equipment. Unserviceable Government Furnished Equipment and scrap shall be disposed of by the Contractor in accordance with instructions from the Government Accountable Officer, and as otherwise prescribed in the Contract.

#### C.3.2 FACILITIES.

##### C.3.2.1 GENERAL.

The Government will furnish or make available to the Contractor facilities; areas within facilities; equipment, tools, furniture, materials, and supplies in the facilities as specified in the Government Furnished Facilities TE. The Contractor shall use Government Furnished Facilities in accordance with the approved Contractor Property Control Plan.

The Government reserves the right to reallocate and relocate assigned facilities during the term of the Contract. The Government will provide the Contractor with a marked set of keys to facilities.

##### C.3.2.2 TRANSITION.

The Government will make appropriate facilities available to the Contractor for a maximum of 60 calendar days prior to the Contract performance start date for observation and for completing the phase-in requirements of the Contract. The Contractor shall make facilities available 60 days prior to Contract completion or termination for Contract successor.

##### C.3.2.3 JOINT USE.

The Contractor shall share some facilities with the Government or other contractors. In addition, other circumstances may arise which necessitate the sharing of additional facilities or equipment identified as Government furnished property. The Contracting Officer will coordinate necessary changes with the Contractor.

##### C.3.2.4 FINAL CONDITION.

Upon completion or termination of the Contract, or during reallocation/relocations, Government Furnished Facilities shall be returned to the Government in the same or better condition as at Contract start date, except for fair wear and tear as determined by the Government Accountable Officer.

##### C.3.2.5 FACILITIES ACCESS.

Government personnel, that shall include the Quality Assurance Representative and Quality Assurance Evaluators and others as authorized by the Contracting Officer, shall have access to all Government furnished facilities used by the Contractor. Authorized Government personnel may perform unscheduled visits during normal working hours and at any time the facility is occupied by the Contractor.

### C.3.2.6 ALTERATION, MAINTENANCE AND REPAIR OF GOVERNMENT FURNISHED FACILITIES.

#### C.3.2.6.1 Occupant Maintenance.

The Contractor shall maintain Government Furnished Facilities in a safe, organized and clean condition. Areas shall include, but will not be limited to, facilities, yards, shops, Parking areas and ancillary work areas. The Contractor shall maintain all outdoor areas assigned to the Contractor for Contractor use, free of trash, debris and leaves. The Contractor shall also be responsible for the grass cutting within 50 feet of Government Furnished Facilities and removal of snow and ice from stairs and walkways within 20 feet of Government Furnished Facilities.

#### C.3.2.6.2 ALTERATION AND REPAIR.

C.3-2.6-2.1 The Contractor shall not make alterations or repair of Government Furnished Facilities without the prior approval of the Contracting Officer. The Contractor shall submit service orders or, Work Request (as appropriate) for repair and maintenance of Government Furnished Facilities (a telephone point of contact will be provided during Phase-In).

C.3.2.6.2.2 The Contractor shall establish and maintain an up-to-date Government Furnished Facilities work order log on site for each major functional area. The Contractor shall verify that the work order log contains the following minimum information:

- Work order number.
- Date/time of work order initiation.
- Person initiating work order.
- Description of work requested.
- Facility number.
- Follow-up date(s)/time(s) and point of contact.
- Date/time of work order closeout.

#### C.3.2.7 TURN-IN OF FACILITIES.

The Contractor shall provide assistance and support necessary to turn-in Contractor-occupied facilities during this Contract as required by the Government Accountable Officer.

### C.3.3 EQUIPMENT.

Government Equipment will be provided to the Contractor for use in performing work specified in the Contract. Government Equipment is listed in TE Government Furnished Property. Removal of component parts from any Government Furnished Equipment resulting in cannibalizing shall not be allowed unless approved in writing by the Contracting Officer.

#### C.3.3.1 GOVERNMENT FURNISHED EQUIPMENT WARRANTY.

The Government does not warrant any item of Government furnished equipment as to suitability of use. Further, the Government does not guarantee a performance life cycle. The Government provides no warranty for Government property furnished according to the provisions of the "Government Property Furnished "As-Is" clause

(Federal Acquisition Regulation 52-245-2). The Contractor will be given an opportunity to test and examine all GFE prior to submission of offers.

#### C.3.3.2 TRANSFER.

The Contractor shall coordinate the transfer of Government Furnished Property with the Government Accountable Officer.

#### C.3.3.3 HAND AND SHOP TOOLS.

The Government will provide hand tools and shop tools. Hand tools and shop tools are included in the list of Government Furnished Property. The Contractor shall be responsible for replacing all unserviceable hand tools and shop tools (tools that are worn or broken).

#### C.3.3.4 INFORMATION TECHNOLOGY EQUIPMENT (ITE).

The Government will provide information technology equipment and software required to support Government Standard Army Management Information Systems (STAMIS) and Installation unique systems and programs currently in use.

#### C.3.3.5 WITHDRAWAL OF GOVERNMENT FURNISHED EQUIPMENT.

The Government retains the right to withdraw any Government Furnished Equipment during the performance of the Contract. The Government will provide a written 30-day notice of the impending withdrawal of Government Furnished Equipment for use on this Contract and provide direction to the Contractor as to the method(s) by which such Government Furnished Equipment may be replaced.

#### C.3.3.6 ADDITIONAL EQUIPMENT

Additional equipment may be necessary as new equipment is fielded. When the requirement for new equipment is determined to be TDA, the contractor shall submit a DA Form 4610-R IAW AR 71-32 through the Government Accountable Officer to the Property Administrator for recommendation to modify the Government - furnished property technical exhibit. Upon modification of the contracts technical exhibit adding the new equipment, the contractor shall request the equipment through the Government Accountable Officer.

#### C.3.3.7 OBSOLETE, EXCESS EQUIPMENT

Obsolete tools or test equipment and items no longer needed will be turned into The Government through procedures prescribed by the Government Accountable Officer. If appropriate the contractor will submit DA Form 4610-R through the Government Accountable Officer to the Property Administrator to delete the items Turned in from the TDA.

#### C.3.4 SUPPLIES AND MATERIAL.

##### C.3.4.1 GENERAL.

C.3.4.1.1 The Government will furnish current inventory levels of supplies, parts, subassemblies, raw materials, and other components and end items utilized to accomplish work or services described in the Contract.

C.3.4.1.2 Purchasing Activities, shall be performed by the Contractor if a Contract requirement. The Government will reimburse the invoice cost of supplies. The Government will retain ownership of all supplies and material. Therefore, all supplies and material are considered Government-Furnished Property (GFP).

C.3.4.1.3 In the event Government furnished repair parts or supplies are not available Through the federal supply system or cannot be received in sufficient time to meet Required delivery dates for mission urgency, after approval by the Government Quality representative, the contractor shall utilize the most cost effective method In obtaining the repairs or supplies required.

C.3.4.1.4 Employee Identification Badge. The Government shall provide Contractor personnel an identification badge while performing work on the Contract.

C.3.4.2 FUEL. The Government will furnish propane, diesel, and motor gasoline (MOGAS) for Government-Owned, Contractor-Operated (GOCO) equipment used in performance of services specified in the Contract. The Government will also furnish operating fuels for vehicles and equipment, but only if the vehicles/equipment are designated for use exclusively for performance of work under the Contract. The Government will not provide fuel used for transport of Contractor employees between their domiciles and their work.

#### C.3.4.3 PUBLICATIONS.

C.3.4.3.1 Publications. The Government will provide to the Contractor the publications listed in Section C.6, Applicable Publications and Forms.

C.3.4.3.2 Operating Manuals and Parts Catalogs. Existing equipment operating manuals and parts catalogs presently maintained by the Installation for work specified under the Contract will be turned over to the Contractor prior to start of work. Inventories of parts catalogs will not be removed from the installation. Any manuals or parts catalogues that are obtained by the Contractor during the Contract period shall be maintained on file with the Contractor.

C.3.4.3.3 Drawings and Maps. The Government will make available to the Contractor existing Drawings and maps for use in the performance of the Contract (as applicable).

#### C.3.4.3.4 Forms.

C.3.4.3.4.1 Initial Supply. The Government will make an initial supply of Government unique forms available to the Contractor at Contract performance start date. These forms are subject to change periodically.

C.3.4.3.4.2 Subsequent Supply. The Contractor shall utilize the Internet to obtain electronic versions of required forms. For forms not available through the Internet, the Contractor shall establish subsequent forms requirements, prepare requisitions for the new stock on DA Form 17, Requisition of Publications and Blank Forms.

#### C.3.4.4 FILES.

The Government will provide files required for the performance of the Contract during the 60-day Transition Period. The Contractor and Government will perform a joint inventory of files during the Transition Period. Government-furnished classified and unclassified files in existence at the Contract performance start date, and those generated under the Contract, shall be maintained in accordance with AR 25-400-2, The Modern Army Record Keeping System (MARKS), or other applicable regulations listed in Section C.6, Applicable Publication and Forms. Such files are the property of the Government.

#### C.3.5 SERVICES.

##### C.3.5.1 EQUIPMENT MAINTENANCE AND REPAIR.

C.3.5.1.1 The Government will provide services and repair for Government-Furnished Property listed in the Government Furnished Property TE.

C.3.5.1.2 The Government will provide repair services for Government Furnished Equipment listed on the Government Property TE. Repair services consist of direct and general support maintenance and repairs as prescribed by the applicable repair manual for each specific item of equipment.

##### C.3.5.2 UTILITIES.

The Government will provide water, gas, heating oil and electric utilities to the Contractor. The Contractor shall use Government Furnished Facilities utilities only for performance of the Contract. The Contractor shall comply with the requirements of the Utility Compliance Plan.

##### C.3.5.3 OTHER CONTRACTORS.

The Contractor shall report to the Quality Assurance Representative discrepancies in performance of services provided by other contractors, for example, custodial services associated with Contractor operated facilities. The designation of the Quality Assurance Representative will be provided to the Contractor prior to the start of the Phase-In Period.

##### C.3.5.4 GOVERNMENT OR ARMY UNIQUE TRAINING.

The Government will provide training that is Government and/or Army unique and deemed essential by the Contracting Officer for Contractor employees performing work under the Contract. Government and Army unique training is defined as training that is only available in Government and Army service schools. Such training may

be provided at the work site or at other sites designated by the Contracting Officer. The Government may provide other training on a case by case basis, as determined by the Contracting Officer.

#### C.3.5.5 ENVIRONMENTAL TRAINING.

The Government will provide annual Hazardous Waste Operations (HAZWOPPER) training courses for Contractor employees assigned duties to provide spill cleanup for the installation.

#### C.3.5.6 AUTOMATED SYSTEMS ACCESS AND TRAINING.

The Contractor shall have access to the automated systems as prescribed in the Contract. The Government will provide automated systems training to Contractor personnel during the Transition period. The number of personnel to be provided training will be determined by the Contracting Officer. The training shall be limited to a general familiarization with the system as deployed at Fort Dix. The Contractor shall be responsible for providing personnel trained in the use of automated systems as prescribed in the Contract.

#### C.3.5.7 OTHER TRAINING.

It is the prerogative of the Government to provide other training on a case by case basis. Requests for other training requires written approval of the Contracting Officer. Courses to improve general management, leadership or behavioral skills are considered the responsibility of the Contractor. The Government will not approve or reimburse the cost for any County, State, or Federal required training associated with common business practice. The Contractor may provide any non-approved training for employees as long as the Contractor bears the total cost, including the employee's wages and benefits during the training period.

#### C.3.5.8 EMERGENCY SERVICES.

C.3.5.8.1 Emergency vehicles and medical personnel will be provided in the event of an on-the-job or emergency situation, when Contractor employees suffer serious or life-threatening injuries or conditions.

C.3.5.8.2 The Government will perform fire inspection and fire suppression services. Fire inspections will be performed on all Government Furnished Facilities.

C.3.5.8.3 The Government will provide the services of the Department of Defense Police (DOD Police) for emergencies that occur on the Installation.

#### C.3.5.9 COMMUNICATIONS.

The Government will install, maintain, repair, and remove, as necessary, all Government furnished telephone equipment and distribution systems.

- C.3.5.9.1 The Government will provide official voice and message services to the Contractor. Contractor use of such services shall be governed by AR 25-1, DA Pam 25-1-1, and all local supplements thereto.
- C.3.5.9.2 The Government will provide telephone service for official use through the Government system at the start of the Contractor activities after Contract award. Class A level service will be provided on telephone instruments in Government furnished facilities. Class A level service allows on-post, off-post, long distance and toll free calls.
- C.3.5.9.3 The Government will provide telephones with Defense Switched Network (DSN) system capability. The number of telephones to be furnished will be based on the number of telephone lines available within the installation.
- C.3.5.9.4 The Government will provide facsimile machines as defined on the list of Government Furnished Property for shared use by the Contractor.
- C.3.5.9.5 The Government will provide long distance lines to support automated systems used in the performance of work under the Contract.
- C.3.5.9.6 Contractor personnel shall not relocate Government furnished telephone communications equipment, nor tamper in any way with the telephone distribution system. Whenever changes to communication services are required, to include changing locations of extensions and adding and deleting phone lines, the Contractor shall prepare and submit a Local Service Request, for approval.
- C.3.5.9.7 The Contractor shall not utilize the Government furnished communication services for any action not directly associated with the requirements of the Contract. The Contractor shall control and monitor Contractor employee use of Government long distance telephone circuits. The Contractor shall comply with AR 25-1, The Army Information Resources Management Program, and all local supplements thereto. The Government will not reimburse the cost of unofficial service not incidental to the performance of the Contract. The Contractor shall comply with the provisions in the most recent version of the Directorate of Information Management Handbook.
- C.3.5.9.8 The Government will provide the Contractor a report of long distance calls. The Contractor shall review the report and identify any calls of an unofficial nature. The Contractor shall submit the annotated report within 5 working days of receipt. The Government will forward bills for unofficial calls to the Contractor, for payment to the Defense Finance and Accounting Service (DFAS). Charges included on the bills will include the cost of the telephone call and Government processing and handling fees.
- C.3.5.9.9 Radio Equipment Frequency. Radio frequency assignments and authorizations will be Controlled and furnished by the Government.
- C.3.5.10 LOCAL AREA NETWORK (LAN).

The Government will provide limited access to the existing Fort Dix Local Area Network (LAN) to include e-mail and Internet Capability. The Contractor shall not use the Local Area Network for purposes other than for work required under this Contract.

#### C.3.5.11 COPIER SERVICE.

The Government will furnish copiers as prescribed on the list of Government Furnished Equipment. The Contractor shall submit no later than the first working day of each month a copier report . The report shall provide the cumulative number of copies made as shown on the metering device for the respective copier. The Government shall provide service, maintenance and repair of copiers. The Contractor shall submit notification upon discovery of maintenance or repair requirement. Copiers shall be used only for official business.

#### C.3.5.12 CUSTODIAL SERVICES.

The Government will provide custodial services in Contractor occupied space. Custodial services will include cleaning restrooms (sinks, commodes, mirrors, and surrounding areas) and providing supplies of hand soap, hand towels, and toilet paper. Custodial services also will include vacuuming, sweeping, dusting, and mopping administrative office areas, and cleaning windows and glass doors. Custodial services will be curtailed by the Government in classified areas when classified materials are in use and during operations and exercises that are classified. The Contractor shall provide for removal of trash and refuse from classified areas during these occurrences.

#### C.3.5.13 WASTE SERVICES.

C.3.5.13.1 The Government will provide for disposal of hazardous chemicals and materials.

C.3.5.13.2 The Government will provide for disposal of recyclable materials.

C. 3.5.13.3 The Government will provide refuse containers and refuse disposal. Items generated by this Contract other than those identified for disposal under the Solid Waste Disposal Program, Hazardous Waste Disposal Program, and Recycling Program or as otherwise specified in the Contract, shall be disposed of using the refuse collection containers located on the installation. Special requirements for refuse collection containers shall be coordinated with the Quality Assurance Representative.

#### C.3.5.14 PEST MANAGEMENT SERVICES.

The Government will provide Pest Management Services excluding those services considered U-Do-It pest services. The Contractor shall perform all U-Do-it pest services in Government Furnished Facilities and areas in use by the Contractor.

#### C.3.5.15 FIRE EXTINGUISHER SERVICES.

The Government will provide the inspection, number, type, size, and maintenance of portable fire extinguishers in Contractor-occupied facilities as required by National Fire Protection Association (NFPA) 10. As required by the Contracting Officer, the Contractor shall immediately replace fire extinguishers that are damaged, emptied

or require hydrostatic testing and take to a location specified by the Contracting Officer. Discharged or damaged extinguishers shall be accompanied by a memorandum explaining how the extinguisher was damaged or discharged. Replacement extinguishers shall be immediately returned and installed to the designated location. No more than one half of the fire extinguishers shall be removed at any one time for servicing from any building or area.

#### C.3.5.16 CALIBRATION SERVICES.

The Government will provide Calibration Services for Government Furnished Equipment with the exception of calibration requirements to be performed by the Contractor as prescribed in the Contract.

### WHEN THE CONTRACTOR MAINTAINS THE OFFICIAL RECORD

REVISED: MAY 2008

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## WHEN THE CONTRACTOR MAINTAINS THE GOVERNMENTS OFFICIAL RECORD

### C.3.1 GENERAL

FOR CONTRACTS AWARDED UNDER THE FAR 52.245-1, ACCOUNTABILITY FOR GOVERNMENT FURNISHED PROPERTY (GFP) WILL BE TRANSFERRED TO THE CONTRACTOR; HOWEVER, THE PROPERTY BOOK OFFICE WILL CREATE AND MAINTAIN A GFP ASSET LISTING ON THE PROPERTY BOOK FOR FIDUCIARY REPORTING PURPOSES. REF AR 735-5 PARA 2-5

#### C.3.1.1 TRANSFER OF ACCOUNTABILITY.

PROPERTY BOOK OFFICERS (PBO'S) WHEN DIRECTED BY THE OFFICIAL HAVING COMMAND RESPONSIBILITY OVER THE PROPERTY REQUIRED BY A CONTRACT, WILL RELEASE THE GOVERNMENT PROPERTY TO A CONTRACTOR AS GFP. THE TRANSFER OF ACCOUNTABILITY OF PROPERTY PROVIDED TO A CONTRACTOR WILL BE ACCOMPLISHED BY USING A DD FORM 1149 (REQUISITION AND INVOICE/SHIPPING DOCUMENT) OR DA FORM 3161 (REQUEST FOR ISSUE OR TURN-IN). THE DOCUMENT TRANSFERRING ACCOUNTABILITY WILL BE APPROVED BY THE SAME CONTRACTING OFFICER THAT APPROVED THE CONTRACT, OR HIS OR HER REPRESENTATIVE, PRIOR TO THE GFP BEING PROVIDED TO THE CONTRACTOR. PBO'S WILL USE THE TRANSFER DOCUMENT TO ESTABLISH A GFP ASSET LISTING.

#### C.3.1.2 JOINT PHYSICAL INVENTORY.

A JOINT PHYSICAL INVENTORY OF GFP WILL BE CONDUCTED BY THE PBO, THE PROPERTY ADMINISTRATOR, AND THE CONTRACTOR PRIOR TO THE BEGINNING OF THE CONTRACT PERIOD. ON COMPLETION OF THE INVENTORY AND WRITTEN ACKNOWLEDGEMENT OF RECEIPT BY THE CONTRACTOR, THE PBO WILL POST THE TRANSFER DOCUMENT AS A LOSS TO THE ARMY'S HAND RECEIPT AND GAIN TO A CONTRACT GFP ASSET LISTING. THE PBO WILL CONTINUE TO MAINTAIN THE BASIC PROPERTY BOOK RECORDS FOR GFP TRANSFERRED TO THE CONTRACTOR. THE CONTRACTING OFFICER'S DESIGNATED REPRESENTATIVE WILL NOTIFY THE PBO UPON CONTRACTOR RECEIPT, TRANSFER, OR DISPOSAL OF ANY GFP DURING THE LIFE OF THE CONTRACT (SEE AR 710-2, PARA 2-33). THE PBO WILL UPDATE THE FIDUCIARY RECORDS AS CHANGES TO GFP ARE COMMUNICATED.

#### C.3.1.3 TERMINATION OR COMPLETION OF THE CONTRACT.

ON TERMINATION OR COMPLETION OF THE CONTRACT, A JOINT PHYSICAL INVENTORY BY THE CONTRACTOR, THE PBO AND THE PROPERTY ADMINISTRATOR WILL BE ACCOMPLISHED. A TRANSFER DOCUMENT TRANSFERRING ACCOUNTABILITY BACK TO THE ARMY WILL BE PREPARED AS DIRECTED BY THE PROPERTY ADMINISTRATOR USING DD FORM 1149 OR DA FORM 3161. THE CONTRACTING OFFICER WILL RECONCILE THE TRANSFER DOCUMENT FOR SHORTAGES AND WILL APPROVE THE TRANSFER PRIOR TO THE PBO ACKNOWLEDGING RECEIPT AND ACCEPTING ACCOUNTABILITY FOR THE RETURNED GFP. UPON COMPLETION OF TRANSFER DOCUMENT, THE GFP ASSET LISTING FOR THAT CONTRACT WILL BE DISCONTINUED.

### C.3.2 INSTALLATION PROPERTY BOOK SUPPORT

C.3.2.1 AS PROVIDED FOR IN FAR 52.245-1, THE CONTRACTOR RECORD OF GOVERNMENT PROPERTY ESTABLISHED AND MAINTAINED UNDER THE TERMS OF THE CONTRACT ARE THE GOVERNMENT OFFICIAL PROPERTY RECORDS. THE GOVERNMENT INSTALLATION CONSOLIDATED PROPERTY BOOK OFFICER (ICPBO) IS THE GOVERNMENTS ACCOUNTABLE OFFICER WHO WILL EXERCISE SUBSTANTIAL DISCRETIONARY AUTHORITY IN DETERMINING GOVERNMENT REQUIREMENTS AND CONTROLLING GOVERNMENT ASSETS AS PROVIDED IN AR 735-5. THE CONTRACTOR SHALL PROVIDE EQUIPMENT MANAGEMENT SERVICES FOR ALL PROPERTY MAINTAINED ON THE INSTALLATION CONSOLIDATED PROPERTY BOOK.

C.3.2.2 THE CONTRACTOR SHALL MAINTAIN THE CONSOLIDATED INSTALLATION PROPERTY BOOK (ICPBO) UTILIZING THE AUTOMATED SYSTEM, PROPERTY BOOK UNIT SUPPLY ENHANCED (PBUSE), AND SHALL MAINTAIN OTHER RELATED PROPERTY RECORDS IAW CHAPTER 2, AR 710-2; CHAPTERS 3 AND 4, AR 710-3; CHAPTER 2, AR 735-5; CHAPTER 4, DA PAM 710-2-1; CTA 50-900, CTS 50-909, AND CTA 50-970. THE CONTRACTOR SHALL RECORD PROPERTY TRANSACTIONS APPROVED BY THE ICPBO WITHIN 2 WORKDAYS OF RECEIPT. THE CONTRACTOR SHALL MAKE PROPERTY RECORDS IMMEDIATELY AVAILABLE AND ACCESSIBLE UPON REQUEST OF THE ICPBO, GPA, COMMANDER, OR OTHER DESIGNATED OFFICIALS.

C.3.2.3 THE CONTRACTOR SHALL MAINTAIN DOCUMENT REGISTERS USING PBUSE. THE CONTRACTOR SHALL MAINTAIN AN ACTIVE/INACTIVE DOCUMENT REGISTER FILE.

C.3.2.4 THE CONTRACTOR SHALL PREPARE REQUIRED FORMS FOR ALL EQUIPMENT REQUESTED OR TO BE TURNED-IN IAW CHAPTER 2, AR 710-2 AND CHAPTER 2, DA PAM 710-2-1. THE CONTRACTOR SHALL PROCESS THESE DOCUMENTS WITHIN 1 WORKDAY UPON APPROVAL BY THE ICPBO.

C.3.2.5 THE CONTRACTOR SHALL OBTAIN AND MAINTAIN FILES OF SIGNATURE CARDS (DA FORM 1687) IAW CHAPTER 2, AR 710-2 AND CHAPTER 2, DA PAM 710-2-1 FOR PERSONNEL AUTHORIZED TO SIGN FOR PROPERTY, SUPPLIES, AND EQUIPMENT. ASSIGNMENT OF RESPONSIBLE PERSONNEL WITH SIGNATURE AUTHORITY IS MADE BY THE ICPBO.

C.3.2.6 THE CONTRACTOR SHALL ESTABLISH AND MAINTAIN A HAND RECEIPT FILE FOR EACH HAND RECEIPT HOLDER AND SHALL PROVIDE COPIES TO SUPPORTED ORGANIZATIONS, UNITS, AND ACTIVITIES. THE CONTRACTOR SHALL RECORD THE ISSUE TO AND TURN-IN OF ALL ACCOUNTABLE EQUIPMENT FROM HAND RECEIPT HOLDERS USING THE PBUS. THIS SYSTEM WILL GENERATE UPDATED HAND RECEIPTS. THE CONTRACTOR SHALL PROVIDE UPDATED HAND RECEIPTS TO HAND RECEIPT HOLDER FOR THEIR INVENTORY AND SIGNATURE AT LEAST ONCE EVERY SIX MONTHS. FOR SHORT TERM ISSUES, THE CONTRACTOR SHALL USE DA FORM 2062, OR DA FORM 3161.

#### C.3.2.7 INVENTORIES

THE CONTRACTOR SHALL CONDUCT INVENTORIES AS DESCRIBED BELOW. INVENTORIES SHALL BE CONDUCTED IAW AR 710-2 AND DA PAM 710-2-1. PROVIDE A COPY OF THE RESULTS FOR THE INVENTORY TO THE ICPBO AND GPA.

##### C.3.2.7.1 ANNUAL INVENTORY

THE CONTRACTOR SHALL ASSIST IN THE ANNUAL INVENTORY OF ACCOUNTABLE PROPERTY. THE CONTRACTOR WILL NOTIFY THE ICPBO AT LEAST 5 WORKDAYS PRIOR TO THE START OF THE ANNUAL INVENTORY. RESULTS OF THE INVENTORY WILL BE FURNISHED TO THE ICPBO AND GPA. THE CONTRACTOR SHALL GENERATE THE HAND RECEIPTS AND FORWARD TO ALL HAND RECEIPT HOLDERS FOR THEIR REVIEW AND NECESSARY ACTION.

##### C.3.2.7.2 CHANGE OF RESPONSIBLE OFFICER INVENTORY

THE CONTRACTOR WILL CONDUCT A PHYSICAL INVENTORY OF ALL ACCOUNTABLE PROPERTY UPON THE TRANSFER OF RESPONSIBLE OFFICERS. THE CONTRACTOR WILL NOTIFY THE ICPBO AT LEAST 5 WORKDAYS PRIOR TO THE START OF THESE CHANGEOVER INVENTORIES. THE CONTRACTOR SHALL GENERATE APPROPRIATE REPORTS FROM THE PBUS. APPROPRIATE REPORTS AND RESULTS OF INVENTORY WILL BE FURNISHED TO THE ICPBO AND GPA.

##### C.3.2.7.3 CHANGE IN HAND RECEIPT HOLDER INVENTORIES

WHEN A CHANGE OF HAND RECEIPT HOLDER OCCURS, THE HAND RECEIPT HOLDERS WILL CONDUCT A JOINT PHYSICAL INVENTORY OF ALL ITEMS WITH THE RESULTS RECORDED ON THE HAND RECEIPT. THE CONTRACTOR SHALL PREPARE THE APPROPRIATE INVENTORY ADJUSTMENTS IAW REQUIREMENTS.

##### C.3.2.7.4 MONTHLY HAND RECEIPT HOLDER INVENTORIES

HAND RECEIPT HOLDERS WILL INVENTORY 10% OF THEIR EQUIPMENT EACH MONTH. THE CONTRACTOR SHALL USE THE PBUS SYSTEM TO GENERATE THE LIST OF EQUIPMENT TO BE INVENTORIED.

#### C.3.2.7.5 INVENTORY ADJUSTMENTS AND LOSSES

THE CONTRACTOR SHALL PREPARE THE APPROPRIATE DOCUMENT FOR LOST, DAMAGED, OR DESTROYED PROPERTY. THE CONTRACTOR SHALL MAKE ADJUSTMENTS TO THE ACCOUNTABLE RECORDS AS APPROPRIATE.

#### C.3.2.8 RESEARCH AND LOCALLY ASSIGNED STOCK NUMBERS

THE CONTRACTOR SHALL PERFORM RESEARCH TO IDENTIFY PROPERTY IN THE SUPPLY SYSTEM AND TO ESTABLISH AUTHORITIES FOR OBTAINING ITEMS. THE CONTRACTOR SHALL ASSIGN ALL LOCALLY ASSIGNED STOCK NUMBERS AS PROVIDED FOR IN PBUSE.

#### C.3.3 SUPPLY SERVICES

THE CONTRACTOR SHALL RECEIVE, VERIFY, INSPECT, CLASSIFY, STORE, MOVE, ISSUE AND ACCEPT FOR TURN-IN SUPPLIES AND EQUIPMENT. THE CONTRACTOR SHALL PREPARE AND PROCESS APPROVED SUPPLY REQUESTS THE CONTRACTOR IS RESPONSIBLE FOR EDITING ALL SUPPLY REQUESTS AND REQUISITIONS. THE CONTRACTOR SHALL CORRECT FORMAT ERRORS, VALIDATE AND EDIT INFORMATION, AND FURNISH ADVICE TO SUPPORTED ACTIVITIES ON PREPARING AND SUBMITTING REQUESTS AND REQUISITIONS. THE CONTRACTOR SHALL PREPARE AND SUBMIT APPROVED REQUISITIONS.

#### C.3.4 MONITORING PRIORITIES

THE CONTRACTOR SHALL MONITOR REQUISITION PRIORITIES IAW CHAPTER 2, AR 710-2, CHAPTER2, AND CHAPTER 2 DA PAM 710-2-1 AND SHALL REPORT ABUSES TO THE ICPBO IMMEDIATELY UPON DISCOVERY.

#### C.3.5 MONTHLY RECONCILIATION

THE CONTRACTOR SHALL RECONCILE OPEN SUPPLY REQUESTS ON A MONTHLY BASIS.

#### C.3.6 CATALOGS AND CATALOGING

THE CONTRACTOR SHALL MAINTAIN A FILE OF SUPPLY CATALOGS AND RELATED REFERENCE MATERIAL, ACCOMPLISH CATALOGING FUNCTIONS, MAINTAIN A REGISTER OF NON-STANDARD ITEMS AND ASSIGN MANAGEMENT CONTROL NUMBER TO NON-STANDARD ITEMS WHEN APPLICABLE IAW PROCEDURES IN CHAPTER 4, AR 710-2, AND PBUSE.

#### C.3.7 RECEIPT OF PROPERTY

THE CONTRACTOR SHALL RECEIVE ALL PROPERTY IN SUPPORT OF THE SUPPLY FUNCTION. THE CONTRACTOR SHALL PROCESS RECEIPT DOCUMENTS ON ALL INCOMING SHIPMENTS, ENSURING THAT NECESSARY

INFORMATION SUCH AS CORRECT ACCOUNTING CLASSIFICATION, AND DOCUMENT NUMBERS ARE RECORDED THEREON.

#### C.3.7.1 LOADING AND UNLOADING FREIGHT

THE CONTRACTOR SHALL LOAD AND UNLOAD VEHICLES AND EQUIPMENT, AS REQUIRED.

#### C.3.7.2 PICK UP OF PROPERTY ITEMS

THE CONTRACTOR SHALL PROVIDE PICK-UP AND DELIVERY OF PROPERTY ITEMS FROM LOCAL SOURCES AS REQUIRED IN LOCAL PROCUREMENT DOCUMENTS AND CONTRACTS. THE CONTRACTOR SHALL PICK UP AND TURN-IN LOAN EQUIPMENT AS REQUIRED. GOVERNMENT WILL REIMBURSE CONTRACTOR FOR OVERTIME OR TDY RELATING TO ACCOMPLISHING THESE TASK.

#### C.3.7.3 INSPECTION OF SHIPMENTS AND DOCUMENTATION

THE CONTRACTOR SHALL CHECK SHIPMENTS FOR OVERAGES, SHORTAGES, DAMAGES, AND OTHER TRANSPORTATION DISCREPANCIES AND SHALL USE THESE RECEIPT DOCUMENTS TO VERIFY ACCURACY OF SHIPMENTS. TO RECEIPT FOR ITEMS, AND AS SOURCE DOCUMENTS FOR OBLIGATION AND ACCOUNTABILITY. THE CONTRACTOR SHALL FORWARD, ON A DAILY BASIS, THE RECEIVING DOCUMENTS TO THE INSTALLATION ACCOUNTABLE OFFICER FOR CERTIFICATION OF RECEIPT AND ACCEPTANCE. AT THE END OF EACH THE CONTRACTOR SHALL ENSURE THAT ALL RECEIPTS ARE RECONCILED. THE CONTRACTOR SHALL FILE RECEIPTS IAW CHAPTER 2, AR 710-2, AND CHAPTER 2, DA PAM 710-2-1.

#### C.3.7.4 DISCREPANCIES IN SHIPMENTS

RECEIPTS CONTAINING CONCEALED DISCREPANCIES SHALL BE PROCESSED ON AN INDIVIDUAL BASIS AT TIME OF DISCOVERY. THE CONTRACTOR SHALL PREPARE AND PROCESS A SF 364 (REPORT OF DISCREPANCY ROD) IAW CHAPTER 16, AR 735-5, AND AR 735-11-2 WITHIN 3 DAYS OF RECEIPT.

#### C.3.7.5 SECURITY OF PROPERTY

THE CONTRACTOR SHALL PROTECT ALL ITEMS OF PROPERTY FROM DAMAGE AND MAINTAIN PHYSICAL SECURITY UNTIL ITEMS ARE ISSUED. THE CONTRACTOR SHALL, IMMEDIATELY UPON RECEIPT, RECORD SERIAL NUMBERS, SEPARATE, AND STORE SENSITIVE AND HIGH PILFERAGE ITEMS IN A SECURE AREA. SERVICEABLE ITEMS SHALL BE PHYSICALLY SEPARATED FROM UNSERVICEABLE ITEMS.

#### C.3.7.6 STORAGE

THE CONTRACTOR SHALL OPERATE THE ICPBO STORAGE FACILITIES. THE CONTRACTOR SHALL CONTINUALLY MONITOR UNSERVICEABLE REPARABLE ASSETS ON HAND FOR REPAIR AND IDENTIFY EXCESS TO THE QAR OR ICPBO FOR TURN-IN.

#### C.3.8 ISSUE OF PROPERTY

THE CONTRACTOR SHALL PREPARE ITEMS AND ACCOMPANYING DOCUMENTATION FOR ISSUE TO CUSTOMERS, ISSUE THE ITEMS, OBTAIN APPROPRIATE RECEIPT DOCUMENTATION FROM CUSTOMERS, AND PROCESS RECEIPT DOCUMENTS.

#### C.3.9 INVENTORIES

THE CONTRACTOR SHALL CONDUCT SEMI-ANNUAL INVENTORIES OF GOVERNMENT PROPERTY IN STORAGE IN ITS POSSESSION IAW CHAPTER 2, AR 710-2. SHORTAGES DISCOVERED AS A RESULT OF INVENTORIES SHALL BE ADJUSTED IAW CHAPTER 12, AND 13, AR 735-5. ADJUSTMENT DOCUMENTS WITH SUPPORTING ATTACHMENTS SHALL BE FORWARDED TO THE INSTALLATION ACCOUNTABLE OFFICER FOR PROCESSING WITHIN 3 WORKDAYS FOLLOWING COMPLETION OF INVENTORIES.

#### C.3.10 CUSTOMER TURN-INS

THE CONTRACTOR SHALL ACCEPT TURN-INS OF MATERIAL AND EQUIPMENT. THE CONTRACTOR SHALL INVENTORY AND INSPECT THESE ITEMS FOR REPAIR, REISSUE, STORAGE, DISPOSAL, AND REPLACEMENT. THE CONTRACTOR SHALL SUBMIT RECOMMENDATIONS ON DISPOSITION TO THE OCPBO FOR REVIEW AND APPROVAL.

#### C.3.11 REPAIR ITEMS

THE CONTRACTOR SHALL PREPARE DD FORM 2407 (MAINTENANCE REQUEST) IAW DA PAM 738-750 FOR ALL EQUIPMENT APPROVED FOR REPAIR AND SHALL FORWARD THE ITEM AND DOCUMENTATION TO THE DESIGNATED REPAIR ACTIVITY.

#### C.3.12 TURN-INS AND DISPOSALS

THE CONTRACTOR SHALL PREPARE TURN IN DOCUMENTS AS APPROPRIATE, FOR PROPERTY APPROVED FOR TURN-IN OR DISPOSAL. THE CONTRACTOR SHALL COMPLY WITH THE TURN-IN AND DISPOSAL INSTRUCTIONS RECEIVED FROM THE ICPBO OR OTHER DESIGNATED GOVERNMENT APPROVAL AUTHORITY.

SECTION C.4 - CONTRACTOR FURNISHED PROPERTY AND  
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## SECTION C.4 - CONTRACTOR FURNISHED PROPERTY AND SERVICES.

### C.4.1 GENERAL.

#### C.4.1.1 PROVISION, STORAGE AND-REMOVAL.

The Contractor shall furnish all property and services not specifically identified as Government-furnished in Section C.3 of the Contract that the Contractor considers necessary to comply with the requirements of the Contract. All Contractor furnished property shall meet all applicable Federal, State, Local and Department of Defense (DOD), Army and Fort Dix laws, codes and regulations. The Contractor property shall be operational as intended by the manufacturer, safe, clean, and suitable for use at a military installation. All Contractor-furnished property and equipment are subject to inspection by the Contracting Officer at all times.

#### C.4.1.2 SEGREGATION OR COMMINGLING OF PROPERTY.

Government property shall be segregated and kept physically separate from Contractor- owned property. However, when advantageous to the Government and consistent with the Contractor authority to use such property, and with the approval of the Property Administrator, the property may be commingled. Property may be commingled in the following instances:

C.4.1.2.1 When the Government property is special tooling, special test equipment, or plant equipment which is clearly identified and recorded as Government property;

C.4.1.2.2 When scrap of a uniform nature is produced from both Government-owned and Contractor-owned material and physical segregation is impracticable, or scrap produced from Government-owned material is insignificant in consideration of the cost of segregation and control; or

C.4.1.2.3 When otherwise approved by the Property Administrator.

#### C.4.1.3 REMOVAL OF CONTRACTOR-OWNED PROPERTY.

Within 30 calendar days after completion or termination of the Contract, the Contractor shall remove all Contractor owned vehicles, equipment, tools, supplies, materials and other items from the Installation. The Government shall not be responsible for any Contractor owned property after Contract completion or termination. If the Contractor does not remove said property from the Installation within the stated time, the Government will take possession of or dispose of the property and charge direct cost to the Contractor.

### C.4.2 EQUIPMENT.

The Contractor shall furnish all equipment such as motor vehicles, Information Technology Equipment (ITE), and administrative equipment, not furnished by the Government but determined necessary by the Contractor for performance of work under the Contract. Equipment condition shall not relieve the Contractor of any responsibility to provide services required in the performance of the Contract.

#### C.4.2.1 EQUIPMENT PLAN.

The Contractor shall submit an Equipment Plan no later than 30 days after Contract award. The Contractor shall update the Equipment Plan when equipment requirements or status of equipment changes. Updates shall be submitted no later than 30 days prior to the planned implementation of a change.

C.4.2.1.1 Equipment Plan Structure. The Equipment Plan shall include a list of Contractor Furnished Equipment provided by the Contractor to perform work required under the Contract. The Equipment Plan shall be presented by Functional Area.

C.4.2.1.2 Equipment Plan Elements. For each piece of equipment, the Contractor shall include the following information in the Plan:

C.4.2.1.2.1 Contractor maintenance standards and method of maintaining those standards

C.4.2.1.2.2 Equipment type

C.4.2.1.2.3 Equipment Size or Capacity

C.4.2.1.2.4 Year of Manufacture

C.4.2.1.2.5 Manufacturer

C.4.2.1.2.6 Intended Use or Application (when this is not explicit in the description of type)

C.4.2.1.2.7 Life-cycle and planned replacement conditions

#### C.4.2.2 CONTRACTOR FURNISHED EQUIPMENT.

C.4.2.2.1 Vehicles and Equipment. Contractor vehicles and equipment shall be equipped with protective and safety features, be in good repair, and clean. The Contractor shall submit to the Property Administrator, a vehicle and equipment list that includes, but is not limited to, quantities and descriptive data for all vehicles and equipment prior to its use on the installation. The Contractor shall submit, in writing, any vehicles and equipment list changes prior to implementing the changes. The list shall be submitted no later than 30 days after Contract award. Revisions shall be submitted no later than 5 days prior to changes to the current list.

C.4.2.2.2 Small Tools and Equipment. Contractor tools and equipment shall be of the type and grade required for the work to be completed.

C.4.2.2.3 Automated Data Processing Equipment. Automated data processing equipment shall conform to the standards established by the Contracting Officer for inclusion on the Local Area Network.

#### C.4.2.3 MARKINGS AND REGISTRATION.

C.4.2.3.1 Equipment. All Contractor-owned equipment shall be clearly and permanently marked with the Contractor name, telephone number and an identification number.

C.4.2.3.2 Vehicles. All Contractor-owned vehicles shall be marked with the Contractor company name and unique identification number on both sides of the vehicle in 3-inch block letters of a color that contrasts with its background, as well as all required state and federal registration numbers. The Contractor may place other markings or messages on the vehicles and equipment upon written approval by the Property Administrator.

#### C.4.2.4 CONTRACTOR FURNISHED PROPERTY REPLACEMENT.

If the Contractor finds it desirable or necessary to replace Contractor Owned- Contractor Operated vehicles or equipment, the Contractor shall submit a proposal for procurement of Contractor Owned-Contractor Operated vehicles or equipment to the Contracting Officer. The Contracting Officer reserves the right to provide for replacement of uneconomically repairable Contract Owned Property. If the Government elects to replace the property, the Government retains ownership of the property upon termination of the Contract

#### C.4.2.5 UNSERVICEABLE CONTRACTOR FURNISHED EQUIPMENT.

The Contractor shall remove unserviceable equipment from the installation within 30 working days from the date the equipment became unserviceable. The Contractor may request an extension of this time frame from the Property Administrator when the delay is due to long lead-time for a replacement part that the Contractor has on order. The request for extension shall be submitted no later than 3 days prior to the removal date and include the nomenclature of the equipment, the removal date, and the reasons for the delay and the revised date for removal.

#### C.4.2.6 CONTRACTOR FURNISHED VEHICLE AND EQUIPMENT MAINTENANCE AND REPAIR.

The Contractor shall repair and maintain all Contractor Owned - Contractor Operated vehicles and equipment in a safe and serviceable condition suitable for their intended use. The Contractor shall load test Contractor Owned - Contractor Operated equipment used for lifting purposes in accordance with Technical Bulletin (TB) 43-0142, Safety Inspection and Testing of Lifting Devices. The Contractor shall not use any Government-owned tools, materials, or parts to maintain Contractor Owned - Contractor Operated vehicles or equipment without prior written approval of the Property Administrator.

#### C.4.2.7 CONTRACTOR-ACQUIRED PROPERTY (CAP) AND EQUIPMENT.

The Government may direct, or the Contractor may propose, purchasing or leasing with option to buy Contractor-acquired equipment to replace uneconomically repairable Government Furnished Property. The Contracting Officer reserves the right to select the option from among those alternatives presented by the Contractor.

#### C.4.3 MATERIALS AND SUPPLIES.

Supplies and materials provided by the Contractor shall be new and of equal or better quality than those being replaced, unless pre-authorized in writing by the Contracting Officer. Supplies and materials shall meet all applicable codes and manufacturer's specifications.

#### C.4.3.1 STOCK LEVELS.

C.4.3.1.1 Stock Levels. Reserved.

C.4.3.1.2 Material and Supplies. The Contractor shall provide all supplies required for performance of the Contract, other than those specified as Government-Furnished. All supplies or material shall meet applicable codes or manufacturer specifications.

C.4.3.2 APPLICABLE DOCUMENTS . Reserved

C.4.3.3 OTHER

The Contractor shall provide all personal protective equipment for Contractor personnel in accordance with 29 CFR 1910, Department of Labor, Occupational Safety and Health. Typical personal protective equipment include respirators, eye protection, hearing protection, coveralls, safety shoes, gloves, hard hats and wet weather gear.

#### C.4.4 SERVICES

##### C.4.4.1 COMMUNICATION SERVICES.

The Contractor shall obtain those communication services required to perform work specified in the contract that are not Government-furnished. Contractor communication services will be subject to standard monitoring requirements of the Government telephone network.

##### C.4.4.2 CONTRACTOR TRAINING.

The Contractor shall provide all training not specifically identified as Government furnished to obtain and maintain the proficiency of Contractor employees. Courses to improve general management, leadership or behavioral skills are considered the responsibility of the Contractor.

##### C.4.4.3 CALIBRATION SERVICES.

The Contractor shall provide calibration services for all Contractor Furnished Equipment requiring Calibration. The Contractor shall adhere to calibration frequencies and standards for Contractor Furnished Equipment as prescribed by equipment manufacturers or as prescribed by Government Directives for comparable equipment if manufacturer standards are not prescribed. The Contractor shall maintain calibration records on CFE equivalent to that required for Government Furnished Equipment.

##### C.4.4.4 CONTRACTOR EMPLOYEE MEDICAL SERVICES.

The Contractor shall provide first aid medical support services for all Contract employees incurring minor (e.g. blisters, abrasions and headaches) illness or injuries while working at the Contract work site. Such services should be structured to provide those types of medical care, which typically react to minor illnesses, injuries, or other medical services not requiring organized Emergency medical services.

##### C.4.4.5 CORRESPONDENCE

The Contractor shall provide for pickup and distribution of correspondence to support Contractor Activities performed under the contract.

**APPENDIX W  
MANAGEMENT CONTROL CHECKLIST FOR ADMINISTRATION  
OF THE PURCHASE CARD PROGRAM**

**Function.** The Function covered by this checklist is the administration of the Purchase Card Program.

**Purpose.** The purpose of this checklist is to assist Commanders and managers in evaluating the key management controls outlined below. It is not intended to cover all controls.

**Instructions.** Answers must be based on the actual testing of key management controls (e.g., document analysis, direct observation, sampling, simulation, other). Answers that indicate deficiencies must be explained and corrective action indicated in supporting documentation. These key management controls must be formally evaluated at least once every five years. Certification that this evaluation has been conducted must be accomplished on DA Form 11-2R (Management Control Evaluation Certification Statement).

### **Test Questions.**

1. Does the Billing Official have a Letter of Appointment, which designates him/her as a billing official?
2. Has the Billing Official received purchase card and ethics training.
3. Is the Billing Official's supervisor(s) a cardholder in any of the billing official's accounts?
4. Does the Billing Official review each of their cardholder's statements each month?
5. Does the Billing Official certify and process the monthly billing statement within five business days of receipt?
6. Does the Billing Official promptly notify the A/OPC when a cardholder departs, retires, or otherwise no longer needs a card?
7. Has the Billing Official notified the A/OPC of any lost/stolen cards within five business days of the loss/theft?
8. If Billing Official also manages a Convenience Check accounts are quarterly surveillance reviews conducted?
9. Have any Convenience checks, on accounts under the billing official, been written for more than \$2,500?
10. Has the Billing Official notified the Installation A/OPC of any cardholder/check writer account procedures violations discovered?
11. Does the Billing Official coordinate card dollar limits with the installation A/OPC and installation RM when cardholder accounts are established?
12. Does the Billing Official maintain original supporting documentation for closed cardholder/check writer accounts IAW FAR 4.805?

13. Does the Billing Official coordinate with the Property Book Office to verify that all purchased accountable property has been properly documented?
14. Does the Billing Official coordinate with the Resource Manager to establish funding for all cardholders?
15. Has the Billing Official been formally appointed as a Certifying Officer?
16. Did Billing Office comply with procedures covering deployment of cardholders?
17. How many cardholders under the Billing Official were reviewed by the A/OPC as a part of this annual review?
18. Has an adequate Cardholder: Billing Official ratio been maintained?
19. What is the percent of randomly selected transactions that were reviewed of the total number of transactions for the review period?
20. Does the Billing Official insure cardholders maintain the Purchase Log in CARE?

#### **B. Review of Cardholder/Check Writer Accounts - Government Purchase Card Program**

1. Does the Cardholder have a letter delegating specified procurement authority from the Chief of the Contracting Office?
2. Has the cardholder received training on Army procedures for using the purchase card?
3. Has the cardholder participated in re-fresher training sessions or received refresher training material?
4. Does the cardholder know and comply with their monthly spending limits?
5. If the cardholder is required to use both appropriated and non-appropriated funds, does he/she have separate cards for each type of funds?
6. Are all purchases entered in the CARE purchase log?
7. Does the Cardholder obtain all required pre-purchase approvals and authorizations?
8. Are the cardholders monthly spending limits justified by their buying activity?
9. Were any unauthorized purchases made by the cardholder? (If answer is Yes, describe in "Comments" at the end of this review.)
10. Did Cardholder reconcile all transactions in CARE within three business days of end of cycle?
11. Did the cardholder allow others to use his/her card?

12. Did cardholder comply with requirements to purchase items IAW FAR Part 8?
13. Did cardholder rotate sources when placing repeat orders?
14. Did the cardholder document all transactions that posted to the Billing Statement but were not received and utilize a tracking system to verify subsequent delivery?
15. Does cardholder maintain supporting documentation?
16. Does cardholder reconcile all transactions and approve the Statement of Account within three business days of receipt?
17. Does the Cardholder reconcile transactions throughout the Billing Cycle?
18. Does cardholder follow the procedures for disputing transactions?
19. Has the Billing Official acted on behalf of the Cardholder during the review period?
20. Does the Cardholder use the reallocation feature of CARE properly?

**C. Review of Convenience Checks Accounts:**

1. Have any checks been issued for more than \$2,500?
2. Does check writer capture all necessary TD1099 data for IRS reporting?
3. Have any checks been written by someone other than the checking account holder?
4. Have checks been written for items to be delivered beyond 15 days?
5. Were checks written for any of the prohibited purchases?
6. If Stop Payment actions were processed against any check, was the \$25 charge deducted from the funds available?
7. Does check writer account for checks written but not processed by the Bank when reconciling his/her account to assure adequate funds are available?
8. Has the check writer received training on the GPC procedures from the A/OPC?
9. Are checks stored in locked containers when not in use?