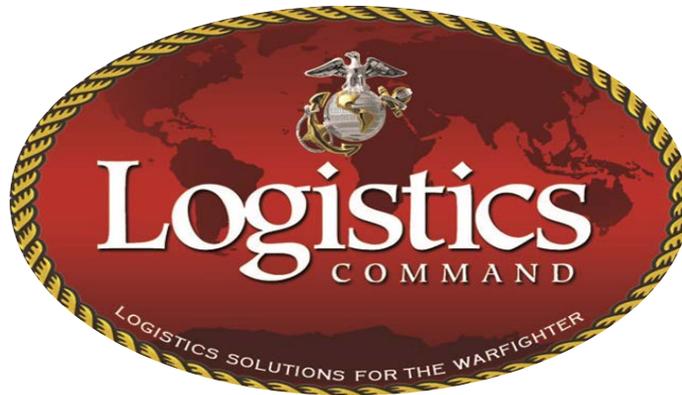


Marine Corps Logistics Support Services (MCLOGSS)

Customer Guide



Enterprise Solutions



Global Coverage

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PURPOSE

The purpose of this guide is to provide Marine Corps Logistics Command (MARCOMLOGCOM) staff sections, Centers and Commands a single source document for information on “how to” obtain contractor support for their organization using the Marine Corps Logistics Support Services Contract (MCLOGSS).

The United States Marine Corps (USMC) plans to solicit and award suites of multiple award contracts to acquire contractor support to provide qualified personnel, materials, facilities, travel and other services for logistics and related administrative support. The Logistics Strategic Plan is to create holistic contracting solutions. The MCLOGSS program will be the primary service solution. The objective is to create a suite of multiple-award contracts for logistical services that will allow flexible and agile responses to operational needs, while maximizing opportunities for small businesses and on-going competition.

BACKGROUND

MARCOMLOGCOM, headquartered in Albany, GA, was challenged in February 2008 by the Commanding General to focus and prioritize current resources under a new Operational Logistics Strategic Plan to refocus LOGCOM's business course and direction to provide, as a mission, worldwide, integrated logistics/supply chain and distribution management; depot level maintenance management; and strategic prepositioning capability in support of the operating forces and other supported units to maximize unit readiness, sustainability and to support the Marine Corps logistics community enterprise and program level Total Life Cycle Management. The Overseas Contingency Operations (OCOs) (formerly the global war on terrorism) has radically changed the way LOGCOM must conduct business within the Marine Corps logistics community. The ability to anticipate and proactively provide support where and when needed is now required. The changes in mission focus within LOGCOM provide a closer alignment with LOGCOM's primary customers: the Marine Corps Acquisition Community and the Warfighters. This change in direction enhances LOGCOM's ability to sense and respond to emerging requirements. While Marine Corps Systems Command (MCSC) is equipping the warfighter, LOGCOM is ensuring sustainment through end-to-end logistics chain management. MCLOGSS is a new approach being taken by LOGCOM to satisfy the LOGCOM's refocused mission.

As of the date of this document, MCSC has executed numerous Urgent Universal Needs Statements (UUNs) in support of OCOs. Of these, 48 have been selected to become programs of record, which means they will be transitioning to LOGCOM for sustainment support. Requisitions have been received by LOGCOM for 15-20 of these. In fact, as of

March 2009, 41% of net new orders have been for items new to the supply system, coming from UUNs and expiring Contractor Logistics Support (CLS) contracts. While this reflects parts, there is every reason to expect similar increases in the service arena.

SCOPE OF WORK

The Scope of Work is divided into ten individual Task Areas that define functional and programmatic services that may be required by the following LOGCOM activities and their customers: Logistics Capabilities Center (LCC); Program Support Center (PSC); Supply Management Center (SMC); Maintenance Management Center (MMC); Distribution Management Center (DMC); Logistics Operations Center (LOG) and staff elements. Location of services is worldwide with predominance at LOGCOM's Maintenance Center Albany, Maintenance Center Barstow, and the Marine Corps Blount Island Command (BIC) or LOGCOM Forward (currently Iraq and Afghanistan). Services could also be required at other Marine Corps locations as required within the Continental United States (CONUS) or Outside the Continental United States (OCONUS). The proposed vehicle will be a performance based contract with specific requirements and standards of performance provided in each task order. The proposed period of performance will be a traditional base year with four one year options that may be exercised unilaterally by LOGCOM for a potential total five year contract award, ordering period. A brief summary of the services for each task area is provided below:

Task Area 1: Program Management Support, provides program management and operational support from a strategic level to include development of operational plans, implementation of procedures and program coordination.

Task Area 2: Quality Assurance Support provides management review and evaluation support in the form of quality assurance, performance audits, and financial statement audits, to determine program efficacy.

Task Area 3: Information/Technology (IT) Support for Daily Operation of Logistic Systems/Requirements, provides support to plan, design, provide, manage, operate and maintain reliable and efficient systems, equipment, facilities and logistics infrastructures in order to improve equipment and logistics performance, and reduce life cycle costs for systems currently in place. See following NOTE.

NOTE: In accordance with SECNAVINST 5400.15C, "Department of the Navy Research, Development and Acquisition, and Associated Life-Cycle Management Responsibilities", it is the responsibility of MCSC which establishes that the Commanders of Navy and Marine Corps Systems Commands will act for and

exercise the authority of the Navy Acquisition Executive to directly supervise management of assigned programs, maintaining oversight of cost, schedule, and performance, and will report directly to the ASN (RDA) for all matters pertaining to research, development and acquisition. The execution of their non-development, non-acquisition logistics and operating forces support responsibilities of the MCSC charter. In the past, the Contracts Department has executed requirements with research and development funding through LOGCOM's Program Support Center at the request of MCSC; therefore, this contract vehicle may be utilized for systems or software development of new research and development IT systems under this Task Area. In such cases, the Contracting Officer will ensure use of the proper type of funding for the task.

Task Area 4: Information/Technology Specialized Support provides IT services across the entire system development life cycle for a wide variety of information systems, using a variety of software applications, database management systems, and languages involving many computer environments and operating systems. See NOTE above.

Task Area 5: Training Support, provides logistical training support in system operations (other than information technology systems which are provided for under task area 3) and program instruction, including applied exercises resulting in the attainment and retention of knowledge, skills, and abilities regarding logistical platforms, systems, and war fighting capabilities they maintain. If military training videos will be required, the appropriate approvals will be gathered from Joint Combat Camera (COMCAM) in accordance with DODINST 5040.4, 6 Jun 2006.

Task Area 6: Program Support, provides technical and functional program support, and acquisition logistics and integrated logistics support disciplines to include: deployment logistics support; deployment asset visibility; ashore and afloat brigade inspection readiness; maintenance management; acquisition logistics; global pre-positioned stocks software database; and, program/project management support.

Task Area 7: Transportation/Supply Support, provides support in logistics support planning; inventory and property planning; movement, storage and accountability; and logistics systems to permit rapid deployment and management of supplies and equipment. The proposed contract vehicle would not provide shipping services, but instead distribution services in accordance with Marine Corps Order 4470.1 (Oct 2007), "Marine Air Ground Task Force (MAGTF) Deployment and Distribution Policy" (MDDP).

Task Area 8: Support to LOGCOM Centers and subordinate commands in Maintenance Planning, provides logistics maintenance support for the Garrison-level Directorates of LOGCOM (DOL) in support of CONUS and OCONUS units/activities. Support areas include: Contractor Maintenance Teams (CMT) to accomplish operator and unit level maintenance; Mobile Training Teams (MTT); Logistics Evaluation & Assistances Teams (LEAT); property recovery and re-utilization operations; property disposal management; training equipment sets; DOL plans and operations, supply, maintenance and transportation; and, DOL logistics management. This task area also includes kitting and parts assembly support, which provides support to develop, acquire, manage, pack, ship, and store repair parts and kits to use in component repair and unit organic or other government maintenance programs in the accomplishment of unit level through general support/depot level maintenance, modification and/or rebuild. Total cost of parts will be limited to the actual cost of the kitting and/or parts plus material handling.

Task Area 9: Maintenance Support provides logistics maintenance in support of CONUS and OCONUS units/activities. Support includes: mobile utility support equipment operation, maintenance and repair; establishment and sustainment of deployment logistics operations/sites; equipment asset management and maintenance; maintenance planning; property management and maintenance; strategic account management; project management, integrated facility management, and operations; maintenance and repair project management; integrated facility management; development logistics support; and, development asset visibility.

Task Area 10: Technical Data Development Support includes services to develop repair manuals, maintenance manuals, user manuals, and other documents to support the LOGCOM system.

FUNDING

The MCLOGSS funding covers Navy Working Capital funds (NWCF) in support of the Maintenance Centers, Albany, GA and Barstow, CA, R&D funds in support of our Program Support Center (as directed by MCSC), and Operations and Maintenance (O&M) funds. R&D funding will only be used, if MCSC requests contractual support under one of the task areas. Fund obligations will be at the task order level as provided by each individual LOGCOM customer. NWCF rolls over and must be obligated within three years while O&M must be obligated within the fiscal year in which funds are committed. Either funding will be appropriate for use in support of

the LOGCOM MCLOGSS contract. The LOGCOM Comptroller has agreed to provide a minimum task order guaranteed funded amount of \$10,000 per contract.

PERFORMANCE REQUIREMENT SUMMARY

Performance Objective	Performance Standard	Acceptable Quality Level	Surveillance Method	Incentive
(What we want to accomplish as the end result)	(The benchmark against which performance will be measured)	(Acceptable variations from the standard)	(How performance will be checked)	(Positive reward or negative penalty applied based on performance)
Accomplishment of Socio-Economic Goals	Small business goals in this AS/AP	Accomplish 85% of the goal	Contractor semi-annual reporting in ESRS	-Option Exercise - Positive CPARS rating
Client Satisfaction	Client satisfaction > satisfied	Client satisfaction = satisfied	Client Surveys on a semi-annual basis	-Option Exercise - Positive CPARS rating
Control Costs (CPFF only)	100% of all orders awarded are completed within obligated funding	95% of all orders awarded are completed within obligated	Calculation of "burn rate" on a semi-annual basis (COR reporting)	-Option Exercise - Positive CPARS rating
Schedule	On-time performance completion 100% of time	On-time performance completion 95% of time	COR performance appraisal/reporting	-Option Exercise - Positive CPARS rating

CONTRACTOR QUALITY CONTROL PROGRAM: Quality Assurance Surveillance Plans (QASPs) will be required for each task order. The plans recognize the responsibility of the contractor (see FAR 46.105) to carry out its quality control obligations and will contain measurable inspection and acceptance criteria corresponding to the performance standards contained in the Performance Work Statement for each task order. At a minimum, the Quality Control Plan shall include the following:

- A description of the inspection system to cover all services listed on the Task Areas identified above. Further refinement of the QCP will be required at the Task Order level to address specifics as to the areas to be inspected on both a scheduled and unscheduled basis and frequency of these inspections.

- A description of follow-up procedures to ensure that efficiencies are corrected, and the time frames involved in correcting these deficiencies.
- A description of the records to be kept to document inspections and corrective or preventive actions taken.
- The records of inspections shall be kept and made available to the Government, when requested, throughout the performance period, and for the period after completion, until final settlement of any claims under this contract.
- A reporting system that captures the Contractor's technical performance under each Task Order in accordance with the standards set forth in the Performance Requirements Summary of each Task Order.

PERFORMANCE PLAN:

The management approach will also incorporate a Contracting Officer's Representative (COR) for each contract and Technical Assistants (TAs) for each task order. TAs will be appointed for surveillance of task orders over the life the Program. The TAs will use the measures and standards set forth in Performance Requirements Summaries and Quality Assurance Surveillance Plans established at the task order level to assess contractor performance. CORs will be appointed prior to basic contract award. In addition, prior to the delegation of COR authority, ordering officers will be required to document evidence of required training and applicable experience in their task order files.

CORs will establish a file for each contract assigned. They must include a copy of the contracting officer's letter of designation and other documentation describing the COR's duties and responsibilities. In addition, the file must document any actions taken in accordance with the designation letter and execution of the QASP with results of reviews.

SOCIO-ECONOMIC GOALS: Data will be collected on a semi-annual basis that illustrates whether small business primes are complying with the goals established in their Small Business Subcontracting Plans. The metric to measure socio-economic goals will be called "Accomplishment of Socio Economic Goals." The goal of this metric will be that the contractor achieves the DOD small business subcontracting goals in paragraph 2.d. The acceptable quality level will be accomplishment of 85% of the goal.

Another metric to measure socio economic goals is whether small business primes are complying with FAR 52.219-14 (Limitation on Subcontracting). The goal of this metric will be that less than 50 percent of the cost of contract performance incurred for personnel is expended for employees of other than the small business prime contractor. Assessment of meeting this target will be assessed annually.

CLIENT SATISFACTION: The success of a program is directly tied to the perceptions of those that use the services of the program. Surveys will be created and administered on

a semi annual basis seeking feedback from ordering offices and requirements organizations that obtain support under this program. The metric to measure this will be called "Client Satisfaction." The goal of this metric will be that customers responding to the surveys will be satisfied or greater than satisfied. Feedback will also be obtained via a separate Interactive Customer Evaluation survey program.

COST: The success of any program has a direct reflection on the cost of executing services. Data will be collected on a semi-annual basis that will provide visibility under each cost type task order as to the ability to complete the required services within the obligated funding. The metric will be entitled, "Cost control." The goal of the metric will be that 100 percent of task orders provide required services within the original funded/awarded amount.

SCHEDULE: A portion of CPARS ratings comes from the contractor's on-time completion of services performed in accordance with the date specified in the task order. Data will be gathered from the COR at completion of each task order. The goal of this metric will be that task orders are completed by the requested completion date 100% of the time.

RISK MANAGEMENT

Historically, there has been adequate competition on prior logistic and maintenance support actions by LOGCOM. Through the issuance of multiple contract awards including FFP, T & M/LH and CPFF, risks associated with cost, technical, performance and schedule can be managed and minimized by using the contract type that appropriately allocates the risk of performance vice cost risk between the government and the contractor. Technical risks can create additional costs, schedule and performance risks that can impact the other risk factors. Multiple contract award instruments provide the program with the greatest contract flexibility to mitigate and moderate the program risks.

SCHEDULE RISK: Schedule risk is considered low to moderate. In terms of the risk that contractors will not be able to meet MCLOGSS requirements, schedules, based on previous procurement history conducted by the Army through their logistical support service suite of contracts and past Marine Corps use of various General Services Administration schedules reflect a wide range of contractors having the capability of fulfilling LOGCOM's support service requirements within the desired/required performance schedules. Contractors' proper use of manpower to accomplish tasks without over or under-utilizing employees will be part of the Quality Control sub factor in source selection to mitigate schedule risks.

There is schedule risk in awarding this contract in a timely manner, which could cause gaps in coverage for existing contracts. To mitigate this risk, LOGCOM will work closely with HQMC LB in the review of documents and will keep the current PCOs well informed of progress so that they may take necessary action to provide continued contractual coverage.

COST RISK: Cost risks are deemed to be low to moderate. The requirements to be satisfied are typically recurring in nature. Existing labor pools of experienced and well-qualified personnel exist at many of the locations to be supported under this program with well-established pricing history. The price of labor has been very predictable and is expected to continue to be so. For example, the maintenance tasks are supported with employees covered by the Service Contract Act.

New requirements, support to remote locations or changes in locations present a moderate degree of cost risk when new sources of labor must be identified, or when the effort requires support to OCONUS or war hazard locations. These risks are generally overcome by prudent selection of contract types and business arrangements that incorporate cost risk mitigation methods. Risks attributable to new requirements or changes in locations are mitigated over time due to the learning curve and through competitive selection of contractors with experience and proven past performance.

Cost risks attributable to materials are low as materials are likely available in the Marine Corps supply system and will be made available to successful contractors as Government-furnished supplies. Occasionally, the lack of availability of parts in the Marine Corps supply system may impact costs when commercial sources must be utilized. Risks associated with acquisition by commercial sources have historically been mitigated by prime contractors teaming with Original Equipment Manufacturers (OEMs). Also, the material handling fee to be charged will be evaluated as part of the price/cost analysis. As stated in paragraph 1.3 (regarding Task Area 8), total cost of parts will be limited to the actual cost of the kitting and/or parts plus material handling. The total cost of kitting/parts shall not be greater than 49% of the total task order.

Depot level maintenance work to be accomplished may vary depending upon point in time, geography, sea or land, adequacy of environmental controls, transportation, existing production schedule, equipment rotation and maintenance schedules. Contract emphasis on ISO procedures and Lean/Six Sigma (continuous process improvements) will drive costs down and enable dollars to be diverted to cover any increased contingency incurred in maintenance costs.

PERFORMANCE RISK: Performance Risk is considered to be low to moderate. The majority of the work to be performed will be either maintenance or logistics support services. The nature of the work tends to be fairly repetitive and routine. The only real

risk is obtaining sufficient qualified personnel to do the work. There are large numbers of qualified personnel available to perform the work. Many of these individuals are already working under contract now, and more will be continuously available as civilians and military retire. Thus, there is little expectation that the performance risks for most of the work will be other than low. Also, much of the maintenance work being performed at the maintenance centers uses established processes and has adequate control.

The only area of moderate risk is in the OCONUS work, particularly work to be performed during war or a contingency. To date, there has been no difficulty finding qualified contractors willing to take that kind of risk and work in-theatre. In the current economy, that is proving to be even more the case.

RISK MITIGATION PLAN: To mitigate any risk, the proper contract type will be used to allow flexibilities. In addition, it is anticipated that contractors will propose increased benefits for hardship in hazardous areas, limited to the restrictions in State Department regulations. The basic contracts will include all necessary clauses from DFARS 225 and the HQMC policy letter on contractors accompanying the force, as updated on the CENTCOM webpage at <http://www2.centcom.mil/sites/contracts/Pages/Default.aspx>. Services which have been declared so essential that they must continue during a crisis situation will be identified at the task order level. A separate section, paragraph, line, or other designation in the contract for these essential services will be created so they can be tracked to an option or separate contract line item within the task order.

IDIQ Contract Management

A. All services acquired under IDIQ Multiple Award Contracts (MACs) are provided through award of task orders (TOs) or delivery orders (DOs), FAR 15.505(b) and DFARS 216-505-70 provide general guidance on issuing orders. The following are procedures for issuing a competitive multiple award task or delivery orders:

1. Identify Requirement – The Contracting Officer must provide each awardee a fair opportunity to be considered for each order exceeding \$3,000 issued under multiple delivery order contracts or multiple task order contracts. For exception to the fair opportunity process, see CMP 5.4.1.1.
2. Document Fair Opportunity Exception

- a. If using an exception to fair opportunity requirements, the following procedures shall be followed:
 - i. Requests for exceptions to fair opportunity must be documented in writing. If the Project Officer initiates the request, it is recommended the format outlined in the Fair Opportunity Exception Request Template be used.
 - ii. The Contracting officer shall identify the basis for using a fair opportunity exception.
 - b. For Mac orders exceeding \$100,000 that do not provide fair opportunity, the Contracting Officer must execute a justification that is prepared and approved in accordance with FAR 8.405-6(c) and includes a written determination that one of the DFARS 216-505-70(b) exception applies.
 - c. For orders above the micro-purchase threshold and at or below \$100,000, the Contracting Officer must document the circumstances of the restricted competition, as required by MAPS 8.405-6(b), the Justification and Approval (Sole Source) for Simplified Acquisitions Template.
3. Issue Task Order Request (TOR) – The PWS, CDRL and Q&A document are attached to the TOR and sent out to each MAC Contractor electronically within the Suite where the Task Order will be competed (may be sent via e-mail).
 4. Receive and Evaluate Quote/Offer – The Contracting Officer will coordinate a technical evaluation of the offers and the Project Officer will then submit a subsequent technical award recommendation to the Contracting Officer for final evaluation of technical and other factors.
 5. Award – The TO or DO is prepared and awarded on DD Form 1155 order for Supplies or Services of SF 1449 Solicitation/Contract/Order for Commercial items in the Standard Procurement System (SPS).
 6. Provide Award Notification – The Contracting Officer Provides notification of award to all offerors, which includes the name of the awardee and price. Debriefs are also considered at this time (not mandatory).
 7. Ombudsman – DOs/TOs under MACs require an ombudsman per FAR16.504(4)(v). The Ombudsman reviews complaints from Contractors and ensures all Contractors are afforded a fair opportunity to be considered, consistent with the procedures in the contract. The Ombudsman must be a senior agency official who is independent of the Contracting Officer and may be the Agency's Competition Advocate (see FAR 16.505). For the MCFCS, the Ombudsman is the ADC I&L (Contracts per).

5.4.1.1 Fair Opportunity Contract Management Processing Guide (CMPG) Delivery Orders/Task Orders under Multiple Award Contracts Modified to LOGCOM, Contracts Department, Special Projects Support Division and MCLOGSS Contracting Branch Procuring Contracting Officer's Mutual Consent for Standard Operating Procedures.

A. Each awardee of a multiple-award IDIQ contract must be given a fair opportunity to be considered for each order exceeding \$3,000 (see FAR 16.505(b)(1)). A fair opportunity occurs when the Government places orders on a competitive basis. An order exceeding \$100,000 is considered to be placed on a competitive basis only if the Contracting Officer does the following:

1. Provides a fair notice of the intent to make the purchase, including a description of the supplies to be delivered or the services to be performed and the basis upon which the Contracting officer will make the selection, to all Contractors offering the required supplies or services under the multiple award contracts.
2. Affords all Contractors responding to the notice a fair opportunity to submit an offer and have that offer fairly considered.

B. The Contracting Officer should consider the following factors when developing procedures that will provide offerors a fair opportunity to be considered for each order: past performance on earlier orders, potential impact on other orders placed with the Contractor, minimum order requirements, amount of time Contractors need to make informed business decisions on whether to respond to potential orders and whether Contractors could be encouraged to respond to potential orders by outreach efforts to promote exchanges of information.

C. Price/Cost must be considered under each order as one of the factors in the selection decision. Past performance under prior orders may also be considered. The Contracting Officer must document in the contract file the rationale for placement and price of each order, including the basis for the award and the rationale for any tradeoffs among cost/price and non-cost considerations in making the award decision.

D. Note that the Armed Services Board of Contract Appeals (ASBCA) recently held that, where a contract states that each multiple-award IDIQ Contractor would have a fair opportunity to compete for delivery/task orders, it has jurisdiction to determine whether the Contracting Officer considered the Contractor fairly for task orders. In contrast, the issuance, or proposed issuance, of an order under a single award DO/TO contract is not

protestable at GAO, unless the protest is made on grounds that the order increased the scope, period, or maximum value of the contract. However, it should be noted that current regulations state that there is a preference for issuing multiple award IDIQ contracts and that the Contracting Officer must document a decision NOT to make multiple awards; it is not sufficient to determine that multiple awards are not viable simply to avoid the possibility of protest on DO/TO awards.

E. Exceptions – Exceptions to the fair opportunity process include the following (see FAR16.505(b)(2) and DFARS PG1 216.505-70):

a. The agency need for the supplies/services is so urgent that providing a fair opportunity would result in unacceptable delays.

b. Only one awardee is capable of providing the supplies/services required at the level of quality required because the supplies/services ordered are unique or highly specialized. Use of this exception should be rare. Its use is appropriate when no other Contractor is capable of providing a supply or service of a comparable nature; and no other type of supplies or services will satisfy agency requirements. When using this exception, explain what is unique or highly specialized about the supply of service and only the specified Contractor can meet the requirement.

c. The order must be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to an order already issued under the contract (provided that all awardees were given a fair opportunity to be considered for the original order). A follow-on order is a new procurement placed with a particular Contractor to continue or augment a specific program or service. When using this exception, the justification should discuss why the specific requirement continues and why it is to the benefit of the Government for the particular Contractor to continue this work (see FAR16.505(b)(4)).

Examples include:

- i. Award to any other source would likely result in substantial duplication of cost to the Government that is not expected to be recovered through competition;
- ii. Award of the order to a different source would cause unacceptable delays in fulfilling the Government's requirements (lack of advance planning is not valid rationale);or
- iii. A Contractor is already at work on a site, and it would not be practical to allow another Contractor to work on the same site.

When using the logical follow-on exception, the Contracting Officer must specify how recent the previous competitive order was and the number of times this exception has been used; discuss why the specific requirement continues; and discuss why it would be of benefit to the Government for the specified Contractor to continue this work.

d. It is necessary to place an order to satisfy a minimum guarantee.

CONTRACTING OFFICER REPRESENTATIVE (COR)

a. CORs are qualified individuals appointed by the Contracting officer (KO) to assist in the technical monitoring or administration of a contract.

b. CORs should be identified by the requiring activity at the time the procurement package is received by the KO. By using the term “identified,” this does not mean just telling us the COR’s name, the nomination must include the nominee’s qualifications. Actually, it is highly recommended that the COR actually be involved in the acquisition process, i.e., assisting in the development of the technical requirements, the quality assurance plan, and any other pre-award activities. This ensures that the COR is extremely familiar with the requirements of the contract.

c. Not everyone can be a COR. CORs must possess the necessary qualifications (training) and experience commensurate with the responsibilities delegated to them. As far as training, the COR should have successfully completed the formal COR course sponsored by the Army Logistic Management College or an equivalent. A possible equivalent is the new internet-based COR course developed by the Federal Acquisition Institute. This course encourages self-development by CORs and is available at “<http://www.faionline.com>”.

Selection, Appointment, & Termination

a. A COR is selected/nominated by the requiring activity and then formally appointed to the contract by the KO. Prior to the formal appointment, the KO has to consider the ability, training, and experience of COR designees and shall assure that designees are appropriately qualified to act as their authorized representatives. All CORs should complete the ALMC training or equivalent (FAI internet-based course) prior to being issued a letter of appointment.

b. Each designation of a COR shall be in writing (by name and position title) and clearly define the scope and limitations of the COR's authority. Appointment letters, at a minimum, include the following:

- (1) The Name, including rank or grade, and full mailing address of the COR;
- (2) The extent of the COR's authority to act on behalf of the contracting officer;
- (3) The limitations on the COR's authority;
- (4) The period covered by the designation;
- (5) Statement that the authority is not delegable; and
- (6) Statement that the COR may be personally liable for unauthorized acts.

c. Both the COR and the contractor are required to acknowledge receipt of the appointment letter by signing in the designated block and returning the duplicate copy to the KO for retention in the contract file. The original shall be retained by the COR and a copy shall be retained by the contractor for inclusion in their respective files. In addition, a copy of each appointment letter needs to be forwarded to the applicable payment office(s) when the COR is authorized to certify invoices for payment (this copy shall be annotated with the COR address and telephone number if this information is not readily apparent in the letter). If any changes to the scope and limitation of the COR's authority occur during the life of the contract, you have to either issue a new designation letter or simply amend the existing appointment letter. If one COR is to act for the KO on more than one contract and the scope and limitations of authority are the same for all contracts, then one designation may be issued which references each contract under the designation.

d. The designation of a COR remains in effect throughout the life of the contract unless sooner revoked by the KO; automatically revoked upon separation of the COR from Government service; or COR reassignment. The KO needs to stress to the COR's supervisor that they be notified immediately in writing if the appointed COR is transferred, reassigned, will be absent for an extended period, or is otherwise unable to fulfill the responsibilities of the position. Termination of a COR follows the same procedures as appointing a COR, it is accomplished by formal letter forwarded to the applicable parties, and receipt acknowledged.

Responsibilities

KO's responsibilities include:

(1) In addition to the formal training courses indicated above, at the time of appointment the KO should also provide the COR with additional instructions unique to the assigned contract. This should include a review of duties, authority limitations, form completion, and reporting requirements. The COR should be instructed to: read and maintain a copy of the contract together with contract modifications which may be issued; become thoroughly familiar with the terms and conditions of the contract to assure compliance with the provisions contained therein; and promptly inform the KO of any delay in the progress of work or any problem encountered that may require a contract modification or other administrative action.

(2) The KO also has to monitor COR performance. This is primarily accomplished by reviewing COR files on a quarterly basis to ensure the COR is performing satisfactorily. These evaluations are not only a tool to monitor performance, but, they also document performance of the COR, provide valuable feedback to the COR, and provide performance appraisal input to the COR's supervisor (you must ensure the evaluations are forwarded, through the appropriate chain of command, to the COR and his supervisor.) The KO maintains an activity file on each COR as a part of the contract file. The contents of the activity file include, but are not limited to: a copy of the COR's letter of appointment; examples of in-depth reviews of the COR's performance with appropriate identification of the work performed, as well as the formal COR evaluations; and documentation by the KO of the date, substance, and extent of the reviews conducted.

COR's responsibilities include:

(1) Responsibilities of the COR 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 unique to that contract. Normally, a COR has the responsibility/authority to monitor all aspects of the day-to-day administration of a contract except issues that deal with "time and money". Formally said, a COR does not have the authority to make any commitments or changes that affect price, quality, quantity, delivery, or other terms and conditions of the contract. Specifically, they cannot do any of the following: make any agreement with the contractor requiring the obligation of public funds (they cannot sign any contract, including delivery orders, purchase orders, or modify a contract, or in any way obligate payment of funds by the Government); encourage the contractor by words, actions, or a failure to act to undertake new work or an extension of existing work beyond the contract period; interfere with the contractor's management prerogative by "supervising" contractor

employees or otherwise directing their work efforts; authorize a contractor to obtain property for use under a contract; allow government property accountable under one contract to be used in the performance of another contract; issue instructions to the contractor to start or stop work; order or accept goods or services not expressly required by the contract; and discuss acquisition plans or provide any advance information that might give one contractor an advantage over another contractor in forthcoming procurements.

(2) For a contract of any complexity, the COR have many duties, including the following:

(a) Monitoring the contractor's progress and performance, including the submission of required reports or other documentation. This includes verifying that the contractor has performed the technical and management requirements of the contract in accordance with the contract terms, conditions, and specifications. The COR shall provide written notification to the KO when the contractual requirements have been fulfilled and are technically acceptable. The COR shall also notify the KO in writing of unsatisfactory performance and/or deficiencies. Included in the notification should be the recommend remedial action.

(b) Perform, or cause to be performed, all necessary inspections, including documenting the inspection and submitting to the KO, as required, a report concerning performances of services rendered under the contract.

(c) Verify that the contractor has corrected all correctable deficiencies.

(d) Perform acceptance for the government of supplies and services received, including certifying receipt of supplies/services

(e) Maintain liaison and direct communications with both the contractor and the contracting officer.

(f) Recommend to the KO contract modifications and termination actions.

(g) Assist in meeting the Government's contractual obligations to the contractor.

This includes, but is not limited to, arranging to supply Government furnished equipment, facilities, and services called for in the contract and providing timely Government comment on, or inspection/acceptance of, draft/final contract deliverables if required by the contracting officer or contract.

(h) Provide technical interpretation of the requirements. As previously discussed, the COR must have a thorough understanding of the requirements of the contract. It may become necessary to provide technical interpretation to the contractor for some portion of the work. Any technical assistance given to the contractor by the COR should be documented in the contract file. For significant matters, the information should be provided to the contractor in writing. The COR shall notify the KO immediately whenever the contractor disagrees with or refuses to comply with any technical aspects of the contract as interpreted by the COR.

(i) Perform, or cause to be performed, property surveillance. The property administrator sometimes does this function

(j) Request deobligation of excess funds. The COR who is certifying receipt of supplies/services can compare expenditures with funds obligated on the contract. The procedure for requesting the deobligation of funds is to notify the KO by letter that there are excess funds on the contract.

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

(3) While the COR limitations can be simply stated in a letter, in the real world assuring that the COR does not exceed the authority granted is much more complex. In the course of performing COR responsibilities, situations may result in an implied change to the contract which, in turn, may impact the delivery schedule, funds, or other areas outside the authority of the COR. The example below illustrates that the COR may exceed the scope of their authority by inaction or improper action.

Example: An individual is designated as COR on a contract for the installation of equipment. The equipment is scheduled for delivery the next month. The COR sets up a COR file and places the file in the filing cabinet after noting the scheduled installation date on the calendar. The installation day arrives, and the contractor, as promised, arrives with the equipment. However, it cannot be installed because the COR did not insure that the Government had done its part by installing an electrical outlet and raised floors. By inaction, the COR has allowed a potential claim to be made for Government caused delay.

Documentation

a. A COR must maintain a file for each contract assigned. This file documents ALL actions taken in regard to the contract. It includes, as a minimum –

-A copy of the appointment letters from the contracting officer any correspondence from the contracting officer which amends the letter of appointment;

-A copy of the contract or appropriate part of the contract and all modifications;

-All correspondence initiated concerning performance of the contract;

-All correspondence to and from the contracting officer and the contractor;

-Record of all inspections performed and the results; and

-All memorandums for records (MFRs) or minutes of any pre-performance conferences, meetings, or discussions with the contractor, or others, pertaining to the contract or contract performance.

b. The importance of maintaining complete and orderly files cannot be overemphasized, and it is critical to transfer of responsibility if the COR is changed during the term of the contract. As a matter of practice, the COR holding discussions or conducting business with contractors shall prepare Memoranda for Record (MFRs) of meetings, trips, and telephone conversations relating to the contract. Each MFR, other similar records, and correspondence relating to the contract shall cite the contract number. A copy of all actions or correspondence shall be furnished to the contracting officer and all other interested parties having a need to know. Documents that may contain contractor proprietary data or other business sensitive information should not be released outside the Government without approval of the contracting officer.

c. Duplicate copies of file documents shall be destroyed as soon as they have served their purpose, but in no event shall such documents be retained for longer than 1 year after acceptance of the final deliverable under the contract.

d. Records pertinent to unsettled claims for or against the United States, open investigations, cases under litigation, or similar matters shall be preserved until final clearance or settlement of the matters even though retention of these records may exceed a period longer than 6 years and 3 months after final payment.

e. CORs shall forward any correspondence received from the contractor to the KO. Since the COR is an authorized representative of the contracting officer, the COR's records are a part of the official post award contract files and shall be forwarded to the KO for retirement with the official contract file upon completion of the contract. Documents that pertain to the contract shall be clearly identified when forwarded to the contracting officer.

Sample Appointment and Termination Letters

As indicated above, the KO formally appoints a COR in writing; Ensure you use official letterhead and follow standard procedures for correspondence. Address the designation to the individual by name, including rank or grade, and full mailing address.

a. Sample of Appointment letter.

Letterhead

Date

MEMORANDUM FOR: (name, including rank or grade, and full mailing address)

Subject: Designation of Contracting Officer's Representative (COR) for Contract
(Enter number).

1. Pursuant to DFARS 201.602-2 and AFARS 1.602-2-90, you are designated as the Contracting

Officer's Representative (COR) in administration of the following contract:

Contract Number:

For: (Enter item/system/services)

Contractor:

Contract Period:

2. You are authorized by this designation to take action with respect to the following:

a. Verify that the contractor performs the technical requirements of the contract IAW the contract terms, conditions and specifications. Specific emphasis should be placed on the quality provisions, for both adherences to the contract provisions and to the contractor's own quality control program.

b. Perform, or cause to be performed, inspections necessary in connection with paragraph 2a 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 communications with the contractor. Written communications with the contractor and other documents pertaining to the contract shall be signed as "Contracting Officer's Representative" and a copy shall be furnished to the contracting officer.

d. Monitor the contractor's performance; 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 monthly report concerning performance of services rendered under this contract.

e. Coordinate site entry for contractor personnel, and insure that any Government-furnished property is available when required.

3. You are not empowered to award, agree to or sign any contract (including delivery orders) or contract modification or in any way to obligate the payment of money by the Government. You may not take any action which may affect contract or delivery order schedules, funds or scope. The contracting officer shall make all contractual agreements, commitments or modifications that involve price, quantity, quality, delivery schedules or other terms and conditions of the contract. You may be personally liable for unauthorized acts. You may not re-delegate your COR authority.

4. This designation as a COR shall remain in effect through the life of the contract, unless sooner revoked in writing by the contracting officer or unless you are separated from Government service. If you are to be reassigned or to be separated from Government service, you shall notify the contracting officer sufficiently in advance of reassignment or separation to permit timely selection and designation of a successor COR. If your designation is revoked for any reason before completion of this contract, turn your records over to the successor COR or obtain disposition instructions from the contracting officer.

5. You are required to maintain adequate records to sufficiently describe the performance of your duties as a COR during the life of this contract and to dispose of such records as directed by the contracting officer. As a minimum, the COR file shall contain the following:

a. A copy of your letter of appointment from the contracting officer, a copy of any changes to that letter and a copy of any termination letter.

b. A copy of the contract or the appropriate part of the contract and all contract modifications.

c. A copy of the applicable quality assurance (QA) surveillance plan.

d. All correspondence initiated by authorized representatives concerning performance of the contract.

e. The names and position titles of individuals who serve on the contract administration team. The contracting officer must approve all those who serve on this team.

- f. A record of inspections performed and the results.
- g. Memoranda for record or minutes of any pre-performance conferences.
- h. Memoranda for record of minutes of any meetings and discussions with the contractor or others pertaining to the contract or contract performance.
- i. Applicable laboratory test reports.
- j. Records relating to the contractor's quality control system and plan and the results of the quality control effort.
- k. A copy of the surveillance schedule.
- l. Documentation pertaining to your acceptance of performance of services, including reports and other data.

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 interest, as well as maintain its reputation for fair and equal dealings with all contractors. DoD 5500.7-R sets forth standards of conduct for all personnel directly and indirectly involved in contracting.

7. A COR who may have direct or indirect financial interests which would place the COR in a position where there is a conflict between the COR's private interests and the public interests of the United States shall advise the supervisor and the contracting officer of the conflict so that appropriate actions may be taken. CORs shall avoid the appearance of a conflict of interests to maintain public confidence in the U.S. Government's conduct of business with the private sector.

8. You are required to acknowledge receipt of this designation on the duplicate copy and return it to the contracting officer. Your signature also serves as certification that you have read and understand the contents of DOD 5500.7-R. The original copy of this designation should be retained for your file.

Signature Block Of

Contracting Officer

Receipt of this designation is acknowledged.

Name: (Print or type) Signature:

Title: Date:

Rank/Grade: Telephone

b. Sample of Termination letter.

Letterhead

Date

MEMORANDUM FOR: (name, including rank or grade, and full mailing address)

Subject: Termination of Appointment as Contracting Officer's Representative (COR) for Contract (Enter number).

1. Your appointment as Contracting Officer's Representative contained in letter of appointment dated _____ is hereby terminated effective _____.

Date

/S/Contracting Officer

Receipt of this designation is acknowledged.

Name: (Print or type) Signature:

Title: Date:

Rank/Grade: Telephone

CONTRACT ADMINISTRATION AND OVERSIGHT

The LOGCOM Contracting Office will perform contract administration functions with the possible exception of efforts executed in contingency areas. Dependent upon the Regional Combatant Commander's direction and restrictions, in-theater contract administration may be delegated to a designated contract administration office or agency. The contracting officer will designate Contracting Officer Representatives (CORs). The CORs will be required to complete the DAU COR training prior to appointment.

In addition, surveillance of contractor performance at the task order level will be conducted by Technical Assistants (TA) working directly with the contractors on a daily

basis. The Technical Assistants will report their findings regarding inspections (in accordance with a quality assurance surveillance plan or QASP) to the Contracting Officer's Representative (COR). The COR at LOGCOM will report the contractor's performance to the Contracting Officer (KO). The KO will notify the contractor and correct any performance or billing issues. The contractor will also be responsible for providing task order level cost control reports on a monthly basis to the TA. These reports will include a breakdown of labor categories and hours worked, percentage of work completed vice percentage of ceiling reached and any problems that may arise. The TA will review the reports and forward any concerns to the COR, with copies to the KO, along with those concerns. This will ensure efficient methods and effective cost controls are being used.

MANAGEMENT OVERSIGHT APPROACH

The Program Management Team consists of a Program Manager from the Logistics Operations Directorate who will manage the program. The LOGCOM Contracting Office will provide formal contract administration vice DCMA because it is anticipated that the majority of contractor reporting performance will occur predominantly aboard the Marine Corps Logistics Command, Albany, Georgia or on other USMC facilities. In addition, DASN will have oversight of this requirement, and reporting of labor categories and hours will be required.

As required, when circumstances dictate, DCMA may be assigned task order administration and surveillance services. LOGCOM possesses Government personnel capable of technical surveillance to effectively provide contractual tracking and oversight capabilities in quality assurance; equipment; supply and inventory; maintenance; distribution; and specialists to engage in adequate quality assurance, inspection and acceptance, and logistics functional areas. Cost and production reports will be required monthly. CORs will provide contractor surveillance along with contractual tracking and oversight support to the Contracting Officer.

OVERSIGHT TRACKING PROCEDURES

Task orders will be awarded in accordance with FAR 16.505, Ordering and DFARS 216.5. The contracting officer in conjunction with the Program Manager will determine the nature of the requirement to select the task area that represents the preponderance of support and if the requirement falls within Task Area 3 (IT daily operations support), the requirement will be set-aside for 8(a) small business in the 8(a) Suite. If the requirement falls within Task Area 2 (Quality Assurance) or Task Area 8 (Support to LOGCOM Centers), the requirement will be set-aside for small business within the Restricted Suite.

The contracting officer must then determine the estimated value of the requirement based on an independent Government estimate. If the requirement is less than \$150,000, the requirement will also be set-aside for small business within the Restricted Suite. Should the requirement exceed \$150,000, market research will be performed and a determination whether the small business is capable will be made. If less than two small businesses are capable, the contracting officer will then solicit contractors within the Unrestricted Suite. Fair opportunity will be afforded to all contractors within the suite; unless one of the exceptions listed in FAR 16.505(b) (2) apply. All task orders will be executed as performance-based service acquisitions, unless approved by the designated authority as specified in NMCARS 5237.170-2(a). Task orders will be placed by LOGCOM only. Funding will be provided at the task order level and must be of the appropriate type for the services to be acquired. Further, the duration/period of performance of the task orders must be commensurate with the type of funding provided. The period of performance for the task order may be extended for one or more successive periods in accordance with DFARS 217.204 (e) (i) (B).

CONTRACTOR REQUIREMENTS

PERSONNEL: The contractor shall furnish adequate supervision, including a program manager and the labor necessary to perform all services in an orderly, timely, and efficient manner. The program manager shall have the authority to act on behalf of the contractor. The contractor shall utilize qualified and experienced employees capable of achieving the goals established in each task order. All personnel will maintain current qualifications and obtain any and all training required to meet mission requirements.

Contractor personnel are employees of the Contractor and under its administrative control and supervision. The Contractor through its personnel shall perform the tasks ordered herein. Contractor shall select, supervise, and exercise control and direction over his employees under this contract. The Government will not exercise any supervision or control over the Contractor's employees in their performance of contractual services under this contract. The Contractor will ensure that no prohibited personal services (as described in FAR 37.104) are performed under this contract.

CERTIFICATIONS: All firms supporting Task Areas 9 and 10 shall be ISO 9001:2000, or higher, registered. Small business prime contractors shall be registered within 24 months of contract award. Small business firms may be awarded task orders during this period. Companies shall be registered as ISO 9001:2000 by an independent third-party registrar that has been accredited by the ANSI-ASQ National Accreditation Board (ANAB).

GOVERNMENT FURNISHED PROPERTY (GFP): Government Furnished Property consists of all information, materials, equipment, property and facilities provided by the

Government. GFP will be specified in the individual task order. All GFP is the property of the U.S. Government and shall not be transferred to any individual, or agency, public or private without the express written approval of the Procuring Contracting Officer of the Task Order.

DEPLOYMENT: Deployable personnel shall meet the requirements as specified in DFARS 252.225-7040, Contractors Personnel Authorized to Accompany the U.S. Armed Forces Deployed outside the United States and/or Combatant Command(s) supplementary guidance located at <http://www.centcom.mil> as required. Insurance availability is contained in the Defense Base Act and the Longshoreman's and Harbor Workers Compensation Act administered by the Department of Labor. Contractor shall provide the PCO for the task order with an Emergency Roster of contact personnel for deployment purposes. Roster shall include name, position, telephone number, fax number, pager, secure telephone number.

Marine Corps Logistics Support Services (MCLOGSS) Modified Task Order Procedures



STEP ONE:

- Form the Team (WIPT). Assemble a cross-functional team with representation from key stakeholder groups (Requiring agency, Contract Specialist, Supporting SMEs. P&R).

STEP TWO:

- Submit Purchase Request, Establish the Business Strategy and Secure The Funding.

STEP THREE:

- Requirements Definition and Development, either SOO or PWS and COR determined.

STEP FOUR:

- Acquisition Strategy and Plan and Solicitation documents Developed. May be simplified based on \$\$

STEP FIVE:

- Approvals obtained, Solicitation performed, Evaluations conducted, Recommendations presented and Selection decision made. Funding documents submitted to contracts through PR Builder.

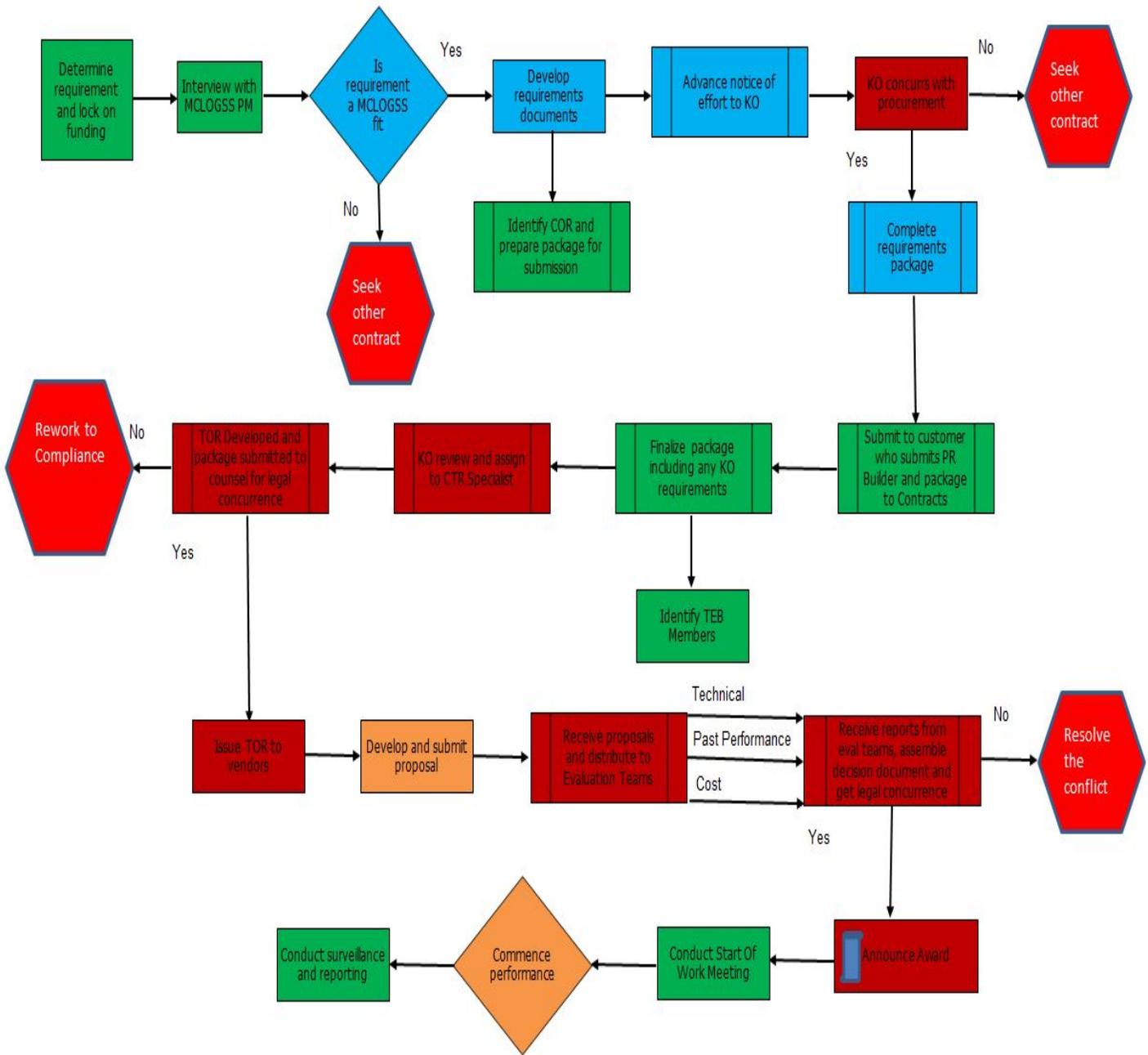
STEP Six:

- Contract award executed.

STEP Seven:

- Performance / Contract Management (Contract Oversight and Surveillance by ACO and COR). WAWF

- PM
- Customer
- Contracts
- Vendor



STEPS TO DEVELOP A PERFORMANCE WORK STATEMENT (PWS) OR STATEMENT OF OBJECTIVES (SOO) AND QUALITY ASSURANCE SURVEILLANCE PLAN (QASP)

- Step One: Define the desired outcomes
 - Ask: What is the end result that we hope will be achieved during performance of the contract activity?

- Step Two: Conduct a requirements analysis
 - Ask: What tasks must be performed to accomplish the desired outcomes?

- Step Three: Develop performance standards and acceptable quality levels (AQL's)
 - For each requirement, ask: What measures of quality, quantity and/or timeliness are appropriate and reasonable and, what tolerance or deviation (if any) from the performance standards should be permitted?

- Step Four: Identify contract monitoring methods and develop QASP
 - Ask: What method of surveillance or measurement will be used to determine whether or not identified performance standards and AQL's have been met?

- Step Five: Identify incentives and disincentives
 - Ask: What meaningful provisions should be included to provide the contractor with rewards for exceeding performance expectations or penalties for failure to meet AQL's.

Detailed guidance concerning each of these steps follows.

STEP ONE: DEFINE THE DESIRED OUTCOMES

The first and most essential step to developing a performance-based work statement is to define desired outcomes at the program (WBS Level 1) and task activity levels (WBS

Level 2). These definitions form the basis for developing meaningful performance standards, acceptable quality levels and incentives.

Recommended Steps:

- Assemble a cross-functional team with representation from key stakeholder groups (including the incumbent contractor in non-competitive situations involving issuance of task orders or conversion of existing work statements).
- Identify the principal agency program needs and business objectives to which the contractor's performance will contribute.
- For each major program area to be covered by the contract, determine the desired results.
- For each task area, determine the desired results.

Hints:

- Although each of the major contract outcomes should contribute to an overall program or business objective, contractors should only be held accountable for the services they are performing. While we would expect that successful contractor performance would enable agency employees to perform more efficiently and effectively, the contract should only contain outcomes for which the contractor could reasonably be held accountable.
- In defining outcomes and performance standards, try to avoid focusing on how the work will be performed unless law or regulation dictates certain steps.

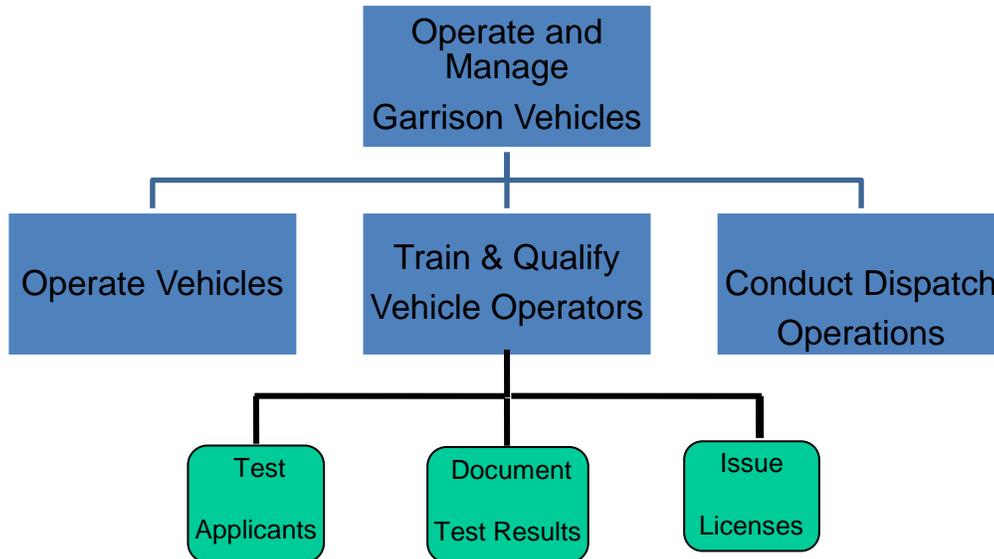
STEP TWO: CONDUCT A REQUIREMENTS ANALYSIS

Requirements analysis entails determining what the agency's needs are, and the type of services to be provided by a contractor. The identified services form the basis for establishing performance requirements and the associated Quality Assurance Surveillance Plan. To analyze the services effectively, the agency should break the work down to its lowest level and link the tasks in a logical flow. One way to accomplish this is by creating a Work Breakdown Structure (WBS), also called a tree diagram. This involves the following steps:

- Identify each task or sub-task
- Number each task and each sub-task as a sub-part of its parent task
- Use information to develop a cost estimate for each element of the project

- Decide which tasks will be contracted and which will be performed by the agency

WBS Tree Diagram



Although the analysis of the work is required at all task and sub-task levels, the Request for Proposals should ordinarily only describe the work for Levels I and II in results-oriented terms. The agency will then compare each contractor's approach to Level III to its own analysis and those of competing contractors in determining their ability to meet the performance standards of the PWS.

Checklist for finalizing the WBS

- Is the scope statement complete and accurate?
- Have all major phases of the effort been identified and each tied to achievement of project goals?
- Are all activities that must be completed identified in the WBS?
- Is each activity broken down into all tasks necessary for its completion?
- Is each task broken down into necessary sub-tasks?

- Have all data requirements (reports, software and other deliverables) been identified and associated with tasks?
- Has all property to be furnished to the contractor been identified?
- Has the workload, frequency and quantity of work to be performed been identified in sufficient detail for proposal preparation by prospective contractors?

SAMPLE OF AN OUTCOME BASED REQUIREMENT

The Contractor shall take the 20 systems now operating in the program organizations and provide for interoperability and reduced operational costs.

SAMPLE OF AN OUTCOME BASED TASK

Separate and disparate software programs shall be migrated to a single hardware platform, utilizing the agency's enterprise architecture standards and a front-end "wizard".

This method describes what the government wants to achieve from the contract and one of the tasks that are required to be performed to achieve it, not "How To Do It".

STEP THREE: DEVELOP PERFORMANCE STANDARDS AND ACCEPTABLE QUALITY LEVELS

Upon completion of the requirements analysis, the agency should develop a performance standard for each task and deliverable that reflects the criticality of the service and the minimum needs of the agency for the service.

Performance standards should:

- Be measurable or quantifiable
- Be clear and understandable
- Be realistically achievable
- Be true indicators of outcome or output
- Reflect the agency's actual needs
- Avoid prescribing how the contractor should perform the work

Performance standards typically address the following questions: What? How well? How many? When?

To avoid unnecessarily high contract costs, the agency should ensure that each standard is necessary, measurable and not unduly burdensome (either in terms of the costs of contractor performance or the costs of measuring performance). Therefore, the agency should establish an Acceptable Quality Level (AQL) for each performance standard that defines the degree to which the contractor's performance will be allowed to vary from the standard.

Example: Outcome desired by agency (WBS Level 1) Help Desk Support. Customers calling the Help Desk shall be able to contact a Support Staff member from 8:00 am to 5:00 pm local time, Monday through Friday.

Required	Standard	AQL	Monitoring	Incentives /
The help desk shall be adequately staffed, with a sufficient number of incoming lines to handle potential trouble calls.	Calls are answered on the customer's first attempt.	99% of calls are answered on the customer's first attempt.	Survey customers and evaluate feedback. Inspect call logs.(Trend analysis.)	+/- .5% of total monthly price.

Incentives / Disincentives are only used when Contracting Officer recommends their use in the contract.

STEP FOUR: IDENTIFY CONTRACT MONITORING METHODS

The Quality Assurance Surveillance Plan (QASP) describes how the agency will survey, observe, test, sample, evaluate and document the contractor's performance in meeting critical performance standards identified in the contract. The QASP and the performance requirements should be developed concurrently because of their influence on one another.

In developing the QASP, the agency should consider:

- The criticality of the process and its output
- How and how frequently performance should be monitored
- The cost to the agency to monitor each standard/AQL

The QASP should focus on the measurements inherent in the standards and AQL's, and not on the steps or procedures the contractor employs to provide the services.

Types of monitoring:

- Random sampling - Works best when the number of instances of services being performed is very large.
- 100% inspection - Use for written deliverables and stringent performance requirements (e.g. health and safety).
- Periodic inspection, judgmental inspection or planned sampling - For evaluation of tasks on other than 100% or random basis Customer feedback - Usually not a primary surveillance method but is valuable in support of more systematic method.

QUALITY ASSURANCE PLAN Contract No. xxxxxxxxx Seat Management Services

I. Objective: The purpose of this plan is to provide a Quality Assessment Process for seat management services performed at the Command NMCI Office. This plan provides a basis for the COR to evaluate the quality of the Contractor's performance. The oversight provided for in the contract and in this plan will help to ensure that service levels reach and maintain the required levels throughout the contract term. This plan provides the COR with a proactive way to avoid unacceptable or deficient performance, and provides verifiable input for the required annual past performance evaluations.

II. Performance Standards:

A. Quality Level: By monitoring the Contractor, the COR will determine whether the performance levels set forth in the contract have been attained. Quality and performance standards for all tasks are specified in the Performance Work Statement (PWS), Sections XX and XXX/

B. Frequency: Prior to contract award, the COR will evaluate the current levels of performance, according to the standards set forth in this contract. During performance of this contract, the COR will take periodic measurements and conduct surveillance as specified.

C. Management Responsiveness: The COR will determine whether the Contractor has managed the contract effectively and efficiently, with successful and timely response to help desk/service calls and any special requirements as specified in the quality standards set forth in Section XXX of the PWS. The COR will confirm whether the Contractor has satisfactorily met all reporting requirements, including subcontracting reports when applicable.

III. Evaluation Methods : The COR will conduct performance evaluations based upon Section II above and the required performance levels set forth in the contract. The following techniques will be used to perform surveillance:

A. Random Call Log Inspections. The COR will perform random checks of the call log at least once per week. Customers will be contacted for feedback on Contractor performance, and data will be collected as described in the contract. Any discrepancies noted in the call logs and customer feedback will be discussed with the Contractor as soon as practicable. Results of these meetings shall be documented by the COR, along with the COR's other findings.

B. Network Performance Report. The COR will review performance records of the networks to ensure that the required availability has been provided. Outages, repairs, resolutions, etc. shall be noted and availability calculated as stated in the contract.

STEP FIVE: IDENTIFY INCENTIVES AND DISINCENTIVES

After defining the performance requirement/AQL's and the Quality Assurance Surveillance Plan, the agency should decide the best ways of incentivizing performance. The incentives chosen should represent a judicious balance between the costs and value to the agency and attractiveness to the contractor. Incentives can be either positive or negative (disincentives) but the agency should assure that incentives do not conflict with one another. The decision on whether and how to Incentivize / Disincentivize is made through discussions between the requiring agency and the Contracting Officer.

Monetary incentives/disincentives for exceeding/failing to meet the AQL's include:

- Bonus payments
- Price/fee reductions – These should reflect the cost to the agency of non-performance
- Increased award fees on cost plus award fee contracts

Non-monetary incentives might include:

- Reduction in contract surveillance and/or reporting requirements
- Positive performance evaluation reports
- Additional performance periods (Award Term)

Although none of these “non-monetary” incentives involve the direct payment of additional funds for exceeding the performance standards, they all have monetary implications.

For example:

- If the contractor's reporting burden is reduced because of sustained superior performance in one or more areas, and a firm fixed price contract is used, the contractor's costs are reduced and profits increased.

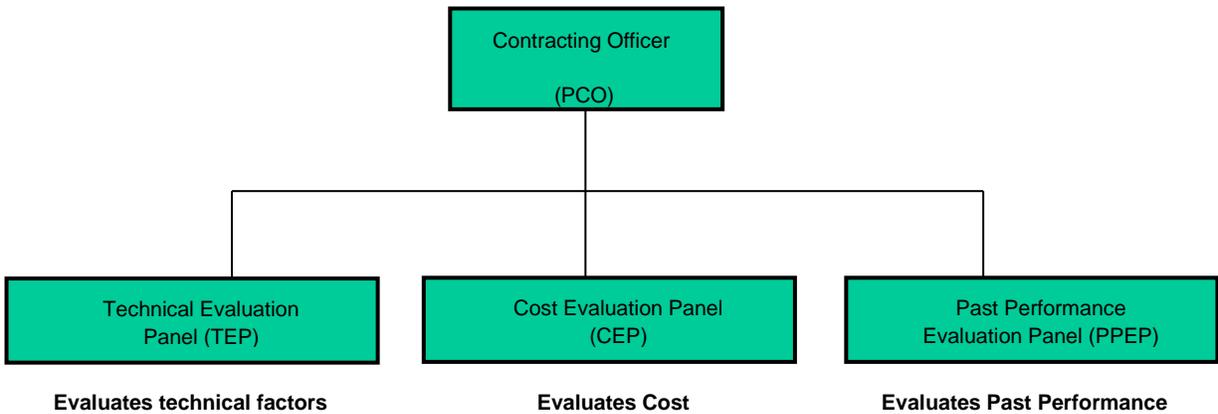
- Past performance has become an increasingly important evaluation factor that is used by government agencies as part of the proposal evaluation process. Therefore, an agency's evaluation of the contractor's performance on a contract can significantly impact prospects for new business.
- Many agencies use award term contracts to reward superior performance by extending the contract by one or more additional performance periods based upon a favorable performance evaluation of the most current performance period. Often, these contracts operate like cost plus award fee contracts with periodic performance evaluations and a unilateral award determination by the sponsoring agency.

Source Selection

Source Selection Participation

- Depending upon the size and scope of the Task Ordered through MCLOGSS, there may be a requirement to conduct a formal Source Selection.
- If so required, the requiring office or agency will be required to provide Subject Matter Experts to be voting members of the Technical Evaluation Panel during the Source Selection process.
- The Chair of the Source Selection Evaluation Board is charged with selecting, assigning and directing all members of the Technical Evaluation Panel.
- Additional Panels, i.e. Cost and Past Performance are normally performed by Contracts Personnel.
- Technical Evaluation Panels for Task Orders will be guided and controlled by the MCLOGSS Program Management Office to ensure compliance with regulations and expedite the Task Order process.

Makeup of Typical Technical Review Team



Cost and Scope of Task will be principal factors used by the PCO to determine Source Selection Strategy

Contract Administration / Management

What is it?

Contract administration embraces all those activities performed by government officials after award to ensure the performance and delivery of requirements within the terms of the contract. It encompasses all activity involving the government and the contractor from contract award until performance completion and contract closeout. Contract administration constitutes the management of the contract from both a contractual and technical standpoint to assure that the contractor delivers in accordance with the contract's terms. Therefore, it is incumbent upon the Program team to understand some of the common activities within contract administration and their role in this process.

Documenting Contractor Performance Assessments

Each performance assessment activity should be documented as it is conducted. This documentation constitutes an official record and may be considered past performance information. The people assessing performance (the COR) should use a checklist (derived from the QASP) to record their observations of the contractor's performance. ALL performance should be documented, whether it is acceptable or unacceptable in accordance with the Quality Assurance Surveillance Plan.

Quality Assurance Surveillance Plan

The document developed during the 7 Step Processes that defines the performance parameters the contractor must meet. The surveillance or measurements conducted according to this plan are documented, reported and maintained in official contract files.

Invoices

Must be validated monthly by the COR prior to the Authorizing Official approving the DD250 or other authorized document that is presented to Defense Finance and Accounting Office for payment. All documents submitted by the vendor, whether for payment, or a contract deliverable will submit through Wide Area Workflow. Subsequent approval of Invoices will also be done in Wide Area Workflow.

Funding Documents

All funding documents submitted for application to a contract or Task Order will be submitted through PR Builder.

MCLOGSS POINTS OF CONTACT

Position Title	Phone Number
Program Manager Tom Amburgey	229 639-8520
Program Analyst Scott Mabee	229 639-7528
Program Assistant Kelvin Collier	229 639-8478
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References and Websites

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<http://www.acq.osd.mil/ar/doc/ganslerpbsa.pdf>

Defense Acquisition Desk book

[Http://web2.deskbook.osd.mil/default.asp](http://web2.deskbook.osd.mil/default.asp)

Federal Acquisition Regulation (FAR)

<http://farsite.hill.af.mil/VFFAR1.HTM>

Air Force Contracting Toolkit on Services

<http://www.safaq.hq.af.mil/contracting/toolkit/part37>

Army Acquisition Web site

<http://acqnet.sarda.army.mil/>

Navy Acquisition Reform

<http://www.acq-ref.navy.mil/>

MARCORLOGCOM Contracts Dept.

<http://www.logcom.usmc.mil/contracts/>

SECNAVINST 5400.15C

<https://acc.dau.mil/CommunityBrowser.aspx?id=221645>

DODINST 5040.4

<https://www.dtic.mil/whs/directives/corres/pdf/504004p.pdf>

FASA

<http://www.dol.gov/oasam/regs/statutes/fasa1.htm>

FAR 16.505

WAWF -RA Resources

WAWF 3.07 Production Site:

<https://wawf.eb.mil>

WAWF Training Web Site:

<https://wawftraining.eb.mil> WAWF

Web Based Training (WBT)

<http://www.wawftraining.com>

DISA Ogden Help Desk

1-866-618-5988

FAR 37.104

<http://www.wood.army.mil/drm/caas/FAR%2037.104%20Personal%20Services%20Contracts.htm>

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DoD Guidance National Defense Authorization Act 2001 Requirement: Section 1008. Required the Secretary of Defense to ensure that any claim or payment under a DOD contract be submitted in electronic form. Further, Contracting officers, contract administrators, certifying officials, shall transmit the claim and any additional documentation to support the determination and payment of the claim to such other officer electronically.

