1. PURPOSE

This document provides SPAWAR policy on the acquisition of services which are not already covered under the DoD/DoN 5000 series documents.

The acquisition of services through any contract or task order awarded by an agency other than DoD requires approval.

Related guidance is available under CMPG section 1.2.1.3.1 Non-DoD Contracts.

2. POLICY

Funds sent outside the Command will need approval from the decision authorities listed in Approvals.

Decision authorities are responsible for maintaining records of service acquisitions forwarded to an agency of the Federal Government other than DoD for procurement (DFARS 237.170-2 and DFARS 217.78).

DoD Activities can still award task or delivery orders off GSA Schedule Contracts or GWACs without this separate approval, but still need to consider the need for an Acquisition Strategy and PBA Waiver.

3. RESPONSIBILITIES

3.1 Program Manager / Technical Code - Ensures service requirements placed outside DON have the proper Acquisition Strategy and PBA approvals.

3.2 Contracting Officer - Evaluates when a non-DoD contract for the acquisition is in the best interest of DoD. Maintains a record of service acquisitions forwarded outside DoD for procurement. These records should include, at a minimum: the type(s) of services required; estimated dollar value forwarded; the procuring activity; the type of contract; the contract number; and total contract value.

3.3 Acquisition Decision Authority
Maintains records of service acquisitions procured outside DoD for procurement. These records should include, at a minimum: the type(s) of services required; estimated dollar value forwarded; the procuring activity; the type of contract; the contract number; and total contract value.

4. PROCEDURE

1. See Responsibilities.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

5. APPROVALS

The table below identifies review and approval authorities (NMCARS 5237.170-2).

Threshold Value (x)	Review Authority	Approval Authority
$50M < x	PEO/SPAWAR 2.0	DASN(AP)*
$15M < x ≤ **$50M**	SPAWAR 2.0 Branch Head	SPAWAR 2.0
$5M < x ≤ **$15M**	PM/DPM	• SPAWAR Deputy CO • SPAWAR Director of Contracts • SPAWAR Director Installations & Logistics • SPAWAR CHENG • SPAWAR CIO • PEO(C4I and Space) • PEO(IT) • Commanding Officer/Executive Director at SSC San Diego, Charleston, Norfolk, and SITC New Orleans
x ≤ **$5M**	PM/DPM	PM/DPM

** All services acquisitions between $100 million and $250 million are designated as ASN(RDA) special interest items and are subject to ASN(RDA) review.*

6. TOOLBOX

1. DoD Guidebook for the Acquisition of Services – July 2011

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
August 2014	Content taken from Acquisition of Services SCPPM to create this more focused SCPPM. Updated format, reorganized content, and updated links.
March 2014	Last version created in old format. Latest change under this topic was to add ASN(RDA) note to Approval table.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

This document provides SPAWAR policy on the acquisition of services which are not already covered under the DoD/DoN 5000 series documents.

A Contract Term Length Waiver is used to request approval for a period of performance longer than the timespan prescribed.

Related guidance is available under CMPG section 1.2.2.2 Determine Duration.

2. POLICY

2.1 Period of Performance Standards
DON has established contract period of performance standards based on service portfolios. Service portfolios, based on groupings of Product Service Codes (PSCs), are detailed in the DPAP memo, "Taxonomy for the Acquisition of Services" (DFARS PGI 201.1). Check the Toolbox for additional resources.

2.2 Period of Performance
Unless otherwise approved via waiver, the total of basic and option years **shall not exceed 5 years** (see FAR 17.204(e) and (d)). *As of Feb 2014, Knowledge Based Service (KBS) contract term requirements have been removed from NMCARS.*

2.3 Waivers
Any extension of the period of performance described above must be accompanied by a waiver that analyzes individual requirements and determines appropriate term lengths. These should be supported by a sound business case addressing market, risk, and cost effectiveness. Additional factors to consider may include:

- Unique service/Sole source
- High solicitation costs
- Strategic requirement/relationship
- Ramp-up/infrastructure requirement
- Efficiencies available through long term contract
- Advantageous contract terms

3. RESPONSIBILITIES

3.1 Acquisition Team - Determines appropriate length of contract based on requirements; provides detailed information for the waiver.

3.2 Contracting Officer - Submits waiver to Approval Authority; sends approved waivers to SPAWAR Policy 2.3A3 for reporting purposes at hq_contracts_policy@navy.mil.

3.3 Approval Authority - Signs waiver, as appropriate.

3.4 SPAWAR Policy 2.3A3 - Collects waivers; reports to DON.

4. PROCEDURE

4.1 Acquisition Team completes waiver.

4.2 Contracting Officer sends completed waiver to the appropriate Approval Authority.

4.3 Approval Authority reviews the request for a waiver.

Waiver approved? If yes:

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4.4 Contracting Officer forwards waiver to SPAWAR Policy 2.3A3 - hq_contracts_policy@navy.mil.

4.5 SPAWAR Policy 2.3A3 reports to DON.

5. APPROVALS

Value *(x)*	Approval Authority
$100M < *x*	DASN(AP) Senior Services Manager. Email completed waiver to seniorservicesmanager.fct@navy.mil; use subject line "KBS Term Length Waiver Request."
$50M ≤ *x* ≤ **$100M**	SPAWAR 2.0 Director of Contracts
x < **$50M**	1. Chief of the Contracting Office (SSC CCO) 2. SPAWAR 2.0 Director of Contracts

6. TOOLBOX

1. Contract Term Length Waiver Template
2. Taxonomy for the Acquisition of Services - DPAP, Nov 2010
3. Product Service Code Manual - Aug 2011
4. Enhancing Competition for Service Contracts - ASN(RDA)(AP), Dec 2011

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
August 2014	Content taken from Acquisition of Services SCPPM to create this more focused Contract Term Length Waivers SCPPM. Updated content to reflect the removal of 3-year limit for KBS. Updated format, reorganized content, and updated links.
March 2014	Last version created in old format. Latest change under this topic was to add email address and subject line for DASN(AP) approvals.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

This document provides SPAWAR policy on the acquisition of services which are not already covered under the DoD/DON 5000 series documents.

Management and Oversight Process for the Acquisition of Services (MOPAS 2) describes the Acquisition Strategy (AS) requirements for service acquisitions over the simplified acquisition threshold (SAT).

Related guidance is available under CMPG 1.2.4.1 MOPAS 2 Acquisition Strategy.

2. POLICY

2.1 Oversight for all service acquisitions over $150,000

All service acquisitions over SAT (defined in FAR 2.101, currently $150K) shall comply with ASN(RDA) MOPAS 2 Memo AS content and oversight requirements for service acquisitions (NMCARS 5237.503). The memo enclosure, Management and Oversight Process for the Acquisition of Services, provides AS content requirements and approval authorities.

2.2 Data Collection and Reporting

Activities are responsible for collecting/recording data, by AS, to address the full value of the acquisition and the amount of services required.

2.2.1 FOR EACH CONTRACT OR TO/DO PLACED UNDER A MILITARY INTERDEPARTMENTAL PROCUREMENT REQUEST (MIPR):

1. Type and amounts (man hours) of services acquired.
2. Total estimated value(s) (base and option periods); track by actual and potential obligations.
3. The type of contract vehicle (i.e., fixed price/cost-type/T&M and rationale for selected contract type).
4. Whether contract action was:
   a. Performance-based contract; performance-based task order or other performance-based arrangement that contains firm fixed prices for the specific tasks to be performed;
   b. Any other performance-based contract/task order/other performance-based arrangement; or
   c. A contract/task order/other arrangement that is NOT performance-based.
5. The identity of the agency/office that placed the action.
6. The extent of competition received in placing the action (where practicable, include number of offerors).
7. Whether the contractor is:
   a. A large business;
   b. An educational or non-profit institution;
   c. A small business - include type of small business (i.e. small business, small-disadvantaged business; woman-owned business; HUB-zone, etc.) (FAR Part 19); or
   d. A required source of supply (FAR Part 8).

2.2.2 FOR MIPRS OR WORK ORDERS ISSUED THAT DID NOT RESULT IN CONTRACTING ACTIONS:

1. Supporting activity.
2. Types and amounts (man hours) of services provided.
3. Total estimated value(s) (base and options): Actual and potential obligations.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

2.3 Information Required in a MOPAS 2 Acquisition Strategy

MOPAS 2 AS Content Requirements provides a detailed description of all the information required on an Acquisition Strategy document. Each AS will address the following points:

1. Requirements Development and Management
2. Acquisition Planning
3. Solicitation and Contract Award
4. Risk Management
5. Performance Evaluation

2.4 Exceptions and Exclusions

- MOPAS 2 does not apply to major and non-major defense acquisition programs and major and non-major IT acquisition programs managed and reviewed under DoD/DoN 5000 series documents.
- The only contracted services excluded from reporting are construction and utilities.

3. Responsibilities

3.1 Program Manager/Technical Code

- Develops SOW/SOO and AS in close coordination with Contracting Officer;
- Ensures that the AS is prepared and reviewed by the proper authority; and
- Collects and maintains required acquisition of services data.

3.2 Contracting Officer

- Ensures an AS is drafted in coordination with PM/Technical Code and included in the PR package for service acquisitions over SAT.
- Ensures appropriate reviews and approvals are obtained, including OSBP.

3.3 Office of Small Business Programs (OSBP) - Reviews proposed acquisition strategy for small business opportunities and provides insight into small business program requirements.

3.4 Requirements Review Authority - Ensures requirements describe clear and well-defined performance outcomes.

3.5 AS Review Authority - Ensures the AS meets DON AS requirements.

4. Approvals

4.1 For Non-IT Services

Panned Value *(x)* or Type	Requirements Review	AS Review	Approval Authority
AT&L Special Interest	PEO/HCA	ASN(RDA)	**USD(AT&L)***
$1B < *x*, ASN(RDA) Special Interest	PEO/HCA	DASN(AP)	**ASN(RDA)***
$250M < *x* ≤ **$1B**	PEO/HCA, CoC at SSCs	HCA	**DASN(AP)**
$100M < *x* ≤ **$250M**, Special Interest Item	PEO/HCA	PEO/HCA**	**DASN(AP)*** **
$150K < *x* ≤ **$100M**	Originator/ Specialist	PM/PCO	**PEO** **2.0 Branch Head** **CoC at SSCs**

** Non-IT acquisitions over $1 Billion, notify OSD.*
*** All services acquisitions between $100M and $250 million are designated as ASN(RDA) special interest items and are subject to ASN(RDA) review; add signature line in AS where applicable.*
**** See Acquisition of Services memo in toolbox*

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4.2 For IT Services

Panned Value *(x)* or Type	Requirements Review	AS Review	Approval Authority
x > **$1B**	DASN(C4I and Space)	DASN(AP)	**ASD(NII)** **DoD CIO*** **DASN(C4I and Space)**
x > **$500M**	DASN(C4I and Space)	DASN(AP)	**ASN(RDA)***
$250M < *x* ≤ **$500M**, ASN(RDA) Special Interest	DASN(C4I and Space)	DASN(AP)	**DASN(C4I and Space)** **ASN(RDA)**
$100M < *x* ≤ **$250M**, Special Interest Item	PEO/HCA	PEO/HCA**	**DASN(AP)*** **
$150K < *x* ≤ **$100M**	Originator/ Specialist	PM/PCO	**PEO** **2.0 Branch Head** **CoC at SSCs**

** IT acquisitions over $500 Million, notify ASD (NII)/DoD CIO.*
*** All services acquisitions between $100M and $250M are designated as ASN(RDA) special interest items and are subject to ASN(RDA) review; add signature line in AS where applicable.*
**** See Acquisition of Services memo in toolbox*

5. Procedure

As stated in the Responsibilities section.

6. Toolbox

1. DoD Guidebook for the Acquisition of Services – Jul 2011
2. MOPAS 2 AS Content Requirements – DON, Feb 2014
3. Review Criteria for the Acquisition of Services – DPAP, Feb 2009
4. Acquisition of Services – DASN(AP), Nov 2009
5. MOPAS 2 Memo – ASN(RDA), Dec 2006
6. Management and Oversight Process for the Acquisition of Services
7. *Acquisition Strategy Report for MOPAS2 Template – Jan 2016*
8. SSC-PAC Policy Gram 06-03 (MOPAS) – Mar 2006

7. Change History

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
January 2016	Updated MOPAS2 ASR Template.
December 2015	Removed obsolete SSC-PAC Policy Gram 06-03
September 2015	Special interest item approval authority updated
August 2014	Content taken from Acquisition of Services SCPPM to create this more focused MOPAS 2 SCPPM. Updated SAT value, format, reorganized content, and updated links.
April 2014	Last version created in old format. Latest updates under this topic were MOPAS 2 AS Content Requirements and approval authorities. Adjusted links to acquisition.navy.mil (no longer valid).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

This document provides SPAWAR policy on the acquisition of services which are not already covered under the DoD/DoN 5000 series documents.

A Certification of Non-Personal Services is used to ensure contracts do not involve unauthorized personal services.

Related guidance is available under CMPG section 1.2.9.2.2 Work Statement.

2. POLICY

2.1 Certification of Non-Personal Services

All new PRs for services (including SeaPort-E task orders) are required to be accompanied by a Certification of Non-Personal Services (DFARS 237.503 and PGI 237.503). Personal Services are also discussed at FAR 37.104 and DFARS 237.104.

2.2 SOW/PWS

Statements of work or performance work statements must clearly distinguish between Government employees and contractor employees.

3. RESPONSIBILITIES

3.1 Program Office/Requestor

- Ensures that requirements for service contracts are vetted and approved as a safeguard to prevent contracts from being awarded or administered in a manner that constitutes an unauthorized personal services contract.
- Ensures that procedures are adopted to prevent contracts from being awarded or administered as unauthorized personal services contracts

3.2 Contracting Officer

- Checks the PR for services to ensure it contains the Certification of Non-Personal Services. If Certification is missing; the Contracting Officer requests it from the Program Office/Requestor.
- Includes Certification in the contract file.

4. PROCEDURE

1. **Program Office/Requestor** completes Request for Services Contract Approval (Certification and Worksheet); obtains appropriate signature, and includes it in the PR.
2. **Contracting Officer** ensures Certification is included for applicable PRs.
3. **Contracting Officer** includes Certification in contract file.

> ***Please note:*** The BCM format also has a Personal/Non-Personal Services Determination that must be completed by the negotiator. Information from the Certification can be used to answer the BCM compliance item.

5. APPROVALS

The Request for Services Contract Approval requires a signature at the PM or DPM level (or SSC equivalent: Project Manager, Project Lead, or Technical Lead).

6. TOOLBOX

1. Request for Services Contract Approval (Certification and Worksheet) – May 2011

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

2. SSC PAC Non-Personal Services Certification – Nov 2010
3. DoD Guidebook for the Acquisition of Services - Jul 2011

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
August 2014	Content taken from Acquisition of Services SCPPM to create this more focused Certification of Non-Personal Services SCPPM.
April 2014	Last Acquisition of Services version created in old format. Last change under this topic was not noted.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

This document provides SPAWAR policy on the acquisition of services which are not already covered under the DoD/DoN 5000 series documents.

Performance based service acquisition (PBSA) requirements identify objectives in terms of measurable outcomes, and the contractor is responsible for determining how to achieve them.

Related guidance is available under CMPG sections 1.1.1.1 Service Requirements and 1.2.9.2.2 Work Statement.

2. POLICY

The acquisition of services shall to the maximum extent practicable be performance-based. Contracts may be reported as performance-based if 50% or more of the services therein are performance-based. See FAR 37.6.

1. Describe requirements in terms of objectives or required results, making the contractor responsible for determining the method of performance;
2. Use measurable, objective performance standards to describe the desired outcome in terms of quality, timeliness, quantity, etc. (FAR 46.103(a));
3. Incorporate a Quality Assurance Surveillance Plan (QASP), which describes how the contractor's performance will be evaluated (FAR 46.401(a));
4. Specify procedures for reductions of fee or price when services are not performed or do not meet contract requirements (see FAR 46.407); and
5. Include performance incentives where appropriate. A possible method of ensuring compliance is to have the contractor, as part of the technical proposal, convert Government requirements into either a Performance Work Statement (PWS) or Statement of Objectives (SOO). See Toolbox for The contractor should also propose performance criteria, a QASP, and positive and negative incentives.

2.1 Exemptions

Exempted services include architect-engineer, construction, utility services, and services that are incidental to supply purchases (see FAR 37.102).

2.2 Exclusions

The following service areas are excluded from the list of eligible service contracts used to determine how many PBA actions an agency is awarding. Agencies may use PBA procedures for services in the following Federal Procurement Data System (FPDS) service codes; however, they are not included in the agency PBA action reporting requirement:

a. All Research and Development (R&D) except Management Support codes (A**6) are excluded. Excluded R&D codes (A**1 through A**5 and A**7) include:
   i. Basic Research,
   ii. Exploratory Development,
   iii. Advanced Development,
   iv. Demonstration/Validation,
   v. Engineering and Manufacturing Development, and
   vi. Operational System Development.
b. Professional Medical Services (not facility-related) – Q501 through Q527
c. Tuition, Registration, & Membership Fees – U005

2.3 Waivers

Non-performance-based service acquisitions shall require approved waiver (see Approvals).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3. RESPONSIBILITIES

3.1 Program Manager / Technical Code - Works with contracting officer to obtain PBA waiver approval.

3.2 Contracting Officer - Applies PBA requirements; completes PBA waiver when PBA is not practicable.

3.3 Review Authority - Evaluates waiver.

3.4 Approval Authority - May waive PBA requirement.

4. APPROVALS

See Toolbox for the SSC-PAC site-specific PBSA waiver procedure.

Threshold Value *(x)*	Review Authority	Approval Authority
$85M < *x* ≤ **$500M**	SPAWAR 2.0/2.0A	DASN(AP)
$5M < *x* ≤ **$85M**	PCO/Branch Head	SPAWAR 2.0
x ≤ **$5M**	Negotiator	PCO/Branch Head

5. PROCEDURE

See Responsibilities section.

6. TOOLBOX

6.1 PBSA

1. PBSA Memorandum – OUSD(ATL), Feb 2006
2. Non-PBA Waiver Approval Format (up to $50M)
3. SSC-PAC PBSA Waiver Review and Approval Authority – Jan 2005

6.2 QASPs

4. Quality Assurance Surveillance Plan (QASP) Template
5. SSC-PAC Sample QASP Format
6. SSC-PAC QASP Instructions

6.3 PWS Samples

7. Logistics Management Template
8. Configuration Management Template
9. Financial Management Template
10. Program Management Template

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
August 2014	Content taken from Acquisition of Services SCPPM to create this more focused PBA SCPPM. Updated format, reorganized content, and updated links. *****Need to update Toolbox#2 to $85M.***
March 2014	Last version created in old format. Latest change under this topic was to add ECMRA section.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

This document provides SPAWAR policy on the acquisition of services which are not already covered under the DoD/DoN 5000 series documents.

Monthly Status Report (MSR) CDRLs ensure contractors provide monthly reports on progress and budget. Standard Enterprise-Wide Contractor Manpower Reporting Application (ECMRA) language is incorporated to require annual contractor reports on executed labor using CMRA.

Related guidance is available under 1.2.9.2.3 Contract Data Requirements List (CDRL) (DD Form 1423).

2. POLICY

2.1 Monthly Status Reporting

The Monthly Status Report (MSR) CDRL, DD Form 1423, is required in all new service contracts and task orders (TOs) across SPAWAR and should be added to existing service contracts and TOs.

2.1.1 REQUIRED CDRL INFORMATION AND ATTACHMENTS

The MSR shall be submitted electronically and will provide:

- Part 1: Performance, Schedule, Financial, Personnel Staffing Plan, Travel/ODC.
- Part 2: MSR CDRL Attachment 1 (Mar 2013)
- Part 3: MSR CDRL Attachment 2 (May 2013)

2.1.2 WHEN TO INCORPORATE:

1. All new contracts and TOs.
2. Active contracts and TOs:
   - Add CDRL(s) primarily at the time of option exercise, when at least 50% of the effort is still remaining or at the discretion of the Contracting Officer.
   - Include the new MSR in all unissued or open CSS RFPs.
   - If an active CSS contract/order has old Quarterly Status Report (QSR), swap with new MSR CDRL on next funding or option mod.
   - Wait to add the CDRL until the follow-on procurement only if it is not possible to implement a no-cost MSR reporting requirements incorporation concurrent with next option exercise.

2.2 Annual Manpower Reporting

Contractor Manpower Reporting applies to all service contracts including commercial services. Incorporate Enterprise-Wide Contractor Manpower Reporting Application (ECMRA) standard language into all contracts which include services (NMCARS 5237.102-90).

2.2.1 EXCEPTIONS AND EXCLUSIONS

1. Contracted services for construction and utilities.
2. The reporting requirement does not apply to situations where a Defense Component is merely a contracting agent for another executive agency.

2.2.2 STANDARD LANGUAGE TO BE INSERTED

"The contractor shall report ALL contractor labor hours (including subcontractor labor hours) required for performance of services provided under this contract for the ***[NAMED COMPONENT]*** *via a secure data collection site. The contractor is required to completely fill in all required data fields using the following web address https://doncmra.nmci.navy.mil.*

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Reporting inputs will be for the labor executed during the period of performance during each Government fiscal year (FY), which runs October 1 through September 30. While inputs may be reported any time during the FY, all data shall be reported no later than October 31 of each calendar year. Contractors may direct questions to the help desk, linked at https://doncmra.nmci.navy.mil."

3. RESPONSIBILITIES

3.1 Contracting Officer

Ensures that required CDRLs are included in service contracts and task orders and inserts standard language in contracts requiring the contractor to report service labor hours in CMRA.

3.2 Prime Contractor

Submits required MSRs monthly and reports on manpower annually.

3.3 *Contracting Officer's Representative (COR)*

Review manpower data in CMRA- (https://doncmra.nmci.navy.mil/Help/User_Guide_COR.pdf).

4. APPROVALS

N/A

5. PROCEDURE

See Policy section.

6. TOOLBOX

6.1 Monthly Status Reporting

1. Monthly Status Report (MSR) CDRL
2. MSR CDRL Attachment 1 - Mar 2013
3. MSR CDRL Attachment 2 - May 2013
4. SPAWARINST 4440.12 Management of OM&S, GFP, CAP, PP&E, and Inventory - Feb 2011 *(In the process of being updated by SPAWAR 4.3.2)*

6.2 Annual Manpower Reporting

5. DON CMRA Website

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
January 2015	Removed GFP reference; see the COR and GFP SCPPM.
August 2014	Content taken from Acquisition of Services SCPPM to create this more focused CDRLs and Reporting SCPPM. Updated format, reorganized content, and updated links. Added CMRA review role for COR.
April 2014	Last version created in old format. Latest change under this topic was to add ECMRA section.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. NOTE

The Acquisition of Services SCPPM has been divided into the below linked smaller, more focused documents. Numbering at the beginning of each document indicates the location of related guidance in the Contract Management Process Guide (CMPG):

2. POLICY

It is the policy of SPAWAR that service acquisitions are to be of the highest quality and to the maximum extent practicable, based on clear, performance-based requirements with required outcomes that are identified and measurable; and that are properly planned and administered to achieve intended results. "Service Acquisition" means the execution of one or multiple contracts or other instruments for committing or obligating funds (e.g., funds transfer, placing orders under existing contracts, etc.) to acquire services that meet a specified requirement. "Service acquisitions" for the purpose of approvals under this policy does not include "within scope" contract changes. Approvals are required when a contract modification is for an "outside of scope" change**. "The rationale for the selection of contract type must be fully documented IAW FAR 16.103 and is applicable for all new contracts and new task orders"**.

These documents provide SPAWAR policy on the acquisition of services which are not already covered under the DoD/DoN 5000 series documents:

2.1 - 1.2.1.3.1 Non-DoD Service Contracts

The acquisition of services through any contract or task order awarded by an agency other than DoD requires approval.

2.2 - 1.2.2.2 Service Contract Term Waiver

A Contract Term Length Waiver is used to request approval for a period of performance longer than the timespan prescribed.

2.3 - 1.2.4.1 MOPAS 2

Management and Oversight Process for the Acquisition of Services (MOPAS 2) describes the Acquisition Strategy (AS) requirements for service acquisitions over the simplified acquisition threshold (SAT).

2.4 - 1.2.9.2.2 Certification of Non-Personal Services

A Certification of Non-Personal Services is used to ensure contracts do not involve unauthorized personal services.

2.5 - 1.2.9.2.2 Performance-Based Service Acquisitions (PBSA)

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Performance based service acquisition (PBSA) requirements identify objectives in terms of measurable outcomes, and the contractor is responsible for determining how to achieve them.

2.6 - 1.2.9.2.3 Contractor Reporting Requirements

Monthly Status Report (MSR) CDRLs ensure contractors provide monthly reports on progress, budget, and GFP inventory. Standard Enterprise-Wide Contractor Manpower Reporting Application (ECMRA) language is incorporated to require annual contractor reports on executed labor using CMRA.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide policy and guidance on the content and approval for Acquisition Plans (APs) within the SPAWAR Claimancy.

An AP documents the actions necessary to execute the approach described in the Acquisition Strategy. The principal purpose of acquisition planning is to ensure that the Government meets its needs in the most effective, economical and timely manner.

Related guidance is available under CMPG section 1.2.5 Develop AP.

2. POLICY

SPAWAR's written acquisition plans ensure that the Government meets its requirements in the most effective, economical and timely manner by focusing on competition and the acquisition of commercial items or non-developmental items. Single contracts exceeding the thresholds of AP submission shall have a written and approved AP in accordance with this SCPPM document.

2.1 AP Submission Thresholds (DFARS 207.103):

a. Acquisition for development (as defined in FAR 35.001) when total costs of all contracts for the acquisition Program is estimated at $10M or more;
b. Acquisitions for production or services when the total cost of all contracts for the acquisition program is estimated at $50M or more for all years or $25M or more for any fiscal year; and
c. Any other action considered appropriate — e.g., single contracts for products or services expected to exceed the thresholds in b. above;
d. Written plans are not required in acquisitions for a final buy out or a one-time buy.

2.2 AP Contents and Process

DoD acquisition policy and associated business practices require PMs to describe their business strategies in substantial detail to include overall approach, contract types, source selection procedures, expected competition, incentive structures, and risk consideration. See DFARS PGI 207.105 for contents of written acquisition plans.

a. If this information is not provided, strategy approval will be delayed until it is made available (USD(AT&L)).
b. No RFP for any contemplated contract associated with any program covered in a submitted AP may be released prior to approval of that AP. PDUSD (AT&L) memo, Improving Milestone Process Effectiveness, describes the milestone or peer review to complete before RFP release.
c. Risk consideration needs to clearly define each associated risk in the form of "Vulnerability, Adverse Event, and Consequence" as listed in the DASN(AP) guidance, Risk Narratives for Acquisition Plans and Strategies.

2.3 Protecting Procurement Integrity

Acquisition planning should be accomplished with in-house resources to minimize the potential for Procurement Integrity Act violations and Organizational Conflicts of Interest (OCIs). Contractor support services may not be used in the development of APs unless prior written approval is obtained from the cognizant Contracting Officer after consultation with Office of Counsel. See OCI SCPPM.

2.4 Annual AP Review

APs shall be reviewed at least annually and revised to reflect current circumstances.

a. A Major Revision is based on a 25% or greater change in total program amount or a significant change to the contracting strategy (e.g., competitive to sole source; MAC to single award; Best Value to Technically Acceptable;

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

separately contracting for a requirement that was planned to be included in Omnibus contracts; or changing the approved requirement from commercial to non-commercial). Major Revisions shall be accompanied by a signature page/Brief Sheet (with all previous signatory positions signing again) and a statement of facts as to the circumstances of the revision.

b. A Minor Revision is a less than 25% change in total planned acquisition amount.

2.5 APs for IDIQ Service Requirements

a. Any increase in ceiling that is the result of projects, programs, or customers not anticipated in the original AP: provide rationale for supporting them in the J&A required for any ceiling increase. SPAWAR 2.0 approves the J&A.

b. Use of an IDIQ contract by any program, service or customer not listed in the original AP: If a concurrent increase in ceiling of the IDIQ was the result of supporting programs, customers, activities not in the original AP, a thorough explanation as to why this support was provided to be stated in writing in the required J&A.

2.6 Non-DOD Acquisitions

Contracting Officers must determine that fees associated with the acquisition are fair and reasonable. Notify the customer of any fees associated with the acquisition, and the total costs prior to sending funds to a non-DoD agency. The Acquisition Strategy, Acquisition Plan, Business Clearance Memorandum, or Memo to File is used to document the business decision to use Non-DoD/Interagency contract vehicles. Documentation must include name of person and date contacted.

3. RESPONSIBILITIES

3.1 Program Director/PM/Technical Code has overall responsibility for acquisition planning.

3.2 PMW/Technical Code forms a team consisting of all those responsible for any significant aspects of the acquisition (i.e., contracts, fiscal, legal, other technical). The PMW/Technical Code has life-cycle management responsibility and cognizance over the technical aspects of the program. The PMW/Technical Code ensures:

1. The AP preparation effort is coordinated with the PCO at the earliest possible date to ensure appropriate strategy is pursued. When acquisitions are planned early, there is time to critically review the previous procurement to assess what made it successful or not.
2. APs are coordinated, reviewed and approved by the appropriate signature authority.

3.3 Contracting Officer

1. Ensures all applicable regulations and procedures have been satisfied and the business aspects are appropriate to achieve technical objectives in the most cost effective manner. The submitted AP is in the proper format and all required information has been accurately presented.
2. Apprises PMWs/Technical Codes of changes in AP requirements. In the case of follow-on contracts, employ lessons learned from the previous contract.
3. Resolves any differences of opinion are resolved before submitting the AP for approval.
4. For non-DoD vehicles, determine whether the fees associated are fair and reasonable; notify customer of interagency acquisition fees and costs; document in the AS, AP, BCM, or Memo to File.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3.4 SPAWAR Director of Office of Small Business Programs (OSBP) reviews the AP against the proposed acquisition strategy.

1. Approves the acquisition strategy being provided (if the AP is acceptable).
2. Provides insight into the requirements of the small business programs.

4. PROCEDURE

1. The **Program Director / PM / Technical Code** determines whether a Program-wide AP, a single contract AP, or a group of individual acquisitions under one AP will cover all of its procurements and inter/intra-agency acquisitions. Where practicable, each PMW or comparable SSC organizational unit will submit a Program-wide AP covering all of its acquisitions or a single contract AP for actions above thresholds described in the Policy section.
2. The **PMW / Technical Code** obtains AP number from the contracting office. All AP numbers are five digits consisting of the FY and sequential number of the AP (e.g., first AP of FY14 is 14-001).
   a. HQ AP numbers are maintained by SPAWAR 2.3.1 (HQ_Contracts_Policy@navy.mil).
   b. SSC-Pacific control numbers for all procurements may be obtained from the Electronic Procurement Log Book at N:\\LOGS\Procurement Action Log.xls.
3. The **PMW / Technical Code** properly formats the AP to:
   a. Be concise (generally less than 25 pages in length);
   b. Include all known acquisitions, including those to be obtained from other activities or agencies; and
   c. Follow AP templates and samples found in the Toolbox.
4. The **PMW / Technical Code** prepares AP contents to include:
   a. The rationale for selection of contract type IAW FAR 16.103(d). This requirement applies to all new contracts and task orders. See CMPG 1.2.2.1 Determine Contract Type.
   b. The selection of the Source Selection Authority for the acquisition(s).
   c. Additional Toolbox AP content resources.
5. The **PMW / Technical Code** obtains necessary concurrences and Approvals are recorded in the Route Sheet. AP contents are reviewed prior to submission to the PEO or HCA:
   a. Representatives of SPAWAR 2.0, SPAWAR 05-2 IT & Net-Centric Standards, SPAWAR 08-B IT Oversight, OSBP, and the cognizant PMW/PD shall concur with AP contents.
   b. Field APs
      i. Are coordinated within their perspective management chain. SSC Pacific and SSC Atlantic APs include a Brief Sheet recording internal approvals, which shall include OSBP and the cognizant HQ PM (as applicable).
      ii. Field APs and Brief Sheets shall be sent to SPAWAR 2.3.1 Policy (HQ_Contracts_Policy@navy.mil) for applicable HQ review, logging, and concurrences before they are sent for SPAWAR 2.0 approval.
      iii. SPAWAR 2.0 approves, signs, and dates the AP.

SPAWAR 2.3.1 Policy	Review/log-in of AP
SPAWAR 2.0	For Approval, Signature, and Date
Field Activity	For Return of Original AP

6. The **PMW / Technical Code** reviews the AP annually (FAR 7.104(a)) and revises it to incorporate changes since issuance or last review. Major revisions are re-approved as documented in the Brief Sheet (with all previous signatory

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

positions signing again), and include a statement of facts as to the circumstances of the revision.

5. APPROVALS

5.1 Initial AP

Approvals are documented in the Brief Sheet.

Type	SPAWAR 2.3.1 Review	Approval Authority
$100M* < *x*	N/A	**DASN(AP)**
APs in support of PEO C4I, PEO Space, PEO EIS, or JPEO JTNC		**PEO/JPEO Director of Contracts**
All other APs. APs originating from SSC-Pacific or SSC-Atlantic are signed by the Chief of Contracting Office before submission.		**SPAWAR Director of Contracts 2.0**

* Acquisition value for all years (including options) is over $100M.

5.2 Major Revisions to AP

Require re-approval, documented in the Brief Sheet with all previous signatory positions signing again, and a statement of facts as to the circumstances of the revision.

6. TOOLBOX

6.1 Acquisition Plans

1. AP Sample - 2008
2. AP Brief Sheet
3. AP Route Sheet – 2010
4. DON AP Guide (DRAFT) – May 2011
5. SPAWAR AP Guide – Jan 2012
6. Submission/Review Tips for Acquisition Plans – Jan 2014
7. Improving Milestone Process Effectiveness – Oct 2011

6.2 AP-Related Policy and Guidance

1. OCI SCPPM
2. PEO C4I Guidance on SSA Selection – Aug 2010
3. Technology Development Strategy and Acquisition Strategy – Aug 2010
4. Naval Open Architecture Guidebook – v2.0 for PMs
5. DASN (AP) Risk Narratives for Acquisition Plans and Strategies Guide

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
December 2015	Removed obsolete SSC-Pacific INST 4205.2 from Toolbox
August 2015	Added guidance related to risk consideration.
August 2014	Content converted to new SCPPM format; reorganized content; and add content related to non-DoD Acquisitions.
July 2014	Last version created in old format. Most recent change was the inclusion of interagency/non-DoD acquisitions.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide the policy and guidance for processing assignment of claims for the SPAWAR Claimancy. Assignment of claims means the transfer to a bank, trust company, or other financial institution, as security for a loan to a contractor, of its right to be paid by the Government for contract performance.

2. POLICY

2.1. Requirements and procedures for the assignment of claims are set forth under the Assignment of Claims Act, as implemented by FAR Subpart 32.8.

2.2. Prohibition of Assignment: Only contracts for personal services may prohibit the assignment of claims per DFARS 232.803.

3. RESPONSIBILITIES

3.1. Procuring Contracting Officer (PCO). If contract administration is retained by SPAWAR, the cognizant **PCO** is responsible for reviewing, approving, disapproving and acknowledging the request for an assignment from the contractor. This acknowledgement is forwarded to the financial institution, with a copy to the contractor and the disbursing officer. In examining and processing notices of assignment and before acknowledging their receipt, **PCO** should ensure that the following conditions have been met:

a. The contract has been properly approved and executed.
b. The contract is one under which claims may be assigned
c. The assignment covers only money due or to become due under the contract.

3.2. Office of Counsel. Reviews are required by the cognizant office of counsel for proper form and legality of assignment of claims request.

3.3. Administrative Contracting Officer (ACO). If contract administration is delegated to DCMA then assignment of claims will be processed by the **ACO** in accordance with DFARS 232.805.

3.4. Payment Office. *In accordance with DoD 7000.14-R Volume 10 Chapter 3 Paragraph 0302 Assignment of Claims, the following procedure applies to the Payment Office:*

*a. If the contracting officer determines that the assignment is valid, then the designated **payment office** acknowledges the Notice of Assignment and takes the required action as detailed:*

1. Acknowledge and return to the assignee the copy of the Notice of Assignment and file the true copy of the Instrument of Assignment and the original Notice of Assignment.

2. Pay assignees only after receipt of these assignment documents:

- *Copy of the Notice of Assignment acknowledged by the **PCO**,*
- *Copy of the signed notice and a true copy of the Instrument of Assignment from the assignee, and*
- *Copy of the notice acknowledged from the surety or sureties, if any. The copy is received from the surety or sureties via the assignee.*

*b. If the **PCO** rejects the assignment, then the payment office returns the acknowledged notice and copy of the assignment to the assignee. The office advises that the assignment cannot be recognized for the reasons stated by the **PCO**.*

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4. PROCEDURE

4.1. Instrument of Assignment: The contractor and the bank, trust company or financial institution shall come to an agreement, termed the Instrument of Assignment. In this agreement, the bank lends money to the contractor to assist in performance under a government contract. In return, the contractor agrees to transfer its right to be paid under the contract, to the bank.

4.2. Assignments: Procedures vary according to the type of company, i.e., corporation, partnership, or individual:

a. Assignments by **corporations** should be:
- Executed by an authorized representative
- Attested by the secretary or the assistant secretary of the corporation, and
- Impressed with the corporate seal or accompanied by a true copy of the resolution of the corporation's board of directors authorizing the signing representative to execute the assignment.

b. If the contractor is a **partnership**, the assignment may be signed by one partner, if it is accompanied by an acknowledged certification that the signer is a general partner of the partnership and is authorized to execute assignments on behalf of the partnership.

c. If the contractor is an **individual**, the assignment must be signed by that individual and the signature acknowledged before a Notary Public or other person authorized to administer oaths.

4.3. Conditions for Use. A contractor may assign moneys due or to become due under a contract if all of the following conditions are met:

a. The contract specifies payments aggregating $1,000.00 or more.

b. The assignment is made to a bank, trust company, or other financing institution, including any Federal lending agency.

c. The contract does not prohibit the assignment

d. Unless otherwise expressly permitted in the contract, the assignment:
- Covers all unpaid amounts payable under the contract;
- Is made only to one party, except that any assignment may be made to one party as agent or trustee for two or more parties participating in the financing of the contract; and
- Is not subject to further assignment

e. The assignee sends a written notice of assignment together with a true copy of the assignment instrument to the:
- **PCO** or the agency head
- Surety on any bond applicable to the contract; and
- Disbursing officer designated in the contract to make payment.

4.4. Filing Procedures:

a. The assignee forwards to each party specified in FAR 32.802(e) an original and three copies of the Notice of Assignment, together with one true copy of the instrument of assignment. The true copy shall be a certified duplicate or photostat copy of the original assignment.

b. The **ACO/PCO** shall acknowledge receipt by signing and dating all copies of the notice of assignment as specified in DFARS 232.805.

4.5. Requirements Contracts: Requirements contracts cannot be assigned, however, the delivery orders under a requirements contract may be assigned if the amounts due are for $1,000.00 or more. A group of orders may be combined in an

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

assignment for efficiency as long as the total amount of each order exceeds $1,000.00.

4.6. Indefinite Delivery Contracts may be assigned as long as the guaranteed minimum exceeds $1,000.00. The policy is based on the GAO Opinion B-42669, which sanctions the assignment of the entire contract under this condition.

4.7. Release of Assignment. Further assignment or release of assignment shall be accomplished in accordance with FAR 32.805(e). Release of assignment is required whenever there has been a further assignment or reassignment under the Act or the contractor wishes to reestablish their rights to receive further payments after the contractor's obligations to the assignee have been satisfied and a balance remains due under the contract. The assignee, under a further assignment or reassignment, in order to establish a right to receive payment from the Government, must file with the addressees, as follows:

a. Written notice of release of the contractor by the assigning financing institution;
b. Copy of the release instrument;
c. Written notice of the further assignment or reassignment; and
d. Copy of the further assignment or reassignment instrument.

4.8. Written Notice of Release. If the assignee releases the contractor from an assignment of claims under a contract, the contractor, in order to establish a right to receive payment of the balance due under the contract, must file a written notice to release together with a true copy of the release of assignment instrument with the addressees noted in FAR 32.802(e).

5. APPROVALS

The required approvals are indicated above.

6. TOOLBOX

1. Assignment
2. Notice of Assignment
3. Notice of Assignment Under Contract
4. Assignment Under Contract
5. Release of Assignment Under Contract

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
December 2015	Content reorganized, reformatted, and links updated. Payment Office information in paragraph 3.4 was revised.
December 2011	Last version created in old format. No changes indicated.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

This document provides SPAWAR policy on Claimancy wide guidance on assignment of contract administration under DOD contracts. It does not address the role of the Contracting Officer Representative (COR) or administration actions that fall under Other Transactions (OT).

Related guidance is available at CMPG 4.2.6 Assign Contract Administration.

2. POLICY

All contracts shall be assigned to a Contract Administration Office (CAO) for administration to the maximum extent practicable. Exceptions may be found at DFARS 242.202. Normal contract administration functions performed by the CAO are listed in FAR 42.302(a) and DFARS 242.302(a). The Procuring Contracting Officer (**PCO**) may withhold specific functions listed in FAR 42.302 when they can be best accomplished by the **PCO**. The functions listed under FAR 42.302(b) and DFARS 242.302(b) are only performed when specifically authorized by the **PCO**. See site-specific policy in paragraph (c). Do not delegate the responsibility to make contract payments to the Defense Contract Management Agency (DCMA).

The **PCO** shall assign Contract Administration to DCMA, Office of Naval Research (ONR), or Southwest Regional Maintenance Center (SRMC) (for shipbuilding and repair only), as applicable. For delegating functions see FAR 42.302. **PCOs** are required to assign a Criticality Designator (SCD Code) on the face page of every contract, task order, and scope increase modification. Without this designator, DCMA is unable to determine priority and administration responsibilities. Criticality Designator criterion (FAR 42.1105 and DFARS 242.1105):

- **A - Critical contracts**, including DX-rated contracts (see FAR Subpart 11.6), contracts citing the authority in 6.302-2 (unusual and compelling urgency), contracts for major systems and to items with a priority 01, 02, 03, or 06 (if emergency supply of clothing) under DoD 4140.1-R, DoD Materiel Management Regulation.
- **B - Production contracts** (other than those designated "A") for items needed to maintain Government or contractor production or repair line, to preclude out-of-stock conditions or to meet user needs for non-stock items.
- **C - Other contracts** not designated as "A" or "B." The contracting officer shall ordinarily assign criticality designator C to unilateral purchase orders (DFARS 242.1105).

3. RESPONSIBILITIES

3.1 PCO

Assigns contract administration functions to the CAO; withholds those functions that can best be performed by the SPAWAR claimancy.

3.2 Contract Specialist

Includes the appropriate CAO, payment, and audit office in the procurement vehicle.

3.3 PMW / Technical Code

Assists the contract specialist on matters relative to quality assurance, inspection and acceptance criteria, and other matters requiring specific qualifications and resources outside the contracting office.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4. PROCEDURE

1. **PCO** designates the appropriate CAO, consulting the Federal Directory of Contract Administration Services Components.
2. **PCO** assigns contract administration to DCMA, ONR, or SRMC; documents the assignment using a CAS Designation Letter.
   a. The SCD Code appears in the same space as the designated CAO.
   b. Only the contracting officer may change the assigned designator.
3. If the **PCO** chooses to incorporate a Contract Administration Plan (CAP) into Section G, a memo to DCMA is still required.
4. **PCO** requests Administrative Contracting Officer (**ACO**) acknowledge acceptance or denial via e-mail or official correspondence.
5. **ACO** acknowledges acceptance of designation in writing.

5. APPROVALS

There are no special approvals for basic delegation; however, if a delegation letter is used for further administration, **PCO** approval is necessary.

6. TOOLBOX

1. Role of Defense Contract Management Agency (DCMA) – DPAP, April 2011
2. CAS Designation Letter
3. Assignment of Contract Administration SCPPM Template
4. Sample Contract Administration Plan (CAP)
5. Sample Contract Administration Plan (CAP) Transmittal Letter

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
April 2016	Content reorganized and reformatted.
July 2014	Last version created in old format. Latest change under this topic was to add SRMC.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide policy and guidance to the SPAWAR Claimancy with regard to bridge contracts.

A bridge contract is any non-competitive service contract or modification that extends the period of performance, essentially "bridging" the time between the end of one service contract action and the beginning of another.

An Institute for Defense Analysis Study of J&A data indicated that nearly one in four sole source contracts for DOD services are bridge contracts (Toolbox). These non-competitive contracts or period of performance extensions usually result when acquisition process inefficiencies or delays cause the existing contract to expire before a new competitive contract can be awarded. Because bridge contracts are generally awarded solely to the incumbent, they are short-term solutions that impede effective competition.

This guidance does not apply to “Continued Contracts” actions under DFARS 204.7001 and DFARS PGI 204.7001, which are issued solely for administrative purposes and do not expand the scope of work, nor extend the period of performance beyond that of the predecessor contract. Continued contracts are generally issued when continued performance under a contract number is not possible (if the supplementary PII serial numbering system is exhausted, or for major systems contracts with multiple options).

Related guidance is available under CMPG section 5.3.1.4 Bridge Contracts and the J&A SCPPM.

2. POLICY

In line with the directives of Better Buying Power, to promote real and effective competition, it is SPAWAR Policy to reduce the use of bridge contracts. As bridge contracts are usually awarded pursuant to FAR 6.302 or FAR 8.405, a J&A is required. Before submitting the J&A, an approved Request for Bridge Contract is required (see Toolbox).

3. RESPONSIBILITIES

3.1 Program Manager/Technical Code completes the Request for Authorization of Bridge Contract; follows J&A SCPPM to prepare J&A.

3.2 HCA collects data; completes the Quarterly Bridge Contract Report and submits it to DASN(AP) Director for Services Acquisition.

4. PROCEDURE

4.1. Bridge Contract Authorization shall be completed and signed by both the program manager/requirement owner and the Activity Chief of the Contracting Office (CCO), Echelon II CCO, or Head of the Contracting Activity (HCA), depending on the threshold value of the bridge. Bridge contract authorization shall be delegable one level only (see Approvals).

4.2. Prepare Justification and Approval (J&A)

In situations where it cannot be avoided, and no alternative is feasible, a J&A for a new contract citing the appropriate authority and procedures for award under FAR Part 6 will be required.

A. J&As for bridge contracts shall not be processed before the Program Manager completes the Request for Authorization of Bridge Contract. All J&As for bridge contracts must contain the subtitle: “Bridge Contract: Contract Number and J&A Number”. Bridge authorization must be approved prior to and included in the J&A package. The determination

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

must address the rationale for use of a bridge contract, certify the urgency of the requirement, and be signed by both the program manager/requirement owner and the Contracting Officer.

B. Ensure that any such action is processed only in anticipation of a competitive follow-on.

C. Limit the period of performance to the time necessary to process the competitive follow-on. Follow-on contracts that have the same sole source outlook as the original acquisition are also targeted and challenged for the identification of additional sources (see Toolbox).

4.3. J&A Processing - J&As for bridge contracts shall not be processed before the Bridge Contract Authorization is approved and included in the J&A package.

4.4. Reporting Requirements - Within 30 days from the end of each quarter, SPAWAR Policy 2.3.1 shall submit the Quarterly Bridge Contract Report to DASN (AP) Director for Services Acquisition. Negative reports are required and may be submitted via memorandum. Reports shall be submitted via email to HQ_Contracts_Policy@navy.mil.

5. APPROVALS

Bridge Value (*x*)	Approval Authority
x > **$*5.5*M**	**HCA**
$*700*K < *x* ≤ **$*5.5*M**	**Echelon II CCO**
$*700*K ≤ *x*	**Activity COO**

6. TOOLBOX

6.1 Templates/Sample

1. Request for Authorization of Bridge Contract – Sep 2012
2. Quarterly Bridge Contract Report – Apr 2013
3. *Sample Bridge e-mail to Admiral – Jan 2016*

6.2 Memoranda

1. Implementation Directive for Better Buying Power - USD AT&L, Nov 2010
2. Reducing Reliance on Bridge Contracts – DASN(AP), Oct 2012

6.3 GAO Cases

1. Non-Competitive 8(a) Bridge Contracts – GAO, Jan 2006
2. Reasonably Prompt Corrective Action – GAO, Apr 2011

6.4 References

1. Competitiveness in the Services Sector – Institute for Defense Analysis, Mar 2010
2. DoD's Competition Report for FY 2009

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
January 2016	Approval thresholds updated and Sample Bridge email added.
March 2014	Content formatted and reorganized; updated links.
November 2012	Last version created in old format. Latest updates under this topic were approval authorities and reporting requirements.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

This document provides guidance for developing and processing Broad Agency Announcements (BAAs) submitted to SPAWAR HQ. BAAs are issued to encourage contract proposals using creative and innovative approaches in research areas identified by SPAWAR HQ/PEO C4I.

The BAA is a general announcement of an agency's research interests including criteria for selecting proposals and soliciting participation of qualified offerors. The BAA process is similar to the Request for Proposals (RFP) process, although for BAAs:

- Offerors respond to a problem statement or general research interest with a proposed statement of work and technical approach.
- Negotiations refine the proposed statement of work.
- Rather than following a source selection plan, proposals undergo a scientific or peer review process whereby technical promise may outweigh risk.
- Typically, multiple vendors win the opportunity.
- Proposals are selected based on technical merit, importance to agency programs, and fund availability (not cost, price, or best value).

Additional background information is available under CMPG Sections 2.1.1 Develop Synopsis and 2.1.3 Publish Synopsis.

2. POLICY

2.1 The Competition in Contracting Act of 1984 (CICA) (Public Law 98-369) and FAR 6.102(d)(2) briefly address the BAA as one of several competitive procedures available for use in fulfilling the requirement for full and open competition in the acquisition process.

1. Use of the BAA with Peer or Scientific Review is for the acquisition of basic and applied research and that part of development is *not* related to the development of a specific system or hardware procurement.
2. BAA may be used to fulfill requirements for scientific study and experimentation directed toward advancing the state-of-the-art or increasing knowledge or understanding rather than focusing on a specific system or hardware solution.
3. The BAA technique shall only be used when meaningful proposals with varying technical/scientific approaches can be reasonably anticipated.

2.2 FAR 35.016 provides general procedures to be followed for the use of BAA for Research and Development (R&D) contracts**.**

1. The BAA, together with any supporting documents, shall**:**
   a. Describe the agency's research interest, either for an individual program requirement or for broadly defined areas of interest covering the full range of the agency's requirements;
   b. Describe the criteria for selecting the proposals, their relative importance, and the method of evaluation;
   c. Specify the period of time during which proposals submitted in response to the BAA will be accepted; and
   d. Contain instructions for the preparation and submission of proposals.
2. Availability of the BAA shall be publicized via the Government-wide Point of Entry (GPE).
3. Primary basis for proposal selection shall be technical, importance to agency programs and fund availability.
4. A synopsis of proposed contract action is not required for actions based on BAA proposals, as GPE publication in step 2.2(B) above fulfills the requirement.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3. RESPONSIBILITIES

3.1 Contracts Directorate – SPAWAR 2.0

Serves as the point of contact for BAA and provides preliminary guidance to potential offerors in accordance with FAR 15.604.

3.2 Contracting Officer

Safeguards whitepapers and proposals; ensures required disposition documents are submitted.

3.3 Assistant PEO for Contracts (APEO) S&T

Generates topics and matches topics to program office requirements.

3.4 Program Manager (PM) / Acquisition Program Manager (APM) (or other technical requestor)

Ensures topics are aligned with PEO C4I technical goals.

4. PROCEDURE

4.1 BAA Initiation

1. **APEO S&T** coordinates an annual meeting with the PEO C4I Technical Director, DPEO M&B, and 2.0 Contracts.
2. **APEO S&T** calls for potential annual topics during the First Quarter of the Fiscal Year from the PMWs and drafts a research opportunity using the BAA template provided in the Toolbox.
3. **Contracting Officer** will post the BAA to the SPAWAR E-Commerce Central (E-CC) website to solicit white paper proposals.
   a. The standard BAA will be open for a period of 12 months.
   b. APEO S&T may use variation in the process in order to call for unanticipated research topics during the 12 month period.

4.2 BAA Proposal Process – Phase I: Whitepaper Evaluation

1. **Offerors** submit white paper proposals electronically to SPAWAR via the (SPAWAR E-CC).
2. **Contracting Officer** will acknowledge receipt of the proposal and forward it to the APEO S&T.
3. **APEO S&T** coordinates with the PEO C4I Technical Director and issues a data call requesting level of interest from all PMWs.

Is a PMW interested? If so:

4. The **PMW** shall provide evaluators for white papers and any subsequent proposals. The technical evaluation must consist of a written assessment based on the evaluation criteria specified in the announcement.
5. **APEO S&T** coordinates the Technical or Peer Evaluation.
   a. The technical evaluation report shall be completed within 21 days of receipt and include a technical/scientific basis for selection, the importance of the project to the agency and whether funds are available.
   b. For white papers received within the same period of time for the same topic, the evaluation team will establish an order of merit ranking instead of a competitive range.
6. The **Contracting Officer** advises each offeror of their proposal's acceptance or rejection, either with a letter informing them that the effort proposed is not of interest to the government, or with a request for a formal cost and technical proposal by a specified date.
   a. Proposals determined to be invalid/or not accepted are returned to the submitter with an explanation of the outcome.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

b. Offerors whose white papers are of interest may be asked to submit a Phase II proposal.

4.3 BAA Proposal Process – Phase II: Proposal Evaluation

1. The **Contracting Officer** acknowledges receipt of each proposal and forwards it to PMW technical evaluators for realism validation.
2. The **Contracting Officer** conducts cost realism, prepares a business clearance memo, holds discussions if necessary and prepares the contract for award.
3. **SPAWAR 2.0** awards any resulting contract.

4.4 BAA Log

All BAA whitepapers and proposals received will be tracked in the BAA log referenced below. The log will reside on the SPAWAR 2.0 Share drive.

5. APPROVALS

5.1 PM approves all BAA actions at the PR development stage.

5.2 Contracting Officer approves all associated contracting documents.

6. TOOLBOX

6.1 Federal

1. FAR 6.102(d)(2)
2. FAR 15.604
3. FAR 35.016

6.2 SPAWAR

1. Sample SPAWAR BAA
2. Sample SPAWAR BAA Technical Evaluation
3. SPAWAR BAA Log

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
April 2016	Content reformatted and reorganized. Templates and logs removed from end of document; added links.
September 2010	Last version created in old format. No change notes available.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

This document provides SPAWAR claimancy policy and procedures for business clearance memorandums (BCMs).

The purpose of the BCM is to show that the proposed action conforms to law, regulation, good business practices, and Navy acquisition policies, and to prove by written evidence that the price established is fair and reasonable. The BCM serves as the historical record of the business/pricing aspects of an action.

- The pre-negotiation BCM provides analysis and discussion of the contractor's proposal, audit positions and SPAWAR negotiation objective.
- The post-negotiation BCM provides documentation of information presented by both parties during the negotiation process and rationale for the settlement position achieved by the negotiator. The post-negotiation BCM shall also document any changes in the pre-negotiation position and the negotiated settlement.
- Both the pre-negotiation and post-negotiation BCM shall be retained in the contract file.

Related guidance is available under CMPG section 3.3.3.2 Business Clearances.

2. POLICY

The policy requirements and procedures for preparing and processing BCMs are set forth in FAR 15.406-3, DFARS PGI 215.406-3, and NMCARS 5215.406-90.

2.1 Negotiated Contract Actions that Require BCMs

1. Contracts (including task and delivery orders against indefinite-delivery contracts (see exceptions in para 2.2 below), basic ordering agreements, blanket purchase agreements, and other contract tools).
2. Contract modifications not within the scope or under the terms of an existing contract.
3. Undefinitized contract actions (see DFARS Subpart 217.74).
4. Modifications and changes issued pursuant to *the Changes, Disputes, Economic Price Adjustment, Fair Labor Standards Act and Service Contract Act—Price Adjustment, Government Delay of Work, Government Property, Incentive Price Revision, Over and Above Work, Stop-Work Order, Termination,* and *Value Engineering* contract clauses.
5. Settlement of claims or requests for equitable adjustment not addressed under paragraph (4) above.
6. Retroactive pricing after completion, including final price determination.
7. Definitization of any undefinitized or unpriced contract action, including change orders, Engineering Change Proposals, Value Engineering Change proposals, and Over and Above Work.
8. Advance agreements on special or unusual cost items (see NMCARS 5231.109).
9. Actions that result in the establishment, modification or rescission of a guarantee of performance on a government contract by a third party.

2.2 Contract Actions that DO NOT Require a BCM

The file still must include the rationale for award sufficiently documented in a memorandum to file:

1. Contract actions awarded using simplified acquisition procedures
2. Task orders or delivery orders issued under FAR Subpart 8.4, Federal Supply Schedules.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3. Task orders or delivery orders issued on a firm-fixed price basis against indefinite-delivery type contracts for supplies for which unit prices are established in the contract; or services for which unit prices are established in the contract for specific tasks to be performed and where a statement of work/statement of objectives is not required.

2.3 Best Value Source Selection Performance Metric

When the cost/price dollar premium is greater than 10% over the lowest acceptable offeror's Total Evaluated Cost/Price shall be documented in and approved by SPAWAR 2.0 via the BCM (SPAWARNOTE 4200).

3. RESPONSIBILITY

3.1 Contracting Officer

- The Contracting Officer has the overall responsibility for ensuring that proper business clearances are prepared and filed.
- All business clearances shall be reviewed and signed by the Contracting Officer.
- (See the Toolbox for the BCM Content Tips/Reminders document)

4. PROCEDURES

4.1 Clearance Format

The format at NMCARS Annex 2, Business Clearance Memorandum, shall be used to document decisions on contract actions that are subject to business clearance requirements, unless an alternative format has been approved by DASN (AP) (NMCARS 5201.690(e)).

- Use the DPAP linked Contract Pricing Reference Guide to help with price analysis and the determination of fair and reasonable prices.
- Use the DPAP Commercial Items and the Determination of Reasonableness of Price for Commercial Items memo to help with determining commerciality and the determination of fair and reasonable prices for commercial items (Policy Alert 15-042).
- The rationale for the selection of contract type must be fully documented IAW FAR 16.103 and is applicable for all new contracts and new task orders.
- Where the RFP provided for full and open competition and only one offer was received, the negotiator must insert the following, if appropriate, in Section IV Pre-Solicitation Compliances: "Only one response was received to the Solicitation, which allowed at least 30 days for proposal responses to be received. The Contracting Officer had a reasonable expectation of receiving more than one offer and has determined the proposed cost/pricing to be reasonable through Cost/Price Analysis." (DPAP Memo Apr 2011)
- When FAR 52.217-8, Option to Extend Services, is included in any contract, ensure that the original BCM includes in the pricing evaluation criteria all option prices, including any periods anticipated to be covered by FAR 52.217-8 (DASN(AP) Memo Feb 2013)
- If you obtain a DCAA audit, a copy of the BCM shall be forwarded to DCMA via the DCMA Contract Audit Follow-up (CAFU) tool. In the case of a significant disagreement, please follow the procedures of DPAP memo dated 04, December 2009.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4.2 BCM Numbering

1. SPAWAR HQ AND SSC PACIFIC - Use the same number as the applicable J&A plus a decimal number suffix (e.g., 12345.1).

- HQ: See the attached Document Control Numbering instruction for obtaining and controlling document numbers.
- SSC Pacific: Obtain the document control numbers from the electronic "Procurement Action Log" spreadsheet, located on the Contracts Department server (N:\LOGS).

2. SSC ATLANTIC

- BCMs approved by SSC Atlantic shall be numbered with numerical serial numbers (e.g., No. 844).
- BCMs to be approved by SPAWAR HQ shall be numbered with the symbol CH and numerically serial numbered consecutively in the 10000 series (e.g., CH105051).

5. APPROVALS

5.1 SPAWAR HQ

Contract Value *(x)*	Approval Authority
$x \geq$ **$50M**	**SPAWAR 2.0 / 2.0A**
$10M $\leq x <$ **$50M**	**Branch Head**
$x <$ **$10M**	**Contracting Officer**

1. Branch Heads may, at their own discretion, impose lower dollar thresholds for their individual Contracting Officers, or on specific procurements.
2. When the person authorized to approve a clearance is personally responsible for the negotiation, the clearance shall be approved by the next higher level. In addition, when the cognizant Branch Head is acting for SPAWAR 2.0/2.0A, the business clearance shall be retained until SPAWAR 2.0/2.0A returns.
3. Note that award may need to be delayed beyond approval of BCM to allow for any required notifications like the CHINFO notification (see CHINFO SCPPM).

5.2 SSC Atlantic

	Contract Value *(x)*	Approval Authority
SPAWAR	$x >$ ***$50M***	**SPAWAR HQ**
Local	**$50K** $\leq x <$ ***$50M***	**Contract Review Board**

1. A copy of all completed business clearances greater than *$50,000,000* shall be provided to Code 111S who shall submit them to SPAWAR 2.0 via HQ_Contracts_Policy@navy.mil.
2. All business clearances under $500,000 may be approved by the Contracting Officer.

5.3 SSC Pacific

	Contract Value *(x)*	Approval Authority
SPAWAR	$x >$ **$50M**	**SPAWAR HQ**
Local	$x \leq$ **$50M**	See SSC Pacific IMP 10-002c

All actions requiring Local Peer Review (LPR) approval must be accompanied by an oral summary of the proposed contract action. The LPR presentation requirements,

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

presentation forms, and LPR review and approval forms are available from Internal Policy Memorandum (IPM) 10-002c. SSC Pacific will submit all packages to SPAWAR 2.0 via HQ_Contracts_Policy@navy.mil.

5.4 Miscellaneous Notes on BCM Approvals

5.4.1 DIRECT ACQUISITIONS (i.e., Contracting Officer places order on non-DoD vehicle)

The business clearance approval official is also the decision authority (NMCARS 5217.7802). Contracting Officers must determine that fees associated with the acquisition are fair and reasonable. Notify the customer of any fees associated with the interagency acquisition and the total costs prior to sending funds to a non-DoD agency and documents the notification in the BCM Section VII.

5.4.2 FIXED-PRICE CONTRACTS FOR DEVELOPMENT (DFARS 235.006)

Obtain USD (AT&L) approval of the Government's pre-negotiation position before negotiations begin, and obtain USD (AT&L) approval of the negotiated agreement with the contractor before the agreement is executed, for any action that is:

1. An increase of more than $250 million in the price of ceiling price of a fixed-price type development contract, or a fixed-price type contract for the lead ship of a class;
2. A reduction in the amount of work under a fixed-price type development contract or a fixed-price type contract for the lead ship of a class, when the value of the work deleted is $100 million or more; or
3. A re-pricing of fixed-price type production options to a development contract, or a contract for the lead ship of a class, that increases the price or ceiling price by more than $250 million for equivalent quantities.

5.4.3 OPTION TO EXTEND SERVICES (DASN(AP) MEMO FEB 2013)

Ensure that the original BCM includes in the pricing evaluation criteria all option prices, including any periods anticipated to be covered by FAR 52.217-8, Option to Extend Services.

6. TOOLBOX

1. NMCARS Annex 2, Business Clearance Memorandum Format
2. Business Clearance Format marked for Source Selection Information - NMCARS Annex 2 format
3. Section IV: Pre-Solicitation Compliances Checklist – Dec 2015
4. Contract Award Announcements (CHINFO) - SCPPM
5. Weighted Guidelines (DD Form 1547) Spreadsheet
6. Improving Competition in Defense Procurements-Amplified Guidance – DPAP memo, Apr 2011
7. Use of FAR Clause 52.217-8, Option to Extend Services – DASN(AP), Feb 2013
8. Commercial Items and the Determination of Reasonableness of Price for Commercial Items – DPAP memo, Feb 2015
9. Contract Audit Recommendations – DPAP memo, Dec 2009
10. IPM 10-002: Actions Requiring 2.0 Competency Lead or Local Peer Review (LPR) and Approval - SSC-Pacific-Specific Guidance
11. BCM Content Tips/Reminders – Oct 2015
12. IG/GAO Lessons Learned

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
June 2016 Rev1	Increased threshold for SSC Atlantic in para 5.2.
June 2016	Updated link in para 2.1, updated para 2.3, and added IG/GAO Lessons Learned to Toolbox.
January 2016	CRRB requirement removed.
December 2015	Updated Pre-Solicitation Compliances Checklist in Toolbox.
October 2015	Increased threshold for SSC Atlantic in para 5.2, added BCM content reminder to toolbox, added CAFU requirement in para 4.1, and clarified content.
July 2015	Updated para 2.3 to set format for actions not requiring BCM.
March 2015	Updated format, reorganized content, and updated links. Also, increased approval threshold for HQ Contracting Officers and reduced the approval threshold for SSC Atlantic, and added BCM verbiage for situation when only one offer is received, when using FAR 52.217-8, and when dealing with commercial items. In addition, the SSC Pacific specific IPM 10-002c guidance was updated.
June 2014	Last version created in old format. Latest update under this version was the addition of determining interagency acquisition fees and documenting rational for selection of contract type.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

CHECKLIST - ELECTRONIC CONTRACTING END TO END

• PURPOSE

a. The purpose of this document is to provide SPAWAR HQ policy for the electronic development, routing, review, approval, issuing, receiving, distribution and archiving of contract documents.

• POLICY

a. It is the policy of SPAWAR Claimancy that contract documents shall be developed electronically using appropriate contracting applications (i.e.. PD2, **Seaport**, etc…) routed, reviewed, approved, **issued** and archived electronically in accordance with this policy document.

b. **The contract files located on the SPAWAR HQ WebXtender shall constitute the official contract file as required by** FAR 4.803. The WebXtender file shall contain all the documents a paper contract file should have. Contract File Checklists are included in the toolbox at the end of this document to assist in ensuring complete files.

c. **Once the contract has been awarded,** it is the **Contracting Officer's responsibility to ensure that contract documents have been uploaded into WebXtender Since PD2 will NOT automatically upload attachments to non-funded administrative modification, the contract specialist must manually upload any of these attachments. PD2 should automatically upload contract documents and their associated attachments into WebXtender directly. The**

Contract Specialist should verify that that all Pre-Award and Post award contract documents are upload into WebXtender.

d. The SPAWAR Claimancy shall develop and process contract documents electronically. This includes requiring the offerors to submit proposals electronically. Procedures for electronic submission of proposals can be found in the SCPPM document, **Electronic Submission of Proposals/Bids/Quotations**. Contracting officers shall insert **Provision L-349 "Submission of Electronic Proposals"** from the SPAWAR Claimancy Clausebook in their solicitations, unless prior to the issuance of the solicitation approval has been obtained **one level above the contracting officer to not require the electronic submission of proposals/bids/quotes**. Typically, the decision to not require the electronic submission of proposals/bids/quotes will be based on whether the predominance of the potential offerors have access to the information technology needed for the electronic submission

• RESPONSIBILITIES

Contracting Officers will require all contract related documents being generated within the contracts branches to be created, routed, **distributed** and archived electronically.

Contract Specialists Shall develop all contract documents electronically and ensure WebXtender contains the entire file.

Contract Specialist Shall update his/her solicitation page posted on the SPAWAR E-Commerce to the most current milestone status as appropriate.

• PROCEDURES

SPAWAR

a. Drafting and transmitting the Synopsis.

The contract specialist shall first draft the synopsis of the requirement on the SPAWAR E-Commerce Central (E-CC) website under "Create Solicitation", and then ensure it is properly posted to the Federal Business Opportunities (FedBizOpps) website at http://www.fedbizopps.gov/, the official Government Point of Entry (GPE). While in the E-CC website, and when the synopsis is ready, the contract specialist has two options as to where the synopsis will go:

Option 1 - If the intent is to post the synopsis on the FedBizOpps immediately, the contract specialist shall click on the radial button titled "Send Pre-Solicitation Synopsis" under "FedBizOpps Information", or

Option 2 - If the intent is to keep the synopsis "in-house" (i.e. the synopsis can wait to be posted later to the FedBizOpps), then the contract specialist shall click on the radial button titled "Do Not Send Synopsis". The contract specialist can later send his/her synopsis to FedBizOpps under the edit mode, and by following the procedures described above in Option 1.

If Option 1 is chosen, the contract specialists should then go in to the FedBizOpps Site and verify that the posting took place. FedBizOpps will send the contract specialist an email confirming the posting of the synopsis on its site.

b. Developing the RFP

(1) The contract specialist shall develop the RFP using the appropriate contracting application (PD2, **Seaport,** etc.)

(2) The RFP, once approved, shall be posted electronically to the E-CCC website.

(3) Contracting Officers shall require companies submitting quotations in response to a request for quotations for a delivery/task order directly under Federal Supply Schedules (see FAR Subpart 8.4) to submit them electronically via the E-CC. The SPAWAR E-Commerce Select may be used for these requests for quotations when some or all Federal Supply Schedule contractors will be permitted to submit a quotation..

(4) For sole source requests for proposals, contract specialist will use E-CC to transmit the synopsis and receive proposals electronically. To create a sole source request from the E-CC, the sole source vendor(s) must register first on the E-CC. Once the sole source vendor(s) is/are registered, the contract specialist will select "**Other than Full and Open Competition – Restricted View**" under "Type of Action" from the Solicitation Page. This process will allow the contract specialist to access and select from the "Select Sole Source Vendor" link, the appropriate sole source vendor(s) from a pop-up window. The sole source vendor(s) are notified automatically via e-mail of the RFP posting. Viewing of the sole source request for proposal page is restricted only to the selected vendor(s), the contract specialist and the contracting officer. The synopsis feature to post to the FedBizOpps is available during the creation of the sole source solicitation page.

c. Downloading of Electronic proposals/bids/quotes from the SPAWAR E-CC

(1) The E-CC will automatically notify (via e-mail) the Contract Specialist when a proposal/bid/quote and a modification or revision of a proposal/bid/ quote has

been submitted or posted by a vendor on the E-CC. Upon receipt of the e-mail notification, the Contract Specialist will click on the URL link contained in the e-mail to access the proposal from the E-CC.

(2) Clicking the URL link contained in the e-mail notification will launch the Contract Specialist's workstation's Browser and connect the Contract Specialist to the E-CC restricted e-proposal page access. The Contract Specialist will be prompted for an assigned E-CC userid and password. After the Contract Specialist enters the userid and password pair, the browser will open the E-CC e-proposal page for restricted viewing and downloading. The Contract Specialist will click on "View Proposal Documents" found near the bottom of the page. This link will open the "Proposal Documents" page. The "Proposal Documents" page contains all the pertinent information including the vendor's profile (company and POC). It also contains the Date and Time stamp of the submission and receipt of the proposal/bid/quote or the modification or revision of a proposal/bid/quote. The proposal documents submitted by the vendor can be downloaded by clicking on each document found next to "Attachments" near the bottom of the page. The Contract Specialist's workstation is not a secure location for an offeror's protected bid or proposal data. Therefore, the proposal documents shall be downloaded directly to a **CD, DVD, or a secure network or web based location**. The Contract Specialist will label all proposal storage media with a label pertaining to the solicitation. In addition, all proposal storage media will be marked "Source Selection Information -- See FAR 3.104" and placed in a secure area (e.g., locked cabinets). Please contact your System Administrator if you need further assistance.

Additional Notes:

a. SPAWAR Claimancy Contract Specialist (SCCS) E-CC Users may download e-Proposals anytime after e-proposals are submitted and posted by prospective vendors on the e-CC.

b. SCCS e-CC Users have a 7 day window to download e-Proposals AFTER the closing date of the Solicitation.

c. All e-Proposals will be moved from the E-CC to the WEBX exactly 7 days after the closing date of the Solicitation.

d. Authorized ASSIST users can download e-Proposals from ASSIST at anytime as long as the Source Selection page is on open status.

e. e-Proposals from ASSIST will be purged after the Source Selection is closed by the Contract Specialist.

d. Updating STATUS and preserving the Data Integrity of Solicitation/RFP pages on the SPAWAR E-CC

(1) The contract specialist shall change the "Status" of their respective solicitation

page to "4. Evaluation" after each solicitation closing. This will move their solicitation page from the "Open Solicitations" view to "Closed Solicitations" view.

(2) Upon award of a Solicitation, the contract specialist shall change the "Status" of their respective solicitation page to "5. Award". When necessary, submission of award synopsis to the FedBizOpps website shall be conducted.

e. Distribution of Proposals for Evaluation (SPAWAR HQ)

(1) The contract specialist shall move all electronic proposals to the Virtual Proposal Room, (VPR) after solicitation closing.
(2) The contract specialist shall click and open each proposal page and use the "Archive to VPR/WEBX" link located on the top of the proposal page to access the "Archive Proposal Documents" page.
(3) The contract specialist will select the applicable volume number from the "Volume Number:" pull down list for each submission and check all corresponding files (listed on the page) associated to the selected volume.
(4) If applicable, the contract specialist will select the appropriate FPR (Final Proposal Revision) number from the "FPR Number:" pull down list for each submission and check all corresponding files (listed on the page) associated to the selected FPR and Volume.
(5) Files submitted to the VPR will be available for viewing in WebXtender the following SPAWAR business day.
(6) The contract specialist and contracting officer will have full access to the VPR via WebXtender. If access is required for sponsors or Technical Evaluation Board (TEB) members, the contract specialist will submit an e-mail request, and enter on the "Subject" line: "WebX Access for SPONSORS or TEB Members" to paperless.spawar@navy.mil. The e-mail request will contain the users full name, program office code and e-mail address. All user requests will be provided a "read only" access to WebXtender. SPAWAR **Paperless Branch** will review and approve all requests. Sponsors and TEB users will be notified via e-mail upon approval.

f. Quotations submitted under request for quotations under Federal Supply Schedules to be submitted electronically to the SPAWAR E-CC site:

Contracting officers may require companies submitting quotations in response to a request for quotations for a delivery/task order directly under Federal Supply Schedules (see FAR Subpart 8.4) to submit them electronically via the E-CC. The E-CC may be used for these requests for quotations only when any and all Federal Supply Schedule contractors whose Schedules include the supplies/services solicited, will be permitted to submit a quotation. The request for quotations will be posted at the SPAWAR Contracts Directorate's Business Opportunities Page.

When the electronic submission of quotes is required, contracting officers shall insert paragraph (a) and (b) of Provision L-349 "Submission of Electronic Proposals" in their request for quotations for a delivery/task order directly under Federal Supply Schedules.

At the discretion of the Contracting Officer, a provision substantially the same as **"Late Submission and Modification of Quotations**" may be inserted in the Request for Quotations (i.e. if the contracting officer wants a late quotations provision to apply). When a request for quotation does not contain a specific late quotations provision requiring receipt of quotations by a specified date in order to be considered, but instead merely calls out a due date, the contacting officer should normally consider any quotations received prior to the selection decision if no substantial activity has transpired in evaluating quotations. However, once a late quotations provision is inserted, then the contracting officer needs to adhere to it.

SSC-LANT

Clicking the URL link contained in the e-mail notification will launched the Clerk's workstation's Browser and connects the Clerk to the SPAWAR E-CC restricted e-proposal page access. The Clerk will be prompted for an assigned E-CC userid and password. After the Clerk enters the userid and password pair, the browser will open the E-CC e-proposal page for restricted viewing and downloading. The Clerk will click on "View Proposal Documents" found near the bottom of the page. This link will open the "Proposal Documents" page. The "Proposal Documents" page contains all the pertinent information including the vendor's profile (company and POC). It also contains the Date and Time stamp of the submission and receipt of the proposal/bid/quote or the modification or revision of a proposal/bid/quote. The proposal documents submitted by the vendor can be downloaded by clicking on each document found next to "Attachments" near the bottom of the page. The Clerk's workstation is not a secure location for an offeror's protected bid or proposal data. Therefore, the proposal documents shall be downloaded temporarily to the users PC hard drive (e.g. their D: drive). Proposal documents downloaded to the user's PC hard drive shall be burned/transferred to a CD or DVD depending on the size of the proposal documents. The Clerk will label all proposal storage media with a label pertaining to the solicitation.

g. Disposition of Electronic Proposals Upon Award of Contract

(1) SPAWAR-HQ

(a) The contract specialist will complete a Contract Document Checklist (ToolBox Enclosure (1)) and ensure all contract documents associated with the contract are present and in electronic form and submit it to the PCO for review.

(b) PCO's shall review and sign the Contract, Delivery Order (ToolBox Enclosure (2)), or Modification (ToolBox Enclosure (3)) document checklist.

(c) The specialist will upload the contract documents into WebXtender within 15 working days after award of contract. The specialist shall ensure the file contained on WebXtender is the "Official Contract File".

(d) The contract specialist shall move all electronic proposals to the Virtual Proposal Room (VPR) after solicitation closing.

(e) The contract specialist shall click and open each proposal page and use the "Archive to VPR/WEBX" link located on the top of the proposal page to access the "Archive Proposal Documents" page.

(f) The contract specialist will select the applicable volume number from the "Volume Number:" pull down list for each submission and check all corresponding files (listed on the page) associated to the selected volume.

(g) If applicable, the contract specialist will select the appropriate FPR (Final Proposal Revision) number from the "FPR Number:" pull down list for each submission and check all corresponding files (listed on the page) associated to the selected FPR and Volume.

(h) Files submitted to the VPR will be available for viewing in WebXtender the following SPAWAR business day.

OPTIONAL PROCESS - The contract specialist will complete the WebXtender Document Index Sheet-Pre Award, and ensure the proposals/bids/quotations submitted by all offerors are transferred to the Share Drive "O" or copied to a disk or CD. The CD or disk shall be labeled with the contract number and the name of the negotiator. The contract specialist shall notify Brace Management Group of the file location, if on the Share Drive "O" or hand carry the files in an electronic form (CD, disk), along with the checklist and index sheet, to Brace Management Group, Inc. for input into the "official contract file" maintained in WebXtender

Additional Notes:

1. SCCS E-CC Users must use the ISSUE CONTRACT AWARD feature on the e-CC to transmit AWARD Synopsis to FedBizOpps.

2. E-CC Solicitations must be in the EVALUATION status in order access the ISSUE CONTRACT AWARD link.

3. During a successful submission:

    a. The ISSUE CONTRACT AWARD page will automatically move your status from EVALUATION to AWARD and transmit your AWARD Synopsis to FedBizOpps. SCCS E-CC users will receive an acknowledgement email from FedBizOpps indicating a successful or failed transmission.

b. All pre-award docs (e.g., RFP's, Amendments, SOW's, etc) posted on your Solicitation page will be automatically move from the E-CC to WEBX.

(2) SSC-LANT

Upon award of the contract, the proposals/bids/quotations submitted by all offerors will be transferred to a CD or DVD. The CD or DVD will be labeled with the contract number and then provided to SSC-LANT Code 731RB for input into the "official contract file" maintained in Application Extender (AE).

(3) SSC-PAC

Upon award of the contract, the proposals/bids/quotations submitted by all offerors will be transferred to a floppy disk. The disk will be labeled with the contract number and then provided to SSC-PAC Code D232 for input into the "official contract file" maintained in Application Extender (AE).

BRACE Management Group, Inc. indexes and imports all documents into WebXtender including proposals.

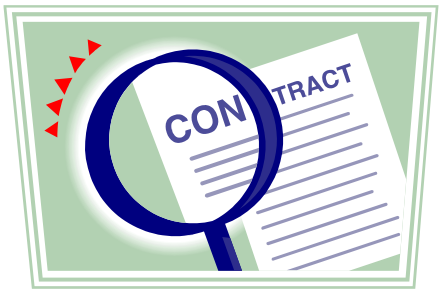
• APPROVALS

None

• MISCELLANEOUS

Electronic Contracting Tool Box

1. **Contract Document Checklist** *(Updated 7/13)*
2. **Delivery Order Checklist** *(Updated 7/13)*
3. **Modification Checklist** *(Updated 7/13)*
4. **Simplified Acquisitions Award Checklist** *(Updated 5/13)*
5. WebX Index Sheet (PRE) (w/Index Reference sheet)
6. WebX Index Sheet (POST) w/Index Reference sheet)
7. WebXtender User Manual
8. **Distribution Sheets (HQ, PAC, LANT) – Contract/Modification Distribution SCPPM**



Checklist - Internal Compliance Review of Contract Files/Solicitations

1) PURPOSE

As part of the SPAWAR Procurement Performance Management Assessment Program (PPMAP), quality assurance processes to ensure compliance with statutory and regulatory requirements and best business practices require that a sample of contract files and open solicitations on a specified periodic basis be conducted. Such reviews will provide SPAWAR 2.0 management with early notice of actual or potential problems and allow management to (i) correct or otherwise address specific problems observed in individual files and (ii) respond proactively to systemic problems with new or additional training, or with process revisions.

2) POLICY

All SPAWAR Contracting Offices shall conduct contract file reviews on a sample of the contract vehicles issued by that Contracting Office to include "C" & "D" contracts, SEAPORT orders, delivery/task orders, GSA orders and SAP orders (does not apply to Purchase Card transactions). Additionally, a review of open solicitations for clause currency and compliance shall also be conducted. Contract file and solicitation reviews should be done on an on-going basis. Each review performed should provide a description of any problems found and a POA&M for resolution. Results of the reviews and appropriate training should be provided to all contracting personnel at the applicable Contracting Office. Field Contracting Offices shall maintain copies of their reports for review by SPAWAR HQ for their respective PPMAP Reviews.

3) RESPONSIBILITIES

Each Field Contracting Office is responsible for conducting their contract file and solicitation reviews and maintaining the documentation that shows the type of contract file and solicitation reviewed, problems identified and actions taken to correct. The Policy Branch at HQ is responsible for conducting HQ contract file and solicitation reviews and reporting. Each Contracting Office is responsible for determining the selection and number of the contract files and solicitations to be reviewed.

The HQ Policy Branch will be responsible for the overall oversight of the SPAWAR Contracting Internal Compliance Reviews as it relates to the SPAWAR PPMAP Program.

4) PROCEDURES

Each Contracting Office shall utilize standardized checklists to perform contract reviews. The Field Activities may use additional checklists; however, those checklists must cover the items on the standard checklists at a minimum. Some of the areas (from DASN PPMAP Reviews)to be considered in contract file reviews include the following (Note: this is not an all inclusive list):

a) An affirmative statement in the BCM or Pricing Memo that states: "The prices/costs have been determined to be fair and reasonable." This must appear in every BCM or pricing memo. Ensure that cost or pricing data is obtained when the acquisition exceeds the TINA threshold.

b) All procurement sensitive documents are marked with "Source Selection Information - See FAR 2.101 and FAR 3.104" This means all clearances, pricing memos, technical evaluations (including e-mails) all source selection plans, all proposed costs or prices, Technical evaluation plans, Cost or price evaluations, Competitive range determinations, Rankings of bids, proposals, or competitors, Reports and evaluations of source selection panels, boards, or advisory councils.

c) Review of the Contracting Officers' Determination of Responsibility. This includes not only the FAR 9.10 items but also verification that the Excluded Parties List System (EPLS) was checked (screen shot of the system response).

d) Commercial item contracts should not include any non-standard clauses.

e) Service contracts have the appropriate MOPAS approvals.

f) Non-DoD contracts and orders have the appropriate approvals.

g) Non-PBSA contracts have a waiver in the file.

h) TINA waivers have the appropriate approvals.

i) D&Fs are executed for T&M & CPAF contracts (includes SEAPORT orders).

j) Review MAC orders for competition and if not, was the sole source justification adequate.

k) Commercial item contracts over $1M have a written determination by the Contracting Officer that the acquisition meets the commercial item definition in FAR 2.101

l) Undefinitized Contract Actions (UCAs) are definitized within the required timeframes and documentation supports the basis for the profit or fee negotiated.

m) For solicitation reviews, some of the clauses/provisions to check for applicability are (Note: this is not an all inclusive list):

FAR 52.204-8 Annual Representations and Certifications
FAR 52.204-9 Personal Identity Verification of Contractor Personnel
FAR 52.204-10 Reporting Subcontract Awards
FAR 52.219-28 Post-Award Small Business Program Representation
FAR 52.223-15 Energy Efficiency in Energy Consuming Products
FAR 52.223-16 IEEE 1680 Standard (EPEAT)
FAR 52.222-99 Implementation of Executive Order 13658, Establishing a Minimum Wage for Contractors (DEVIATION)
DFARS 252.211-7003 Item Identification and Valuation
DFARS 252.211-7007 Item Unique Identification of Government Property
DFARS 252.215-7003 Excessive Pass-Through Charges
DFARS 252.215-7004 Excessive Pass-Through Charges
DFARS 252.225-7014 Preference For Domestic Specialty Metals
DFARS 252.225-7040 Contractor Personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States
DFARS 252.229-7999 Taxes- Foreign Contracts in Afghanistan (Military Technical Agreement) (DEVIATION 2013-00016)
DFARS 252.232-7003 Electronics Payments Submission
DFARS 252.242-7001 Notice of Earned Value Management System
DFARS 252.242-7002 Earned Value Management System

n) Additionally a review of Commercial Item solicitations to check for any unique clauses or instructions not prescribed by FAR or DFARS. These are no longer allowed.

6. MISCELLANEOUS

Electronic Contracting ToolBox

1. ***Contract Document Checklist*** **(Current)**
2. **Delivery Order Checklist (Current)**
3. **Modification Checklist (Current)**

1. PURPOSE

The purpose of this document is to establish SPAWAR policies and procedures for the processing of contractor invention reports. Patent counsel should be contacted for further direction.

2. POLICY

This policy applies if your contract contains any of the following clauses:

a. FAR 52.227-11 - Patent Rights-Ownership by the Contractor
b. FAR 52.227-13 - Patent Rights-Ownership by the Government
c. DFARS 252.227-7039 - Patents-Reporting of Subject Inventions
d. DFARS 252.227-7038 - Patent Rights-Ownership by the Contractor (Large Business)

The DD Form 882, Report of Inventions and Subcontracts, is used to inform the Government whether or not a contractor has created any novel, technical developments qualifying as "subject inventions". The Government has specific rights to any such "subject inventions" as per the FAR clause in the contract.

In contracts that include DFARS 252.227-7039, contractors must provide a completed DD Form 882 within three months after physical completion of their contract. They are also required to provide interim reports every 12 months, or for any longer period as specified by the Contracting Officer.

3. RESPONSIBILITIES

3.1 Contracting Officer's Representative (COR)

The COR is responsible for determining if any novel technical developments were conceived or reduced to practice (i.e., fabricated, implemented, etc.) under the contract. After physical completion of the contract, the COR will be requested to review the Contractor's DD Form 882 for accuracy and completeness. The COR shall also indicate concurrence or non-concurrence with DD Form 882 in an Invention Questionnaire as listed in the Toolbox.

3.2 Contracting Closeout Officer (CCO)

The CCO is responsible for assuring that the contractor has provided a DD Form 882 within three months after physical completion of the contract. The CCO should send a reminder e-mail to the contractor with a cc to the ACO. Below is suggested wording:

> "Contract Nxxxxx-xx-x-xxxx between SPAWAR and (contractor's name) includes a patent rights clause. The clause requires the contractor to submit a DD Form 882 to the Contracting Officer within three months of physical completion. To-date, none has been received. Please submit your DD Form 882 to the undersigned."

The Policy Branch is responsible for tracking contractor compliance with the invention reporting requirements of the contract (see flowchart in the Toolbox) and electronically archiving documents. The CCO may approve a patent release (for closeout purposes only) for a "Negative" DD Form 882 under either of the following conditions:

- The COR has confirmed in writing that the government believes no inventions or technical developments were conceived or reduced to practice under the contract.
- No responsible technical person can be identified because the contract is too old.
- Under either of these conditions, the CCO may provide a patent release in accordance with the release letter contained within this instruction.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3.3 Cognizant Office of Patent Counsel

Office of Patent Counsel at SSC Pacific is responsible for reviewing any positive Forms DD Form 882 pertaining to SPAWAR HQ and SSC Pacific contracts and is responsible for assuring that all necessary documentation has been received prior to providing a release to contract - closeout.

Office of Patent Counsel at SSC Atlantic is responsible for reviewing any positive Forms DD Form 882 pertaining to SSC Atlantic contracts and is responsible for assuring that all necessary documentation has been received prior to providing a release to contract-closeout.

4. PROCEDURE

4.1 Common Procedures for both "Negative" and "Positive" Invention Reports

a) Upon physical completion of the contract, and if the contract includes any of the FAR or DFAR patent clauses referenced, the contractor will submit a DD Form 882 to the CCO or CCO's designated support contractor, who will track physical completion and prepare a letter for CCO's signature requesting the report from the contractor.
b) When a completed DD Form 882 is received, it will be sent with the Invention Questionnaire to the COR for review. The COR will complete the Invention Questionnaire to substantiate or dispute the information on the DD Form 882 provided by the contractor. This questionnaire is to be completed, signed and returned within 35 calendar days to the CCO for signature.
c) If the COR disputes the findings, the DD Form 882 will be returned to the contractor for resubmission or an explanation why no modification to the DD Form 882 is required.
d) If the DD Form 882 information was received from the ACO, the information regarding the COR's comments will be returned to the ACO with instructions for the contractor to resubmit or provide an explanation why no modification to the DD Form 882 is required. The Contractor may return the resubmission either to the ACO or to the CCO or designated CCO support contractor.

All information on Negative or Positive Invention documentation will be tracked and logged into a Contractor Invention Tracking Database maintained by the respective SPAWAR facility responsible for awarding the contract.

4.2 Negative Invention Reports (See Flowchart "Path A")

Follow the Common Procedures outlined above. If no technical developments or inventions are disclosed by the contractor, and the COR agrees there are none, the submission is considered to be a Negative Invention Report. When the CCO signs the release letter it is sent to the ACO at the appropriate DCMA office (see Toolbox for Invention Report Release letter to DCMA Office).

4.3 Positive Invention Reports (See Flowchart "Path B")

a) If an invention has been disclosed by the contractor, and the COR agrees with these findings, the submission is considered to be a Positive Invention Report follow the common procedure outlined above. Once the disclosure has been verified by the COR within the 35 calendar day time period, the CCO (or designated support contractor) will track subsequent information, e.g. Invention Disclosures, Patent Applications, Statement of Government Interests and Confirmatory Instruments. These documents are due in accordance with the time periods specified by the FAR and DFARS.
b) Once all supporting documentation on the invention or technical discovery has been received, the information will be sent to the SPAWAR Office of Patent

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Counsel having cognizance over the contract. That office reviews, signs, and processes the information for final closure to the process.

5. APPROVALS

5.1 Cognizant Office of Patent Counsel

When a positive DD Form 882 is received from the contractor and all required, signed documents (i.e. Invention Disclosure, Patent Application, Statement of Government Interest, and Confirmatory Instrument) are submitted, the Cognizant SPAWAR Office of Patent Counsel will approve the submitted package and provide the CCO and/or ACO with a letter that the contractor may use for contract closeout. Office of Patent Counsel SSC Pacific will provide approval for SPAWAR HQ and SSC Pacific contracts. Office of Patent Counsel SSC Atlantic will provide the approvals for SSC Atlantic contracts.

As stated in para 3.2 above, the CCO may approve for release any "Negative" DD Form 882 submissions once the COR has indicated agreement with the negative submission. On very old contracts where no technical representative is available who has any knowledge of the contract, the CCO may approve for release (for closeout purposes only) the contractor's negative submission.

6. TOOLBOX

1. Invention Questionnaire
2. Invention Report Closeout Flow Chart
3. Invention Report Release letter to DCMA Office:
   a. Positive Invention Report
   b. Negative Invention Report
4. Positive Deficiency Letter

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
April 2016	Updated format, reorganized content, and updated links.
June 2009	Last version created in old format; no change notes available.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide SPAWAR Claimancy policy and guidance for breaking out components of end items for future acquisitions so that the Government can purchase the components directly from the manufacturer or supplier and furnish them to the end item manufacturer as Government-furnished material. Component includes subsystems, assemblies, subassemblies, and other major elements of an end item. Component breakout normally is not justified for a component that is not expected to exceed $1 million for the current year's requirement. Component breakout may provide substantial cost savings.

Related guidance is available under CMPG Process Guide 1.2.5 Develop AP and 1.2.6 Hold Procurement Planning and Strategy Meeting (PPSM).

2. POLICY

2.1 It is the policy of SPAWAR to break out components of weapons systems or other major end items under the following circumstances:

A. When it is anticipated that a prime contract will be awarded without adequate price competition, and the prime contractor is expected to acquire any component without adequate price competition, SPAWAR shall break out that component if:

i) Substantial net cost savings probably will be achieved; and

ii) Breakout action will not jeopardize the quality, reliability, performance or timely delivery of the end item.

B. Even when either or both the prime contract and the component will be acquired with adequate price competition, the agency shall consider breakout of the component if substantial net cost savings will result from:

i) Greater quantity acquisitions; or

ii) Such factors as improved logistics support (through reduction in varieties of spare parts) and economies in operations and training (through standardization of design).

2.2 This policy does not apply to the initial decisions on Government-furnished equipment or contractor-furnished equipment that are made at the inception of an acquisition program; or Breakout of Spare parts for replenishment.

3. RESPONSIBILITIES

3.1 Procuring Contracting Officer (PCO):

A. The Contracting Officer has responsibility for ensuring that all applicable regulations and procedures have been satisfied and that the business aspects are appropriate to achieve the technical objectives in the most cost effective manner.

B. For each SPAWAR Contracting Office, provide copies of the Breakout decision to a central repository. For HQ 2.0 PCOs, provide a copy to 2.3.1 Policy Branch via the HQ_CONTRACTS_POLICY@NAVY.MIL email.

3.2 Acquisition Program Manager/Technical Code:

A. The Acquisition Program Manager/Technical Code for the material program concerned is responsible for breakout selection, review, and decision; which includes all applicable documentation.

B. Addresses the breakout decision in the Procurement Planning and Strategy Meeting (PPSM) SCPPM and corresponding Acquisition Plan SCPPM (if dollar threshold applies).

C. Follow the format set forth herein.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4. PROCEDURES

4.1 A breakout review and decision includes:

A. An assessment of the potential risks to the end item from possibilities such as delayed delivery and reduced reliability of the component;

B. A calculation of estimated net cost savings (i.e., estimated acquisition savings less any offsetting costs); and

C. An analysis of the technical, operational, logistics, and administrative factors involved.

4.2 The Acquisition Program Manager/Technical Code for the requirement will be responsible for documenting the Component Breakout Decision utilizing the standard format (Tool Box). The decision must be supported by adequate explanatory information, including an assessment by the end item contractor when feasible.

5. APPROVALS

5.1 The cognizant Acquisition Program Manager/Technical Code is the approving authority for the Component Breakout Decision.

6. TOOLBOX

6.1 SPAWAR

A. SPAWAR COMPONENT BREAKOUT DECISION REVIEW FORM

B. Procurement Planning and Strategy Meeting (PPSM)

C. Acquisition Plan

D. CMPG 1.2.5 Develop AP

E. CMPG 1.2.6 Hold Procurement Planning and Strategy Meeting (PPSM)

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
May 2016	Content reformatted and reorganized, links checked and updated and added reference to CMPG 1.2.5 and 1.2.6.
January 2011	Last version created in old format.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide SPAWAR Headquarters (HQ) and Systems Centers policy and guidance for preparing and providing news releases of proposed contract awards, contractual actions, other transactions, grants and cooperative agreements through the Navy Office of Information, headed by the Chief of Information (CHINFO) to the Office of the Assistant Secretary of Defense (OASD) Public Affairs (PA), Navy Office of Legislative Affairs (OLA) and Assistant Secretary of the Navy (ASN) Research, Development & Acquisition (RDA).

Related guidance is available under CMPG 4.2.1 Issue CHINFO Notice.

2. POLICY

SPAWAR HQ is required to provide information on all contractual actions or modifications that have a face value of more than $***7*** million, excluding unexercised options, to OASD (PA). This information will be used in a public news release announcing the award in accordance with DFARS 205.303. Congressional members whose states or districts are affected by the contract (either the contractor lives in the state or district or the work will be performed there) will be provided similar information concurrent with the public announcement. Contract award information will be provided to the appropriate Public Affairs Office (PAO) in the form of a news release.

A. **$*7* Million Threshold.** Report ALL contractual actions, including modifications, which have a face value (excluding unexercised options), of more than $***7*** million. The $***7*** million threshold will also apply to all transactions, grants and cooperative agreements even though they do not fall within the purview of FAR/DFARS announcement procedures. This will ensure consistent public notification of expenditures. Any contract, regardless of size, that has or may have media or public attention must be brought to the attention of public affairs media and policy review before it is awarded.

B. **Undefined Actions**. For undefined contractual actions, use the not-to-exceed (NTE) amount. Later, if the defined amount exceeds the NTE amount by more than $***7*** million, report only the amount exceeding the NTE.

C. **Base Amount Excluding Unexercised Options**. For indefinite-delivery, time and material, labor hour, and similar contracts, report the initial award if the estimated face value (base amount), excluding unexercised options, is more than $***7*** million. *Do not report subsequent orders that have an estimated face value of more than $**7** million until the sum of all orders placed has reached the originally reported estimated face value. After the originally reported estimated face value is reached, report subsequent modifications and orders that have an estimated face value of more than $**7** million.* Do not report the same work twice.

D. **Modifications**. Once the estimated value is reached, report subsequent modifications and orders that have a face value of more than $***7*** million. Again, do not report the same work twice.

E. **Option Exercises.** Options are considered a contract modification and ARE NOT included when calculating the base year amount of an initial award and in reaching the $***7*** million threshold, according to DFAR 205.303 (a) (i). Therefore, report ALL contractual options that have a face value of more than $***7*** million.

   a. The sentence/wording on a contract announcement, with options, should state: "This contract contains an option, which is exercised, would bring the contract value to $_____."

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

b. Later, if an option will be exercised, submit a modification announcement ONLY if it is $7 million and up. Exercising an option is considered a contract modification, so sentence/wording should state:
"(COMPANY NAME) is being awarded a $_____ modification to a previously awarded (TYPE OF) contract (CONTRACT NUMBER) to exercise an option for_____."

c. Regardless of the amount of the initial award, options of $7 million or more must be announced at the time they are exercised.

F. **Exceptions**. See Part 5 – Publicizing Contract Actions, FAR 5.303(a).

3. RESPONSIBILITIES

3.1 Procuring Contracting Officer (PCO)/Contract Specialist (CS)

- Prepares the award announcement; submits it to the Public Affairs Office (PAO) point of contact; and ensure the copy of the announcement is filed in the official contract file.
- Must immediately notify the PAO POC of any contract, regardless of size, that has or may have media or public interest before it is awarded. The contract specialist or PCO should be available to answer questions from the time of submission to PAO until the date and time of the announcement.

3.2 Program Manager Warfare/Technical Codes

Assist the PCO/CS in the preparation of the award announcement.

3.3 PAO

3.3.1 SYSTEMS CENTER

Provides all SPAWAR System Center contract award announcement information, in the form of a news release, to the Navy OLA and CHINFO with copy to SPAWAR Headquarters Public Affairs and ASN RDA.

3.3.2 HEADQUARTERS (SPAWAR 8.5)

Provides all SPAWAR Headquarter award announcement information, in the form of a news release, to the Navy OLA and Navy Chief Information Officer (CHINFO) with a copy to ASN RDA.

3.4 Navy Office of Legislative Affairs (OLA)

Provides information on contract actions exceeding $50 million to the Secretary of the Navy for potential SECNAV notification of Congressional members.

3.5 Chief of Information (CHINFO)

Provides consolidated Navy contract announcements (news releases) to OASD (PA) the day before award.

3.6 Office of Assistant Secretary of Defense Public Affairs (OASD (PA))

Releases contract announcements via www.defense.gov/contracts/ at 5 p.m. (Eastern) the day of award.

4. PROCEDURE

4.1 Preparation

1. **Standard Format**. The CS prepares the text of the news release using or exactly following the CHINFO Wording for Contract Awards or Modifications Template. This is the most important tool available to the CS in announcing contract awards. Please note that awards containing sensitive or security issues shall be specifically identified to SPAWAR Headquarters 8.5 and the Systems Center Public Affairs Offices. SPAWAR 8.5 will ensure all issues are resolved before submitting to OLA and CHINFO. In writing the announcement, follow these rules:

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

a. *Corporation and Incorporated.* Use abbreviations: Corp., or Inc.,
b. *Addresses* (in body of News Release). Use only the city and state (The Associated Press (AP) Stylebook) when identifying the company in the first sentence of the news release (announcement).
c. *AP Style for states*. *Spell out all states.*
d. *Dollar amount*. First sentence of the announcement uses base amount only.
e. *No cents*. In stating the dollar amount, round to the nearest whole dollar.
f. *Options*. If, and only if, options are included in the initial announcement, they need not be announced when they are exercised, even if they exceed the $**7** million threshold.
g. *Type of contract.* Use lower-case letters, no abbreviations or acronyms, appropriate hyphens and slashes: cost-completion, indefinite-delivery/indefinite-quantity, cost-plus-fixed-fee/cost-plus-award fee contract. Do not use the word "type" as in "cost-completion type contract."
h. *Percentages for work performed*. List in order, with highest percentage first. Spell out percent (not %). If only one place is listed, do not use any percentage (we know it is 100 percent). (OLA requires this information for its notification to affected congressional members.)
i. *Completion date*. This is for the base year only (date does not include options). If there are options, add a sentence to address the completion date if all options are exercised. (See CHINFO wording template in the Toolbox section.)
j. *Company address and zip+4* code in "For more information, contact:" area. Use name of person, but not the title. Use complete address, including suite #, etc. Use post office's two letter state abbreviations here. Use zip+4 zip code. (OLA uses zip code to determine appropriate congressional district and the +4 is very important.)

2. **Q and As**. If the award is for more than $50 million, the CS also provides questions and answers to the PAO. The "Q and As" are optional on contracts less than $50 million, but cognizant codes should be ready to prepare them on short notice, depending on SPAWAR 8.5, SECNAV or OSD interest. Sample fact sheets and questions and answers are provided in the RESOURCES section.
3. **Final News Release.** The PAO works with CS to ensure the information is complete, concise and in the approved format, proof or prepare the news release, and release it to OLA and CHINFO.

4.2 Timeframes

4.2.1 PCO Deadline to submit to PAO

The PAO will need adequate time to prepare the news release and submit it to OLA and CHINFO by the established deadline. The award information shall be provided to the PAO within the following timeframes:

a. **Less than $50 million** (and more than $**7** million) – **12 noon Pacific Time** (3 p.m. Eastern Time), **two (2) working days** prior to planned award date.

b. **More than $50 million** – **12 noon Pacific Time** (3 p.m. Eastern Time), **three (3) working days** prior to planned award date.

4.2.1 PAO Deadline to submit to CHINFO and OLA

1) For awards of less than $50 million, the PAO *must have* the information to CHINFO and OLA before 11 a.m. Eastern Time (8 a.m. Pacific Time), **one (1)**

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

working day before the proposed date of the contract award. In order to meet the 8 a.m. deadline, information must be sent to the PAO by noon the day before!

2) For awards of $50 million or more, the PAO *must have* the information to CHINFO and OLA by 2 p.m. Eastern time (11 a.m. Pacific Time) **two (2) working days** before the proposed date of the contract award.

Important Notes

- Do not count Fridays as working days, unless you get an exception from PAO; however, you can plan an award date on a Friday.
- If the award date is near the end of a fiscal year or calendar year, allow plenty of additional time (working days) to process the announcement, or you risk not being able to award by the end of the fiscal year or calendar year.
- If the PAO, CHINFO or OASD (PA) has not objected to the release, the contracting officer may proceed to award the contractual action at 5 p.m. Washington, D.C. time (2 p.m. Pacific Time) to coincide with the public announcement.
- Check the contract announcements www.defense.gov/contracts/ a few minutes (15 or 20) after 5 p.m. Washington, D.C. time (2 p.m. Pacific Time) on the scheduled release date to ensure that the action has been posted. If the announcement text is different from what was submitted (and it sometimes is), cut-paste-print the new text and file it in the official contract file.

4.3 SPAWAR Headquarters Site-Specific Procedure

1. **Competency leads** notify SPAWAR 2.0 by email to HQ_Contracts_Policy@navy.mil of all awards over $***7*** million.
2. Award announcements will be submitted to SPAWAR 8.5 via email to tina.stillions@navy.mil *and Steven.A.Davis@navy.mil*.

4.4 SPAWAR 8.5 PAO Points of Contact

a. Tina Stillions, 619-524-3428, tinas.stillions@navy.mil
b. Steve Davis, 619-524-3428, Steven.A.Davis@navy.mil

5. APPROVALS

The PCO is responsible for the review and concurrence of the announcement prior to submission to the cognizant PAO.

6. TOOLBOX

Samples may be changed at any time. Contact your PAO for latest samples and information.

1. CHINFO **Contract Award** Templates
2. CHINFO **Modification** Templates
3. Sample USN **News Release** Template
4. Sample **Award Announcement**
5. Sample **Questions and Answers**
6. *Sample CHINFO **Advisory Email***
7. SPAWAR HQ CHINFO Fact Sheet

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
November 2015	Content converted to new SCPPM format. Threshold increased from $6.5 to $7 million. Added clarification to policy section, updated content of procedure section, and added sample advisory email template to toolbox.
October 2014	Added "Do not report orders up to the estimated value"
September 2014	Content formatted and reorganized; links updated.
September 2012	Last version created in old format. No change notes available.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Space and Naval Warfare Systems Command

CONTRACT CLOSEOUT GUIDE
FOR
SPAWAR CONTRACTS DIRECTORATE

Rev: 9 July 2013

TABLE OF CONTENTS

SUBJECT		PAGE(S)
	TABLE OF CONTENTS	2-3
PART I.	**INTRODUCTION**	
1.	Purpose	4
2.	Policy	4
PART II.	**GENERAL CLOSEOUT INFORMATION**	
1.	When does contract closeout begin and who does it?	4
2.	Types of Contracts	5
3.	Timeframes for Closing Contracts	5
	(1) Contract Closeout Timeframe Table	6
	(2) Type of Codes for Contract Type	6
4.	Flowchart Category I	7
5.	Flowchart Category II	8
PART III.	**ACTIONS ON DD FORM 1597**	9
1.	All Actions Definitized	10
2.	Subcontracts Closed	10
3.	All Deliverables Accepted	10
	Tech Code/Delivery Actions - Flowchart	11
	Invention Clearance Closeout – Flowchart	12
	Inventions Report Questionnaire	13
4.	Closeout Policy	14
	Inventions Report Path A	14-15
	Inventions Report Path B	15
5.	Royalties Report	16
6.	Termination/Claims/Disputes	16
7.	Litigation Resolved	16
	(1) Litigation Actions Category I and II - Flowchart	17
8.	Warranty Resolved	18
9.	Disposition of Government Property	18

10. Disposition of Classified documents 18
11. Security Actions Category I and II – Flowchart 19
12. Value Engineering Change Proposals (VECP) 20

PART IV. FUNDS REVIEWS
1. Excess Funds, Remaining Funds and Final Invoice 20
2. Final Acceptance 20
3. Replacement Fund Issues 21
4. Additional funds 21

PART V. PROBLEM DISBURSEMENT
1. Problem Disbursement Issues 21
2. Prompt Pay Certificates 21
3. Reconciliation Package 22

PART VI. PK-INDICATORS
1. Category II – Contracts Overview Closeout Process 23
2. PK9 Indicators 23
3. CAR Section Indicators 24
4. Delay Reason Indicators 25

PART VII. SAMPLES FORMS 26
1. DD Form 250 – Material Inspection and Receiving Report 27
2. DD Form 254 – Contract Security Classification Specification 28-29
3. DD Form 882 – Report of Inventions and Subcontract 30
4. DD Form 1594 – Category I and II Contracts 31-32
5. DD Form 1597 – Contract Closeout Check-List 33
6. WebXtender Index Sheet 34

PART VIII. LINKS TO REFERENCES 35

PART IX. ACRONYM LIST 36-39

CONTRACT CLOSEOUT GUIDE

PART I – Introduction

1. Purpose

The Purpose of this document is to provide policy and guidance for closing physically complete contracts for SPAWAR HQ Claimancy 2.0. This Contract Closeout Guide applies to all contract types and contract administration, either retained by SPAWAR (Category I) or delegated to DCMA (Category II.)

2. Policy

The Requirements and procedures for contract closeout are established by the FAR, (Federal Acquisition Regulations) FAR 4.804-5, *Procedures for Closing out Contract Files* and DFAR 204.804, *Closeout of Contract Files*. It is SPAWAR Contracts Policy that the PCO is ultimately responsible for closing out contracts under their cognizance. The PCO may use the resources available in the Policy Branch (2.3.1) to assist in the closeout function. It is also SPAWAR policy to delegate administration to the maximum extent practicable to the Defense Contract Management Administration (DCMA). The information in this Guide is to inform and assist SPAWAR HQ employees and Code 2.0 Support Contractors.

PART II- General Closeout Information

1. When does contract closeout begin and who does it?

When the Government accepts all deliveries and services, the contract is considered "Physically Complete." When the vendor has received all payments, they will provide a "Release of Claims," and at that time the contract will be considered financially complete. The process can be simple or complex depending on the contract type. Contract closeout requires coordination between the contracting offices and DFAS finance offices, program offices, DCAA audit offices and the contractor. Few SPAWAR contracts are retained in-house, it is SPAWAR Policy to delegate all contract administration to DCMA.

2. Types of Contracts

Contract Closeout Category I. The Procuring Office retains administration of the contract. The Code 2.0 Support Contractor reviews completion dates and for physical completeness to determine if contract closeout should begin. All applicable categories listed on the DD Form 1597 (Contract closeout form) are reviewed. This form lists specific actions, depending on the contract type (FFP, Cost, etc.) that must be completed when the contract is physically complete. The Code 2.0 Support Contractor works directly with the cognizant Code 2.0 branch personnel or technical codes to obtain any required information. The Government Contracting Officer signs the final DD 1594 after review of supporting documents. The PCO shall also sign any modifications required to settle the contract financially.

Contract Closeout Category II. Administration is delegated to the cognizant DCMA for the specific contractor. When the contract is physically complete and acceptance has been obtained, the ACO initiates the closeout process by moving the contract to a CAR Section 2 in MOCAS (DCMA's Mechanization of Contract Administration Services). This action generates a MILSCAP Interim PK9 (F) indicator in MOCAS, *Ref.* DFARS 204.804-2 (1)(i), which requires the ACO to notify the PCO of contract completion. This information can also be retrieved through the DCMA website*:* https://home.dcma.mil/mocas/drid53files.cfm

The PK9 (F), Final, provides notice of contract closure and represents a start date for review of closeout documents. The Code 2.0 Support Contractor will review the contract files using the DD Form 1597 checklist requirements as a general guideline to ensure that all documents are in place and that the Funds Review clearly determines obligation equal disbursements. The Code 2.0 Contractor will also insure all contract close dates and information for DD254's are passed on to Security Office, the DD882 and questionnaire are processed and forwarded on to the Patent Council Office and the ACO is contacted if any closeout documentation is missing. If a DD1594 is not obtained by the delegated DCMA, a DD1594 will be generated by the Code 2.0 Contractor and presented to the Closeout Contracting Officer's Representative for signature (PCO office) to officially close the file.

3. Timeframes

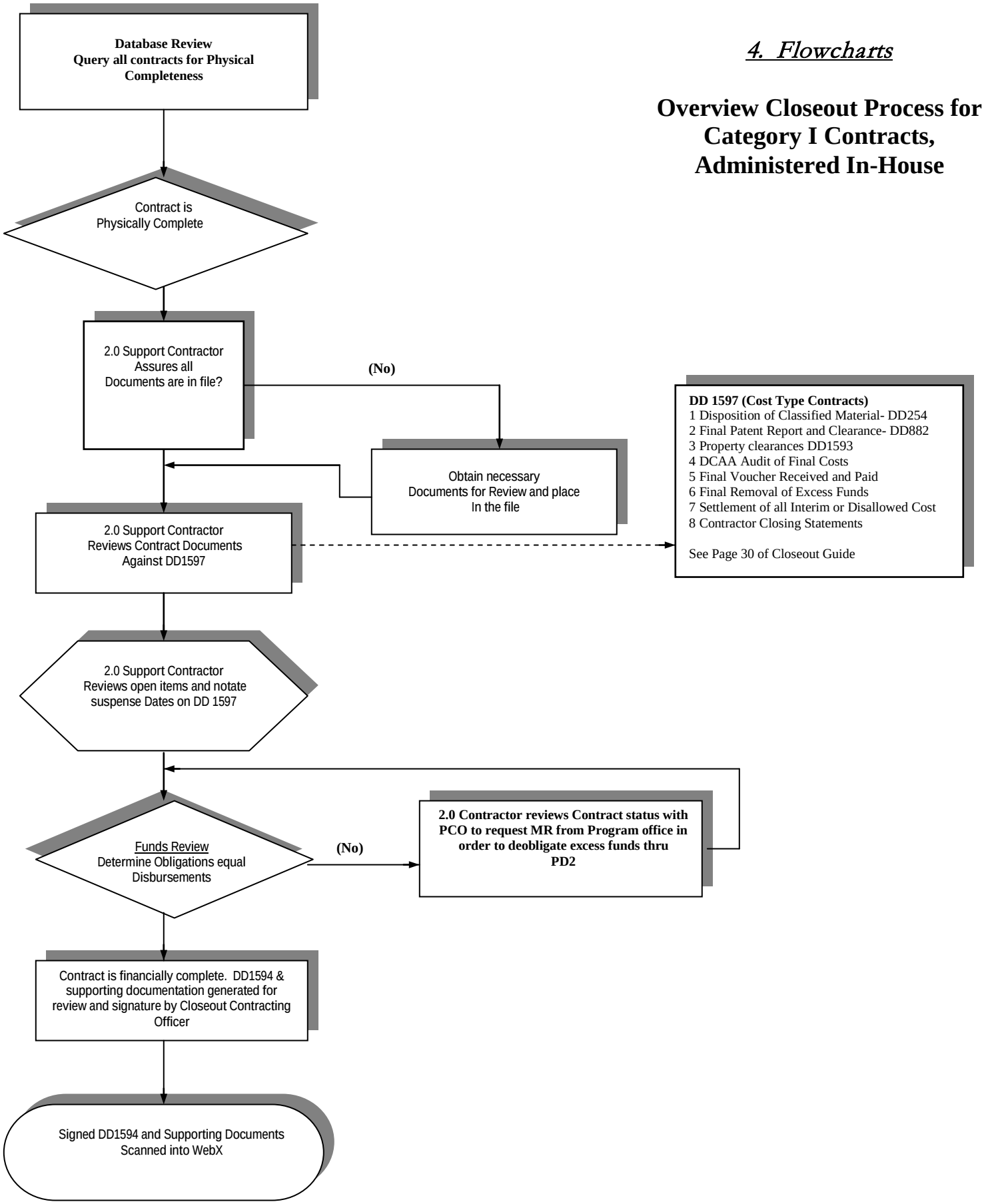
FAR 4.804-1 establishes specific time periods for closing contracts depending on the type of contract. Timely closeout deobligates and returns funds to the command for possible re-use on new work or replacement funds issues.

CONTRACT CLOSEOUT TIMEFRAMES		
		Contract Type*
Fixed Price Unilateral Contracts Under $25,000	3 Months	**J**
All other Fixed Price Contracts	6 Months	**J**
Cost Contracts that require the Settlement of overhead rates	36 Months	**L, R, S, T, U, V, Y and Z**
All other contracts	20 Months	**A, K, and Basics/BOAs**

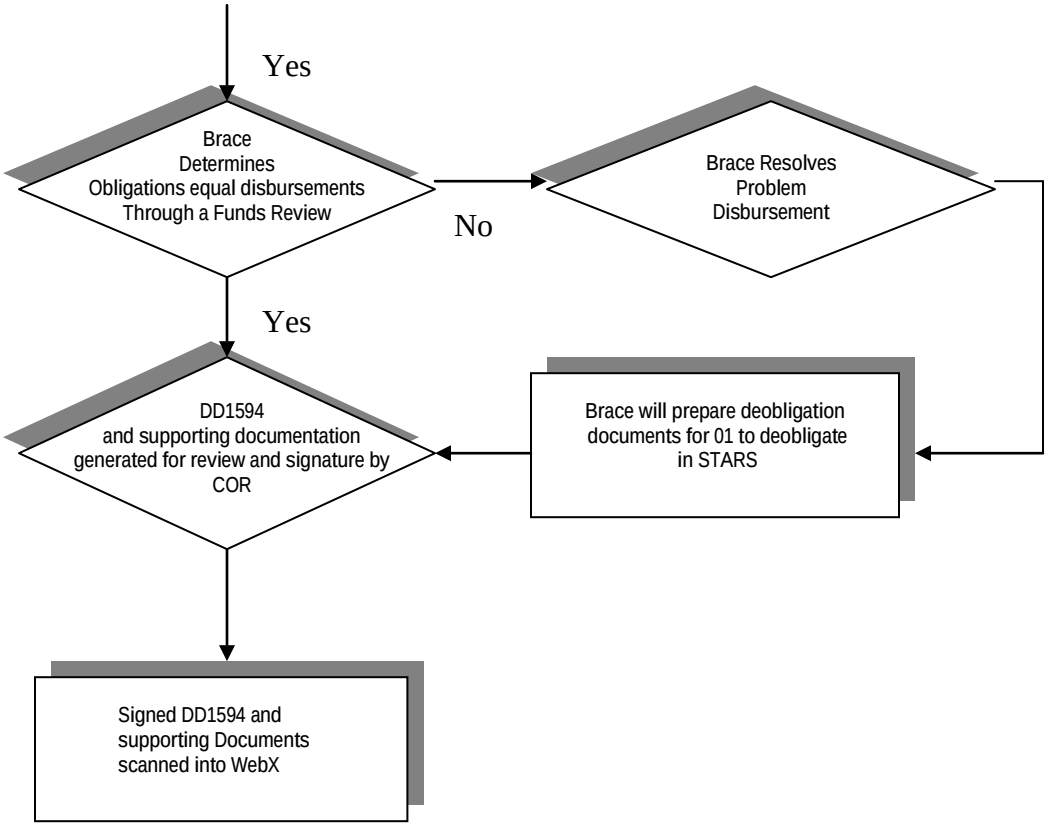
****TYPE OF CONTRACT CODES***	
A	FIXED PRICE REDETERMINATION
J	FIRM FIXED PRICE
K	FIXED PRICE W/ECONOMIC PRICE ADJUSTMENT
L	FIXED PRICE INCENTIVE
R	COST-PLUS AWARD FEE
S	COST CONTRACT
T	COST SHARING
U	COST-PLUS-FIXED-FEE
V	COST PLUS INCENTIVE FEE
Y	TIME AND MATERIALS
Z	LABOR HOUR

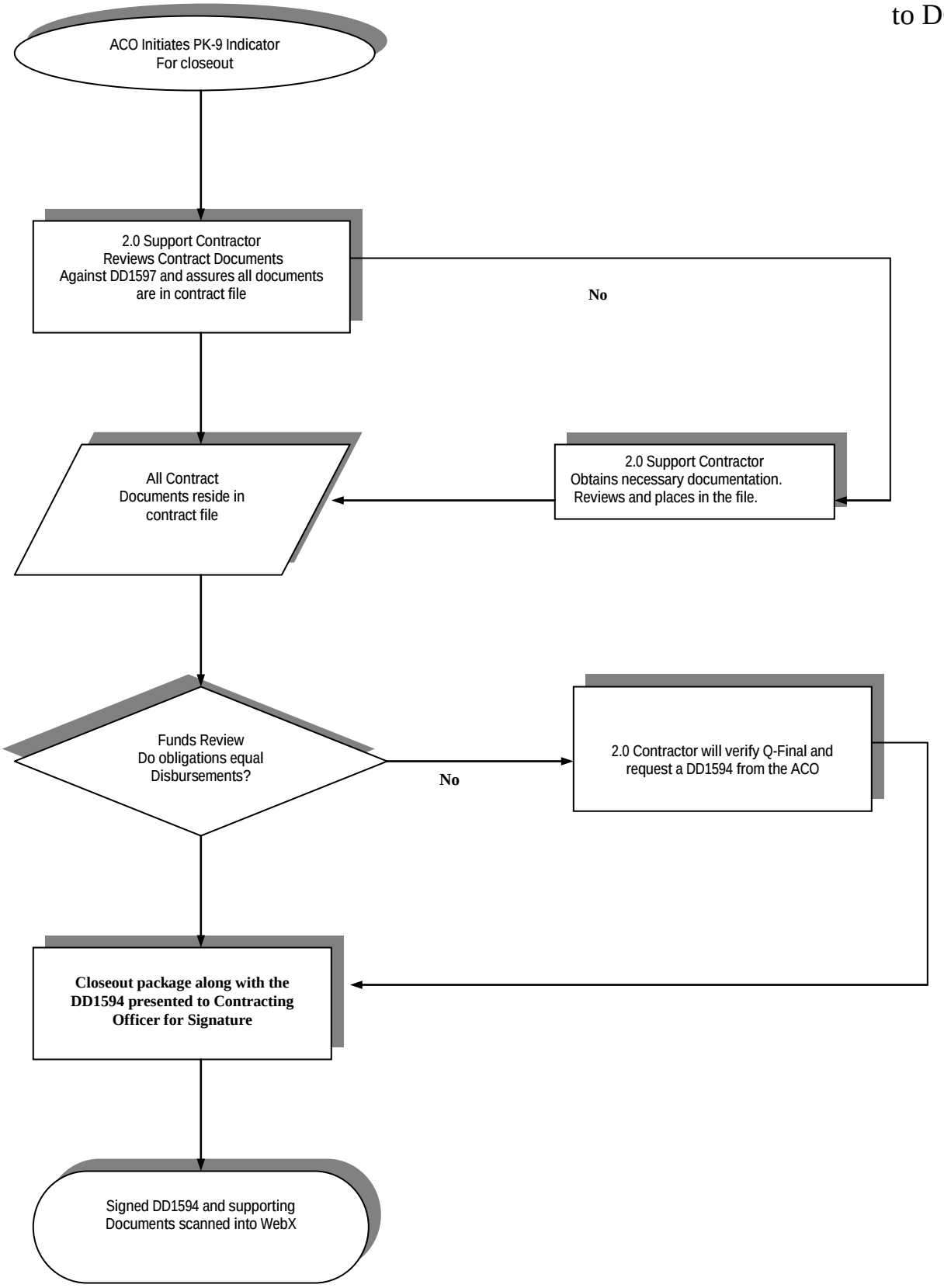
4. Flowcharts

Overview Closeout Process for Category I Contracts, Administered In-House

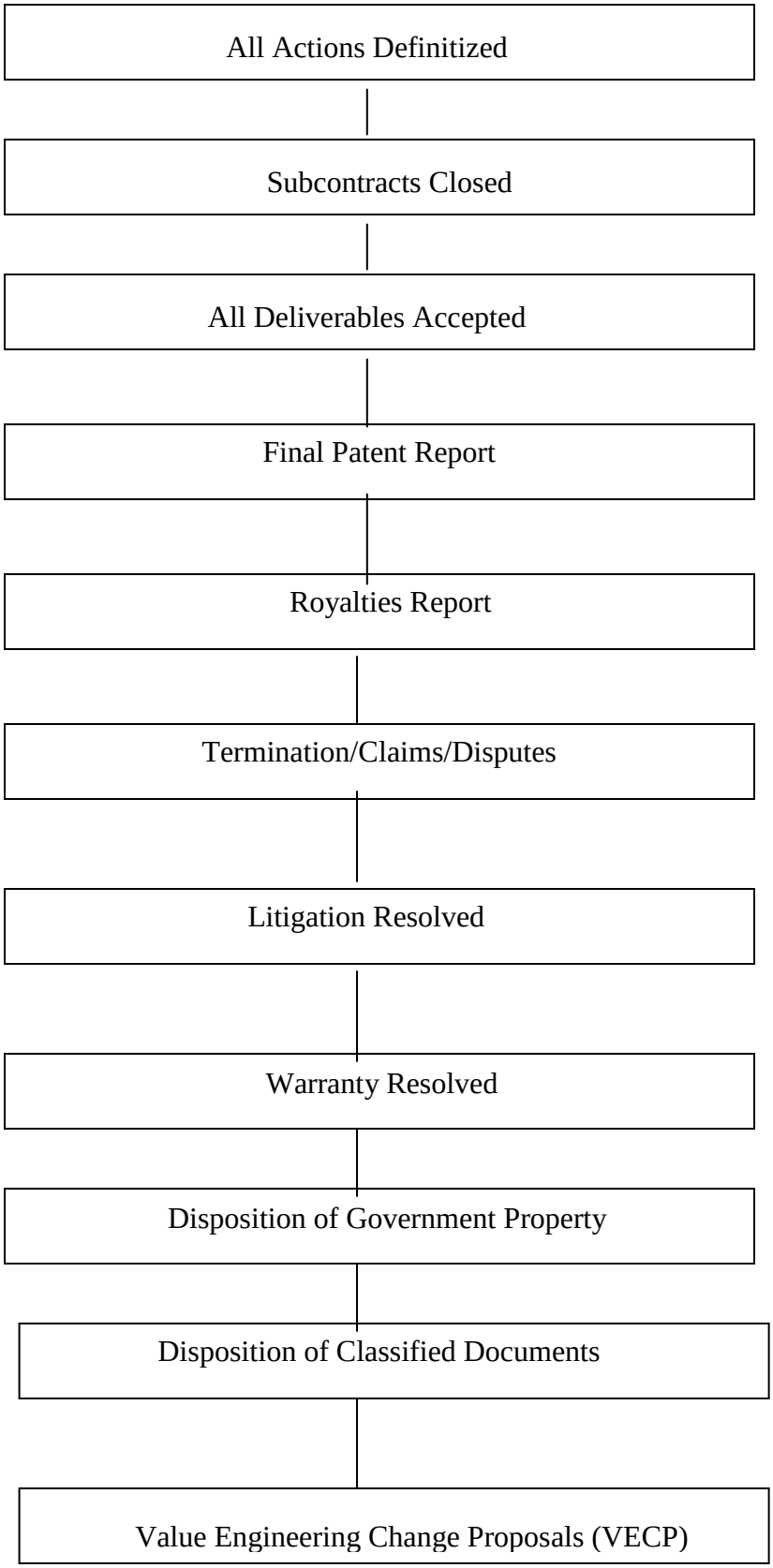


See Additional Flowcharts for Details





PART III-Actions on DD Form 1597


All Actions Definitized
Subcontracts Closed
All Deliverables Accepted
Final Patent Report
Royalties Report
Termination/Claims/Disputes
Litigation Resolved
Warranty Resolved
Disposition of Government Property
Disposition of Classified Documents
Value Engineering Change Proposals (VECP)

1. All Actions Definitzed. Occasionally, urgent or unusual circumstances necessitate authorization for a contractor to start work on a contract action/change without a definitively negotiated price. The contract modification authorizing such effort must include a NOT-TO-EXCEED (NTE) or ceiling price and a definitization schedule. Prior to contract closeout, the file is reviewed for modifications definitizing any outstanding CLIN's. If not found, code 2.0 Support Contractor checks with the PCO/ACO to ensure that all actions under the contract have been definitized by modification.

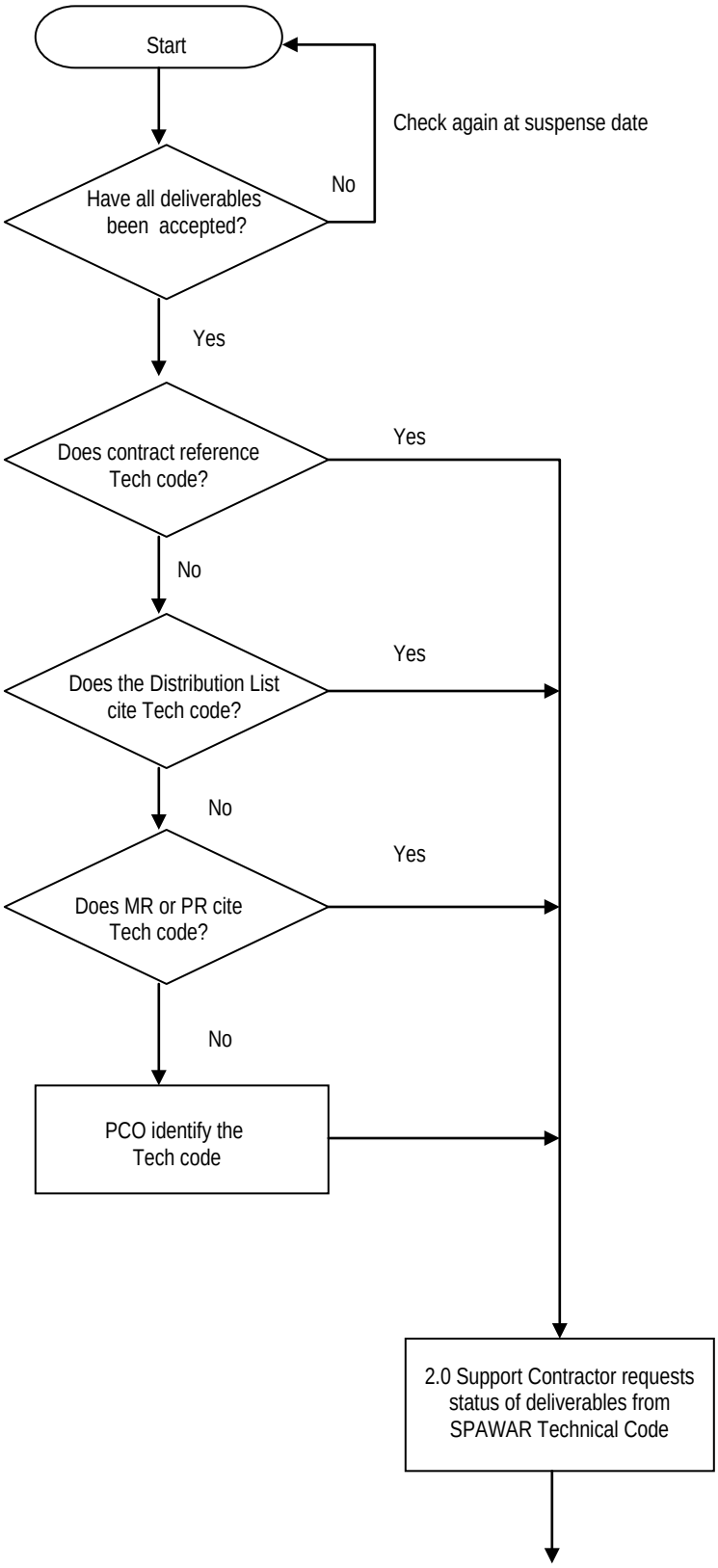
2. Subcontracts Closed. The prime contractor must go through procedures with its subcontractors that are similar to those used by the government. The contract file is reviewed for contract release forms from all of the prime's subcontractors to ensure they have been paid before the prime contract can be closed.

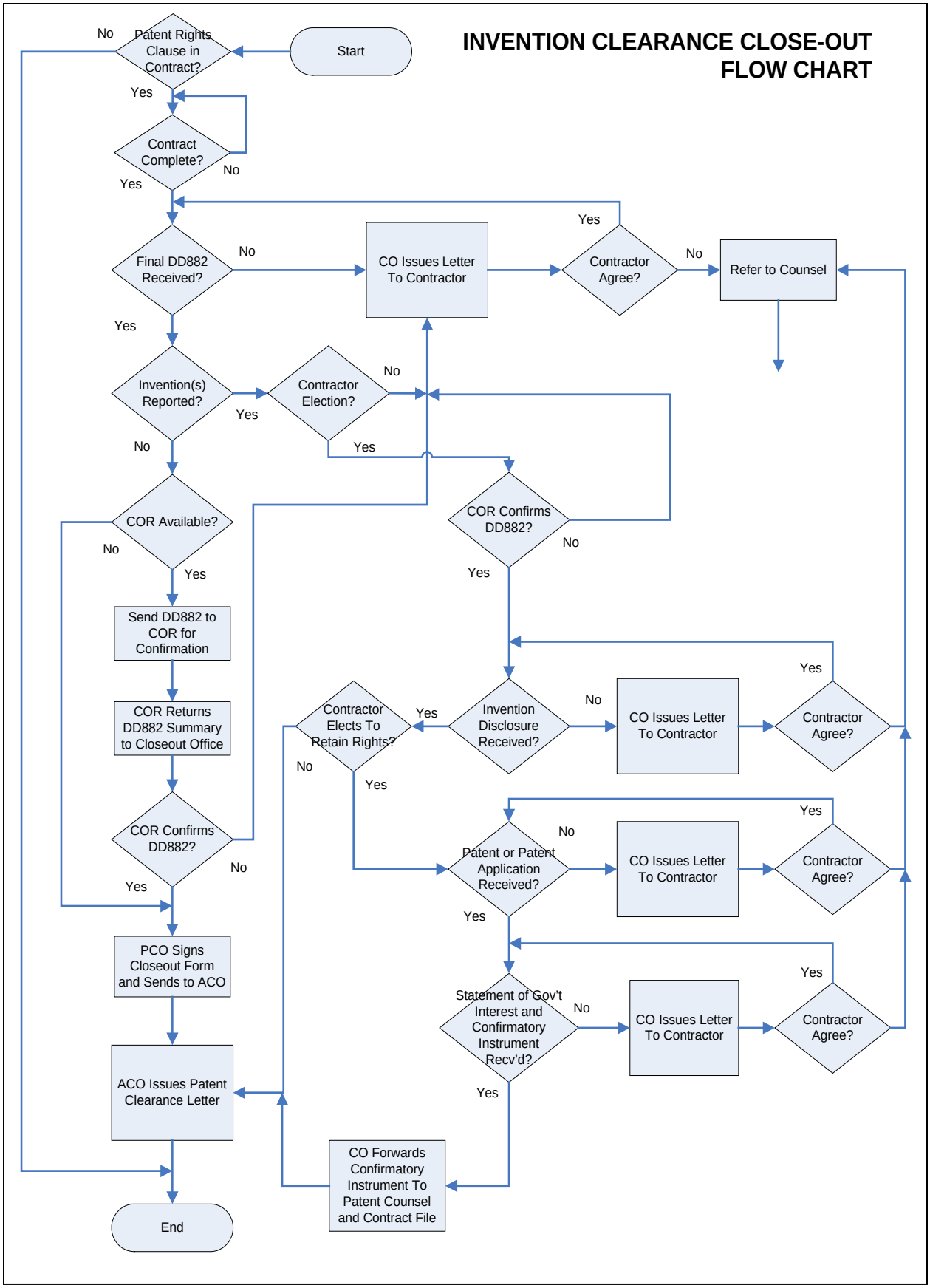
3. All Deliverables Accepted.

(i) For Category I contracts, receipt of the final voucher, or "Z" DD 250, triggers contract closeout activity. The 2.0 Support Contractor reviews the file to ensure all deliverables and services have been delivered and accepted by the government prior to contract closure. If no acceptance documents appear in the file, the 2.0 Support Contractor identifies the Program Office's technical point of contact or the code 2.0 PCO and inquires if deliverables have been accepted.

(ii) For Category II contracts, The ACO is responsible for updating MOCAS (DCMA's in-house database) to Car Section 2, which indicates that the contract is physically complete. This results in the generation of an electronic, "interim" notice (PK9) to the Procuring office. This information can also be viewed on the DCMA website.

Tech Code/Delivery Actions, Category I





If very old and no POC available, Closeout Contracting Officer signs

INVENTION REPORT QUESTIONNAIRE
Please sign and return to this office within 14 calendar days

Date: _____

U.S. GOVERNMENT
MEMORANDUM

From: Contract Support Branch
To TPOC/COR: _____

Subj: **PATENT CLEARANCE**

Ref: (a) Contract Number:
Principal Investigator:

In accordance with reference (a) and your responsibility for monitoring the technical work performed under the subject contract, please respond to the following:

(a) Any novel technical developments? Yes____ No____

If "Yes," please identify and describe all such technical developments.

(b) Any subcontracts under referenced contracts? Yes____ No____

If "Yes," please identify all such subcontractors.

(c) Have all technical data (e.g., drawings, manuals and/or reports) and/or computer software required under the contract been inspected and delivered? Yes____ No____

(d) Does any technical data and/or computer software delivered under the contract have proprietary notices and/or use, copying or disclosure restrictions? Yes____ No____

(1) Does each proprietary notice conform to DFARS 252.227-7013 (technical data) or DFARS 252.227-7014 (computer software and/or computer software documentation)? Yes____ No____

(2) Does each proprietary notice conform to the COR's understanding of the appropriate level of the Government's rights in such technical data and/or computer software? Yes____ No____

(e) Do you consider referenced contract/delivery order completed? Yes____ No____

If "No," please explain. _____

_____

Signature: _____ Date: _____

Printed Name: _____ Code: _____ Tel. No. _____

❑ **Due to the age of this contract, or due to the fact the COR or technical point of Contact has moved on, there is no one remaining who has any knowledge of this contract or any deliverables.**

Signature: _____ **Date: _____**

4. Final Inventions Report. If a contract contains a patent-rights clause:

In accordance with contract provisions, a final Report of Inventions and Subcontracts, Form DD 882 must be submitted by the contractor within 90 days of physical completion of the contract. It must list all invention claims under the contract or certify that there were "None." It should also list all subcontracts, which include a patents rights clause or certify that no subcontracts were issued with this requirement. When a completed DD Form 882 is received, it is forwarded on to the Closeout Contracting Officer/2.0 Support Contractor to submit to the Contracting Officer's Representative (COR) to review. Along with the DD Form 882, the Closeout Contracting Officer/2.0 Support Contractor will also include an Invention Questionnaire for the COR to complete to substantiate the Form DD 882 information submitted by the contractor. The COR has 14 calendar days to complete this requirement and return it to the Closeout Contracting Officer/2.0 Support Contractor for final processing to be sent to the ACO. If no inventions are disclosed by the contractor, and the COR agrees there are no inventions, the processed is considered a "Negative Invention report." This process is shown in the Invention Report Flow Chart, **Path A**.

If an invention is disclosed either by the contractor or is notated during the COR's review, the Form DD 882 is processed as a "Positive Invention report." That process is shown in the Invention Report Flow Chart, **Path B**. The original Form DD 882 is retained in the file unless required by Office of Patent Counsel for support however final processing of the Positive Patent is done by the Patent Council's office and sent to the ACO. SPAWAR HQ's and SSC-SD's Office of Patent Counsel is located at SSC-SD, Point Loma. The Closeout Contracting Officer (CCO) will sign the Form DD 882 and forward it to the ACO for administrative closure on very old contracts where no available COR can be identified.

Note: At SPAWAR HQ, when the term "PCO" is used, the individual may instead be the "CCO," Closeout Contracting Officer.

Process

Invention Report - Path A

1. PCO/ACO determines contract is physically complete.

2. Does contract include a patent rights clause?

3. ACO/PCO confirms receipt of Form DD 882 Invention Report from contractor.

   NOTE: If the Contractor has not submitted a Form DD 882 within 90 days of physical completion of the contract, ACO/PCO sends a letter/e-mail requesting the form.

4. Check if any inventions are reported.

5. Form DD 882 and Invention Report Questionnaire are forwarded to COR with a request for a 10-day turnaround time.

   NOTE: If the COR is not known, contact the cognizant code. If a determination is made that no COR or PM in the PMO is available to review the Form DD 882 and complete the Invention Report Questionnaire (due to age of contract), CCO will sign a Negative clearance and forward to ACO for administrative closure. Positive Invention Report is certified by CCO and sent to Patent Counsel's office for final processing.

6. COR confirms Form DD 882 Invention Report is negative and returns to CCO.

   NOTE: If the COR disputes Form DD 882, a request for Contractor to resubmit Form DD882 and a copy of the COR's e-mail is sent to the ACO (if delegated). Proceed to **Path B** in diagram.

7. Negative Invention Report is certified by CCO. Letter/e-mail is sent with copy of Form DD 882 to DCMA for administrative closeout.

Invention Report - Path B

1. PCO/ACO determines contract is physically complete.

2. Does contract include a patent rights clause?

3. PCO/ACO determines if contractor provided yearly interim reports on inventions.

4. Contractor completes and forwards Invention Report Form DD 882, to ACO/PCO showing any inventions developed under contract.

   Note: If the Contractor has not submitted a Form DD 882 within 90 days after physical completion of the contract, ACO/PCO sends a letter/e-mail requesting the form.

5. The Form DD 882 and Invention Questionnaire are forwarded to the COR by the PCO with request for 14-day turnaround.

6. COR Confirms Form DD 882.

   Note: If the COR disputes Form DD 882, a request is made for Contractor to re-submit Form DD 882 and provide an explanation or provide a revised Form DD 882.

7. Contractor re-submits Form DD 882 identifying all inventions and provides election as to whether contractor will elect to retain rights on invention.

5. Royalties Report. If a contract contains a refund-of-royalties clause (FAR 52.227-9) a final royalty report must be submitted by the contractor stating the royalties paid or required to be paid. The 2.0 Support Contractor verifies that this report is submitted and cleared before final contract payment unless this action was completed by the cognizant DCMA office.

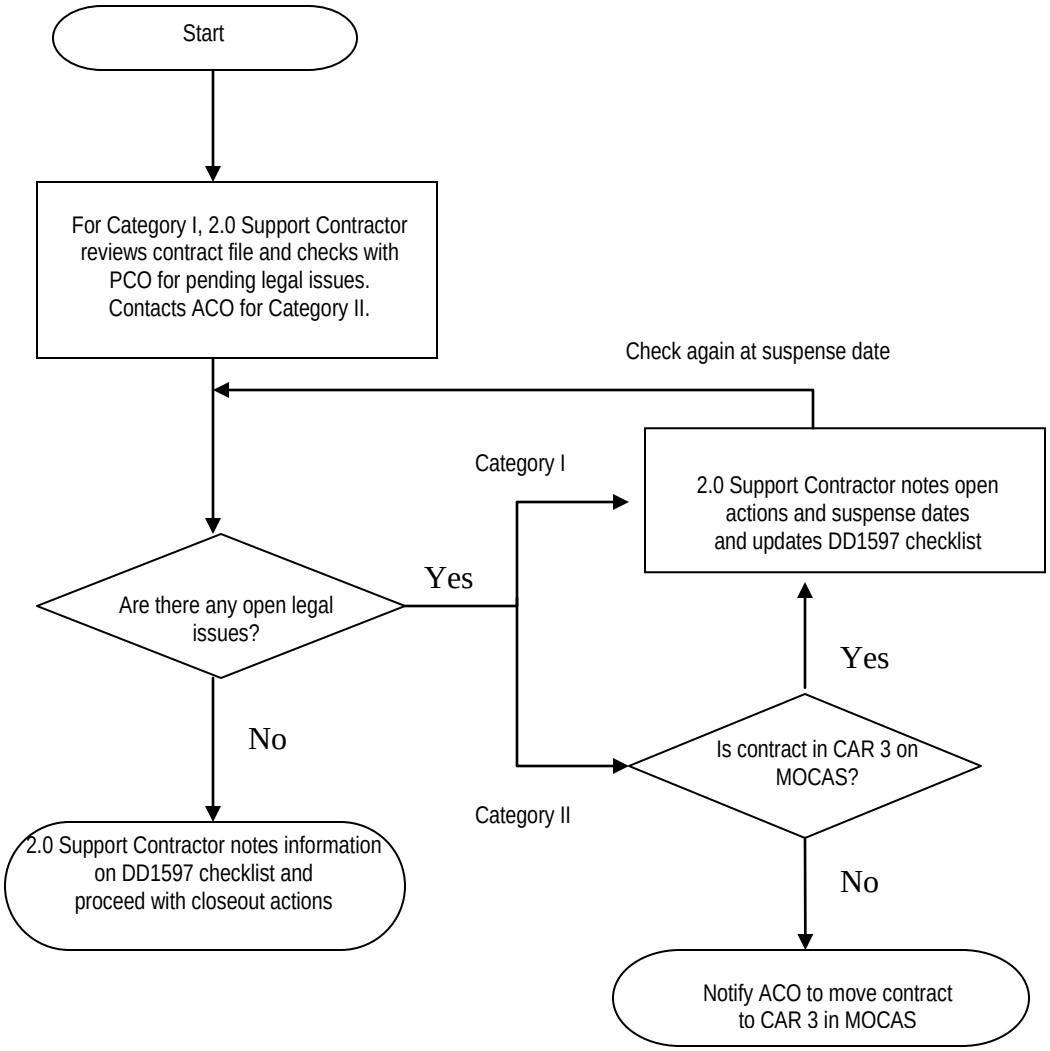
6. Termination/Claims/Disputes. A contract may not be closed while still in the process of a termination action. (FAR 4.804-1 (c)). All open actions and liabilities must be resolved prior to closeout. The government may at any time during contract performance fully or partially terminate contracts for default or for convenience.

(i) ***Termination of Contract for Default***. The government may terminate a contract for default when the contractor has materially breached the contract, i.e., failed to deliver contract items on schedule. Under termination for default, the contractor is liable for any subsequent acquisition costs of the terminated items.

(ii) ***Termination of Contract for Convenience***. The government may also terminate a contract for convenience. Termination for convenience can occur as the result of Congress withholding funding of the project, or the program office or user determining that the item is no longer required. Pursuant to the Termination for Convenience clause the government is liable for certain costs.

7. Litigation Resolved. A contract may not be closed if it is in the process of litigation. All litigation and resulting cost impact are resolved by the PCO/ACO before the contract may be closed out. A contract in litigation will appear in MOCAS Section with the Reason code. Once contracts have been entered into a Car Section 3, they should be reviewed periodically to see if the Reason for Dormancy Code accurately reflects the current status of the contract. The ACO should be contacted at least every three months for status.

Litigation Actions
Category I & II


Start
For Category I, 2.0 Support Contractor reviews contract file and checks with PCO for pending legal issues. Contacts ACO for Category II.
Check again at suspense date
Category I
2.0 Support Contractor notes open actions and suspense dates and updates DD1597 checklist
Are there any open legal issues?
Yes
Yes
No
Is contract in CAR 3 on MOCAS?
Category II
2.0 Support Contractor notes information on DD1597 checklist and proceed with closeout actions
No
Notify ACO to move contract to CAR 3 in MOCAS

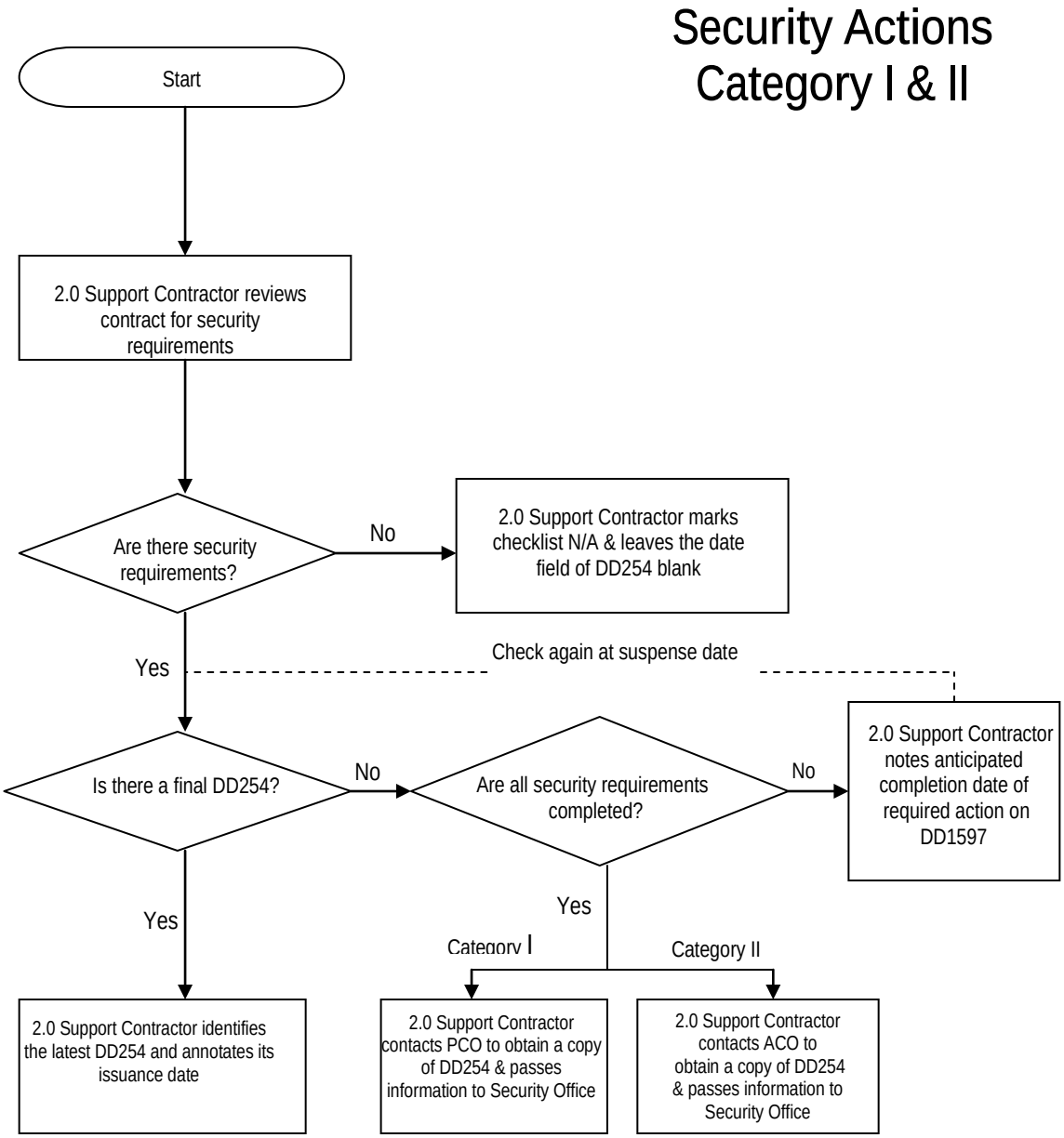
8. Warranty Resolved. Some warranty clauses extend beyond the physical completion of the contract. The PCO/ACO must resolve all open warranty issues on the contract prior to contract closeout. The 2.0 Support Contractor will review the file to ascertain if the warranty has expired.

9. Disposition of Government Property. Government property provided to the contractor during contract performance and not consumed must be disposed of at the end of the contract. Any property acquired or manufactured by the contractor and paid for by the government that is in excess at completion may become government property. *FAR (Part 45.600)* provides for reporting, redistribution, and disposal of Government property excess to contracts and of property that forms the basis of a claim against the government. Proper disposition of such property, including contractor reporting of all government property, government review of the property reports, and specific instructions to the contractor as to whether the property is to be shipped, left in place, or scrapped are addressed in this subpart. On Category II contracts the 2.0 Support Contractor will ensure these documents are in the file prior to closeout.

(i) When the property has been cleared, the property administrator inputs the disposition into DPADs and an R9 code "55" will appear in MOCAS. If the Code 55 is missing, a DD 1593 should be submitted to the Property Administrator for review and clearance.

10. Disposition of Classified. SPAWAR HQ Code 2.0 Support Contractor should not be handling any classified documents. The Code 2.0 Support Contractor should immediately notify the COR/PCO if a classified document comes to the Code 2.0 Support Contractor.

(i) The following is for informational purposes only. All classified documents involved in the contract must be handled in accordance with government security regulations and accounted for before the contract may be closed. A final DD Form 254, DoD Contract Security Classification Specification, is issued indicating disposition. This includes all subcontractors DD 254. Appendix B of the DD 254 instruction book states that the COR is responsible for the disposition of any classified material and for providing notification to the PCO. Therefore, the 2.0 Support Contractor only notifies the COR of the pending action. The COR/PCO completes the certification of actions required to proceed with closeout. The 2.0 Support Contractor records the latest DD Form 254 issuances date.



11. Value Engineering Change Proposals (VECP) If the contract includes

FAR 52.248-1, verify no outstanding VECPs requiring payment or disposition exist.

PART IV-Funds Review

Firm Fixed Price Contracts

Difficulties encountered in closing out *firm-fixed price* contracts are more than likely associated with documentation of deliverables or with unliquidated obligation balances. The following guidelines are suggested in determining what steps need to be taken to closeout these types of contracts.

1. Excess Funds, Remaining Funds and Final Invoice . Upon receipt evidence of physical completion (FAR 4.804-5), the 2.0 Support Contractor determines if obligations equal disbursements. For Category I contracts, a reconciliation of obligations at the ACRN level and a review of the posting of disbursements may be necessary before excess funds can be identified and deobligated. The ACO should be contacted for Category II contracts reconciliation.

When there are unliquidated funds, a review is done to ascertain whether the funds must be reconciled, deobligated via modification or a "Q" final in MOCAS.

When a ULO exists, the contract funds review will be done to obtain financial printouts from various financial systems and determine why there is a ULO. The following POC's may need to be contacted:

- Acceptance POC- validate that all deliverables have been accepted.
- Contractor- verify final invoice was submitted and no further billing issues will ensue.
- DFAS Office- ensures all payments have been made.

The 2.0 Support Contractor follows up, prior to closing the contract, by reviewing the various government financial databases such as STARS, MOCAS, CERPS, etc. to see the balances results and then notate the final voucher and date of payment in the CCD.

Various Contract Funds Review reconciliation tools:

MOCAS (Mechanization of Contract Administration Services)
USG (STARS) - CLR
SCRT's (Standard Contracts Reconciliation Tool)
SWA (Secure Web Access)
EDA/EDM

2. Final Acceptance. Final acceptance can be determined by contacting the Technical Code located on the 1449 under block 15 or in Section E of the basic contract. If there are provisions for a Z DD250 under the Basic contract, the acceptance can be obtained through the hard copy file.

The 2.0 Support Contractor will contact the Tech Code point of contact to ensure all deliverables have been received and there is no intent to use any excess funds on the contract for future use. Once the contractor has final billed, DFAS has paid the final voucher and acceptance has been obtained, the 2.0 PCO will proceed with the deobligation of any excess funds for a prompt closeout.

A SPAWAR HQ process saves time by the avoidance of modification preparation thus simply deobligating remaining funds. This is similar to the DCMA process when the ACO notates in MOCAS, for DFAS to deobliate ULO's and close contract out. At SPAWAR HQ a DD 1594 is issued for review and signed by the Closeout Contracting Officer. The DD 1594 is forwarded to Code 1.0 when necessary to deobligate funds in STARS.

3. Replacement Funds Required. If adequate funding was on the contract, but it has since expired, DFAS will reject the voucher for insufficient funds and code it "DFAS Merged Account (DMACT)" in the invoicing screen of MOCAS. DFAS will request replacement funding from the funding activity via their accounting office.

HQ POC handles Replacement Funds issues for HQ and sometimes for SSC-SD depending on the logistics of the PM office. The procedure is as follows:

Contractor submits final invoice
ACO submits final invoice to DFAS
DFAS determines if the remaining funds are suitable for payment or cancelled
DFAS rejects invoice and notifies ACO
DFAS notifies their centralized unit of replacement issue
DFAS notifies Agency for replacement funds

4. Request for Additional Funds

When there are cost overruns or additional funds needed to cover indirect rates, this is a PCO issue and funds need to be appropriated thru the PM office to cover such issues. DCMA will contact the Program Office or the PCO to request additional funds for overruns on indirect rates.

PART V-Problem Disbursement

1. Problem Disbursement Issues (Category 1). If there are disbursement issues, it is important to understand that the 2.0 Support Contractor acts as a liaison between the government and the contractor from an administrative standpoint only.

2. Prompt Pay Certificates (Category 1). Prompt Payment Certifications were implemented as part of the Prompt Payment Act (PPA) to promoting faster payment, particularly for small businesses. The certificate is a 1-page form (DFAS Charleston PPC2000-2) signed by the authorized agent within the command and sent to the appropriate DFAS payment office along with the final invoice. This process should expedite payment to a 14-day payment process provided the invoice and certificate are completed properly. Problems arise as a result of either the certificate or invoice submitted not being completed properly for payment. Information such as incorrect ACRN's, Lines of Accounting (LOA) improperly entered on the accounting field, missing information, or incorrect dollar amounts are common problems found on certificates that have been rejection. As a Navy requirement, all final invoices submitted to DFAS Charleston must be accompanied by a Prompt Payment Certificate and all final invoices must be labeled as such.

3. Problem Disbursement Packages (Reconciliation Package). Problem

Disbursement Packages are prepared and submitted to Code 1.0 when there are funding reconciliation issues. After review, Code 1.0 forwards the package to DFAS for action. Example: An incorrect ACRN for payment on the invoice or DFAS paying from older lines of accounting first, are the most common problems. All lines of accounting are reviewed and the errors documented with the following information:

- *DON Problem Disbursement Reconciliation Package Transmittal Sheet*
- *Back up Payment History (CERPS)*
- *Complete description of problem and statement of how to correct it.*

The 2.0 Support Contractor monitors progress of the corrections. The process can take as long as 3 months.

PART VI PK Indicators

1. Category II - Contracts Overview Closeout Process.

Closeout administration for Category II (ACO-Administered) Contracts begins with the issuance of the automated PK9 Indicator, an advisory notice that a contract is physically complete. This information is input into MOCAS by the ACO and generates an electronic notice.

2. PK9 Indicators. A PK9 Indicator is electronically routed out of the MOCAS system to the buying agency, via DIELOG Access to notify them of the impending closure of a particular contract within the MOCAS system. Critical elements such as DCMA offices (by UIC), final voucher numbers, and date of final payment by the DFAS office will be addressed within the structure of the PK9 Indicator. The Indicator will also note if there is a pending ULO (Un-Liquidated Obligation). An Indicator will look much like the following when received:

```
RCCUDMCZ RUQAICH2050 1760958 MTMS-UUUU--RUQACZU.
PK9N0003985C0005ARZ996S3915AN0003900000000C
97NOV2091JUL0204JUN248562000F8207 F
```

RCCUDMCZ RUQAICH2050 1760958 0003-UUUU NNNN

PK9 INDICATORS

The PK9 Indicator appears as:

PK9F3460197D01720018AZS2401AFD203000026619B 02JUN0701NOV0102JUN07854100D06994 F

Individually, the data elements are represented as (per color match):

PK9	--	**MILSCAP Document Identifier**
F3460197D01720018AZ	--	**PIIN/SPIIN (Order or Mod number): F3460197D0172 0018 MOD AZ**
S2401A	--	**DoDAAC Administration: S2401A**
FD2030	--	**Issued By: FD2030**
00026619	--	**Unliquidated Dollars: 00026619 ($266.19)**
B	--	**Contract Closeout Time Group: B (*example)***
02JUN07	--	**Physical Completion Date: 2002JUN07**
01NOV01	--	**Final Payment Date: 2001NOV01**
02JUN07	--	**Closed Date: 2002JUN07**
854100	--	**DSSN: 854100 (8541, last two positions zero-filled)**
D06994	--	**Final Voucher Number: D06994 (1st position zero-filled)**
F	--	**Transaction Status Indicator: F - Final (J = Physical Completion; X = Interim/Delay)**

3. CAR Section Indicators

The CAR's internal purpose at DCMA is to indicate the status of a contract for tracking purposes. At the time of the final electronic routing of the PK-9 Indicator, the contract will be in Car Section 5 and will be physically complete, rates will have been audited and payment issues will be settled.

CAR SECTION INDICATORS
• 1 – **Active Contracts** – contracts on which delivery/acceptance, performance of services, or work statement requirements have not been met; or, the option period or ordering period has not expired. • 2 – **Physically Completed** prime contracts (and all task/delivery orders, if any) for which final payments and/or certifications of completion which have not yet been made. All TO/DO's must be closed prior to closing the prime contract. • 3 – **Litigation in Process** – These are contracts where performance has ceased, but cannot be closed until after the completion of an investigation or litigation. • 4 – **Payment/CLR Adjustments pending.** Contracts are entered into this section by DFAS and are retained there until reconciliation is completed by DFAS. • 5 – Contracts that were closed during the reporting period. • 8 – Computer assigned section number at end-of-month processing for all contracts that were assigned to CAR Section 5 during the month. • 9 – **Administrative Closeout** – computer assigned section number for all contracts that are Section 8 at end-of-month processing. On a monthly basis the system reviews all Section 9 contracts to determine if the closed date is older than six months. If so, the contract and inventory level data will be deleted from the MOCAS database.

4. DELAY REASON INDICATORS

When there is a reasonable expectation that the contract will close beyond the FAR/DFARS established timeframes, a PKX will be issued as a Notice of Delay in Closing. An exception to the rule takes place when FFP contracts without special provisions are involved: a PK9 *Indicator* is issued at time of Physical Completion *(ONLY)* with Car Section 2 with the following delay reason codes

DELAY REASON CODES	
Code	Reason
A	Contractor Final Invoice not submitted
B	Final acceptance not received (DD250)
C	Contractor patent/royalty report (DD882) not submitted
D	Patent / royalty clearance required
E	Contractor submitted final price redetermination proposal
F	Supplemental Agreement covering final price redetermination required
G	Settlement of subcontracts pending
H	Final audits in process
J	Disallowed cost pending
K	Final Audit of Government Property pending
L	Independent research and development rates pending
M	Negotiation of overhead rates pending
N	Awaiting additional funds
P	Reconciliation with paying office (DFAS) and Contractor being accomplished
Q	Armed Services Board of Contract Appeals (ASBCA) case
R	Public Law 85-504 case
S	Litigation / investigation pending
T	Termination in process
U	Warranty clause action pending
V	Disposition of Government Property pending
W	Contract modification code X pending
X	Contract release of claims / assignment of funds pending
Y	Awaiting notice of final payment
Z	Disposition of classified material pending
3	Prevalidation Action Pending
6	Fee withheld
7	Awaiting removal of excess funds

PART VII-Sample Forms

1. DD Form 250 Material Inspection and Receiving Report

2. DD Form 254 Contract Security Classification Specification

3. DD Form 882 Report of Inventions and Subcontract

4. DD Form 1597 Contract Closeout Check-List

5. DD Form 1594 Contract Completion Statement

6. Web Xtender Index Sheet

DD Form 250 – Material Inspection and Receiving Report

MATERIAL INSPECTION AND RECEIVING REPORT

Form Approved OMB No. 0704-0248

The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE ABOVE ADDRESS.
SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.

1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO.	ORDER NO.	6. INVOICE NO./DATE	7. PAGE	OF	8. ACCEPTANCE POINT

2. SHIPMENT NO.	3. DATE SHIPPED	4. B/L TCN	5. DISCOUNT TERMS

9. PRIME CONTRACTOR CODE	10. ADMINISTERED BY CODE
11. SHIPPED FROM *(If other than 9)* CODE / FOB:	**12. PAYMENT WILL BE MADE BY** CODE
13. SHIPPED TO CODE	**14. MARKED FOR** CODE

15. ITEM NO.	16. STOCK/PART NO. DESCRIPTION *(Indicate number of shipping containers - type of container - container number.)*	17. QUANTITY SHIP/REC'D*	18. UNIT	19. UNIT PRICE	20. AMOUNT

21. CONTRACT QUALITY ASSURANCE

a. ORIGIN

☐ CQA ☐ ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.

DATE — SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE

TYPED NAME:

TITLE:

MAILING ADDRESS:

COMMERCIAL TELEPHONE NUMBER:

b. DESTINATION

☐ CQA ☐ ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.

DATE — SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE

TYPED NAME:

TITLE:

MAILING ADDRESS:

COMMERCIAL TELEPHONE NUMBER:

22. RECEIVER'S USE

Quantities shown in column 17 were received in apparent good condition except as noted.

DATE RECEIVED — SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE

TYPED NAME:

TITLE:

MAILING ADDRESS:

COMMERCIAL TELEPHONE NUMBER:

** If quantity received by the Government is the same as quantity shipped, indicate by (X) mark; if different, enter actual quantity received below quantity shipped and encircle.*

23. CONTRACTOR USE ONLY

DD FORM 250, AUG 2000 PREVIOUS EDITION IS OBSOLETE.

DD Form 254 – Contract Security Classification Specification

DEPARTMENT OF DEFENSE
CONTRACT SECURITY CLASSIFICATION SPECIFICATION
(The requirements of the DoD Industrial Security Manual apply to all security aspects of this effort.)

1. CLEARANCE AND SAFEGUARDING
   a. FACILITY CLEARANCE REQUIRED: INTERIM TOP SECRET
   b. LEVEL OF SAFEGUARDING REQUIRED: NONE

2. THIS SPECIFICATION IS FOR: *(X and complete as applicable)*			3. THIS SPECIFICATION IS: *(X and complete as applicable)*			
X	a. PRIME CONTRACT NUMBER		X	a. ORIGINAL *(Complete date in all cases)*		DATE *(YYYYMMDD)* 20021219
	b. SUBCONTRACT NUMBER			b. REVISED *(Supersedes all previous specs)*	REVISION NO. 2	DATE *(YYYYMMDD)* 20040608
	c. SOLICITATION OR OTHER NUMBER	DUE DATE *(YYYYMMDD)*		c. FINAL *(Complete item 5 in all cases)*		DATE *(YYYYMMDD)*

4. IS THIS A FOLLOW-ON CONTRACT? [X] YES [ ] NO. If Yes, complete the following:
   Classified material received or generated under _____ *(Preceding Contract Number)* is transferred to this follow-on contract.

5. IS THIS A FINAL DD FORM 254? [ ] YES [X] NO. If Yes, complete the following:
   In response to the contractor's request dated _____, retention of the classified material is authorized for the period of _____

6. CONTRACTOR *(Include Commercial and Government Entity (CAGE) Code)*

a. NAME, ADDRESS, AND ZIP CODE	b. CAGE CODE	c. COGNIZANT SECURITY OFFICE *(Name, Address, and Zip Code)*
[redacted]	[redacted]	DEFENSE SECURITY SERVICE (DSS) 16885 W. DERNARDO DRIVE, SUITE 150 SAN DIEGO, CA 92127-1619

7. SUBCONTRACTOR

a. NAME, ADDRESS, AND ZIP CODE	b. CAGE CODE	c. COGNIZANT SECURITY OFFICE *(Name, Address, and Zip Code)*

8. ACTUAL PERFORMANCE

a. LOCATION	b. CAGE CODE	c. COGNIZANT SECURITY OFFICE *(Name, Address, and Zip Code)*

9. GENERAL IDENTIFICATION OF THIS PROCUREMENT

10. CONTRACTOR WILL REQUIRE ACCESS TO:	YES	NO	11. IN PERFORMING THIS CONTRACT, THE CONTRACTOR WILL:	YES	NO
a. COMMUNICATIONS SECURITY (COMSEC) INFORMATION		X	a. HAVE ACCESS TO CLASSIFIED INFORMATION ONLY AT ANOTHER CONTRACTOR'S FACILITY OR A GOVERNMENT ACTIVITY	X	
b. RESTRICTED DATA		X	b. RECEIVE CLASSIFIED DOCUMENTS ONLY		X
c. CRITICAL NUCLEAR WEAPON DESIGN INFORMATION		X	c. RECEIVE AND GENERATE CLASSIFIED MATERIAL		X
d. FORMERLY RESTRICTED DATA		X	d. FABRICATE, MODIFY, OR STORE CLASSIFIED HARDWARE		X
e. INTELLIGENCE INFORMATION			e. PERFORM SERVICES ONLY	X	
(1) Sensitive Compartmented Information (SCI)		X	f. HAVE ACCESS TO U.S. CLASSIFIED INFORMATION OUTSIDE THE U.S., PUERTO RICO, U.S. POSSESSIONS AND TRUST TERRITORIES		X
(2) Non-SCI		X	g. BE AUTHORIZED TO USE THE SERVICES OF DEFENSE TECHNICAL INFORMATION CENTER (DTIC) OR OTHER SECONDARY DISTRIBUTION CENTER	X	
f. SPECIAL ACCESS INFORMATION		X	h. REQUIRE A COMSEC ACCOUNT		X
g. NATO INFORMATION	X		i. HAVE TEMPEST REQUIREMENTS		X
h. FOREIGN GOVERNMENT INFORMATION		X	j. HAVE OPERATIONS SECURITY (OPSEC) REQUIREMENTS		X
i. LIMITED DISSEMINATION INFORMATION		X	k. BE AUTHORIZED TO USE THE DEFENSE COURIER SERVICE		X
j. FOR OFFICIAL USE ONLY INFORMATION	X		l. OTHER *(Specify)*		
k. OTHER *(Specify)*					

DD FORM 254, DEC 1999 PREVIOUS EDITION IS OBSOLETE.

12. PUBLIC RELEASE. Any information *(classified or unclassified)* pertaining to this contract shall not be released for public dissemination except as provided by the Industrial Security Manual or unless it has been approved for public release by appropriate U.S. Government authority. Proposed public releases shall be submitted for approval prior to release [ ] Direct [X] Through *(Specify)*

COMMANDER, SPACE AND NAVAL WARFARE SYSTEMS COMMAND (COMSPAWARSYSCOM) (CODE 00L) 4301 PACIFIC COAST HIGHWAY, SAN DIEGO, CA 92110-3127

to the Directorate for Freedom of Information and Security Review, Office of the Assistant Secretary of Defense (Public Affairs)* for review.
*In the case of non-DoD User Agencies, requests for disclosure shall be submitted to that agency.

13. SECURITY GUIDANCE. The security classification guidance needed for this classified effort is identified below. If any difficulty is encountered in applying this guidance or if any other contributing factor indicates a need for changes in this guidance, the contractor is authorized and encouraged to provide recommended changes; to challenge the guidance or the classification assigned to any information or material furnished or generated under this contract; and to submit any questions for interpretation of this guidance to the official identified below. Pending final decision, the information involved shall be handled and protected at the highest level of classification assigned or recommended. *(Fill in as appropriate for the classified effort. Attach, or forward under separate correspondence, any documents/guides/extracts referenced herein. Add additional pages as needed to provide complete guidance.)*

CLASSIFICATION GUIDES: (GUIDE(S) TO BE PROVIDED BY PMW 153)
OPNAVINST 5513.10B, ADVANCED TECHNOLOGY AND MISCELLANEOUS PROGRAMS.

ACCESS REQUIREMENTS:
11.A ALL CLASSIFIED WORK AND/OR STORAGE DURING THE PERFORMANCE OF THIS CONTRACT IS RESTRICTED TO COMSPAWARSYSCOM, SAN DIEGO, CA COMSPAWARSYSCOM WILL PROVIDE SECURITY CLASSIFICATION SUIDANCE FOR PERFORMANCE OF THIS CONTRACT.

11.E CONTRACT IS FOR RESEARCH AND DEVFELOPMENT SERVICES. CLEARED PERSONNEL ARE REQUIRED TO PERFORM SERVICES FOR THOSE SITES WHERE CLASSIFIED ACCESS CANNOT BE PRECLUDED BY ESCORTING AND SANITIZATION BY SITE PERSONNEL.

11.G THE CONTRACTOR IS AUTHORIZED THE USE OF DTIC REGARDING SPECIFIC CONTRACT RELATED INFORMATION AND WILL PREPARE AND PROCESS DD FORM 1540 IN ACCORDANCE WITH THE NISPOM, CHAPTER11, SECTION 2. THE COR WILL CERTIFY NEED-TO-KNOW TO DTIC.

VISIT REQUESTS TO OTHER THAN COMSPAWARSYSCOM SHALL HAVE THE "NEED-TO-KNOW" CERTIFIED BY PMW 153.
CONTRACTING OFFICER'S REPRESENTATIVE (COR): [redacted]

ALL CLASSIFIED INFORMATION MUST BE MARKED IN ACCORDANCE WITH EXECUTIVE ORDER 12958-CLASSIFIED NATIONAL SECURITY INFORMATION, OF 17 APRIL 1995. YOUR DEFENSE SECURITY SERVICE (DSS) INDUSTRIAL SECURITY REPRESENTATIVE (ISREP) SHOULD BE CONTACTED FOR ASSISTANCE.

14. ADDITIONAL SECURITY REQUIREMENTS. Requirements, in addition to ISM requirements, are established for this contract. [X] Yes [ ] No
(If Yes, identify the pertinent contractual clauses in the contract document itself, or provide an appropriate statement which identifies the additional requirements. Provide a copy of the requirements to the cognizant security office. Use Item 13 if additional space is needed.)

15. INSPECTIONS. Elements of this contract are outside the inspection responsibility of the cognizant security office. [ ] Yes [X] No
(If Yes, explain and identify specific areas or elements carved out and the activity responsible for inspections. Use Item 13 if additional space is needed.)

16. CERTIFICATION AND SIGNATURE. Security requirements stated herein are complete and adequate for safeguarding the classified information to be released or generated under this classified effort. All questions shall be referred to the official named below.

a. TYPED NAME OF CERTIFYING OFFICIAL	b. TITLE	c. TELEPHONE *(Include Area Code)*
[redacted]	SECURITY'S CONTRACTING OFFICER'S REPRESENTATIVE (COR)	[redacted]

d. ADDRESS *(Include Zip Code)*	17. REQUIRED DISTRIBUTION	
SPAWAR SYSTEMS CENTER (SSC-SD) 53560 HULL STREET CODE 20351 SAN DIEGO, CA 92152-5001	[X]	a. CONTRACTOR
	[ ]	b. SUBCONTRACTOR
	[X]	c. COGNIZANT SECURITY OFFICE FOR PRIME AND SUBCONTRACTOR
e. SIGNATURE	[ ]	d. U.S. ACTIVITY RESPONSIBLE FOR OVERSEAS SECURITY ADMINISTRATION
	[X]	e. ADMINISTRATIVE CONTRACTING OFFICER
	[X]	f. OTHERS AS NECESSARY

DD FORM 254 (BACK), DEC 1999

DD Form 882 – Report of Inventions and Subcontract

REPORT OF INVENTIONS AND SUBCONTRACTS

(Pursuant to "Patent Rights" Contract Clause) (See Instructions on back)

Form Approved OMB No. 9000-0095 Expires Oct 31, 2004

The public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to the Department of Defense, Executive Services and Communications Directorate (9000-0095). Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE ABOVE ORGANIZATION. RETURN COMPLETED FORM TO THE CONTRACTING OFFICER.

1.a. NAME OF CONTRACTOR/SUBCONTRACTOR	c. CONTRACT NUMBER	2.a. NAME OF GOVERNMENT PRIME CONTRACTOR	c. CONTRACT NUMBER	3. TYPE OF REPORT (X one)
[redacted]		Space & Naval Warfare Systems Command		a. INTERIM [ ] b. FINAL [X]
b. ADDRESS (Include ZIP Code) [redacted]	d. AWARD DATE (YYYYMMDD) 20030318	a. ADDRESS (Include ZIP Code) 4301 Pacific Highway San Diego, CA 92110-3127	d. AWARD DATE (YYYYMMDD) 20030318	4. REPORTING PERIOD (YYYYMMDD) a. FROM 20030318 b. TO 20030731

SECTION I - SUBJECT INVENTIONS

5. "SUBJECT INVENTIONS" REQUIRED TO BE REPORTED BY CONTRACTOR/SUBCONTRACTOR (If "None," so state)

NAME(S) OF INVENTOR(S) (Last, First, Middle Initial) a.	TITLE OF INVENTION(S) b.	DISCLOSURE NUMBER, PATENT APPLICATION SERIAL NUMBER OR PATENT NUMBER c.	ELECTION TO FILE PATENT APPLICATIONS (X) d. (1) UNITED STATES (a) YES	(b) NO	(2) FOREIGN (a) YES	(b) NO	CONFIRMATORY INSTRUMENT OR ASSIGNMENT FORWARDED TO CONTRACTING OFFICER (X) e. (a) YES	(b) NO
NONE	NONE							

f. EMPLOYER OF INVENTOR(S) NOT EMPLOYED BY CONTRACTOR/SUBCONTRACTOR		g. ELECTED FOREIGN COUNTRIES IN WHICH A PATENT APPLICATION WILL BE FILED	
(1) (a) NAME OF INVENTOR (Last, First, Middle Initial)	(2) (a) NAME OF INVENTOR (Last, First, Middle Initial)	(1) TITLE OF INVENTION	(2) FOREIGN COUNTRIES OF PATENT APPLICATION
(b) NAME OF EMPLOYER	(b) NAME OF EMPLOYER		
(c) ADDRESS OF EMPLOYER (Include ZIP Code)	(c) ADDRESS OF EMPLOYER (Include ZIP Code)		

SECTION II - SUBCONTRACTS *(Containing a "Patent Rights" clause)*

6. SUBCONTRACTS AWARDED BY CONTRACTOR/SUBCONTRACTOR (If "None," so state)

NAME OF SUBCONTRACTOR(S) a.	ADDRESS (Include ZIP Code) b.	SUBCONTRACT NUMBER(S) c.	FAR "PATENT RIGHTS" d. (1) CLAUSE NUMBER	(2) DATE (YYYYMM)	DESCRIPTION OF WORK TO BE PERFORMED UNDER SUBCONTRACT(S) e.	SUBCONTRACT DATES (YYYYMMDD) f. (1) AWARD	(2) ESTIMATED COMPLETION

SECTION III - CERTIFICATION

7. CERTIFICATION OF REPORT BY CONTRACTOR/SUBCONTRACTOR (Not required if: (X as appropriate)) [ ] SMALL BUSINESS or [ ] NONPROFIT ORGANIZATION

I certify that the reporting party has procedures for prompt identification and timely disclosure of "Subject Inventions," that such procedures have been followed and that all "Subject Inventions" have been reported.

a. NAME OF AUTHORIZED CONTRACTOR/SUBCONTRACTOR OFFICIAL (Last, First, Middle Initial)	b. TITLE	c. SIGNATURE	d. DATE SIGNED
[redacted]	Contracts Specialist		20040419

DD FORM 882, DEC 2001 PREVIOUS EDITION IS OBSOLETE. Reset

DD Form 1594 – Category I Contract

CONTRACT COMPLETION STATEMENT

1.FROM: (Contract Administration Office) SPAWAR COMMANDER SPACE AND NAVAL WARFARE SYSTEMS COMMAND 4301 PACIFIC HIGHWAY SAN DIEGO CA 92110-3127	2a.PII NUMBER 2b.LAST MODIFICATION NUMBER 2c.CALL/ORDER NUMBER [redacted]
3.To: (Name and Address of Purchasing Office and Office Symbol of the PCO,if known) SPACE AND NAVAL WARFARE SYSTEMS COMMAND 4301 PACIFIC HIGHWAY SAN DIEGO CA 92110-3127	4.CONTRACT IDENTITY CODE AND ADDRESS [redacted] 5.EXCESS FUNDS ○ Yes ◉ NO $

6a. IF FINAL PAYMENT HAS BEEN MADE, COMPLETE ITEM 6b. AND 6c.	6b. VOUCHER NUMBER 4DCHPWC	6c. DATE 5/4/2004
7a. IF FINAL APPROVED INVOICE FORWARDED TO D.O. OF ANOTHER ACTIVITY AND STATUS OF PAYMENT IS UNKNOWN,COMPLETE ITEMS 7b. AND 7c.	7b. INVOICE NUMBER 001	7c. DATE 4/4/2004

8. REMARKS

9a. ALL ADMINISTRATION OFFICE ACTIONS REQUIRED HAVE BEEN FULLY AND SATISFACTORILY ACCOMPLISHED. THIS INCLUDES FINAL SETTLEMENT IN THE CASE OF A PRICE REVISION CONTRACT

9b. TYPED NAME OF RESPONSIBLE OFFICAL	9c. SIGNATURE	9d. DATE 5/27/2004

FOR PURCHASING OFFICE USE ONLY

10a. ALL PURCHASING OFFICE ACTIONS REQUIRED HAVE BEEN FULLY AND SATISFACTORILY ACCOMPLISHED. CONTRACT FILE OF THIS OFFICE IS HEREBY CLOSED AS OF:

☑ DATE SHOWN IN ITEM 9d.ABOVE.

☐ DATE SHOWN IN ITEM 10e.BELOW. *(Check this box only if final completion of any significant purchasing office action extends more than three months beyond close-out date shown in item 9d above. In such cases, submit a copy of completed form upon final accomplishment of all purchasing office actions to the contract administration office. (Upon receipt, the contract administration office shall extend its contract file close-out date accordingly.)*

10b. REMARKS
All contractual items are complete
Contract obligations equal disbursements

10c. TYPED NAME OF RESPONSIBLE OFFICAL [redacted] CONTRACTING OFFICER	10d. SIGNATURE	10e. DATE 5/27/2004

DD FORM 1594, FEB 70 (EG) REPLACES EDITION OF JUN 68 WHICH IS OBSOLETE

DD Form 1594 – Category II Contract

CONTRACT COMPLETION STATEMENT

1. FROM: *(Contract Administration Office)*

DCMA BOSTON - GFOC-Z5
Barnes Building
495 Summer Street
Boston, MA 02210

2a. PII NUMBER

2b. LAST MODIFICATION NUMBER
P00003 / A00001

2c. CALL/ORDER NUMBER

3. TO: *(Name and Address of Purchasing Office and Office Symbol of the PCO, if known)*

SPAWAR Headquarters
Contract Closeout Team/BMG
ATTN: [redacted]
4301 Pacific Hwy
San Diego, CA 92110-3127

4. CONTRACTOR IDENTITY CODE AND ADDRESS
[redacted]

5. EXCESS FUNDS ☐ YES ☒ NO
$

6a. IF FINAL PAYMENT HAS BEEN MADE, COMPLETE ITEMS 6b., AND 6c.	6b. VOUCHER NUMBER BVN0009	6c. DATE 8/21/02
7a. IF FINAL APPROVED INVOICE FORWARDED TO D.C. OF ANOTHER ACTIVITY AND STATUS OF PAYMENT IS UNKNOWN, COMPLETE ITEMS 7b, and 7c.	7b. INVOICE NUMBER	7c. DATE FORWARDED

8. REMARKS

9a. ALL ADMINISTRATION OFFICE ACTIONS REQUIRED HAVE BEEN FULLY AND SATISFACTORILY ACCOMPLISHED. THIS INCLUDES FINAL SETTLEMENT IN THE CASE OF A PRICE REVISION CONTRACT

9b. TYPED NAME OF RESPONSIBLE OFFICIAL [redacted], ACO	9c. SIGNATURE	9d. DATE June 17, 2004

FOR PURCHASING OFFICE USE ONLY

10a. ALL PURCHASING OFFICE ACTIONS REQUIRED HAVE BEEN FULLY AND SATISFACTORILY ACCOMPLISHED. CONTRACT FILE OF THIS OFFICE IS HEREBY CLOSED AS OF:

☐ DATE SHOWN IN ITEM 9d. ABOVE.

☐ DATE SHOWN IN ITEM 10e. BELOW. *(Check this box only if final completion of any significant purchasing office action extends more than three months beyond close-out date shown in Item 9d. above. In such cases, submit a copy of the completed form upon final accomplishment of all purchasing office actions to the contract administration office. (Upon receipt, the contract administration office shall extend its contract file close-out date accordingly.))*

10b. REMARKS

10c. TYPED NAME OF RESPONSIBLE OFFICIAL	10d. SIGNATURE	10e. DATE

DD FORM 1594, FEB 70 (EG) Replaces edition of 1 JUN 66 which is obsolete. Designed using PerForm Pro, DASC-VC, AUG 94

DD Form 1597 – Contract Closeout Check-List

CONTRACT CLOSEOUT CHECK-LIST
(Use a separate page to attach any comments.)

1. CONTRACT NUMBER

2. CONTRACT MODIFICATION NUMBERS *(If applicable)*

3. NAME OF CONTRACTOR

4. DATE OF PHYSICAL COMPLETION *(YYYYMMDD)*

5. ACTION ITEMS	6. MILESTONES/CALENDAR MONTHS AFTER PHYSICAL COMPLETION *(FAR 4.804-1)*			7. FORECAST COMPLETION DATE *(YYYYMMDD)*	8. DATE ACTION COMPLETED *(YYYYMMDD)* *(NA if not applicable)*
	Category 2	Category 3	Category 4		
a. DISPOSITION OF CLASSIFIED MATERIAL COMPLETED					
b. FINAL PATENT REPORT SUBMITTED *(Inventions Disclosures)* DD 882					
c. FINAL ROYALTY REPORT SUBMITTED					
d. FINAL PATENT REPORT CLEARED *(Inventions Disclosures)*					
e. FINAL ROYALTY REPORT CLEARED					
f. ISSUANCE OF REPORT OF CONTRACT COMPLETION					
g. NO OUTSTANDING VALUE ENGINEERING CHANGE PROPOSAL *(VECP)*					
h. PLANT CLEARANCE REPORT RECEIVED DD 1593					
i. PROPERTY CLEARANCE RECEIVED DD 1593					
j. SETTLEMENT OF ALL INTERIM OR DISALLOWED COSTS *(DCAA Form 1)*					
k. PRICE REVISION COMPLETED					
l. SETTLEMENT OF SUBCONTRACTS BY THE PRIME CONTRACTOR					
m. PRIOR YEAR OVERHEAD RATES COMPLETED					
n. CONTRACTOR'S CLOSING STATEMENT RECEIVED					
o. FINAL SUBCONTRACTING PLAN REPORT SUBMITTED					
p. TERMINATION DOCKET COMPLETED DD 1593					
q. CONTRACT AUDIT COMPLETED					
r. CONTRACTOR'S CLOSING STATEMENT COMPLETED					
s. FINAL VOUCHER SUBMITTED SF 1034					
t. FINAL PAID VOUCHER RECEIVED SF 1034					
u. FINAL REMOVAL OF EXCESS FUNDS RECOMMENDED					
v. ISSUANCE OF CONTRACT COMPLETION STATEMENT *(Or MILSCAP Format Identifier PK9)*	6	36	20		
w. OTHER REQUIREMENTS COMPLETED *(Specify)*					

9. RESPONSIBLE OFFICIAL

a. TYPED NAME *(Last, First, Middle Initial)*

b. TITLE

c. SIGNATURE *(Sign only upon completion of all actions)*

d. DATE SIGNED *(YYYYMMDD)*

DD FORM 1597, APR 2000 PREVIOUS EDITION MAY BE USED.

Web Xtender Index Sheet

Web Xtender Index Sheet

SPAWAR-POST-AWARD

Contract Number: [redacted]

Solicitation Number: GS-35F-4076D

Second Solicitation Number:

Program: [redacted]

Contractor: [redacted]

Contractor Cage Code: [redacted]

Order/MOD Number: 0 N557

Contracting Officer: [redacted]

Contract Phase	
	Administration
	Order
	Modification
X	Closeout
	Miscellaneous

Document Type			
	Correspondence Contractor		PlansForm DD350/1057
	Correspondence Government	X	Other Forms (SF/DD)
	Award Documents		Supporting Documentation
	Reports/Briefs/Meetings		Invoices
	Contract Deliverables		

Date of Document Type (MM/DD/YYYY): 5/27/2004

ID # of Document Type: (i.e. Serial #,PR#MOD#) NA

Subject of Document Type: DD 1594 CONTRACT COMPLETION STATEMENT

Originator: [redacted]

Remarks:

PART VIII-Links to References

1. Closeout

(1) FAR 4.804, Closeout of Contract Files
(2) FAR 42.708, Quick Closeout Procedures
(3) DCMA-INST 135 Contract Closeout Instruction
(4) DFARS 204.804, Closeout of Contract Files

2. Payment

(1) FAR 52.211-16, Variation in Quantity
(2) FAR 52.216-2, Economic Price Adjustment
(3) FAR 52.216-7, Allowable Cost and Payment
(4) FAR 52.216-8, Fixed Fee
(5) FAR 42.705, Final Indirect Cost Rates
(6) FAR 52.216-16, Incentive Price Revision
(7) FAR 52.232-7, Payments under Time and Material/Labor Hour Contracts
(8) DCMA-INST 135 Contract Closeout Instruction

3. Other

(1) FAR 31.201-2, Determining Allowability
(2) DCMA Information Memoranda

PART IX-Acronym List

ACO	Administrative Contracting Officer
ACRN	Accounting Classification Reference Number
BOA	Basic Ordering Agreement
CA	Contract Administrator
CACO	Corporate Administrative Contracting Officer
CACS	Contract Audit Closing Statement
CAR	Contract Administration Report
CAS	Contract Administration Services

CLIN	Contract Line Item Number
CMO	Contract Management Office
COA	Certificate of Acceptance
COMPASS	Contract Management Paperless Support System
COTR	Contracting Office Technical Representative
DACO	Divisional Administrative Contracting Officer
DCAA	Defense Contract Audit Agency
DCAAM	Defense Contract Audit Agency Manual
DCMA	Defense Contract Management Agency
DCMD	Defense Contract Management District
DFARS	Defense Federal Acquisition Regulation Supplement
DFAS	Defense Finance and Accounting Service
DLA	Defense Logistics Agency
DLAD	Defense Logistics Agency Directive
DLAM	Defense Logistics Agency Manual
DLAR	Defense Logistics Agency Regulation
DMACT	DFAS Merged Account
DMC	Defense Mega center
DODAAD	Department of Defense Activity Address Directory
DPAS	Defense Priorities and Allocation System
DIS	Defense Industrial Security
FAR	Federal Acquisition Regulation
FAD	Final Acceptance Date
FDD	Final Delivery Date

FMS	Foreign Military Sales
FNLA	Final Notice of Last Action
FOB	Free On Board
FOIA	Freedom of Information Act
FST	Field Support Team
FY	Fiscal Year
GFE	Government Furnished Equipment
GFM	Government Furnished Material
GFP	Government Furnished Property
IDIQ	Indefinite Delivery Indefinite Quantity
IS	Industrial Specialist
LISSR	Line Item Schedule Summary Record
MOCAS	Mechanization of Contract Administration Services
MOD	Modification
NLA	Notice of Last Action
NSN	National Stock Number
O&M	Operation and Maintenance
ODO	Other Disbursing Office
OT	Other Transactions
PA	Property Administrator
PCO	Procuring Contracting Officer
PCSN	Production Schedule Completion Notice
PIIN	Procurement Instrument Identification Number

PLCO	Plant Clearance Officer
POP	Period of Performance
PO	Purchase Order
QA	Quality Assurance
QAR	Quality Assurance Representative
R&D	Research and Development
SBA	Small Business Administration
SBS	Small Business Specialist
SCN	Ship and Military Construction
SDW	Shared Data Warehouse
SPIIN	Supplemental Procurement Instrument Identification Number
ST	Special Tooling
STE	Special Test Equipment
TAG	Technical Assessment Group
TCO	Terminating Contracting Officer
T&M	Time and Material
ULO	Unliquidated Obligation
VIQ	Variation in Quantity
WIP	Work in Process

1. PURPOSE

The purpose of this document is to provide claimancy-wide guidance on the distribution of contracts, modifications, correspondence and other types of supporting documents.

Related guidance is available under CMPG section 4.2.7 Distribute Contract and 5.3.10 Distribute Modified Contract and the Checklist – Electronic Contracting End to End SCPPM.

2. POLICY

Distribution requirements shall be limited to the minimum necessary for proper performance. See site-specific information below for additional distribution requirements.

A. FAR Subpart 4.2 – Provides a summary of general contract distribution requirements.
B. DFARS 204.2 – Provides specific agency distribution requirements.
C. DFARS PGI 204.201 – Provides instruction for the distribution of contracts and modifications.
D. NMCARS 5204.201 – Requires all DoN activities to post an electronic copy of each newly executed procurement instrument (contracts, purchase orders, delivery orders, contract modification, etc.) within two working days of its execution to the Electronic Document Access (EDA) website, unless payment under the instrument will be made with the Government Purchase Card.

3. RESPONSIBILITIES

3.1 Contracting Officers (PCO)

Ensuring timely, correct contract distribution and for ensuring the contract file contains the approved Distribution Record.

3.2 Contract Specialist (CS)

A. Ensuring that all necessary offices receive copies of the actions for proper performance of essential functions: such as the contractor, paying office, contract administration, contract auditing, security;
B. Determining the correct current addresses for other government agencies including DCMA/DFAS and DCAA.
C. Preparing and maintaining a record of distribution for each action.

3.4 PMW / Technical Code is responsible of maintaining a copy for files.

4. PROCEDURE

4.1 CS

Completes, updates, and maintains a current copy of the record of distribution for filing contracts and contract modifications in the official contract folders.

4.2 Accounting Copy: Within one working day after execution, the contract specialist will forward the obligation document to their respective comptroller's office.

4.3 Site Procedures:

A. HQ: For Distribution of Contract Documents, the contract specialist shall use the SPAWAR Paperless Document Distribution website and upload the documents into WebXtender (WebX). (Reference: WebX User's Guide). Distribution List:

1. Contractor
2. Customers (Competencies([1.0-8.0 Reps]/[PEO/PMO–APM-BFM])

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3. Comptroller: 1142_Contract_Awards@navy.mil
4. Security: W_SPSC_SSC_PAC_securitycor_US@navy.mil
5. GFP: Bruce.O.Martin@navy.mil
6. Metrics: spawar_hq_2.0_contracts_distribution.fet@navy.mil
   *Note: Distribution to DFAS, DCAA and DCMA is transmitted each day from PD2 and Seaport to EDA, thus there is no need to send separate copies to these agencies.

B. SSC-Atlantic: The office assistant is responsible for all contract and modification distribution *except* copies to DFAS, DCAA and DCMA. Distribution to these offices will be by transmission of an electronic file download each day from PD2 and forwarded to EDA.

C. SSC-Pacific: In addition to the standard distribution process performed by the Reproduction and Distribution Center, the contract specialist is responsible for:

1. Entering the appropriate accounting information in the designated accounting log book; and
2. Ensuring that one copy of the obligating document, funding document, funding plan (if applicable), purchase request, or any other document that is used by Budget to commit and certify funding, is placed into the designated accounting box, located in the Contract Directorate reception area.

5. APPROVALS

PCO is responsible for reviewing and approving the distribution and for ensuring the approved Distribution Record is part of the contract file.

6. TOOLBOX

6.1 DoD

A. Electronic Document Access (EDA) website

6.2 SPAWAR

A. Data Management System – Searching For PR Attachments Guide
B. SPAWAR Paperless Document Distribution website
C. SPAWAR Standard Procurement System (SPS) Process – PD2 to WebX
D. SSC-Atlantic: Contracts & Mods/Delivery Orders
E. SSC-Pacific: SSC Pac Distribution
F. WebX User's Guide

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
May 2016	Content updated and converted to new SCPPM format; updated links.
September 2012	Last version created in previous format with edits to the distribution list for HQ.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide Space and Naval Warfare Systems Command guidance on the appointment of Contracting Officers.

2. POLICY

The Director of Contracts (2.0) has been appointed by the Commander, Space and Naval Warfare Systems Command as his designee to grant approvals of Contracting Officer's Certificates. This authority is further delegated to the Chiefs of the Contracting Office of SPAWAR Systems Centers, Atlantic and Pacific; however, site specific policies are not discussed here. See Director of Contracts' Memorandum for Chiefs of the Contracting Office for the SPAWAR Systems Centers San Diego and Charleston - Subj: Delegation of Authority for Procurement Matters, 20 Dec 06.

With this authority, SPAWAR fully implements the Department of Defense Contracting Officer Warranting Program Model. This policy complies with the considerations necessary for the selection, appointment, and termination of appointment of Contracting Officers in accordance with FAR 1.603.

3. RESPONSIBILITIES

3.1 Types of Contracting Officer Authority: Contracting Officer authority will be granted as **unlimited** or with **specific limitations** depending on the scope of the authority to be exercised. Only those employees with specific Contracting Officer authority may execute contracts, grants, and related agreements (i.e., co-operative agreements, Other Transaction Authority, TEAs, etc.) that involve federal funding on behalf of SPAWAR.

3.2 The nominated **Contract Specialist and associated Supervisor** are responsible for submitting the Contracting Officer (CO) Appointment/Warrant Eligibility Transfer/Termination Request.

3.3 The **Director of Contracts and the Chiefs of the Contracting Office for SPAWAR Systems Centers**, as delegated, act as the appointing official, taking into consideration the complexity and dollar value of the acquisitions to be assigned and the candidate's experience, training, education, business acumen, and judgment. Prior conduct of an individual may be taken into consideration when making warrant decisions.

4. PROCEDURES

4.1 Selection

The candidate's attributes play a key role in determining his/her appointment as a SPAWAR Contracting Officer. *Selection criterion includes:*

1. Possesses appropriate DAWIA certifications.
2. *AT&L Acquisition Core Member*
3. Requirement to remain current in primary acquisition career field and hold current Continuous Learning certificates;
4. Minimum requirement of at least four years of experience in a contracting position (10 U.S.C. § 1724 (a)(2));
5. Minimum requirements per FAR 1.603-2(b) (specified in 10 U.S.C. § 1724 (a)(3)) are that the candidate has:
   I. Received a baccalaureate degree from an accredited educational institution authorized to grant baccalaureate degrees, and
   II. Completed at least 24 semester credit hours (or the equivalent) of study from an accredited institution of higher education in any of the following disciplines: accounting, business, finance, law, contracts,

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

purchasing, economics, industrial management, marketing, quantitative methods, and organization and management; and

6. *Applicant must have demonstrated significant potential for advancement to levels of greater responsibility and authority, based on analytical and sound decision making capabilities, job performance and qualifying experience.*

4.2 Appointment

SPAWAR Contracting Officers shall be appointed in writing on a SF 1402, Certificate of Appointment, which shall state any limitations on the scope of authority to be exercised, other than limitations contained in applicable law or regulation. The appointing official has wide discretion in determining the limits placed upon a candidate's authority and these limitations are heavily dependent on the candidate's current or planned assignments (i.e. size and complexity of assigned program(s)). Code 2.0 shall maintain files containing copies of all appointments that have not been terminated. Files may contain such documents as the Certificate of Appointment, application and/or nomination form, Interview notes, etc. Code 2.0 shall retain the record until such time as the appointment is terminated and for a reasonable time thereafter in order to facilitate eligibility transfers and reinstatements.

4.3 Annual Reviews

SPAWAR Contracts 2.0 is required to maintain a list of approved Contracting Officers such that when audit support is required, verifiable evidence exists that the obligations on contract are being made by an authorized, warranted individual.

1. 2.0 organizations (HQ, SSC Atlantic, SSC Pacific) will review and validate (or reissue) all current Contract Warrants annually to provide required oversight. NLT 31 October, SPAWAR 2.0 (HQ, SSC Atlantic, SSC Pacific) will forward to SPAWAR 1.0 an updated Contract Warrant List, ensuring that all warrants are validated annually for the following:
    a. Monetary Threshold
    b. Authorized Contract Vehicles (Types of Contracts)
    c. Effective Date
2. The review and validation should be approved and signed by the Director of Contracts, Chief of the Contracting Office or delegated authority, and retained in accordance with the National Archive regulations.
3. The Contract Warrant List must be signed electronically or manually to evidence the review. This effort will help improve SPAWAR's business operational effectiveness and efficiency and implements Improving Financial Information and Achieving Audit Readiness and Achieving a Clean Financial Audit, respectively.

4.4 Termination of Appointment - Termination of a SPAWAR Contracting Officer appointment will be by Contracting Officer (CO) Appointment/Warrant Eligibility Transfer/Termination Request. Reasons for terminations may include reassignment, termination of employment, or unsatisfactory performance. No termination shall operate retroactively. Warrant termination is a standard component of the employee checkout process within SPAWAR.

5. APPROVALS

The Director of Contracts and Chiefs of the Contracting Office for SPAWAR Systems Centers, as delegated, approves or rejects all appointments. For SPAWAR HQ, this authority is delegated to the Deputy Director of Contracts in the Directors absence. Heads of Echelon III activities have been granted delegation as well.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

6. TOOLBOX

1. *Delegation of Authority for Procurement Matters - SPAWAR 2.0, 1 May 2015*
2. Contracting Officer Warranting Program Model – DoD, Feb 2012
3. Improving Financial Information and Achieving Audit Readiness – SECDEF, Oct 2011
4. Achieving a Clean Financial Audit – DON VCNO, Apr 2011
5. Contracting Officer (CO) Appointment/Warrant Eligibility Transfer/Termination Request
6. Sample Contracting Officer Warrant Log
7. SF 1402, Certificate of Appointment

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
June 2016	Updated Para 4.1 and Toolbox item #1.
May 2016	Content formatted and reorganized. SCPPM references updated.
November 2012	Last version created in old format; recent updates occurred under Approvals and Annual Reviews.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide the SPAWAR claimancy policy and guidance regarding the nomination and designation of Contracting Officer's Representatives (COR).

The COR is the "eyes and ears" of the Procuring Contracting Officer (PCO) and acts as the technical liaison between the Government and the contractor regarding the SOW/PWS and/or specification(s) under a contract. As a practical matter, the PCO rarely has the expertise in all the areas necessary to ensure successful contract completion, therefore, the PCO must rely on the COR to assist in requirements development and contract administration of the technical and administrative terms and conditions of the contract.

Related guidance is available under Contract Management Process Guide (CPMG) sections 1.2.9.1.6 Contracting Officer's Representative (COR) Assignment and 5.2.3.3 COR Responsibilities.

2. POLICY

It is the policy of the SPAWAR Contracting Office that the Procuring Contracting Officer (PCO) may designate qualified personnel as their authorized representatives ***prior to contract award*** in order to assist in the technical monitoring and administration of service and other than service contracts. If the PCO determines that the need to designate a COR exists, the PCO shall request that the requiring activity nominate a qualified COR. The PCO's request must include the type of standard (i.e., Type A, B, or C; see paragraph 2.2 below) and responsibilities identified for COR performance; the anticipated period of performance of COR responsibilities; whether the COR nominee will participate in pre-award activities; and, COR nominee security clearance requirements. The requiring activity will propose a COR, and, if concurred to by the PCO, the *COR will initiate the COR nomination process in the DoD COR Tracking (CORT) Tool. In an effort to engage the COR in pre-award activities, the nomination should occur around the time the purchase request is submitted. The COR nomination is reviewed and approved in the CORT Tool by the COR's supervisor and the PCO; the PCO designates the COR in the CORT Tool. Refer to the COR Training Wiki for CORT Tool Information, including PowerPoint Briefs for the COR, COR Supervisor/Commander, and PCO/Contract Specialist roles.*

2.1 A COR shall be designated for the following:

- All Services contracts regardless of contract type (but see Note below);
- Cost-reimbursement, time & materials, or labor hour type contracts;
- Prime Mission Product Contracts (Supply or Services);
- All other contracts when the PCO determines that designating a COR is appropriate;
- Note: PCOs may exempt service contracts from this requirement when the following three conditions are met:
  - The contract will be awarded using Simplified Acquisition Procedures;
  - The requirement is not complex; and
  - The PCO documents why the designation of a COR is unnecessary.

2.2 Qualifications

Any designation and certification type shall be in writing and should specify all duties for which the COR is responsible (DFARS 201.602-2). Only persons technically qualified, certified, and properly trained will be designated CORs and only designated

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

persons will perform COR duties. The following standards have been identified to certify CORs:

A. Type A: Fixed-price contracts without incentives and low performance risk. COR duties/responsibilities are generally limited to minimal technical/administrative monitoring of the contract.
B. Type B: Fixed-price contracts with incentives; fixed-price contracts with other than low performance risk; and other than fixed-price contracts. This includes everything other than Types A and C. COR duties/responsibilities are of increased complexity.
C. Type C: Unique contract requirements that necessitate the COR have a higher education or specialized training beyond the Type B requirements. COR duties/responsibilities involve highly complex or specialized requirements.

2.3 Duties and Responsibilities

The duties and responsibilities of the COR are set forth in DFARS 201.602-2 and DFARS PGI 201-602-2. Further detail is provided in the designation letter and contract.

2.3.1 ADMINISTRATION

The duties of the COR include maintaining a contract file that is reflective of meaningful surveillance to include correspondence, reviews, notes, observations, and actions. This file must include documentation commensurate with the contract activity and key information such that a person reviewing the file would have a good perspective of the purpose of the contract, what has been received to-date, the quality of deliverables received, what has been paid to-date, and any special circumstances. By following the COR File Review Checklist, CORs will find a logical outline to organize and maintain key file documentation.

2.3.2 TASK AND DELIVERY ORDERS

Where work under a contract is assigned by task order or delivery order, the COR shall track performance, labor hours and mix ordered, and labor hours and mix expended by individual order.

2.3.3 PROHIBITIONS - THE COR IS PROHIBITED FROM:

- Changing the intent or substance of a contract or order (e.g., pricing/cost/fee, quantities, quality, scope, delivery schedule, labor mix, or other terms).
- Issuing delivery orders.
- Providing direction to contractors (provide clarification instead);
- Promising additional work.
- Issuing stop work orders.
- Delegating COR authority, duties, or responsibilities.
- Disclosing budget, source selection or proprietary information.
- Being assisted in the performance of COR duties by a non-government employee.
- Requiring the contractor to provide personal services for the requiring organization or for the COR.
- Interfering with contractor personnel practices and dealings with organized labor (this includes directing a contractor to hire specific personnel).

3. RESPONSIBILITIES

DoD Instruction 5000.72, DoD Standard for Contracting Officer's Representative (COR) Certification defines minimum COR competencies, experience, and training according to the nature and complexity of the requirement, the contract performance risks, and introduces new structure and rigor to the performance of COR functions by delineating roles and responsibilities for the COR, COR management and the PCO.

3.1 Program Manager (PM) / Requiring Organization

- Identifying the relevant experience, expertise, and training required to accomplish the surveillance necessary to ensure quality, satisfactory performance, and successful contract completion.
- Selecting a government employee(s) with the relevant qualifications, experience, and training for nomination as the authorized COR(s).
- Ensuring that the individual nominee maintains adequate technical expertise by completion of appropriate training requirements.
- Documenting in the employee's annual performance assessment the extent to which the COR is successfully performing their COR duties.
- Reviewing and approving *COR self-nominations within the CORT Tool (CORT Tool Supervisor/Commander)*.

3.2 PCO

- Ensuring that Contracting Officer's Representative (DFARS 252.201-7000) clause is included in the contract when anticipating COR designation.
- Reviewing the proposed acquisition relevant to delegating authority for technical surveillance and associated administrative functions.
- Reviewing the qualifications, experience, and training of proposed nominee(s) to accomplish the technical surveillance and the associated administration functions for the instant acquisition. *Note: accomplished within the CORT Tool.*
- Reviewing the functions to be delegated to ensure no conflict of interest exists with functions delegated to a contract administration office.
- Preparing the designation letter to include the authority being delegated, the definitive responsibilities for accomplishing technical surveillance and associated administrative duties applicable to the applicable contract or order, and specifically noting that the designee(s) may be personally liable for any unauthorized acts. *Uploads designation letter into the CORT Tool.*
- Obtaining the COR designee's acceptance signature on the designation letter as far in advance of contract award as possible to facilitate the COR's involvement in the pre-award process as needed.
- Providing a copy of the COR designation letter to the contractor and the contract administration office.
- Providing a copy of the contract or order to the COR upon award.
- Performs annual COR File Reviews using the COR File Review Checklist template and *uploads COR File Review Checklists to the CORT Tool.*
- Termination of COR designations as necessary. Note: *accomplished within the CORT Tool.*

3.3 COR Nominee or COR

Specific responsibilities are detailed in the COR's designation letter and contract. They may include, but are not limited to:

- Completing all required COR training prior to COR designation. Link to COR Training Requirements Matrix is here.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

- *Initiating the COR self-nomination process in the CORT Tool.*
- Completing the acknowledgement and acceptance portion of the designation letter and returning a copy with the original acceptance signature to the contracting officer for retention in the contract file.
- Meeting with the PCO to review delegated responsibilities and obtain clarification of any questioned duties or responsibilities and concerns as necessary/desired.
- Avoiding a conflict of interest, or any appearance of a conflict of interest. If a conflict, or the perception of a conflict of interest develops, notifying the designating PCO, supervisor and ethics official immediately.
- Performing designated COR duties and responsibilities and complying with this SCPPM document. Documenting actions taken in accordance with the designation letter.
- Carefully reading and understanding the contract.
- *Establish and maintain a COR file for each contract, task order, and delivery order assigned in the CORT Tool. Link to CORT Tool COR Role brief is here.*
- Providing reports and documentation to support significant actions taken.
- Acting as technical liaison between the Government and the contractor with respect to the contract specification and SOW/PWS, and ensuring the PCO is kept apprised of the contractor's performance.
- If contract includes Services, entering required information into the Department of the Navy's Enterprise Contractor Manpower Reporting Application (eCMRA), and ensuring contractor compliance with reporting information into CMRA in accordance with OSD Memorandum, Enterprise-wide Contractor Manpower Reporting Application (ECMRA) of November 28, 2012. Link to eCMRA PowerPoint brief is here.
- Developing a Contract Quality Assurance Surveillance Plan (QASP), or non-PBSA Surveillance Plan detailing contract monitoring procedures, providing a copy of the plan to the contracting officer, *retaining a copy of the plan in the COR file in the CORT Tool*, accomplishing surveillance based upon the plan, and updating the plan as needed to maintain its currency. Sample Contract Administration and QASP document is here.
- Managing Government Furnished Property (GFP); refer to the GFP SCPPM.
- Reviewing contractor's invoices and supporting documentation, ensuring labor hours, labor mix, travel, and materials, as applicable, are consistent and reasonable for the work authorized and performed, and documenting the invoice review using an Invoice/MSR Review Form.
- Reviewing invoices for Service Contracting Performance Metrics in accordance with SPAWARNOTE 4200, and uploading performance metric documentation (i.e., the signed Invoice Review Form) into the Online Reporting Tool.
- Promptly reporting any substantive deficiencies in contract performance, or other instances of noncompliance with the contract terms and conditions to the PCO.
- Assessing the contractor's performance, and ensuring the completion of CPARS documentation; refer to the CPARS SCPPM for further guidance.
- Certifying when all deliverables have been accepted.
- Reporting any instance of suspected conflict of interest or fraud, waste, and abuse to the contracting officer or the local Office of General Counsel.
- Assessing the contractor's compliance with the contract or order security requirements.

- Reviewing and completing documentation relevant to the closeout of the contract or order (e.g., reviewing DD Form 882 and completing the Patent Clearance Memorandum for the Office of Patent Counsel).
- Forwarding all COR files, upon physical completion of the contract or order, to the PCO for retention with the official contract file. Prior to forwarding files, discuss with PCO which files may be discarded and which must be retained and how files should be organized before forwarding. *Note: This only applies to COR File documents located outside of the CORT Tool. COR File documents uploaded into the CORT Tool do not need to be forwarded to the PCO, since the PCO has access to the documents in the CORT Tool.*

3.4 Alternate COR (ACOR)

- Performs COR functions/duties when the COR is unavailable;
- Possess the necessary COR qualifications as evidenced in the COR's nomination and COR supervisor's COR nomination approval and certification.

4. PROCEDURE

4.1 Training and Qualifications

1. CORs are required to complete required initial and refresher training, and any other training and/or certifications necessary to perform technical oversight of the contract. See the COR Training Wiki for COR training requirements, links and resources. CORs on SSC Atlantic and SSC Pacific contracts/orders should refer to Toolbox sections 6.2.1 and 6.2.2 for guidance concerning required training, since it differs somewhat from HQ.
2. *The CORT Tool tracks COR assignment, training, and qualifications.*

4.2 Nomination and Designation

1. **PCO** determines that a need to designate a COR exists (see paragraph 2.1).
2. **PCO** requests that the requiring activity nominate a qualified COR.
3. **PM/Requiring Organization** nominates COR.
4. **COR Nominee** *initiates COR self-nomination process in the CORT Tool.*
5. **COR Nominee** files an initial OGE Form 450 Confidential Financial Disclosure Report via the Financial Disclosure Management website.
6. The cognizant *CORT Tool* ***Supervisor/Commander*** *reviews and approves COR nomination in the CORT Tool. Link to CORT Tool Supervisor/Commander Role brief is here.*
7. **PCO** *reviews the nomination in the CORT Tool* to ensure:
   a. Required COR training (and appropriate refresher training) has been successfully completed by the nominee and that the nominee is a government employee;
   b. Other elements of the nomination are complete and accurate.
8. **PCO** prepares and issues a COR Designation letter.
   a. Including the extent and method of contract monitoring appropriate to the particular contractual effort and establishes a feedback procedure to ensure that the PCO is informed of significant contract events.
   b. For security-related COR responsibilities, the designation letter must identify any specific areas in the contract where security monitoring is required and contain required language in the event a COR is given security monitoring responsibilities. Note: a COR's security-related responsibilities do not include those under the auspices of the SPAWAR Security COR or Security Manager (SPAWAR 8.3.3).

9. Upon receipt of designation letter, the **COR** completes the acknowledgment/ acceptance portion, signs the letter, and returns the original to the PCO.
10. **PCO** provides a copy of the fully executed COR designation letter to the parties identified in the letter as well as to the COR's supervisor. The PCO will also *upload the signed letter into the CORT Tool*.
11. **PCO** provides a copy of the contract/order to the COR. containing the applicable COR clause.

4.3 Managing the Contract or Order

1. **COR** executes their duties and responsibilities in accordance with the designation letter and this SCPPM document.

4.4 Managing Contract Performance

1. **COR** acts as central POC for contract administration:
   a. Reviews and approves contractor Travel Request in advance of travel – also see Travel of Personnel CONUS-OCONUS.
   b. Maintains copies of all contractor requests and reports (e.g., Trip Reports, Travel requests, CAC and Badge Requests).
   c. Review and approve all Badge Requests, Escort Privileges and After Hour's Access Requests.
   d. Depending on how the Requiring Organization (e.g., Program Office, Staff Code, Tech Code) has assigned COR roles and responsibilities, the COR may be assigned as the Trusted Agent (TA) for all contractor CAC functions.
   e. Tracks all mandatory events and training status by contractor employee. (e.g., Government Information Systems, NDAs, IA, Privacy Act, SAAR). Generally, the contractor provides this information in their Monthly Status Report (MSR).
   f. Manages GFP IAW GFP SCPPM.
   g. Participates in related datacalls as required.
2. **COR** monitors and evaluates the contractor performance IAW the Quality Assurance Surveillance Plan (QASP). See Sample QASP and 1.2.9.2.2 Performance Based Service Acquisition SCPPM.
3. **COR** monitors the contractor's progress, costs, and quality of performance and keeps stakeholders (e.g., PCO, PM, DPM, TPOCs) appraised of status.
4. **COR** promptly reports to the PCO any substantive deficiencies in contract performance or other instances of noncompliance with contract terms and conditions.
5. **COR** maintains a file of all contract/order-related correspondence and documentation. This includes meeting minutes, emails, ad hoc reviews, issues/concerns, phone calls, etc. Provide reports and documentation to support significant actions taken as requested by the PCO - see COR File Documentation. **Note:** *The COR file should be maintained in the CORT Tool to the maximum practicable extent, however, it may be augmented by other files (e.g., email files established within Microsoft Outlook; files established on the COR's personal share drive; hard-copy files). If there are COR files maintained outside of the CORT Tool COR file, the COR will create and upload to the CORT Tool COR file a document which identifies their location and contents.*
6. **COR,** if assigned Assessing Official responsibilities, prepares and submits required Contractor Performance Assessment Reviews via CPARS. See CPARS SCPPM.

4.4.1 INVOICING

1. **Contractor** notifies the **COR** via email when an invoice has been submitted; provides soft copy of the invoice and any requested back-up data to assist the COR with the Invoice review/validation process.
2. **COR** reviews contractor invoices submitted for payment via *iRAPT following the iRAPT Invoice Review (Formerly WAWF) SCPPM*. The Invoicing Clause G has been revised to include mandatory e-mail notification to the COR when contractors submit the invoices via iRAPT.
3. **COR** promptly notifies the **contractor** and/or the **PCO** of any inconsistencies between work actually performed by the contractor and performance claimed on invoices, as well as inefficiencies of the contractor.
4. If the contract specifies a labor mix/level of effort, the **COR** is responsible for monitoring the actual labor mix/level of effort expended and is responsible for periodically reporting to the **PCO** any significant differences between the contracted and actual incurred labor mix/level of effort expended.

4.4.2 CONTRACT FILE REVIEW

1. **PCO** performs an annual review of the COR contract files when an option is exercised or on an annual basis using the COR File Review Checklist, and *uploads completed checklist to the CORT Tool*.
2. **PCO** may perform an out of cycle review when there are issues or events that occur such as:
   A. Designation of a new COR on the contract (follow COR Turn-Over Checklist).
   B. Overall CPARS rating of unsatisfactory or marginal, or when a potentially adverse action (e.g., Termination for Default, "Show Cause" Letter, Stop Work Order) is being contemplated.
   C. Problems with COR performance in any area of responsibility:
      - Untimely/poor quality modification SOWs, PWS's/Independent Government Estimates.
      - Inadequate/non-existent Invoice/MSR Review Forms .
      - Inadequate/non-existent performance metric reporting.
      - Delinquent/poor quality CPARs.
      - Issuing questionable Technical Direction Letters (TDL). Link to TDL SCPPM is here.
      - Complaints regarding monitoring of contractor performance or requesting contractor performance outside the scope of the contract.
3. **PM/requiring organization** recommends a replacement if the PCO determines the assigned COR is not properly monitoring a contract/order.
4. **PM/requiring organization** submits the completed Sample COR Termination Letter to the **PCO** when replacing an existing COR or terminating a COR without cause due to final close-out. *Alternatively, the PCO may choose to use the CORT Tool's Termination Letter "Smart Form."*

5. APPROVALS

Only the Contracting Officer may designate a COR as their authorized representative to assist in the technical monitoring or administration of a contract.

6. TOOLBOX

The list below reflects items discussed in this SCPPM. *See SPAWAR's **COR Repository** for a more extensive list of pertinent memos, templates, and SCPPMs.*

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

6.1 COR Qualifications

1. COR Training Wiki
2. COR Designation letter
3. COR Turn-Over Checklist
4. Sample COR Termination Letter

6.2 Managing Contract Performance

1. Monitoring Contracts for Services – DON, Oct 2008
2. COR File Documentation
3. Monitoring Contract Performance in Contracts for Services – Aug 2008
4. DoD COR Handbook – Mar 2012
5. SPAWARINST 4440.12A (GFP)
6. Online Reporting Tool - SPAWAR
7. COR File Review Checklist
8. Sample Travel Request
9. Sample QASP
10. Invoice/MSR Review Form
11. Trusted Associate Sponsorship System (TASS)- website
12. Financial Disclosure Management – (OGE Form 450)

6.2.1 SSC ATLANTIC

1. COR Duties, Responsibilities & Reference Material - website

6.2.2 SSC PACIFIC

1. COR Wiki
2. COR Roadmap
3. COR Manual

6.3 SCPPMs

1. Contractor Performance Assessment Reporting System
2. 1.2.9.2.2 Performance Based Service Acquisition
3. iRAPT Invoice Review (Formerly WAWF)
4. Travel of Contractor Personnel CONUS-OCONUS
5. Government Furnished Property
6. Technical Direction Letters

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
May 2016	SCPPM reorganized and reformatted; added CORT/iRAPT and SPAWAR COR Repository information.
January 2014	Added security-related COR responsibilities.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

This document provides policy for reporting past performance information (PPI) on SPAWAR Claimancy contracting vehicles, including applicable SeaPort-e task orders. The Contractor Performance Assessment Reporting System (CPARS) evaluation is a report on a contractor's recent performance over a specific period of time. CPARS collects contractor performance information and passes it to the Past Performance Information Retrieval System (PPIRS) Report Card (RC), the Government-wide performance information repository where it can be retrieved by Federal Government Agencies for use in source selections. See CMPG section 5.2.4.2 - Contractor Performance Assessments for related guidance.

2. POLICY

2.1 Past Performance Information (PPI)

The Federal Acquisition Regulation (FAR) requires that contractor performance information be collected (FAR Subpart 42.15) and used in source selection evaluations (FAR Part 15). Source selection officials rely on clear and timely evaluations of contractor performance to make informed business decisions when awarding government contracts and orders. This information is critical to ensuring that the Federal government only does business with companies that provide quality products and services in support of the agency's missions. All CPARS information is treated as "For Official Use Only/Source Selection Information" in accordance with FAR 2.101, 3.104 and 42.1503. A Contractor Performance Assessment Report (CPAR) is source selection information because it supports ongoing source selections. It contains sensitive data concerning a contractor's performance under a specific business arrangement as covered by the FAR.

2.2 Thresholds

CPARs must be completed on all contracts/orders, Blanket Purchase Agreements and Basic Ordering Agreements meeting the below thresholds:

Business Sector	Threshold *(X)* *
Systems	*X* > **$5M**
Non-Systems: Ship Repair & Overhaul	*X* > **$500K**
Non-Systems: Services	*X* > **$1M**
Non-Systems: Information Technology	*X* > **$1M**
Non-Systems: Operations Support	*X* > **$5M**

* *Dollar threshold applies to aggregate value of contracts/orders*

2.3 Performance Evaluations

Assessing Officials (AOs) are required to complete the CPAR within 120 days after the end of the reporting period. AOs shall also ensure CPARs take into consideration any Award Fee Board or Incentive fee results. The CPAR narrative and ratings must be developed by the Government AO. Contractor assistance is not permitted in the CPARS performance evaluation process.

2.3.1 INDEFINITE DELIVERY CONTRACTS (IDCS)

A. The contracting officer can elect to register a CPAR in one of two ways:
   1. At the basic contract level only, not on individual delivery orders; or
   2. At the delivery order level when the individual delivery order meets the applicable reporting threshold in section 2.2 above.

B. **SeaPort-e** CPARs are to be completed for all orders meeting the applicable reporting threshold.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

2.4 Metrics

Summary data from the CPARS database or from the reports themselves may be used to measure the status of industry performance and support continuous process improvement, provided that the data used does not reveal individual contract or contractor performance in any form.

3. RESPONSIBILITIES

3.1 CPARS Focal Point (CFP)

Provides overall support for the CPARS process. SPAWAR HQ, SSC Atlantic and SSC Pacific each have designated CFPs. System duties of the Focal Point include:

A. Registering the contract/order in CPARS within 30 calendar days of award using the auto-registration function or by completing the basic contract/order information.
B. Assigning access authorization for Government and contractor personnel.
C. CPARS account management and maintenance.
D. Control and monitoring of CPARs, including the status of overdue evaluations.

3.2 Assessing Official Representative (AOR)

When assigned (AOR is not a mandatory CPARS role), the system duties of the AOR include:

A. Providing a timely, accurate, quality, and complete narrative. Refer to the quality checklist at the CPARS website.

3.3 Assessing Official (AO)

Prepares, reviews, signs, and processes the CPAR for any contract, task order, or delivery order under their cognizance. The AO ensures that performance input from program management, technical, functional, quality assurance, contracting and other end users of the product or service is included in the evaluation. System duties of the AO include:

A. Reviewing evaluation information provided by the AOR (if assigned). Refer to the quality checklist at the CPARS website.
B. Input of evaluation information.
C. Forwarding the Government evaluation information to the contractor.
D. Reviewing comments from the designated contractor representative once the evaluation has been returned by the contractor or after 60 calendar days have lapsed.
E. Modifying the CPAR comments and/or ratings after review of contractor comments, as determined by the AO. After receiving and reviewing the contractor's comments on the CPAR, the AO may revise the evaluation, including the narrative. The AO will notify the contractor of any revisions made to a report as a result of the contractor's comments. Such a revised report will not be sent to the contractor for further comment. The contractor will have access to both the original and revised reports in the CPARS and PPIRS when the Government finalizes the evaluation.
F. Forwarding evaluations to the Reviewing Official (RO) which are in disagreement or when requested by the contractor or,
G. Completing the evaluation if it does not require further RO review by closing the evaluation.

3.4 Reviewing Official (RO)

Provides the check-and-balance when there is disagreement between the AO and the contractor. The RO must review and sign the evaluation when the contractor indicates non-concurrence with the CPAR. System duties of the RO include:

A. Provide narrative comment (the RO's comments supplement those provided by the AO; they do not replace the ratings/narratives provided by the AO).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

B. Coordinate the CPAR with the Contracting Officer.
C. Sign/complete the CPAR as required.

3.5 Contracting Officer

Provide CPAR performance input and contractual perspective to AO and RO.

3.6 Contract Specialist or Contractor Support Staff Analyst

Provides CPAR registration data on all eligible new awards to the CFP.

4. PROCEDURE

4.1 PPI Clause

Contracting officers may insert component clause *5252.242-9518 CONTRACTOR PERFORMANCE ASSESSMENT REPORTING SYSTEM (CPARS)(NAVAIR) (FEB 2009)*, as included in the SPAWAR Claimancy Clausebook, in all contracts requiring the collection of past performance information as specified in Table 1 of the CPARS Guide.

4.2 New Awards

4.2.1 SPAWAR 2.3.1 CPARS REGISTRATION

The Contract Specialist shall provide the required CPARS registration information to the CFP. The CFP should complete the CPARS registration process within 30 days following contract/order award.

4.2.2 POST AWARD CONFERENCE

The PCO should conduct a **Post award Conference** for all contract awards requiring a CPARS evaluation to discuss the evaluation factors to be used during contract performance and the CPARS process. See Post award Conferences.

4.3 Preparing the Report

Every 12 months throughout the life of the contract (including option exercises, warranty periods, and delivery of deferred data, if any), the **AO prepares a CPAR** on contracts meeting the business sector thresholds and in accordance with the applicable completion instructions listed in the CPARS Guide document. The AO:

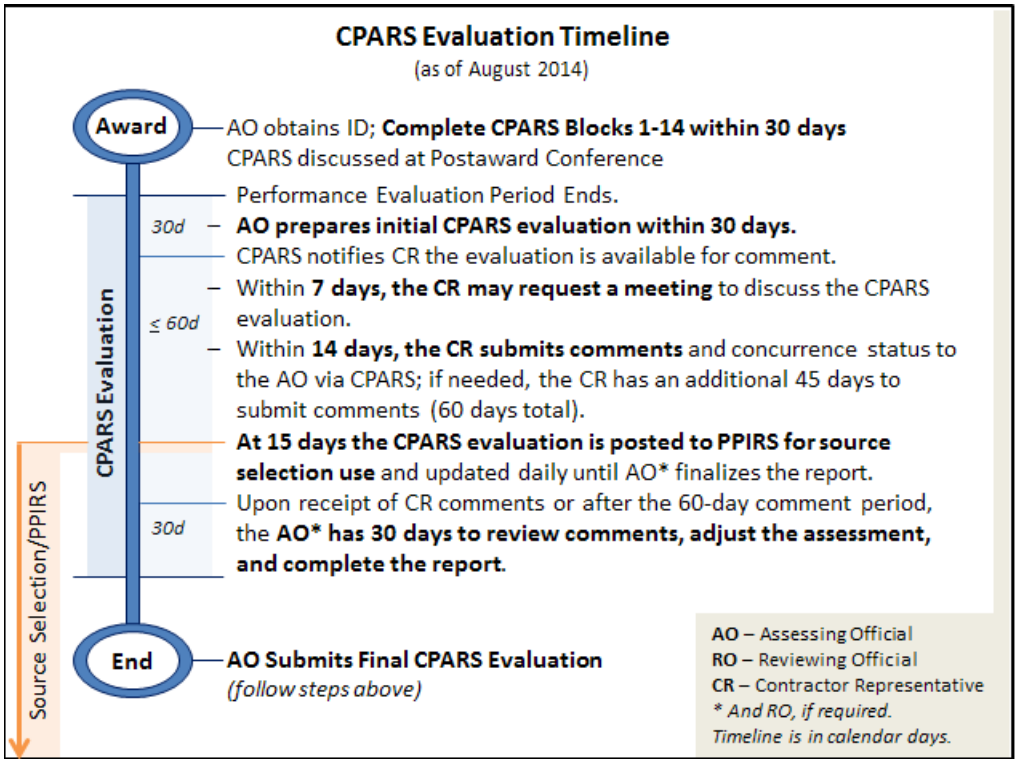
A. Seeks input from the multi-functional acquisition team when assessing the contractor's performance. As a minimum, PCO input should be obtained. Support contractors shall not have input to CPARS, in any form whatsoever.
B. Reviews Contractor-submitted Monthly Status Reports (MSRs).
C. For those contracts with EVM reporting, reviews the cumulative CPI and SPI achieved at the end of the CPAR rating period, as well as the CPI and SPI trends during the period.
D. Reviews results of any Award Fee Boards or Incentive Fees paid during the reporting period.
E. Discusses any apparent inconsistencies between the draft CPAR, Award Fee Board results (if applicable), or Incentive Fees with the PCO and the Reviewing Official.
F. If the contract/order contains a small business contracting goal, coordinates with the PCO and/or Small Business specialist to access the Electronic Subcontracting Reporting System (eSRS) in order to review the Individual Subcontract Reports (ISRs), formally SF 294s, and evaluate/rate the contractor on accomplishment of small business subcontracting plan goals. If required, a DCMA Surveillance Review shall be requested via the PCO to research contractor non-compliance

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4.4 *Evaluation Process Timeline*

4.4.1 INITIAL CPARS EVALUATION

*The AO has **30 calendar days** from the last day of the Period of Performance (PoP) being assessed to submit the Interim/Final CPARS evaluation assessment to the contractor for review/comment. Refer to CPARS Guide, attachments 2 and 3 for detailed steps.*



4.4.2 CONTRACTOR COMMENT PERIOD

*The Designated Contractor Representative (DCR) has **60 calendar days** to review and comment on the assessment.*

1. The contractor may request a meeting to discuss the CPARS, if the request is in writing and within 7 calendar days from receipt of the CPAR.
2. *The evaluation will become available in PPIRS-RC 15 days following the AO's evaluation signature date. The evaluation will be available in PPIRS-RC with or without contractor comments and whether or not it has been closed by the AO or RO. If no contractor comments have been provided at day 15, the evaluation will be marked as "Pending" in PPIRS-RC. Contractor comments may be provided up to 60 days following the AO evaluation signature date, and will be updated to PPIRS-RC on a daily basis. Once the evaluation has been closed by the AO or RO, the "Pending" marking will be removed in PPIRS-RC.*

4.4.3 COMPLETE THE EVALUATION

The CPARS evaluation process must be completed not later than **120 days** following the end of the evaluation PoP.

1. *If the contractor either concurred with the evaluation or did not send comments, the AO may: (1) close the evaluation; (2) modify and close the evaluation; (3) send the evaluation to the RO; or, (4) Modify and send the evaluation to the RO.*

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

2. *Upon submission of the CPARS evaluation comments from the contractor, the AO (or RO, as necessary/desired) has the remainder of the 120 day period following the end of the evaluation PoP to close the evaluation.* The RO reconciles any significant discrepancies between the AO's assessment and the contractor's comments. *If the Contractor concurred with the evaluation, RO review is not required unless it is required by the AO's Code/Organization.*

4.5 Frequency

Performance information is reported on a regular basis, at least annually.

1. **Annual Interim Reports** are required if contract/order PoP > 365 days. Reports are required at least every 12 months throughout the entire period of performance of the contract/order up to the final report. The first interim CPAR must reflect at least the first 180 calendar days of performance, and may include up to the first 365 calendar days of performance. For contracts/orders with PoP < 365 days, see "Final Reports" below. An interim CPAR is also required: (1) upon a significant change, provided that a minimum of six months of performance has occurred, such as a change in program/project management responsibility or, (2) the transfer of the contract/order to a different contracting activity. To make certain that reports are processed timely, an interim CPAR should be started prior to transfer of Assessing Official duties from one individual to another if there is six or more month's performance to go prior to the next CPAR to ensure continuity.
2. **Final Reports** should be completed upon contract/order completion or delivery of the final major end item on the contract/order. If the contract/order PoP is less than 365 days, there will be only a Final report (i.e., no interim reports). Note that there is only one Final report.
3. **Addendum Reports** may be prepared, after the "Final" past performance evaluation, to record the contractor's performance relative to contract/order closeout, warranty performance and other administrative requirements.
4. **Administrative Reports.** In the event that there is no contract/order performance during an annual evaluation period due to circumstances such as not exercising a contract options or not placing any orders against an indefinite-delivery vehicle, it is necessary to complete an administrative report. For an administrative report, rate the Management evaluation area as "Satisfactory" and include the rationale for issuing an administrative report in the Assessing Official narrative. An administrative report must be routed through the normal CPARS workflow.

4.6 Monthly CPARS Metrics

The SPAWAR HQ CFP maintains an online CPAR Status Report which provides details on all active SPAWAR HQ CPARs. The SPAWAR HQ CFP also distributes a monthly CPAR Status Report to SPAWAR HQ/JPEO Assessing Officials, Reviewing Officials and Senior Leadership.

5. APPROVALS

N/A

6. TOOLBOX

1. CPARS Webpage
2. CPARS User Manual
3. Training

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4. Best Practices
5. CPARS Quality Checklist
6. Contractor Comments Timeline FAQs
7. CPARS Guide
8. SeaPort-e website

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
December 2015	Content re-formatted and reorganized; added updated CPARS timeline graphic.
September 2012	Last version created in old format. Latest update under this topic was the CPARS timeline under Procedure.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

To ensure a consistent approach to managing cybersecurity across the SPAWAR Enterprise, this SCPPM document contains both required and optional language for Program Managers to use in drafting PWSs or SOWs for all new contracts, simplified acquisitions, and task orders.

2. POLICY

All existing SPAWAR contract owners are required to review the attached Cybersecurity Contract Language Template to ensure they are addressing each of the requirements (Required Documents, Guidance Documents, CDRLs, PWS language, etc.). New start contracts are required to assess applicability of each of these requirements at the beginning of their contract planning process. Existing contracts are highly recommended to consider each of the requirements in the attached document, and are required to incorporate the following requirements as applicable into their existing contract via a bi-lateral contract modification:

1. Para 2.1. Incorporate required documents.
2. Para 3.2.12 and sub-paragraphs - Cybersecurity
3. Para 4.0 and sub-paragraphs - Information Technology (IT) Services Requirements
4. Para 5.2.1.4 - Cybersecurity Workforce (CSWF) Report
5. Para 7.3.2 - Information Security
6. Para 8.2.3 - IT Position Categories

3. RESPONSIBILITIES

3.1 Program Manager (PM)

The Program Managers shall consider cybersecurity and mitigate the associated risks in all new and existing contracts, simplified acquisitions, and task orders.

3.2 Contracting Officer

Contracting Officers shall add all appropriate Cybersecurity Clauses to relevant Cybersecurity topics. The following provisions/clauses at a minimum and as applicable must be included in Cybersecurity related procurements:

1. *DFARS 252.204-7008, Compliance with Safeguarding Covered Defense Information Controls (use Deviations as applicable)*
2. *DFARS 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting (use Deviations as applicable)*

4. PROCEDURE

4.1 Program Manager (PM)

The Program Managers shall review the attached Cybersecurity Contract Language Template in drafting PWSs or SOWs for all new contracts, simplified acquisitions, and task orders. *Program Managers should be aware of the National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171. The NIST SP 800-171 handles the protecting of controlled unclassified information in nonfederal information systems.*

5. APPROVALS

N/A

6. TOOLBOX

A. Cybersecurity Contract Language Template

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
September 2016 Rev1	Included para 3.2 and additional information in para 4.1.
September 2016	New SCPPM document created.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide policy and guidance for delegating unique SPAWAR Contracting Authority to other Navy Head of Contracting Activities (HCAs) and requesting unique contracting authority from other Navy Head of Contracting Activities (HCAs).

2. POLICY

SPAWAR's unique contracting authority is, as specified in NMCARS 5201.601-90(c)(10), *"Space and Naval Warfare Systems Command (SPAWARSYSCOM) is responsible for awarding and administering contracts in the information dominance domain, including assigned programs in the areas of research and development, systems engineering and development, and other relevant professional services associated with production, installation and sustainment for Command, Control, Communications, Computers, Intelligence Surveillance, and Reconnaissance Systems (C4ISR); Joint Tactical Radios Systems (JTRS), Space Systems; Enterprise Information Systems (EIS); and Navy Chief Information Officer (CIO) supported information technology initiatives."*

HCAs are responsible for establishing adequate and effective internal controls to carefully manage and closely oversee the execution of delegated contracting authority for assigned contracting mission functions. This includes proactively working with requirements and program personnel during acquisition planning to facilitate the timely submission of requirements to the appropriate contracting activity for contract action in a manner which promotes and permits maximum competition. In conjunction with executing assigned contracting missions, there are certain types of procurements for which authority resides solely with the HCA, unless authority is delegated in writing to another HCA and accepted by the receiving HCA to execute those procurements. Delegation of DoN contracting authority applies only within DoD. If the contracting activity is outside DoD, contracting officers shall follow interagency acquisitions procedures in FAR Subpart 17.5, DFARS Subpart 217.5, and NMCARS 5217.5. Contracting authority delegations shall not be used to circumvent interagency acquisition requirements. Each HCA is solely responsible for executing its delegated contracting authority for assigned acquisition programs and cognizant areas of responsibilities subject to any established limitation. An HCA has authority to procure supplies and services to support all organic requirements, such as those set forth in SECNAVINST 5400.15C, unless such procurements fall within the scope of unique contracting responsibilities assigned to another HCA.

3. RESPONSIBILITIES

3.1 SPAWAR Contracts Policy 2.3.1

Coordinates and manages the process of delegating SPAWAR unique contracting authority and prepares the request for SPAWAR to use other HCAs unique contracting authority. SPAWAR Contracts Policy 2.3.1, manages and oversees contracting authority delegations to ensure the delegated contracting authority is being executed and administered in accordance with the delegation of authority and contracting regulations, rules, and procedures. SPAWAR Policy shall draft the letter delegating SPAWAR authority for SPAWAR 2.0 review and HCA signature. The letter must specify any limitations on delegated SPAWAR authority.

3.2 SPAWAR Director of Contracts SPAWAR 2.0

Reviews requests from other HCAs to use SPAWAR's unique authority; and reviews requests to use other HCAs unique contracting authority.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3.3 SPAWAR HCA

Approves requests from other HCAs to use SPAWAR's unique contracting authority; and approves SPAWAR requests to use other HCAs unique contracting authority.

4. PROCEDURE

4.1 Requests to be delegated SPAWAR unique contracting authority must be in writing HCA to HCA. **This authority may not be re-delegated.** Any delegation must also consider the anticipated workload and available resources to ensure effective execution and management of the delegated authority. Upon HCA signature, SPAWAR Contracts Policy 2.3.1, shall submit a copy of all letters delegating SPAWAR contracting authority to DASN(AP) by email at RDAPolicy@navy.mil with the subject "NMCARS 5201.601-90 – Copy of Contracting Authority Delegation.

4.2 The request to delegate contracting authority shall document the rationale supporting the delegation and address why the delegation is necessary for the efficient and proper administration of the receiving HCA's contracting operations. It must also address the anticipated workload and available resources within the organization, the internal controls at the organization to ensure efficient execution and management of delegated authority, and the oversight and management that will be performed by the delegating office to ensure compliance with all statues, regulation and policies. The request must also identify the qualifications of the person exercising contracting authority, to include:

a. Grade/Rank
b. Education
c. Specialized Experience
d. Relevant Training Certifications

4.3 The DoN Navy HCA receiving the delegated authority shall affirmatively acknowledge and accept the conditions of the delegation in writing prior to exercising the delegated authority.

4.4 HCA delegated authority may not be re-delegated to contracting offices not under the cognizance of the receiving HCA unless specifically defined in the delegation of contracting authority request.

4.5 DoN Navy HCAs receiving DoN Navy delegated contracting authority shall obtain both delegating HCA and DASN(AP) approval prior to using the delegated contracting authority to execute a procurement through a non-DoN cognizant contracting activity (e.g., NAVFAC delegates authority to contract for construction to NAVSUP, and NAVSUP uses the Army Corps of Engineers to procure the construction). The procurement, proposed contracting activity, and limitations should be included in the initial request for delegation authority. In all cases, the specific written delegation by the HCA holding the unique contracting authority shall occur prior to the receiving HCA requesting that another DoD activity conduct a procurement on its behalf.

4.6 SPAWAR Contracts Policy 2.3.1 shall draft the letter of delegation which must specify any limitations on their (SPAWAR) contracting authority.

4.7 SPAWAR Contracts Policy will track delegations issued by SPAWAR and any delegations SPAWAR is requesting from other Navy HCAs.

4.8 SPAWAR Contracts Policy 2.3.1 shall ensure DASN (AP) notification and approval of delegation, as required. Delegation of DoN contracting authority within DoN does not require prior DASN(AP) approval except as noted in NMCARS 5201.601-90(b)(4). Obtain DASN(AP) approval when the request for delegation of

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

contracting authority is intended ultimately to lead to a procurement by a non-DoN activity. SPAWAR Contracts Policy 2.3.1 shall notify DASN(AP), no less than 30 days prior to an anticipated delegation or as early as practicable, by email at RDAPolicy@navy.mil with the subject "NMCARS 5201.601-90 – Contracting Authority Delegation Approval" to allow time for approval before granting a delegation of contracting authority leading to a procurement contracted by a non-DoN activity. SPAWAR Contracts Policy shall use the template in Annex 11, Delegation of Contracting Authority, to notify DASN as applicable.

5. APPROVALS

5.1 SPAWAR HCA shall approve all delegations of SPAWAR unique contracting authority.

6. TOOLBOX

6.1. NMCARS Annex 11 - Delegation of Contracting Authority

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
June 2016	New SCPPM covering the delegation of unique contracting authority.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide the policy and guidance for the preparation of Determinations and Findings (D&F) subject to regulatory requirements. Also covered in this document are determinations or waivers specific to local policy or better business documentation practices.

A D&F is a special form of written authorization required for certain contracting actions before they can begin. The determination is a decision; findings are statements of fact supporting that conclusion. Findings must address all requirements of the applicable statute or regulation. The determinations or waivers specific to local policy are a form of documentation in the contract file that outline the facts and justify contract actions.

Related guidance is available under CMPG section 1.2.3 Develop D&F.

2. POLICY

Pursuant to FAR Subpart 1.7, a D&F shall ordinarily be for an individual contract action. Class D&Fs may be executed for classes of contract actions for the same or related supplies or services or other contracting actions that require essentially identical justification unless it is otherwise prohibited. The approval granted by a D&F is restricted to the proposed contract action(s) reasonably described in that D&F. D&Fs may provide for a reasonable degree of flexibility such as variations in estimated quantities or prices unless the D&F specifies otherwise.

2.1 Contract Award or Continued Performance - Protest (FAR 33.104(c)(2)) - Sample Protest D&F

The D&F must be approved by the Head of the Contracting Activity (HCA). Contract performance shall not be authorized until the agency has notified the GAO of the finding. See Pre and Post Award Protests SCPPM. A sample D&F can be located in the Toolbox. The D&F shall state that:

- Contract performance will be in the best interests of the United States; or
- Urgent and compelling circumstances that significantly affect the interests of the United States will not permit waiting for the GAO's decision.

2.2 Economy Act D&F (FAR 17.502-2)(DFARS 217.503)(NMCARS 5217.502-2)

The Economy Act (31 U.S.C. 1535) authorizes agencies to enter into agreements to obtain supplies or services by interagency acquisition when there is no other specific authority to do so.

The D&F shall state that:

- The use of an interagency acquisition is in the best interest of the Government; and
- The supplies or services cannot be obtained as conveniently or economically by contracting directly with a private source.

If the Economy Act order requires contract action by the servicing agency (assisted acquisition), the D&F must also include a statement that at least one of the following circumstances applies:

- The acquisition will appropriately be made under an existing contract of the servicing agency, entered into before placement of the order, to meet the requirements of the servicing agency for the same or similar supplies or services.
- The servicing agency has the capability or expertise to enter into a contract for such supplies or services that is not available within the requesting agency.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

- The servicing agency is specifically authorized by law or regulation to purchase such supplies or services on behalf of other agencies.
- In addition, the Economy Act D&F shall address the requirements as listed in the Proper Use of Non-DoD Contracts SCPPM.
- Check DPAP Interagency Acquisition website to see if the servicing agency is certified to provide acquisition support to DoD and ensure that the servicing agency complies with DFARS Subpart 17.7.

If the Economy Act Orders is placed against a non-DoD contract vehicle by a SPAWAR Contracting Officer (direct acquisition), the D&F shall be approved prior to award.

See NMCARS 5217.502 for D&F requirements, approval authority, exceptions, and special circumstances, including Economy Act orders placed with the Department of Transportation (DOT) Volpe Laboratories, Department of Energy (DOE) Federally Funded Research and Development Centers (FFRDCs), and agencies not subject to the FAR. See NMCARS 5217.7802 for assisted acquisitions issued by a non-DoD agency. Note that GSA Orders are not subject to the Economy Act and therefore do not require a D&F (NMCARS 5217.502-2 (S-92) Exception (d)). Additional resources include:

a. Sample Economy Act D&F
b. DASN FMC memo dated 1 Apr 10
c. DPAP Interagency Acquisition website
d. DPAP MOU Between DoD and GSA

2.3 Exception to Unique Item Identification (DFARS 211.274-2) - Sample UID Exception D&F

The D&F shall state that it is more cost effective for the Government requiring activity to assign, mark, and register the unique item identification after delivery of an item acquired from a small business concern or a commercial item acquired under FAR Part 12 or FAR Part 8.

In accordance with DFARS 211.274-2(b)(2)(ii), the DoD Unique Item Identification Program Office must receive a copy of the D&F. Send the copy to DPAP, SPEC ASST, 3060 Defense Pentagon, 3E1044, Washington, D.C. 20301-3060; or by facsimile to (703) 695-7596. A copy must also be provided to DASN(AP) by email at RDAJ&As@navy.mil with the subject "DFARS 211.274-2 – Determination – Exception to Item Unique Identification Marking." (NMCARS 5211.274-2).

2.4 Full and Open Competition after Exclusion of Sources (FAR 6.202)

When establishing or maintaining alternative sources, agencies may exclude a particular source from a contract action in order to establish or maintain an alternative source or sources for the supplies or services being acquired. See NMCARS 5206.202 for D&F approval authority and DFARS 206.202/PGI 206.202(b) for supporting documentation requirements.

The D&F must state that exclusion of a particular source would:

a. Increase or maintain competition and likely result in reduced overall costs for the acquisition, or for any anticipated acquisition which shall include a description of the estimated reduction in overall costs and how the estimate was derived;
b. Be in the interest of national defense in having a facility (or a producer, manufacturer, or other supplier) available for furnishing the supplies or services in case of a national emergency or industrial mobilization;
c. Be in the interest of national defense in establishing or maintaining an essential engineering, research, or development capability to be provided by

an educational or other nonprofit institution or a federally funded research and development center;

d. Ensure the continuous availability of a reliable source of supplies or services;
e. Satisfy projected needs based on a history of high demand; or
f. Satisfy a critical need for medical, safety, or emergency supplies.

The D&F shall not be made on a class basis. Technical and requirements personnel are responsible for providing all necessary data to support their recommendation to exclude a particular source.

2.5 Fixed-Price Contract for a Development Program (DFARS 235.006)

For other than major defense acquisition programs, the D&F shall state that the level of program risk permits realistic pricing and that the use of a fixed-price type contract permits an equitable and sensible allocation of program risk between the Government and the contractor. See NMCARS 5235.006 for approval and notification requirements for contracts exceeding $25 million.

2.6 Incentive Contracts (FAR Subpart 16.4)

A D&F shall be completed for all incentive- and award-fee contracts justifying that the use of this type of contract is in the best interest of the Government. For award-fee contracts, the D&F shall be signed by SPAWAR 2.0/2.0A. For all types of incentive contracts other than award-fee contracts, the D&F may be signed at one level above the Contracting Officer. (See DPAP Memorandum Class Deviation 2010-O0012 Delegation of Approval for Use of Incentive Contracts dated 21 May 2010).

2.6.1 LANGUAGE FOR AWARD-FEE CONTRACTS - SAMPLE SEAPORT D&F; SAMPLE NON-SEAPORT D&F

For Award-Fee Contracts, the D&F shall state that:

- The work to be performed is such that it is neither feasible nor effective to devise predetermined objective incentive targets applicable to cost, schedule, and technical performance;
- The likelihood of meeting acquisition objectives will be enhanced by using a contract that effectively motivates the contractor toward exceptional performance and provides the Government with the flexibility to evaluate both actual performance and the conditions under which it was achieved; and
- Any additional administrative effort and cost required to monitor and evaluate performance are justified by the expected benefits as documented by a risk and cost benefit analysis to be included in the D&F.

2.6.2 SUBMITTING A D&F FOR COST PLUS AWARD FEE (CPAF) CONTRACTS (NMCARS 5216.401)

HCAs shall submit copies of approved D&Fs to DASN(AP) for (i) ACAT I Programs, within 15 days after approval; (ii) non-ACAT I programs valued $50 million or more (including options), within 30 days after approval.

2.7 Other Transactions (OTs) - Sample OT D&F

OTs are agreements used for basic, applied, advanced research and prototype projects and are not contracts, grants, or cooperative agreements pursuant to the authority of 10 U.S.C. 2371 (research) or Public Law 104-201, Section 804 (prototype). See Other Transactions (Prototypes) SCPPM.

2.8 Other than Full and Open Competition (Public Interest Exception) (FAR 6.302-7)

Full and open competition need not be provided for when the agency head determines that it is not in the public interest in the particular acquisition concerned Congressional notification is required *within 30 days* of determination. The D&F shall not be made on a class basis. See DFARS 225.103 for threshold approval levels and

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

NMCARS 5225.103 for procedures for public interest exception determinations under the Buy American Act.

2.9 Ratification of Unauthorized Commitments (FAR 1.602-3) - Sample Statement of Facts D&F

Contract actions initiated or approved by unauthorized Government personnel which have resulted in supplies delivered or services rendered to the Government. See Ratification of Unauthorized Commitments SCPPM and NMCARS 5201.602-3 for approval authority, DON guidance, and reporting requirements.

2.10 Task or Delivery Order Contract to be Awarded to a Single Source (FAR 16.504(c))(DFARS 216.504)(NMCARS 5216.504)

2.10.1 QUALIFYING CRITERIA

- The task or delivery orders expected under the contract are so integrally related that only a single source can reasonably perform the work;
- The contract provides only for firm, fixed price task or delivery orders for products for which unit prices are established in the contract or services for which prices are established in the contract for the specific task to be performed;
- Only one source is qualified and capable of performing the work at a reasonable price to the government (cite and attach any applicable justification to the D&F package); or
- Because of exceptional circumstances, it is necessary in the public interest to award the contract to a single source. [Note: If this "exceptional circumstances/public interest" criterion applies, the D&F shall be submitted to and approved by ASN(RD&A), regardless of contract value. Where the contract value, including all options, exceeds $*112*M, Congressional notification is required within 30 days after making this determination.]

2.10.2 UP TO $*112* MILLION - SAMPLE D&F: SINGLE SOURCE UP TO $*112*M

ASN (RD&A) memorandum dated Oct. 2008, which was updated by NMCARS 5216.504-90(b), **exempts from review** the following categories of contracts below $*112* Million:

- Competitively awarded contracts which provide only for firm, fixed unit price task or delivery orders for products or services where unit prices are established in the contract;
- Only one qualified offer received under a competitive solicitation [the circumstances for award must be addressed in the business clearance];
- Contracts for Foreign Military Sales awarded to a directed source;
- Requirements contracts supported by approved acquisition plans/strategies;
- Contracts supported by a sole source J&A under FAR Part 6;
- Sole source contracts awarded under Section 8(a) of the Small Business Act; and
- Contracts with a total estimated value less than $6.5 million [Note: does not apply to "exceptional circumstances" criterion]; and
- Architect-Engineer contracts awarded under FAR Subpart 36.6.

For **"hybrid" contracts** (i.e. services contract, with supplies incidental), the threshold for review is based on the estimated value of the incidental portion of the contract. For actions from $10M up to $*112*M, where none of the exemptions listed above applies, a D&F is required and must be submitted to SPAWARSYSCOM 2.0 for approval.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

2.10.3 INSTRUCTIONS FOR D&FS EXCEEDING $*112* MILLION - SAMPLE D&F: SINGLE SOURCE OVER $*112*M

No task or delivery order contract estimated to exceed $*112* million (including options) may be awarded to a single source unless the ASN(RDA) determines that one of the four criteria listed under Qualifying Criteria exists. "Single Source" means any task or delivery order contract other than a multiple award contract as described by 10 U.S.C. 2304a(d)(1)(B) and FAR 16.504(c). See Approvals for approval threshold levels.

A. ASN(RD&A) is the approval authority for all determinations over $*112*M. See NMCARS 5216.504. Use the format shown in NMCARS Annex 3, tailored to Section 843 requirements. (Note: ASN(RD&A) has established a preference for addressing the criterion that best applies. For example, in an IDIQ contract where all items are fixed price and established at the beginning of the contract, criterion (ii) would be used, unless one of the other three criteria is more appropriate.)

B. Executive Summary Memorandum (ESM). The ESM forwards and recommends approval of the D&F. The ESM should provide: a description of the requirement (explaining any differences between the requirement as described in the AP/AS and in the D&F); the reason/basis for the single source contract award—was the contract planned as a single award contract (with or without a J&A) or based on the results of competition (e.g., only one offeror); an explanation as to how the cost estimate or value of the contract was derived; a demonstration that the requirement fits within the budget for the items (usually in the AP/AS or J&A); and when approval for the D&F is required (i.e., timeline for contract award).

C. Supporting Documentation. The D&F should be accompanied by the same supporting documentation provided for J&As (e.g., AP or AS for ACAT programs, MOPAS for non-ACAT services acquisitions, etc.). A copy of the solicitation or contract should also be provided, along with the corresponding J&A (if applicable) and ESM. For sole source award contracts where the estimated award amount may be disclosed, include the amount (which should match the AP/AS or J&A). For competitive awards where the source selection has not yet been made or where the amount may not be disclosed, state that the value of the planned IDIQ contract "exceeds $XXXM" or "exceeds $*112*M" or "exceeds $[insert Government estimate derived before solicitation]"), and explain in the ESM that the exact value is not disclosed because it is a pending competitive award.

D. **Forwarding to SPAWARSYSCOM Code 2.3.1.** Packages shall be reviewed by SPAWAR Code 2.3.1 prior to forwarding to ASN(RD&A). The D&F document shall be emailed in Word and PDF format with the D&F number in the subject line. An email drafted to the Admiral shall also be provided noting examples of sample tasks. Finally, a scanned copy of the signature page shall be provided via email to: HQ_CONTRACTS_POLICY@NAVY.MIL.

2.11 T&M and Labor Hour Contracts (FAR 16.601/16.602 and DFARS 216.603) Sample T&M/LH D&F

For all T&M/Labor Hour Contracts (including indefinite-delivery contracts) and orders, the Contracting Officer must execute a D&F that no other contract type is suitable. The D&F must be signed by the Contracting Officer and properly approved before the base contract/order is awarded and before option exercise. The approval thresholds are as follows: if the T&M/Labor Hour contract/order plus all option periods is less than 3 years and less than or equal to $1M, the D&F must be approved by one level above the Contracting Officer, but if it greater than $1M, it shall be approved by

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

SPAWAR 2.0 and if the T&M/Labor Hour contract/order and all option periods will exceed 3 years, the D&F must be approved by the HCA (may not delegate).

2.11.1 COMMERCIAL T&M / LABOR HOUR CONTRACTS (FAR 12.207)(DFARS 212.207(b))(NMCARS 5212.207(b))

DFARS 212.207(b) states that use of time-and-materials and labor-hour contracts for the acquisition of commercial items is authorized only for the following:

(i) Services acquired for support of a commercial item, as described in paragraph (5) of the definition of "commercial item" at FAR 2.101 (41 U.S.C. 103).

(ii) Emergency repair services.

(iii) Any other commercial services only to the extent that the head of the agency (DASN (AP)) concerned approves a written determination by the contracting officer that—

(A) The services to be acquired are commercial services as defined in paragraph (6) of the definition of "commercial item" at FAR 2.101 (41 U.S.C. 103);

(B) If the services to be acquired are subject to FAR 15.403-1(c)(3)(ii), the offeror of the services has submitted sufficient information in accordance with that subsection;

(C) Such services are commonly sold to the general public through use of time-and-materials or labor-hour contracts; and

(D) The use of a time-and-materials or labor-hour contract type is in the best interest of the Government.

If the commercial contract authorizes the use of T&M/Labor Hour orders, the contract must be structured to maximize the use of fixed price orders and minimize the use of T&M/Labor Hour orders. If the contract only authorizes T&M/Labor Hour orders, the basic contract D&F must be approved in accordance with SCPPM paragraph 2.11 or 2.11.1(iii), as applicable. For Indefinite Delivery contracts, each T&M/Labor Hour order must be authorized by a separate D&F. The D&F must also include the following and must be approved in accordance with SCPPM paragraph 2.11 or 2.11.1(iii), as applicable:

- Description of the market research conducted.
- Statement as to why it is not possible to accurately estimate the extent and duration of work or the anticipated costs.
- Statement that the requirement has been structured to maximize the use of firm-fixed-price or fixed-price with economic price adjustment contracts for future acquisitions of the same or similar items.

See FAR 12.207(c)(ii)(3) for further information.

The following are Written Determinations / Waivers:

2.12 Commercial Item Determination

Regulation for commercial item determination can be found at (DFARS 212.102/PGI 212.102(a)). When using FAR Part 12 procedures for acquisitions exceeding $1 Million. See Commercial Item Determination Checklist. In accordance with the DPAP memorandum of March 23, 2007, Contracting Officers shall ensure that contract files fully and adequately document the market research and rationale supporting a conclusion that the commercial item definition in FAR 2.101 has been satisfied. Branch Head approval for commercial item determinations is required for acquisitions exceeding $1 million when the determination is based on "of a type" or "offered for sale" language contained in the definition of commercial item. DFARS 212.102(a)(i)(C) also clarifies approval requirements for determinations for acquisitions of services exceeding $1 million using FAR Part 12 procedures but which do not meet the definition of a commercial item. When such items lack sufficient

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

market pricing histories, additional diligence must be given to determinations that prices are fair and reasonable as required by FAR Subpart 15.4.

2.13 Exercise of Options – (FAR 17.207)

Before exercising an option, the Contracting Officer shall make a written determination for the contract file that exercise is in accordance with the terms of the option, FAR Part 6, and the following requirements. To satisfy requirements of Part 6 regarding full and open competition, the option must have been evaluated as part of the initial competition and be exercisable at an amount specified in, or reasonably determinable from, the terms of the basic contract. See FAR 17.207(f) and Use of Options SCPPM.

2.14 GFP to Contractors - (FAR 45.102, PGI 245.103-70)

Contractors are ordinarily required to furnish all property necessary to perform Government contracts. GFP shall be provided to contractors following the Government Furnished Property (GFP) SCPPM only when it is clearly demonstrated:

- To be in the Government's best interest;
- That the overall benefit to the acquisition significantly outweighs the increased cost of administration, including ultimate property disposal;
- That providing the property does not substantially increase the Government's assumption of risk; and
- That Government requirement cannot otherwise be met.

See PGI 245.103-70 for detailed D&F content requirements.

2.15 Non-Government Personnel as Advisors (FAR 37.204) - Sample Non-Government Advisor Determination)

Authority to Use Non-Government Personnel as Advisors for Evaluation of Proposals is required when sufficient personnel with the requisite training and capabilities are not readily available within the agency to perform evaluation or analysis of proposals for an acquisition (applies to both sole-source and competitive acquisitions). See NMCARS 5237.204 for guidelines for determining availability of personnel and approval authority.

2.16 Approval to Include an OCI Clause in a Solicitation – (FAR 9.504, FAR 9.506)

Before issuing a solicitation for a contract that may involve a significant potential OCI, the Contracting Officer shall submit to the chief of the contracting office for approval a written analysis of the recommended course of action for avoiding, neutralizing, or mitigating the conflict, including, where appropriate, a proposed contract clause. See Organizational Conflicts of Interest (OCI) SCPPM for procedures, clauses, and other sample agreements

2.17 Overtime (FAR 22.103)(DFARS 222.103)(NMCARS 5222.103)

Typically, contractors shall perform all contracts, so far as practicable, without using overtime, particularly as a regular employment practice, except when lower overall costs to the Government will result or when it is necessary to meet urgent program needs. If overtime is required, approval of overtime shall ordinarily be authorized prior to award. Overtime is typically identified during the negotiation process and is addressed in the Business Clearance which should include information as described in FAR 22.103-3.

The separate written determination shall address that overtime is necessary to:

1. Meet essential delivery or performance schedules;
2. Make up for delays beyond the control and without the fault or negligence of the contractor; or
3. Eliminate foreseeable extended production bottlenecks that cannot be eliminated in any other way.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

This determination approval for using overtime shall ordinarily be prospective, but, if justified by emergency circumstances, approvals may be retroactive.

2.18 Truth in Negotiations Act (TINA) Waiver (DFARS 215.403-1(c)(4)) - See Truth in Negotiation Act (TINA) Waivers and Notification Requirements SCPPM and Notification Requirements for additional guidance. The HCA may, without power of delegation, waive the requirement for submission of cost or pricing data in exceptional cases. If this is done, the contractor or higher-tier subcontractor to whom the waiver relates shall be considered as having been required to provide cost or pricing data. Consequently, award of any lower-tier subcontract expected to exceed $700,000 requires the submission of cost or pricing data unless:

1. An exception otherwise applies to the subcontractor; or
2. The waiver specifically includes that subcontract and the rationale supporting the waiver for that subcontract.

2.18.1 TINA WAIVER STANDARDS

The waiver shall be documented as a D&F in accordance with the DPAP memorandum of March 23, 2007. Accordingly, the following standards for TINA waivers shall be met and documented in the D&F:

- The property or services cannot reasonably be obtained under the contract, subcontract, or modification, as the case may be, without the grant of the exception or waiver;
- The price can be determined to be fair and reasonable without the submission of certified cost and pricing data or the application of cost accounting standards, as the case may be; and
- There are demonstrated benefits to granting the exception or waiver (See PGI 215.403-1(c)(4)(A) and NMCARS 5215.403-1(c)(4)(A)(2)) for determining when an exceptional case waiver is appropriate).

3. RESPONSIBILITIES

3.1 Procuring Contracting Officer (PCO) / Contract Specialist

It is the responsibility of the PCO and contract specialist to determine when a D&F for an individual contract action or a class D&F for a class of contract actions is required.

3.2 SPAWAR Code 2.0 / 2.0A

Except as otherwise indicated under Approvals, in accordance with *SPAWAR Delegation Memo 4200, ser 2.0/498 of 1 May 2015*, HCA approval authority is delegated to SPAWAR 2.0/2.0A.

4. PROCEDURE

The following are the procedures for preparation of determinations and findings (D&F) for the SPAWAR claimancy.

1. The **PCO** and contract specialist shall gather sufficient facts to make findings.
2. The **PCO** or contract specialist shall determine whether a D&F for an individual contract action or a class D&F for a class of contract actions is required.
3. When sufficient findings have been gathered, the **PCO** shall make the appropriate determination.
4. The **PCO** and contract specialist shall document each D&F with sufficient facts and circumstances to clearly and convincingly justify the specific determination made. For information regarding content, see FAR 1.704.
5. The D&F is assigned a control number – see D&F Numbering below.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Activity	Numbering Scheme
SPAWAR HQ	Assigning and obtaining control numbers for APs, BCs, D&Fs, IAMs, J&As, contracts and solicitations may be found in O:\23100_POLICY\1_LOGS-Policy_Record-Keeping\AP_BCM_JnA_DnF_Tracking_HQ
SSC Pacific	Control numbers for all procurements may be obtained from the Electronic Procurement Log Book at N\\LOGS\Procurement Action Log – N:\\LOGS\Procurement Action Log.xls
SSC Atlantic	Use the RFP # or Contract # for any procurement-related D&Fs

5. APPROVALS

Except as otherwise indicated, in accordance with *SPAWAR Delegation Memo 4200, ser 2.0/498 of 1 May 2015*, HCA approval authority is delegated to SPAWAR 2.0/2.0A. Description links to Policy section.

5.1 Determination and Findings (D&F)

Description	Review	Approval
Award/Continued Performance in face of a Protest	Office of Legal Counsel, Chief of Contracting Office, HQ Branch Head	**HCA** (may not be delegated to 2.0)
Economy Act	Office of Legal Counsel	**HCA** See NMCARS 5217.502-2 for special circumstances, and exceptions See NMCARS 5217.7802 for assisted acquisitions issued by a non-DoD agency
Exception to DoD Unique Item Identification	Office of Legal Counsel	**SECNAV** for an ACAT I Program; **HCA** for all other programs.
Exclusion of Sources	Office of Legal Counsel	Under $10M – **SPAWAR 2.0/2.0A**; Over $10M – **ASN(RD&A)**
Fixed-Price Contract for Development	Office of Legal Counsel	**USD(AT&L)** – if > $25 million and for R&D for a non-major system; the development of a major system (as defined in FAR 2.101); or the development of a subsystem of a major system; **PCO** if none of the above applies.
Incentive Contracts	Office of Legal Counsel	**SPAWAR 2.0/2.0A** for award-fee contracts; **One level above the PCO** for all other types of incentive contracts.
Other Transactions	Office of Legal Counsel	**SPAWAR 2.0/2.0A**

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Description	Review	Approval
Public Interest Exception	Office of Legal Counsel	**SECNAV**, with notification to Congress within 30 days of award. For Buy American Act only (DFARS 225.103): under $150K, **one level above PCO**; > $150K but < $1.5M, HCA: $1.5M or more, **ASN(RD&A)**.
Ratification of Unauthorized Commitment	Office of Legal Counsel	**HCA** – over $100,000 (may not be delegated to 2.0); **SPAWAR 2.0** – up to $100,000; **SSCs** – up to $50,000
Task or Delivery Order Contract to be Awarded to a Single Source	Below $7M: No review required unless "exceptional circumstances/public interest" criterion applies	If "exceptional circumstances/public interest" criterion applies, submit package to DASN(AP) via **SPAWAR 2.3.1**
	From $7M up to $112M, and no exemption applies: PCO/Branch Head, Office of Legal Counsel	**SPAWAR 2.0/2.0A** However, if "exceptional circumstances/public interest" criterion applies, submit package to ASN(RDA) via **SPAWAR 2.3.1**
	Over $112M: PCO/Branch Head, Office of Legal Counsel, 2.0	ASN(RD&A), via **DASN(AP)**; "Exceptional circumstances/public interest" requires Congressional notification within 30 days of determination.
Time&Material/Labor Hour	Office of Legal Counsel	If base contract/order plus all options is less than 3 years, **i.** **one level above PCO** when T&M/LH portion ≤ $1M; **ii.** **SPAWAR 2.0** when T&M/LH portion >$1M. If base contract/order plus all options exceeds three years, **HCA.** (may not delegate).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

5.2 Other Written Determinations

Description	Review	Approval
Commercial Item Determination	Office of Legal Counsel	**Branch Head** approval when the commercial item determination relies on subsections (1)(ii), (3), (4), or (6) of the "commercial item" definition at FAR 2.101.
Exercise of Options	PCO	**PCO**
GFP provided to Contractors	Technical Requestor/PCO	Assistant Program Manager (**APM**) or IPT Lead (SSC Atlantic)
Non-Government Personnel as Advisors	Office of Legal Counsel	HCA via **SPAWAR 2.0**
OCI clauses	Office of Legal Counsel	**SPAWAR 2.0 / 2.0A**
Overtime	Technical Requestor/PCO	**SPAWAR 2.0 / 2.0A** for HQ Chief of Contracting Office (**CCO**) for SSCs
TINA Waiver	PCO/Branch Head, Office of Legal Counsel, SPAWAR 2.0	**HCA** (may not be delegated to 2.0); If over $100M, DASN(AP – *(see* NMCARS 5215.403-1(c)(4)(A)(2))

6. TOOLBOX

6.1 General

1. Central Contractor Registration
2. DASN FMC memo dated 1 Apr 10
3. ASN (RD&A) memorandum dated Oct. 2008
4. DPAP memorandum of March 23, 2007
5. *SPAWAR Delegation Memo 4200, ser 2.0/498 of 1 May 2015*

6.2 Samples and Templates

1. Sample Protest D&F
2. Sample Economy Act D&F
3. Sample UID Exception D&F
4. Sample SeaPort D&F
5. Sample Non-SeaPort D&F
6. Sample Statement of Facts D&F
7. Sample D&F: Single Source Up to $*112*M
8. Sample D&F: Single Source Over $*112*M
9. email drafted to the Admiral
10. Sample T&M/LH D&F
11. Commercial Item Determination Checklist
12. Sample Non-Government Advisor Determination
13. Sample OT D&F

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

6.3 SCPPMs

1. Pre and Post Award Protests
2. Other Transactions (Prototypes)
3. Ratification of Unauthorized Commitments
4. Use of Options
5. Government Furnished Property (GFP)
6. Organizational Conflicts of Interest (OCI)
7. TINA Waivers

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
January 2016	Updated thresholds, updated SPAWAR delegation memo, and removed CRRB requirement.
July 2015	Content format updated and reorganized; updated links, added links to related SCPPMs, updated DASN(AL&M) to DASN(AP), added note about GSA Orders, updated T&M approval authority and added sample T&M/LH D&F, clarified Economy Act info, updated Commercial Item Determination Checklist and two sample single source D&Fs, and added overtime info.
March 2013	Last version created in old format; no change notes available. Latest updates are highlighted by purple text.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide the SPAWAR Claimancy policy and guidance for the development and use of SPAWAR Component provisions and clauses, and the procedures for requests for waivers and deviations.

2. POLICY

2.1 SPAWAR Policy

SPAWAR Policy is to limit the use of locally developed component clauses. To the maximum extent practical, all requirements should be listed in the SOW/PWS. If it is necessary to develop a clause to use in a solicitation or contract, the following procedures must be used:

(A) Must be numbered IAW the NMCARS and;
(B) Must be approved IAW this SCPPM document.

2.1.1 Component Clause Definition

Those clauses developed by an agency or contracting office for use in solicitations and contracts that are not prescribed for use by FAR, DFARS or NMCARS. In short, those clauses develop for solicitation or contract. Submit all proposed component clause requests to SPAWAR HQ Policy 2.3.1.

2.1.2 Impact Check

If your clause will have:

1. A significant effect beyond the internal operating procedures of the agency (meaning they affect agencies outside Navy- such as DFAS, DCAA, DCMA). In short, requiring a contractor to do something which is contrary to what DFAS, DCAA, DCMA… requires;
2. A significant cost or administrative impact on the contractors or offerors. The PCO must conduct this analysis and document the file with a Memo;
3. Any Deviations to FAR/DFARS/NMCARS standard clauses;
4. Or anytime you develop or invoke an OCI clause, you must get prior HCA (SPAWAR 2.0) approval to insert it in your RFP/Contract- see Organizational Conflict of Interests SCPPM.

Then, you must get approvals to use the clause in your Solicitation or Contract.

2.1.3 Commercial Items

Component clause inclusion in procurements of commercial items or services is as outlined in NMCARS Annex 7 (DPAP is the approval authority).

2.1.4 Deviations

A deviation is essentially the use of a policy or procedure that is inconsistent with the FAR/DFARS/NMCARS. It is the policy of SPAWAR to perform its mission in accordance with established rules and regulations. However, in carrying out this policy, it may be determined appropriate to use procedures that deviate from the requirements of higher-level agency regulations. A deviation shall be considered to be any of the conditions described in FAR 1.401 (a) through (f):

"Deviation" means any one or combination of the following:

(a) The issuance or use of a policy, procedure, solicitation provision (see definition in FAR 2.101), contract clause (see definition in FAR 2.101), method, or practice of conducting acquisition actions of any kind at any stage of the acquisition process that is inconsistent with the FAR/DFARS/NMCARS.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

(b) The omission of any solicitation provision or contract clause when its prescription requires its use.
(c) The use of any solicitation provision or contract clause with modified or alternate language that is not authorized by the FAR (see definition of "modification" in 52.101(a) and definition of "alternate" in 2.101(a)).
(d) The use of a solicitation provision or contract clause prescribed by the FAR on a "substantially as follows" or "substantially the same as" basis (see definitions in 2.101 and 52.101(a)), if such use is inconsistent with the intent, principle, or substance of the prescription or related coverage on the subject matter in the FAR.
(e) The authorization of lesser or greater limitations on the use of any solicitation provision, contract clause, policy, or procedure prescribed by the FAR.
(f) The issuance of policies or procedures that govern the contracting process or otherwise control contracting relationships that are not incorporated into agency acquisition regulations in accordance with 1.301(a).

2.1.5 The system of controls and approval requirements that governs the use of provisions and clauses other than those prescribed in FAR, DFARS or NMCARS is set forth in DoN Control Plan for Component Clauses. (DASN (AP)), May 4, 2010 - The Plan is in effect for a period of five years from its approval date and subject to periodic review and updating to ensure compliance with changes in policy or authority levels.

3. RESPONSIBILITIES

3.1 Contracting Officer (PCO)

PCO shall adhere to the Navy Control Plan for Component Clauses and ensure that only properly approved provisions/clauses are used in SPAWAR solicitations and contracts. It is also the responsibility of the PCO to request deviations via the specified approval channels when such deviation(s) are determined to be the best interest of the Government.

4. PROCEDURE

4.1 Deviation Process

4.1.1 DEVIATION REQUESTS

(A) Any deviation from the FAR, DFARS or NMCARS requires a formal request for deviation.
(B) In originating or forwarding a request for deviation, the request shall be signed by the Director of Contracts.
(C) Request for approval of any deviation from the FAR, DFARS or NMCARS shall be forwarded to the approving authority as identified in Approvals section below.
(D) Each submission of a request for deviation shall contain as a minimum:
- Identification of the department/agency, and component if applicable, requesting the deviation;
- Identification of the FAR, DFARS, or NMCARS citation from which deviation is needed, a statement about what is required by the citation, and an indication whether an individual or class deviation is being requested;
- A full description of the deviation and an indication of which of paragraphs (a) through (f) of FAR 1.401 best categorizes the deviation;

- A statement as to whether the deviation will have a significant effect beyond the internal operating procedures and/or a significant cost or administrative impact on contractors or offerors, and reasons to support the statement;
- A statement of the period of time for which the deviation is needed;
- A statement as to whether approval for the same deviation has been received previously, and if so, when;
- A statement as to whether the proposed deviation was published (See FAR Subpart 1.5 for publication requirements) in the Federal Register and an analysis of comments received;
- A statement as to whether the request for deviation has been reviewed by legal counsel, and if so, a statement of the results; and
- Detailed supporting rationale for the request. Include a statement as to what problem or situation will be avoided, corrected, or improved if the request is approved.

4.1.2 PROCESSING OF DEVIATIONS

(A) Individual or class deviations from the following sections of the FAR, or corresponding section of the DFARS (if applicable), are to be submitted via SPAWAR 2.0/2.0A and ASN (RD&A) to Director of Defense Procurement, Office of the Under Secretary of Defense (Acquisition, Technology and Logistics), USD (AT&L) DDP for approval:
- Section 3.104 (Procurement Integrity);
- Subpart 27.4 (Rights in Data and Copyrights);
- Part 30 (Cost Accounting Standards Administration);
- Subpart 31.1 (Applicability (Contract Cost Principles));
- Subpart 31.2 (Contracts with Commercial Organizations); and
- Part 32 (Contract Financing), except Subparts 32.7 and 32.8, and Payment clauses prescribed by Subpart 32.1.

(B) All other individual deviations from FAR, DFARS, or NMCARS shall be submitted via SPAWAR 2.0/2.0A to ASN (RD&A) for approval.

(C) Class deviations from NMCARS shall be submitted via SPAWAR 2.0/2.0A to ASN (RD&A) for approval.

4.2 Component Clause Procedures

4.2.1 COMPONENT CLAUSE STEPS

(A) Component Clause Analysis Process
  a. PCO provides a written analysis justifying clause use (Approval Template)
  b. Counsel conducts and documents a review for legal sufficiency
  c. Branch Head Approval

(B) Clauses for Repeated Use or Requiring ASN(RD&A)/DASN(AP) Approval:
  a. SPAWAR HQ Policy 2.3.1 will assign a clause number (NMCARS Subpart 5252.1)
  b. SPAWAR HQ Policy 2.3.1 shall publish analysis in the Federal Register for public comment
  c. Upon SPAWAR 2.0/2.0A approval, Component clause will be available for use as prescribed and SPAWAR HQ Policy 2.3.1 will provide a copy of the clause to DASN(AP)

(C) Clauses Requiring DPAP Approval:
  a. Upon submission to ASN(RD&A)/DASN(AP) clauses and analysis published in the Federal Register for public comment, and submitted to

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

ASN(RD&A)/DASN(AP) Policy for subsequent submission to the DAR Council Director and finally to DPAP for approval.

4.2.2 CONTROL PLAN FOR COMPONENT CLAUSE USE

(A) One-Time Use Clauses, "Substantially the Same As" Variations, Individual and Class Deviations from Component "Local" Clauses

a. No new Component "Local" clauses or variation/deviation to a Component clause is permitted without proper approval. The lowest level of approvals, Director of Contracts, applies to "local" one-time-use clauses designed to deal with a unique situation particular to one contract with no administrative impact. These are Component "Local" clauses developed to deal with a unique situation with one contractor that do not result in a FAR/DFARS/NMCARS deviation, have significant effect beyond SPAWAR internal operating procedures, or have a significant cost or administrative impact on contractors or offerors. All such deviations must be reviewed by Counsel before use.

(B) Component "Local" Clauses for Repeated Use with no Administrative Impact

a. Any additional Component "Local" Clauses that will be added to the Clausebook and PD2 for use in multiple contracts and solicitations must be accompanied by a written analysis and must pass through the system of controls and approval processes at DFARS 201.304(1)(i), including Federal Register publication and use of the prescribed numbering convention at NMCARS 5252.1.

b. Any new clauses resulting in a deviations from regulation or a financial/administrative burden for contractors must be properly supported in writing utilizing the format provided (Approval Template; see: DFARS 201.201-1(d) and, when applicable, DFARS 201.301(b)) and reviewed by Counsel before Director of Contracts (2.0) approval, submission to DASN(AP), and subsequent use. Once approved, component clauses will be included in the Navy's electronic repository of clauses.

c. Note: Archived Component "Local" clauses and provisions which formerly existed for instructional purposes may be incorporated in an administrative instruction section of the PWS/SOW.

(C) Other Component "Local" Clauses for Repeated Use

a. When a clause is determined to have a significant effect beyond the internal operating procedures of the agency; or has a significant cost or administrative impact on contractors or offerors, approval is delegated to the Director of Defense Procurement and Acquisition Policy (OUSD(AT&L)DPAP) via ASN(RDA)/DASN(AP).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

5. APPROVALS

5.1 Deviations

Deviation Type	Approval Authority
Individual or class deviations from: **1. Procurement Integrity** FAR 3.104/DFARS 203.104 **2. Rights in Data and Copyrights** FAR Subpart 27.4/ DFARS Subpart 227.4 **3. Cost Accounting Standards Administration** FAR Part 30/DFARS Part 230 **4. Applicability (contract cost principles)** FAR Subpart 31.1/DFARS Subpart 231.1 **5. Contracts with Commercial Organizations** FAR Subpart 31.2/DFARS Subpart 231.2 **6. Contract Financing** FAR Part 32, (except Subparts 32.7 and 32.8 and the payment clauses prescribed by Subpart 32.1)/ DFARS Part 232, (except Subparts 232.7 and 232.8). (Ref: DFARS 201.402 Policy) **7.** Component-unique clause in solicitations or contracts for **commercial items** that meets the conditions of DFARS 201.304(l)(i).	**DPAP via ASN(RDA)/DASN (AP) Policy and the DAR Council Director**
Individual or class deviations from procedures or clauses to include component clauses other than those requiring DPAP approval, that does not: **1.** Have a significant effect beyond the internal operating procedures of the department or agency; **2.** Have a significant cost or administrative impact on contractors or offerors; **3.** Diminish any preference given small business concerns by the FAR or DFARS; or **4.** Extend to requirements imposed by statute or by regulations of other agencies such as the SBA and DOL.	**Navy Senior Procurement Executive (SPE), the Assistant Secretary of the Navy, Research & Development, Acquisition ASN (RD&A)**

5.2 Component Clauses

Component Clause Type	Approval Authority
Unique 'One-Time-Use' Clauses, "Substantially the Same As" Variations, Individual and Class Deviations from Component "Local" Clauses	**Director of Contracts & Legal Review**
New Component "Local" Clauses with no Administrative Impact	**Director of Contracts & Legal Review**
Other Component "Local" Clauses for Repeated Use	**DPAP via ASN(RDA)/DASN (AP) Policy and the DAR Council Director**

6. TOOLBOX

1. Clause Approval Template

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
May 2016	Content formatted and reorganized; updated links.
November 2011	Last version created in old format.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

EARNED VALUE MANAGEMENT (EVM)

1. PURPOSE

The purpose of this document is to convey Team SPAWAR's policies and procedures for implementation of Earned Value Management in its solicitations and contracts, and its use as an important contract management tool. The reader is encouraged to utilize the document and/or links provided in the ToolBox and/or contact the SPAWAR 1.6.1.3 EVM Branch to obtain more detailed instructions and guidance. Toolbox reference numbers are displayed as the documents are mentioned herein as **(#).** A Toolbox table is provided at the end of this document listing all references contained herein.

Earned Value Management (EVM) is a program management tool that integrates the technical, cost, and schedule parameters of a contract. During the planning phase, an integrated baseline is developed by time phasing budget resources for defined work. As work is performed and measured against the baseline, the corresponding budget value is "earned". From this earned value metric, cost and schedule variances can be determined and analyzed. From these basic variance measurements, the program manager (PM) can identify significant drivers, forecast future cost and schedule performance, and construct corrective action plans to get the program back on track. EVM therefore encompasses both performance measurement (i.e., what is the program status) and performance management (i.e., what we can do about it).

➢ EVM and MANAGEMENT NEEDS

A fundamental requirement for managing any acquisition program is insight into the contractors' performance, specifically the program management and control. Proper EVM application of the guidelines and contractor implementation ensures that the PM is provided contractor performance data that:

- Relates time-phased budgets to specific contract tasks and/or statements of work (SOW)
- Objectively measures work progress
- Properly relates cost, schedule, and technical accomplishment
- Allows for informed decision making and corrective action
- Is valid, timely, and able to be audited
- Allows for statistical estimation of future costs
- Supplies managers at all levels with status information at the appropriate level, and
- Is derived from the same EVM system and business rhythm used by the contractor to manage the contract.

➢ EARNED VALUE MANAGEMENT SYSTEM - Defined

Most of the basic principles of an EVMS are already inherent in good business practices, general accounting rules, and program management; however, there are some unique EVM guidelines which require a more intensive approach to the integration of management systems.

An EVMS can be defined as an integrated management system and its related sub-systems, which allow for:

- Planning all work scope for the program to completion,
- Assignment of authority and responsibility at the work performance level,
- Integration of the cost, schedule, and technical aspects of the work into a detailed baseline plan,
- Objective measurement of progress (earned value) at the work performance level,
- Accumulation and assignment of actual costs,
- Analysis of variances from plans,
- Summarization and reporting of performance data to higher levels of management for action,
- Forecast of achievement of milestones and completion of contract events,
- Forecast of final contract costs, and
- Disciplined baseline maintenance and incorporation of baseline revisions in a timely manner.

➢ EVMS Standard

The current version of the EVMS guidelines are published as an American National Standards Institute/Electronic Industries Alliance standard ANSI/EIA-748B, Earned Value Management Systems in September 2007 **(19)** for application on defense acquisition programs. The National Defense Industrial Association (NDIA) published its Earned Value Management Systems Intent Guide **(37)** which was recognized as an important reference for interpreting the intent of the guidelines by the Under Secretary of Defense in 2007.

➢ EVMS Guidelines Concept

EVM has been based on the premise that the government cannot impose a single solution for an integrated management system for all contractors. As a result, the guidelines approach was developed. This approach recognizes that no single EVMS can meet every management need for all companies. Due to variations in organizations, products, and working relationships, it is not feasible to prescribe a universal system. The guidelines approach, on the other hand, establishes a framework within which an adequate integrated cost/schedule/technical management system fits. The 32 EVMS guidelines are not prescriptive in nature, but simply describe the desired outcomes of integrated performance management across five broad categories of activity.

These five categories are:

- Organization;
- Planning, scheduling, and budgeting;
- Accounting;

- Analysis and management reports; and
- Revisions and data maintenance.

The guidelines are broad enough to allow for common sense application, but are specific enough to assure the contracting activity of reliable performance data. Neither do they purport to address all of a contractor's needs for day-to-day or week-to-week internal control, such as informal communications, internal status reports, reviews, and similar management tools. These management tools are important and should augment the EVMS as an effective element of program management. Data from the EVMS should be the source for these management tools. A matrix showing the processes and guidelines interplay is provided in the EVMIG **(34),** page 5, Figure 2-1..

2. POLICY

EARNED VALUE MANAGEMENT SYSTEM

This policy applies to all SPAWAR supported PEOs and JPEOs, as well as any other procurement determined appropriate for EVM implementation. Please note there have been substantial changes in the requirements in 2012. For instance, the Contract Performance Report and the Integrated Master Schedule Data Item Descriptions were rescinded in June 2012 and replaced with an Integrated Program Management Report (IPMR) **(8).** DCARC has also updated application and delivery requirements on Cost and Software Data Reporting System (CSDR) reporting **(2 & 3).** While CSDR reporting is not an EVMS, it is related in that both systems use the same Contract Work Breakdown Structure and worth mentioning in this document.

Policy Resource Documents:

- SPAWAR Instruction 5000.19D, 7 November 2013, Earned Value Management **(32)**
- Managing with Earned Value at SPAWAR Systems Centers (SSC), 5000 SER 1.6/514, 28 Nov 2007 **(33)**
- DoN, EVM Contract Requirements Checklist, 9 July 2012 **(31)**
- IPMR Implementation Guide, 24 January 2013 **(21)**
- Defense Acquisition Guidebook **(35)**
- DoD Earned Value Management Implementation Guide, October 2006 **(34)**
- DFARS Case 2005-D006 (Final Rule) **(16)**
- Office of the Secretary of Defense Central Repository for EVM Data, 12 March 2008 **(36)**
- USD AT&L Memorandum: Use of Earned Value Management (EVM) in the Department of Defense (DoD EVM Roles and Responsibilities), 3 Jul 2007 **(4)**
- USD AT&L Memorandum: Earned Value Management Requirements and Reporting, 27 Aug 2008 **(5)**
- USD AT&L Memorandum: Standardization of Work Breakdown Structures to Support Acquisition Program Management, 9 Jan 2009 **(6)**

EVM shall be utilized on all SPAWAR cost or incentive contracts, with an expected contract price valued at or greater than $20 million ($5M or greater at SSCs for intra-government work), including

the expected value of planned options at the time of contract award. The term "contracts" includes subcontracts, intra-government work agreements and projects, and other agreements; and also applies to contracts for highly classified, foreign, and in-house programs. EVM is not recommended for contracts less than 12 months in duration. EVM may not be appropriate for non-schedule based contract efforts, e.g. level of effort. **(32 & 33)**

Firm-Fixed-Price contracts and subcontracts of any dollar value:

1) Only the Milestone Decision Authority (MDA) can grant a waiver allowing application of EVM to an FFP contract (DoDI 5000.02, Enclosure 4, Table 5). **(1)**
2) Once granted, only the minimal EVM requirements necessary to provide the Government team with the desired visibility into program performance should be applied.
3) No waiver is required for application of Format 6 (IMS) without the DFARS 252.234.7002 requirement. **(20 & 21)**
4) Follow the procedures at DFARS PGI 234.201(1)(iv) **(15)** for obtaining a waiver before applying earned value management.
5) Reference DI-MGMT-81861 and the IPMR Implementation Guide, January 2013 for tailoring provisions for the various formats in the IPMR on an FFP contract. **(20 & 21)** .

Indefinite Delivery, Indefinite Quantity (IDIQ) contract types. **(35)** EVM is applicable to IDIQ contracts as follows:

1) The application of EVM based on dollar threshold is assessed at each separate delivery or task order.
   a) The EVM clauses may be integrated into the total contract and applied to the individual delivery or task order; or
   b) The EVM clauses may be applied to the individual delivery or task order, as appropriate.
2) However, if anticipated delivery or task orders are developmental in nature and integrally related, the delivery or task orders should be added together to discern EVM applicability.

Cost Incentive Contracts:

Use the following guidance to determine EVM requirements, based on the contract value (including all options):

Greater than or equal to $50M **(21)**

1) Must use ANSI/EIA-748 compliant and DCMA-validated EVM System
2) Shall use Integrated Program Management Report (IPMR) CDRL, per DI-MGMT-81861(20 June 2012). All Formats are mandatory.
   a) **Format 1:** Work Breakdown Structure
   b) **Format 2:** Organizational Breakdown Structure
   c) **Format 3:** Baseline
   d) **Format 4:** Staffing
   e) **Format 5:** Variance Analysis
   f) **Format 6:** Integrated Master Schedule (IMS)
   g) **Format 7:** History and Forecast File
3) Requires Schedule Risk Assessment at defined intervals
4) Requires an Integrated Baseline Review (IBR) with the Prime Contractor within 180 of contract award

5) ACAT 1 programs are required to have the vendors submit IPMR and CFSR CDRL deliveries to the EVMS Repository (Reference Office of the Secretary of Defense Central Repository (CR) for Earned Value Management (EVM) Data, 12 March 2008) **(36)**
6) Requires a Contract Work Breakdown Structure (CWBS) CDRL per DI-MGMT-81334D **(17)** and MIL-STD-881C, 3 October 2011 (or latest version) **(18)**
7) Requires a Contract Funds Status Report, DI-MGMT-81468*** **(22)**

Less than $50M but greater than or equal to $20M (21)

1) Shall comply with ANSI/EIA-748, but EVM System does not require DCMA validation;
2) Shall use Integrated Program Management Report (IPMR) CDRL, per DI-MGMT-81861. **(20)** Some tailoring is permissible:
   a) **Format 1:** Work Breakdown Structure (Mandatory)
   b) **Format 2:** Organizational Breakdown Structure (Optional, recommended for development or with significant subcontractor/outsourcing effort)
   c) **Format 3:** Baseline (Optional, recommended for development)
   d) **Format 4:** Staffing (Optional, recommended for development)
   e) **Format 5:** Variance Analysis (Mandatory)
   f) **Format 6:** Integrated Master Schedule (IMS) (Mandatory)
   g) **Format 7:** History and Forecast File (Mandatory)
3) Requires a Schedule Risk Assessment
4) Requires an Integrated Baseline Review
5) Requires a Contract Work Breakdown Structure (CWBS) CDRL per DI-MGMT-81334D **(17)** and MIL-STD-881C, 3 October 2011 (or latest version) **(18)**
6) Requires a Contract Funds Status Report, DI-MGMT-81468*** **(22)**

Tailoring guidelines can be found in the IPMR Implementation Guide, January 2013 **(21)** as well as DI-MGMT-81861 **(20),** Integrated Program Management Report.

Less than $20M (21)

1) EVM is optional and is a risk-based decision
2) CPR Formats 1, 5, and 6 are recommended for development work.
3) Not recommended for contracts less than 12 months in duration.
4) May not be appropriate for non-schedule based contract efforts, e.g. level of effort.
5) Decision to apply EVM shall be documented in the contract file; and
6) For conducting a cost-benefit analysis, follow the procedures at DFARS PGI 234.201(1)(iii) **(15)**
7) Integrated Master Schedule is optional, but highly recommended.** **(20 & 21)**
8) Requires a Contract Funds Status Report, DI-MGMT-81468*** **(22)**

The IMS may be applied and/or required when EVM is not required:

1) An IMS **(8)** is required on Firm-Fixed Price developments, major modifications, or Low-Rate Production contracts, regardless of EVM applicability.
2) It is recommended on any contract where a Deviation from the application of DFARS 252.234-7002 has been approved by DASN AP
3) When requiring an IMS without EVM, the CDRL should specify, DI-MGMT-81861, Format 6, Integrated Master Schedule. **(20 & 21)**

EVMS Applicable Regulations:

1) DoDI 5000.02, Table 5 EVM Implementation Policy, 26 November 2013 **(1)**
2) DFARS 252.234.7001, Notice of Earned Value Management System, Revised May 2011 **(9)**
3) DFARS 252.234.7002, Earned Value Management System, May 2011 **(10)**
4) DFARS 252.234.7005, Contractor Business Systems, May 2011 **(11)**

*****Contractor Funds Status Report (CFSR)** (22)

The CFSR is applicable on all incrementally funded contracts over six months in duration and in excess of $1.5M in then-year dollars. Application on FFP contracts is discouraged, unless funding circumstances require special visibility and/or analysis. The CFSR is the ONLY CDRL deliverable which is to be applied to request funding information.

An updated DoN EVM Contract Requirements checklist 9 July 2012 **(31)** is provided in Toolbox Item.

The Subject Matter Experts in the Earned Value Management (EVM) System reside in SPAWAR 1.6.1.3

COST & SOFTWARE DATA REPORTING (CSDR) SYSTEM

The Cost & Software Data Reporting System applies to ACAT 1 programs only. Although not EVMS, it mentioned here because it is related by the fact that both reporting systems use the same WBS for the organization of the program and reporting to the Government. Both EVM and the family of CSDR CDRL's require submittals to the Defense Cost & Resource Center (DCARC). It is important for Contracts professionals to understand that application of the CSDR system requires early planning and coordination with OSD's Cost Assessment Program Evaluation (CAPE), Defense Cost & Resource Center (DCARC) office well before the release of an RFP. The program CWBS Plan requires approval by CAPE's DCARC before RFP release. It is suggested that the Cost and Software Data Reporting Plan (DD Form 2794) be coordinated with the CAPE at least 60 days in advance of RFP Release to meet the review and validation requirements. The CSDR System comprises two families of reports: Cost Data Summary Reports (CDSR) and Software Resource Data Reports (SRDR). Request for Proposal language for the SOW and example CDRLS can be found on the DCARC website: http://dcarc.cape.osd.mil/CSDR/Default.aspx. The reports apply to ACAT 1 programs as follows:

Program Type	Cost Data Summary Report (CDSR	Software Resource Data Report (SRDR)
ACAT 1A, 1C, 1D contracts and subcontracts, regardless of contract type	X	X
• All contracts >$50M or high risk or high interest contracts between $20-50M	X	
• Contracts developing/producing software elements with project effort >$20M.	X	X

Applicable Regulations:
1) DoDI 5000.02, Operation of the Defense Acquisition System, Table 4, Regulatory Contract Reporting Requirements **(2)**
2) DoD 5000.04-M-1, Cost and Software Data Reporting (CSDR) Manual" 18 April 2007 **(3)**
3) DFARS 252.234.7003, Notice of Cost and Software Data Reporting System, 26 November 2010 **(12)**
4) DFARS 252.234-7004, Cost and Software Data Reporting System, 26 November 2010 **(13)**
5) DFARS Subpart 242.5, Post Award Orientation, 24 November 2010 **(14)**

Applicable CDRL's
1) Contract WBS Dictionary and Index, DI-MGMT-81334D, 18 May 2011, DID contains example form **(17)**
2) Cost Data Summary Report, DI-FNCL-81565C, 18 May 2011, DD Form 1921 **(23)**
3) Functional Cost-Hour Data Report, DI-FNCL-81566C, 18 May 2011, DD Form 1921-1 **(24)**
4) Progress Curve Report, DI-FNCL 81557C, 18 May 2011, DD Form 1921-2 **(25)**
5) Contractor Business Data Report, DI-FNCL-81765B, 18 May 2011, DD Form 1921-3 **(26)**
6) Initial Software Developer Report, DI-MGMT-81740A, 18 May 2011 **(27)**
7) Final Software Development Report, DI-MGMT-81740A, 18 May 2011 **(28)**
8) Contractor Sustainment Report, DI-FNCL-81831, 10 May 2012 **(29)**

More in-depth information on the application of the CSDR System and the CWBS Plan validation process is available at http://dcarc.cape.osd.mil

The subject matter experts in the Cost & Software Data Reporting (CSDR) System reside in SPAWAR 1.6.1.1

3. RESPONSIBILITIES & PROCEDURES

a. Procuring Contracting Officer/Negotiator shall take EVMS requirements for DoD and SPAWAR into consideration in their procurement. If EVMS and/or CSDR are appropriate, these steps should be followed during RFP development:

Solicitation Section H/I - Special Provisions/General Provisions:

(1) Ensure that the required clauses and provisions are included in the solicitation/contract (full text versions are provided as follows

A. Earned Value Management (EVM):
   a) DFARS 252.234-7001 Notice of Earned Value Management System, April, 2008 **(9)**
   b) DFARS 252.234-7002 Earned Value Management System, May 2011 **(10)**

B. Cost & Software Data Reporting (CSDR):
   a) DFARS 252.234.7003, Notice of Cost and Software Data Reporting System, 26 November 2010 **(12)**
   b) DFARS 252.234-7004, Cost and Software Data Reporting System, 26 November 2010 **(13)**

C. Business Systems:

a) DFARS 252.234.7005, Contractor Business Systems, May 2011 **(11)**

(2) A Clear statement of any Special Contract Requirements not included in Section I:

- Was certification/validation addressed?
- Will major subcontractors, planned for criteria application, be identified?

Solicitation Section L – Instructions to Offerors

- Areas to consider:
  - Guidance to bidders for the assembly of their proposals
  - Description of how EVM will be implemented in accordance with ANSI/EIA-748, current version, and how it will be used to successfully control cost, schedule and technical deviations, including subcontracting efforts
  - Submission of an Integrated Master Plan (IMP) that is structured as an event-based plan.
  - Submission of an Integrated Master Schedule (IMS) that delineates the offeror's planned schedule for all activities, events, milestones and critical paths associated with all program efforts in accordance with DI-MGMT-81861, Format 6, submitted in a Microsoft Project version that is compatible with source selection team software.
  - Provide product-oriented CWBS through level 3 requesting offeror to expand to level 5 as a minimum.
  - Award Fee Plan **(38)**
  - Subcontracting Plan
  - Risk Management Plan
  - Methodology for Oral Presentations
  - Management Volume

Solicitation Section M – Evaluation Factors for Award

- Evaluation of the proposed EVMS is normally undertaken as part of the proposal evaluation process to determine the probability of the system meeting the guidelines.
  - The Government will evaluate the extent to which the offeror proposes an effective management system , applying the ANSI/EIA-748, current version, guidelines to provide the Government with cost, schedule, technical performance information..
  - Offeror must demonstrate an integrated management approach that logically flows down requirements through broad-level tasking within an event driven Integrated Master Plan (IMP)
  - Offeror's ability to successfully provide a comprehensive, integrated IMS that meets the requirements of the solicitation and the DCMA 14-point tripwire
  - Offeror's ability to provide an executable schedule that is traceable to the SOW or SOO
  - Oral presentations

(3) Ensure that EVM information is added to the related procurement in PD². This information may be added prior to, or after "release"* of the document. See detailed instructions provided as Tool Box Item **(39)**

* In PD2 jargon

b. Program Manager /Technical Originators shall take DoD's EVMS requirements into consideration in their procurement. If application of EVMS is required, these steps should be followed during planning:

Acquisition Plans (APs):

If opting for a Pre-Award IBR [FAR 7.105(b)(4)] -

- State how the pre award IBR will be considered in the source selection decision
- State how it will be conducted in the source selection process
- State whether the offerors will be directly compensated for the cost of participation in the IBR

Management Information Requirements [FAR 7.105(b)(11)] -

- Discuss the methodology the government will employ to analyze and use the earned value data to assess and monitor contract performance
- Discuss how the contractor's EVMS will be verified for compliance
- Discuss the timing of the IBR (prior to or after award)

Solicitation Section C – Development of Description/Specs/Work Statement or Statement of Objectives:

- Address EVM in the SOW/SOO, describing tasks that -
    - Provides for development of a Contract Work Breakdown Structure (CWBS) at a level adequate for management and contract control.
    - Contain requirements for a contractor to perform the effort using a guidelines-compliant EVMS that correlates cost and schedule performance with technical progress.
    - Reference EVMS data items as part of Integrated Program Management Reporting.
    - Include earned value as an integral part of periodic contractor/customer reviews
    - Designate critical subcontractors by name for EVM compliance and flow down of EVMS compliance to subcontractors.
    - Establish the requirement and process for an initial IBR within 6 months of contract award and incremental IBRs as needed
    - Call out specific data items (i.e. IPMR, CFSR, CWBS)

Additional notes:
(1) The contract SOW should include the requirement for the contractor to manage using (among other things) earned value. The SOW should also reflect the requirement for periodic (usually monthly) contractor/PMO reviews to include discussion of technical and schedule problems in their earned value context. The use of a SOO instead of a SOW continues to grow. Examples of a SOO input relative to EVM might be: "The contractor shall provide an integrated program management process at the lowest level management level." In response to this, one might expect an explanation of how technical requirements, network scheduling, and resource planning would be tied together to produce an integrated plan and performance evaluation.

(2) The SOW shall not contain guidance or direction that conflicts with, removes, or adds work scope to the contractor's validated EVMS or the requirements of the Data Item Descriptions which govern the preparation of the deliverable reports.

Solicitation Section J - Exhibits/Attachments: Program managers/Technical Requirements Originators should consider the appropriateness of the following data deliverables:

Contract Data Requirements List (CDRL) --

- Integrated Program Management Report - DI-MGMT-81861 **(20)**
- Contract Work Breakdown Structure (CWBS) – DI-MGMT-81334 **(17)**
- A program CWBS is to be provided with the RFP.
- Do not force a structure below the reporting level as contractually defined
- Require reporting at a level as necessary to assure success
- Contract Funds Status Report (CFSR) – DI-MGMT-81468 **(22)**
- Contract WBS Dictionary and Index – DI-MGMT-81334D **(17)**
- Cost Data Summary Report (DD Form 1921), DI-FNCL-81565C **(23)**
- Functional Cost-Hour Report (DD Form 1921-1), DI-FNCL-81566C **(24)**
- Progress Curve Report (DD Form 1921-2), DI-FNCL-81567C **(25)**
- Contractor Business Data Report, DI-FNCL-81765B **(26)**
- Software Resources Data Reporting , Initial Developer Report and Data Dictionary, DI-MGMT-81739B **(27)**
- Software Resources Data Reporting: Final Developer Report and Data Dictionary, DI-MGMT-81740A **(28)**
- Contractor Sustainment Report, DI-FNCL-81831 **(29)**

4. APPROVALS

As previously stated.

REF	DOCUMENT TYPE	DATE	DESCRIPTION/TITLE	SOURCE/LOCATION
	DoD INSTRUCTIONS			
(1)	DoDi 5000.02	26 Nov 2013	Table 5 EVM Implementation Policy	http://www.acq.osd.mil/docs/DSD%205000.02_Memo+Doc.pdf
(2)	DoDi 5000.02	26 Nov 2013	Table 4, Regulatory Contract Reporting Requirements	http://www.acq.osd.mil/docs/DSD%205000.02_Memo+Doc.pdf
(3)	DoDI 5000.04-M-1	4 Nov 2011	Cost and Software Data Reporting (CSDR) Manual	http://dcarc.cape.osd.mil/Files/Policy/500004m1.pdf
	USD AT&L POLICY			
(4)	USD AT&L Memo	3 Jul 2007 10 Aug 2011	Use of Earned Value Management (EVM) in the Department of Defense (DoD) EVM Roles and Responsibilities Earned Value Management (EVM) Systems, Performance, Oversight and Governance	http://www.acq.osd.mil/evm/docs/PARCA_Authorities_Memo.pdf (Both documents on this one link.)
(5)	USD AT&L Memo DASN (ALM)	27 Aug 2008 30 Sep 2008	Earned Value Management Requirements and Reporting	http://acquisition.navy.mil/rda/content/download/5670/25910/version/1/file/EVM+memo30SEP2008.pdf
(6)	USD AT&L Memo	9 Jan 2009	Standardization of Work Breakdown Structures to support Acquisition Program Management	https://acc.dau.mil/adl/en-US/258968/file/40491/wbs_memo_signed_9jan09.pdf
(7)	USD AT&L Memo	7 Mar 2005	Revision to DoD EVM Policy (documents EVM thresholds)	http://www.acq.osd.mil/evm/docs/EVM-Policy-letter-3-7-05.pdf
(8)	USD AT&L Memo	19 Jun 2012	Integrated Program Management report (IPMR) (documents rescission of CPR and IMS CDRL's, replaced with IPMR)	http://www.acq.osd.mil/evm/docs/IPMR-DID-memo.pdf
	DFARS CLAUSES			
(9)	252.234.7001	May 2011	Notice of Earned Value Management System	http://www.acq.osd.mil/dpap/dars/dfars/html/current/252234.htm#252.234-7001
(10)	252.234.7002	May 2011	Earned Value Management System	http://www.acq.osd.mil/dpap/dars/dfars/html/current/252234.htm#252.234-7002
(11)	252.234.7005	May 2011	Contractor Business Systems	http://www.acq.osd.mil/dpap/dars/dfars/html/current/252242.htm#252.242-7005
(12)	252.234.7003	Nov 2010	Notice of Cost and Software Data Reporting	http://www.acq.osd.mil/dpap/dars/dfars/html/cu

			System	rrent/252234.htm#252.234-7003
(13)	252.234.7004	Nov 2010	Cost and Software Data Reporting System	http://www.acq.osd.mil/dpap/dars/dfars/html/current/252234.htm#252.234-7004
(14)	Subpart 242.5	Nov 2010	Post Award Orientation	http://www.acq.osd.mil/dpap/dars/dfars/html/current/242_5.htm
(15)	DFARS PGI 234.201(1)(iv)	18 May 2011	Earned Value Management System Policy	http://www.acq.osd.mil/dpap/dars/dfars/html/current/234_2.htm
(16)	DFARS Case	23 Apr 2008	2005-D006 (Final rule)	http://www.gpo.gov/fdsys/pkg/FR-2008-04-23/pdf/E8-8706.pdf
	APPLICABLE CDRL'S/DATA ITEM DESCRIPTIONS/STANDARDS/GUIDES ***Note: DIDs can only be tailored down; Maximum data items per DD 1423 is four, DD 1423-2 is limited to two, and DD 1423-1 allows one data item.***			
	Work Breakdown Structure			
(17)	DI-MGMT-81334D	May 2011	Contract Work Breakdown Structure, Dictionary, Index (CWBS)	http://assistdocs.com/search/document_details.cfm?ident_number=205360
(18)	MIL-STD-881C	Oct 2011	WBS for Defense Materiel Items	http://assistdocs.com/search/document_details.cfm?ident_number=36026&StartRow=1&PaginatorPageNumber=1&doc%5Fid=881C&status%5Fall=ON&search%5Fmethod=BASIC
	Earned Value Management System			
(19)	ANSI/EIA-748B	Sept 2007	Earned Value Management Systems	http://www.fnal.gov/directorate/OPMO/Shared/Requirement%20Docs/ANSI_EIA-748-B.pdf
(20)	DI-MGMT-81861	20 Jun 2012	Integrated Program Management Report (IPMR)	http://quicksearch.dla.mil/basic_profile.cfm?ident_number=278901&method=basic
(21)	OUSD AT&L (PARCA)	Jan 2013	IPMR Implementation Guide	http://www.acq.osd.mil/evm/docs/IPMR%20Implementation%20Guide.pdf
(22)	DI-MGMT-81468	Oct 1995	Contract Funds Status Report (CFSR)	http://assistdocs.com/search/document_details.cfm?ident_number=205536
	Cost & Software Data Reporting System			
(23)	DI-FNCL-81565C	May 2011	Cost Data Summary Report (CDSR), DD Form 1921	http://dcarc.cape.osd.mil/Files/Policy/2011-1921.pdf
(24)	DI-FNCL-81566C	May 2011	Functional Cost-Hour Data Report, Form 1921-1	http://dcarc.cape.osd.mil/Files/Policy/2011-1921-1.pdf
(25)	DI-FNCL-81557C	May 2011	Progress Curve Report, Form 1921-2	http://dcarc.cape.osd.mil/Files/Policy/2011-1921-2.pdf
(26)	DI-FNCL-81765B	May 2011	Contractor Business Data Report, Form 1921-3	http://dcarc.cape.osd.mil/Files/Policy/2011-

				1921-3.pdf
(27)	DI-MGMT-81739B	May 2011	Initial Software Developer Report	http://dcarc.cape.osd.mil/Files/Policy/2011-SRDRInitial.pdf
(28)	DI-MGMT-81740A	May 2011	Final Software Development Report	http://dcarc.cape.osd.mil/Files/Policy/2011-SRDRFinal.pdf
(29)	DI-FNCL-81831	May 2012	Contractor Sustainment Report	http://dcarc.cape.osd.mil/Files/Policy/2012-1921-4.pdf
	DoN POLICY			
(30)	ASN RDO Memo	April 2007	Center of Excellence, EVM	http://acquisition.navy.mil/home/acquisition_one_source/cevm/evm_policy_guidance/navy_policy
(31)	DoN Checklist	9 July 2012	Earned Value Management Contract Requirements Checklist	http://acquisition.navy.mil/content/download/8532/39459/file/don%2520evm%2520requirements%2520checklist-20120709.docx
	SPAWAR POLICY			
(32)	Instruction 5000.19D	Nov 2013	Earned Value Management	https://wiki.spawar.navy.mil/confluence/download/attachments/17466190/SPAWARINST+5000+19D+508+Compliant.pdf
(33)	Memo	Nov 2007	Managing with Earned Value at SPAWAR Systems Centers (SSC) 5000 SER 1.6/514	https://e-commerce.sscno.nmci.navy.mil/Command/02/ACQ/navgenint.nsf/policydocs/C538D1FF8082C83786257AAD007B72E1/$file/5000%201.6%20Managing%20with%20Earned%20Value%20of%2028%20Nov%2007.pdf
	OTHER REFERENCES			
(34)	DCMA	Oct 2006	DoD Earned Value Management Implementation Guide (EVMIG)	http://guidebook.dcma.mil/79/EVMIG.doc
(35)	DoD		Defense Acquisition Guidebook (DAG)	https://dag.dau.mil/Pages/Default.aspx
(36)	DCARC	12 Mar 2008	Central Repository for Earned Value Management Data	http://dcarc.pae.osd.mil/Files/EVMCR/CR_Manual.pdf
(37)	NDIA	Nov 2006	National Defense Industry Association (NDIA) EVMS Intent Guide	https://acc.dau.mil/adl/en-US/19533/file/1015/NDIA_PMSC_EVMS_IntentGuide_Nov%202006%20Released%20Version.pdf
(38)	SPAWAR 2.0		Award Fee Plan	https://e-

				commerce.sscno.nmci.navy.mil/Command/02/ACQ/navgenint.nsf/policydocs/1F7071ED378CE26488256A2400772BC6/$file/SAMPLE%20AWARD%20FEE%20CRITERIA.doc
(39)	SPAWAR 2.0		PD[2]	https://e-commerce.sscno.nmci.navy.mil/Command/02/ACQ/navgenint.nsf/policydocs/C538D1FF8082C83786257AAD007B72E1/$file/SPAWAR%20EVMS%20to%20PD2.pdf
(40)	1.6.1.3	May 2013	EVMS Training Package	https://e-commerce.sscno.nmci.navy.mil/Command/02/ACQ/navgenint.nsf/policydocs/C538D1FF8082C83786257AAD007B72E1/$file/EVMvsFunds_Management_rev5.pptx
(41)	1.6.1.3	May 2013	EVMS Glossary of Terms	https://e-commerce.sscno.nmci.navy.mil/Command/02/ACQ/navgenint.nsf/policydocs/C538D1FF8082C83786257AAD007B72E1/$file/EVMS_GLOSSARY_OF_TERMS.docx

1. PURPOSE

The purpose of this document is to provide Claimancy policy and procedures for the electronic submission of proposals/bids/quotations in response to HQ and SSC-Atlantic and SSC-Pacific solicitations.

The SPAWAR Contracts Directorate's (2.0) Business Opportunities Page contains the SPAWAR E-Commerce Central (E-CC). The SPAWAR E-CC can accept electronic proposals/bids/quotations submitted by registered vendors. For information about electronic proposal submission, please visit the SPAWAR E-CC site that is available at https://e-commerce.sscno.nmci.navy.mil/.

Related guidance is available under CMPG Process Guide 2.2.4 Receive Proposals or Quotes.

2. POLICY

2.1 Proposals / Bids / Quotations

Companies submitting proposals/bids/quotations in response SPAWAR HQ, SSC Atlantic, and SSC Pacific solicitations (Request For Proposals (RFP), Invitation For Bids (IFB), and Request For Quotes (RFQ) under FAR Part 13) are required to submit them electronically via the SPAWAR E-CC.

1. E-CC submission is not required if approval has been obtained one level above the contracting officer, prior to the issuance of the solicitation.
2. Typically, the decision to not require the electronic submission of proposals/bids/quotes will be based on whether the predominance of the potential offerors has access to the information technology needed for the electronic submission.

2.2 Federal Supply Schedule RFQs

A. Contracting officers may require companies submitting quotations in response to an RFQ for a delivery/task order directly under Federal Supply Schedules (see FAR Subpart 8.4) to submit them electronically via the SPAWAR E-CC. The SPAWAR E-CC may be used for these RFQs only when any and all Federal Supply Schedule contractors will be permitted to submit a quotation.

B. Contracting officers will not use the SPAWAR E-CC for RFQs for a delivery/task order directly under Federal Supply Schedules when the competition will be limited to specific Federal Supply Schedule contractors.

C. Contracting officers will also not use the SPAWAR E-CC for competitions under multiple award contracts (see FAR 16.504 and 16.505) and RFQs for a delivery/task order under blanket purchase agreements issued under Federal Supply Schedules.

2.3 Sole Source RFPs

A. For sole source RFPs, contracting officers will use SPAWAR E-CC to transmit the synopsis and receive proposals electronically. Instead of posting the sole source RFP at the SPAWAR E-CC Business Opportunities Page, contracting officers will insert a statement substantially the same as the following:

Request for Proposal _____ [Contracting officers insert solicitation number] is a sole source solicitation previously synopsized in the Commerce Business Daily on _____ [Contracting officers insert date of synopsis].

B. Contracting officers will transmit the actual RFP to the potential sole source contractor by means other than posting it on the SPAWAR E-CC Business Opportunities Page (e.g. transmitting it via e-mail). Contracting officers will ensure that Provision L-349 "Submission of Electronic Proposals" from the SPAWAR Claimancy Clausebook is included in their solicitation.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3. RESPONSIBILITIES

3.1 Contracting Officer

A. When the electronic submission of proposals/bids/quotes is required, the **Contracting Officer** inserts Provision L-349 "Submission of Electronic Proposals" from the SPAWAR Claimancy Clausebook in the solicitation.

4. PROCEDURE

4.1 Downloading electronic proposals / bids / quotes from the SPAWAR E-CC

A. SPAWAR HQ/SSC Pacific

1. The SPAWAR E-CC will automatically notify (via e-mail) the Contract Specialist when a proposal/bid/quote and a modification or revision of a proposal/bid/quote has been submitted or posted by a vendor on the SPAWAR E-CC. Upon receipt of the e-mail notification, the Contract Specialist will use the URL link contained in the e-mail to access the proposal from the SPAWAR E-CC.
2. Using the URL link contained in the e-mail notification will launch the Contract Specialist's workstation's Browser and connect the Contract Specialist to the SPAWAR E-CC restricted e-proposal page access. The Contract Specialist will be prompted for an assigned SPAWAR E-CC user ID and password. After the Contract Specialist enters the user ID and password pair, the browser will open the SPAWAR E-CC e-proposal page for restricted viewing and downloading. The Contract Specialist will click on "View Proposal Documents" found near the bottom of the page.
3. The "View Proposal Documents" link will open the "Proposal Documents" page. The "Proposal Documents" page contains all the pertinent information including the vendor's profile (company and POC). It also contains the Date and Time stamp of the submission and receipt of the proposal/bid/quote or the modification or revision of a proposal/bid/quote.
4. The proposal documents submitted by the vendor can be downloaded by clicking on each document found next to "Attachments" near the bottom of the page. Proposal documents can be downloaded to a CD/DVDs or a secure network location (check with the Paperless Branch). The Contract Specialist will label all proposal storage media with a label pertaining to the solicitation. In addition, all proposal storage media will be marked ("Source Selection Information" - See FAR 3.104) and placed in a secure area (i.e. locked cabinets). Please contact your System Administrator if you need further assistance.

B. SSC Atlantic

1. Use the URL link contained in the e-mail notification will launch the Clerk's workstation's Browser and connect the Clerk to the SPAWAR E-CC restricted e-proposal page access. The Clerk will be prompted for an assigned E-CC user ID and password. After the Clerk enters the user ID and password pair, the browser will open the E-CC e-proposal page for restricted viewing and downloading. The Clerk will click on "View Proposal Documents" found near the bottom of the page.
2. The "View Proposal Documents" link will open the "Proposal Documents" page. The "Proposal Documents" page contains all the pertinent information including the vendor's profile (company and POC). It also contains the Date and Time stamp of the submission and receipt of the proposal/bid/quote or the modification or revision of a proposal/bid/quote.
3. The proposal documents submitted by the vendor can be downloaded by clicking on each document found next to "Attachments" near the bottom

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

of the page. Proposal documents can saved to a CD/DVD, depending on the size of the proposal documents. The Clerk will label all proposal storage media with a label pertaining to the solicitation.

4.2 Distribution of Proposals for Evaluation

A. SPAWAR HQ

1. Contracting Specialists will provide each technical evaluator with a copy of each technical proposal on a disk, and, if necessary, compressed using WinZip. Each disk will be marked "Source Selection Information – See FAR 3.104". Upon award of the contract and the conclusion of any litigation, the contracting specialist will ensure that the contents of any disks not needed by the technical evaluators for contract administration are deleted.
2. Contracting Specialists will also provide each person evaluating the cost proposal and the contract proposal a copy of the cost and contractual proposal on a disk, and, if necessary, compressed using WinZip. Each disk will be marked "Source Selection Information – See FAR 3.104". Upon award of the contract and the conclusion of any litigation, the contracting specialist will ensure that the contents of any disks not needed by the evaluators for contract administration are deleted.
3. Provisions L-316 "Submission of Proposals (Simplified)" and L-317 "Submission of Proposals (Complex)" require the offeror to submit their proposal in three volumes: Volume I "Technical", Volume II "Cost/Price" and Volume III "Contractual". Provision L-349 "Submission of Electronic Proposals" requires that each offeror mark each electronic file in their proposal with the proposal volume number. Consequently, the contracting specialists can readily copy only the technical proposal onto a disk for the evaluation of the technical proposal.

B. SSC Atlantic

1. Contracting Specialists will provide each technical evaluator with a copy of each technical proposal on a CD/DVD. Each CD/DVD will be marked "Source Selection Information – See FAR 3.104". Upon award of the contract and the conclusion of any litigation, the contracting specialist will ensure that the contents of any CD/DVD's not needed by the technical evaluators for contract administration are destroyed.
2. Contracting Specialists will also provide each person evaluating the cost proposal and the contract proposal a copy of the cost and contractual proposal on a CD/DVD. Each CD/DVD will be marked "Source Selection Information – See FAR 3.104". Upon award of the contract and the conclusion of any litigation, the contracting specialist will ensure that the CD/DVD's not needed by the evaluators for contract administration are destroyed.
3. Provisions L-316 "Submission of Proposals (Simplified)" and L-317 "Submission of Proposals (Complex)" require the offeror to submit their proposal in three volumes: Volume I "Technical", Volume II "Cost/Price" and Volume III "Contractual". Provision L-349 "Submission of Electronic Proposals" requires that each offeror mark each electronic file in their proposal with the proposal volume number. Consequently, the contracting specialists can readily copy only the technical proposal onto a disk for the evaluation of the technical proposal.

C. SSC Pacific

1. SPAWAR SSC Pacific contract specialists may copy each proposal onto a CD/DVD in accordance with the guidance applicable to SPAWAR HQ in

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

paragraph 4.2.A above or the contract specialists may print a copy of the volumes to be given to the members of the cost and technical evaluation teams. Disks must also be labeled with the name of the person authorized to receive and store them during evaluation.

4.3 Quotations submitted electronically to the SPAWAR E-CC site under a Federal Supply Schedule (FSS) request for quotations:

A. Contracting officers may require companies submitting quotations in response to a request for quotations for a delivery/task order directly under Federal Supply Schedules (see FAR Subpart 8.4) to submit them electronically via the SPAWAR E-CC. The SPAWAR E-CC may be used for these requests for quotations only when any and all Federal Supply Schedule contractors who's Schedules include the supplies/services solicited, will be permitted to submit a quotation. The request for quotations will be posted at the SPAWAR Contracts Directorate's Business Opportunities Page.

B. When the electronic submission of quotes is required, contracting officers shall insert paragraph (a) and (b) of Provision L-349 "Submission of Electronic Proposals" in their request for quotations for a delivery/task order directly under Federal Supply Schedules.

C. The contracting officer may insert a provision substantially the same as the attached "Late Submission and Modification of Quotations" provision, if the contracting officer wants a late quotations provision to apply (i.e., the use of the provision is at the discretion of the contracting officer). When a request for quotation does not contain a specific late quotations provision requiring receipt of quotations by a specified date in order to be considered, but instead merely calls out a due date, the contacting officer should normally consider any quotations received prior to the selection decision if no substantial activity has transpired in evaluating quotations. However, once a late quotations provision is inserted, then the contracting officer needs to adhere to it.

4.4 Disposition of Electronic Proposals upon Award of Contract

A. SPAWAR HQ

Upon award of the contract, the proposals/bids/quotations submitted by all offerors will be uploaded to WebXtender (WebX).

B. SSC Atlantic

Upon award of the contract, the proposals/bids/quotations submitted by all offerors will be transferred to a CD/DVD. The CD/DVD will be labeled with the contract number and then provided to SSC Atlantic Code 731RB for input into the "official contract file" maintained in Application Extender (AE).

C. SSC Pacific

Upon award of the contract, the proposals/bids/quotations submitted by all offerors will be transferred to a CD/DVD. The disk will be labeled with the contract number and then provided to SSC Pacific Code D232 for input into the "official contract file" maintained in Application Extender (AE).

5. APPROVALS

None

6. TOOLBOX

None

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
May 2016	Content formatted and reorganized. Links updated
March 2012	Last version created in old format.

EQUAL EMPLOYMENT OPPORTUNITY (EEO) COMPLIANCE

1. PURPOSE

The purpose of this document is to provide the policy and procedures for requesting and obtaining pre-award EEO compliance reviews.

2. POLICY

a. ***Executive Order (EO) 11246***, as amended, sets forth the Equal Opportunity clause (FAR 52.222-26) and requires all government agencies to:

(1) Include the clause in all nonexempt government prime contracts and subcontracts, and
(2) Act to ensure compliance with the clause and other regulations of the Secretary of Labor to promote the full realization of equal opportunity. No contract or modification involving new work shall be entered into, and no subcontract shall be approved by a contracting officer, with a person who has been found ineligible for reasons of noncompliance with EEO requirements.

b. ***Compliance Review:*** *To* determine whether the contractor or subcontractor is complying with the provisions of FAR 52.222-26, contracting officers shall request a pre-award compliance review for each non-construction contract (including letter contracts and indefinite delivery type contracts, first-tier subcontract, contract modifications which add new work, or basic ordering agreements valued at $10 million (base award plus options) or more, or when increasing the aggregate value of an existing contract to $10 million or more.

3. RESPONSIBILITIES

a. ***The Office of Federal Contract Compliance Program (OFCCP)***, Department of Labor (DoL) is responsible for administering the EEO Program.

b. ***PCO/contract specialist*** is responsible for requesting and obtaining preaward contract compliance clearances from OFCCP.

4. PROCEDURES

a. ***Requesting the Review:*** The PCO/contract specialist shall search the National Pre-Award Registry to determine whether the prospective contractor has been found to be in compliance with the equal opportunity regulations and so state in the Business Clearance or Price Negotiation Memorandum. If the specific contractor is listed on the registry, the PCO is not required to request pre-award clearance from the OFCCP. If the contractor is not listed, contact the cognizant Regional OFFCP office via facsimile or email (verbal and/or email requests are strongly encouraged.). Provide the name, address, and telephone number of the prospective contractor and any corporate affiliate where work is to be performed. Also, provide name, address, and telephone number of each proposed first-tier subcontractor with a proposed subcontract estimated at $10 million or more; anticipated award date; information as to whether the contractor and first-tier subcontractor have previously held any government contracts or subcontracts; place or places of contract performance and first-tier subcontracts estimated at $10 million or more, if known; and the estimated dollar amount of the contract and each first-tier subcontract, if known.

b. ***Timeliness:*** Requests must reach OFCCP no later than 15 days prior to proposed award date. If OFCCP does not inform the PCO within 15 days of the preaward review request, of its intention to conduct a preaward compliance evaluation, clearance shall be presumed, and the PCO is authorized to award the contract. If OFCCP does inform the PCO within 15 days of the preaward review request, of its intention to conduct a preaward compliance evaluation, OFCCP shall be allowed an additional 20 days after the date that it so informs the PCO. If OFCCP does not provide the PCO with its conclusions within that 20-day period, clearance shall be presumed, and the PCO is authorized to award the contract. Further, if any of the aforementioned time lines would delay a critical award beyond the time needed by the government to make award or beyond the time specified in the bid or proposal, or an extension thereof, the PCO shall immediately inform the OFCCP regional office of the required award date. Also, if OFCCP determines that the review cannot be completed by the imposed date, the PCO shall submit written justification for the award to the head of the contracting activity (HCA), who, after informing the OFCCP regional office, may then approve award without the preaward clearance.

c. ***Inquiries:*** Any inquiry by a contractor regarding the status of their preaward compliance review shall be referred to the cognizant regional OFCCP office. Any complaints received by the PCO alleging a violation of the requirements of EO 11246 shall be handled in accordance with FAR 22.808 and DFARS 222.806.

d. ***Exemptions:*** Specific cases may allow for exemptions to all or part of EO 11246. PCOs/contract specialists should become familiar with the exemptions and procedures for requesting an exemption at FAR 22.807 and DFARS 222.807(c).

e. ***Contractor Violations:*** Should any contractor performing on a federal government contract be found in violation of EO 11246, one or more of the actions at FAR 22.809 shall be imposed.

5. APPROVALS

The PCO is responsible for reviewing and concurring with Requests for EEO Clearance. SPAWAR 02/02A shall approve critical awards that do not receive preaward clearance.

6. MISCELLANEOUS

TOOL BOX

- Regional OFCCP Offices: FAR 22.609 provide the geographic jurisdictions of regional offices of OFCCP
- Request for Pre-Award EEO Compliance Review sample format
- ESA OFCCP National & Regional Program Personnel (address/telephone)
  Note: e-mail addresses not included

SAMPLE REQUEST LETTER

4200
Ser _____
(*date)*

From: Contracting Officer, Space and Naval Warfare Systems Center, San Diego
Code XXXX

To: OFCCP/ESA- Philadelphia, U.S. Department of Labor, Gateway Bldg Rm 1310, 3535 Market Street, Philadelphia PA 19104

Subj: REQUEST FOR EEO PRE-AWARD COMPLIANCE CLEARANCE FOR SOLICITATION N66001-96-R-*XXXX*

1. The Space and Naval Warfare Systems Center, San Diego is anticipating an award of Solicitation N66001-96-R-XXXX. In accordance with FAR 22.805(a)(4), a preaward EEO clearance is requested for the following offeror:

a. Contractor:	*(name & address)*
b. Point of contact:	(*Name and phone number)*
c. Anticipated date of award:	*(date)*
d. Previously held Government contracts.	(*contractor)* has certified its participation in a previous contract subject to EEO compliance
e. Place of performance:	Government facility, aboard ships in the US, at foreign ports / or contractor facility (*city/state)*
f. The total anticipated dollar amount:	(*dollar value and length of contract)*

2. A written reply, forwarded to attention (*contract negotiator),* is requested by *day/month/year*. Our FAX number is (*number).* Questions regarding this matter should be addressed to (*name),* Contract Negotiator at (*phone number).*

(*name)*
Contracting Officer

Copy for the official contract file

1. PURPOSE

The purpose of this document is to provide policy and guidance for requesting and obtaining technical or other special pricing assistance from Defense Contract Management Agency (DCMA) and audits from Defense Contract Audit Agency (DCAA) in support of SPAWAR Claimancy procurements.

2. POLICY

2.1 It is the policy of SPAWAR that the Procuring Contracting Officer (PCO) request information to support proposal analysis when the information available at the buying activity is inadequate to determine a fair and reasonable price.

2.2 Contracting officers should consider requesting field pricing assistance for fixed price proposals exceeding the cost and pricing data threshold; and cost type proposals exceeding the cost and pricing data threshold from offerors with significant deficiencies (i.e., estimating system, accounting system, disclosure statement, etc.) or exceeding $10,000,000 from offerors without significant estimating system deficiencies. Field pricing assistance should not be requested for proposed contracts or modifications for less than the aforementioned amounts, except in those cases where offerors are unknown; or where sensitive conditions exist (DFARS PGI 215.404-2).

2.3 PCOs can obtain email address and phone listing for DCAA Field Audit Offices here: http://www.dcaa.mil.

2.4 FAR 3.104-5 requires the identification and protection of all field pricing information and other reports which may include proprietary or source selection information.

3. RESPONSIBILITIES

3.1 PCO / Contract Specialist

The PCO/Contract Specialist is responsible for:
(1) Requesting contract audit service deemed essential for the procurement;
(2) Providing maximum allowable time for the processing of audits;
(3) Establishing access to contractor records required by auditors; and
(4) Furnishing the auditor with all relevant documents and any other information that otherwise may be useful in performing the audit.

3.2 Defense Contract Audit Agency (DCAA) / Defense Contract Management Agency (DCMA)

The PCO may request that the DCAA and DCMA perform cost/pricing and technical reviews of an offeror's or contractor's proposal; DCAA is typically responsible for performing audit services for SPAWAR contracts. DCMA is typically responsible for contract administration services for SPAWAR contracts, performing pre-award surveys, providing technical, production and other special reports associated with the cost elements of a proposal. *See this DASN (RDA) memo titled "Align DCMA and DCAA Processes to Ensure Work is Complimentary," dated 13 Jan 2011 and the DCMA "Forward Pricing Rates" instruction dated 21 Jul 2014 for further information on the DCMA and DCAA responsibilities.*

3.3 PMW / TECHNICAL CODE

The PCO may request that the technical requirement's office review the cost proposal to ensure that it is reflective of the technical approach after the technical analysis has been performed.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4. PROCEDURE

4.1 General

(1) The PCO should request field pricing assistance when i) there is inadequate competition; ii) the contract value exceeds the thresholds stated in paragraph 2; and iii) the information available at the buying activity is inadequate to determine a fair and reasonable price (FAR 15.404).

(2) The type and amount of price related information available, whether it is obtained from the buying activity, DCAA/DCMA, or through market research, would determine the extent of field pricing support required.

4.2 Determining what type of audit service is required

The PCO should look at the magnitude and complexity of the analysis needed for the procurement and the specialized resources available "in-house" before requesting such assistance. If there is still a question as to the type of audit service required, contact the on-site DCMA or DCAA Financial Advisor for assistance. Such requests should be tailored to reflect the minimum essential supplementary information needed to conduct a technical or cost/price analysis. Listed below are the services provided by *DCMA and* DCAA and a brief discussion as to when the PCO should require a particular service.

(1) Rate Information. When the Contract Specialist needs quick access to rate information or other specific cost data, *DCMA* can provide a response based on the information that is readily available. Normally, for competitive requirements that are labor intensive, rate verification is more suitable. Rate information can be requested for the prime contractor and any subcontractors if the information is available. *DCMA* usually has rate information available for most large companies that do business with the Government on a regular basis. When rate information is requested a confirming memorandum, not a report, is issued.

(2) Agreed Upon Procedures. This is similar to the audit of part of a proposal, which is discussed below, in that the Contract Specialist can evaluate substantial aspects of the cost proposal. The difference is that the Contract Specialist asks *DCMA* for such limited information (i.e. verification of proposed categories, current labor and/or overhead rates or the application of certain attest procedures to high dollar material items) that the report will not express an opinion on the acceptability of the proposal for negotiations.

(3) Partial Audit of the Proposal. A partial audit is requested on selected cost data when prior contract data, comparative information, forward pricing rate agreements, or other analytical techniques are insufficient to complete the evaluation of costs. The report will issue an opinion only on the cost element audited.

(4) Audit of Entire Proposal. Field pricing is generally directed at cost reimbursement proposals that are not labor intensive, and complex firm fixed price (FFP) production type proposals, including subcontracts. An audit of the entire proposal entails a review of all cost elements and may be required when:

i) Information available at the buying activity is inadequate to determine a fair and reasonable price.

ii) The rate structure of a company is affected; for example, due to a reorganization, acquisition or merger.

The report will issue an opinion on the acceptability for negotiations of the proposal as a whole.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4.3 Procedures for Requesting Field Pricing Support

(1) Requesting Rate Information.

i) Contacting *DCMA*. Contact the appropriate DCMA office and submit a DCMA rate request. *DCMA* will typically verify the rates and respond within two to three days with a written confirmation.

ii) Information to give *DCMA*. Information such as, but not limited to, the proposed rates, RFP/proposal number, contract type, expected contract value, and performance period may be requested.

Lessons Learned

Ensure that *DCMA* receives the labor category cross-reference matrix identifying the Government labor categories (inclusive of the wage determination labor categories, if applicable) and the contractor's proposed labor categories.

Note: This information must be consistent with Alternate IV of FAR 52.215-20, Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data (Cost Realism for Services) or (Cost Realism for Supplies), as applicable.

(2) Requesting a Formal Audit Report *from DCAA*.

i) Prime Contracts. Identify any special concerns and discuss with the On-Site DCAA Financial Advisor prior to issuing the request for audit. Ensure these concerns are addressed in the formal written audit.

ii) Subcontracts. The PCO may request an assist audit when information to support subcontractor cost proposal analysis at the buying activity is inadequate to determine a fair and reasonable price. Subcontractor audit requests should be submitted directly to the DCAA subcontract auditor. In accordance with FAR 15.404-3 the PCO is responsible for the determination of price reasonableness for subcontracting costs. The PCO should consider whether a contractor has performed cost or price analysis of proposed subcontractor prices, or has negotiated the subcontract prices before negotiation of the prime contract, in determining the reasonableness of the prime contract price. This does not relieve the PCO from the responsibility to analyze the contractor's submission, including subcontractor's cost or pricing data, if any.

iii) Preparing the Request. The PCO should ensure requests for field pricing assistance specifically identify the services and date by which the services are needed. Each request for field pricing assistance should include the (sub) contractor's proposal or name of the person providing it. See the DCAA, Request an Audit, webpage for further information.

iv) Sending the Request. Send a written request for pricing assistance to the cognizant ACO and/or DCAA auditor(s), as appropriate. For urgent requests, call the DCAA and/or DCMC office that will perform the audit or technical analysis.

5. APPROVALS

Not Required.

6. TOOLBOX

1. Sample Request for Pricing Assistance from DCMA
2. Checklist for Requesting Field Pricing Assistance from DCAA

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3. Checklist for Requesting Field Pricing Assistance from DCMA
4. DCMA Website
5. DCAA Audit Offices
6. DCAA Training: Fundamental Building Blocks for an Acceptable Accounting System (Aug 2011)

DCAA Audit Request Forms:

1. Sample Request for DCAA Audit Letter
2. DCAA Request and Audit Website

SSC Atlantic- Specific:

1. The On-Site DCAA Financial Advisor is available to assist in preparing requests for rate information and requests for formal audits. Contract Specialists should provide a copy of any DCAA assist request to SSC Atlantic Policy Code 23000.
2. The On-Site DCAA Financial Advisor has a database of audited Forward Pricing Rates or the Forward Pricing Rate Agreements for some contractors.

SSC Pacific- Specific:

1. The On-Site DCAA Financial Advisor is available to assist in preparing requests for rate information and requests for formal audits. Contract specialists should provide a copy of any request to the On-Site DCAA Financial Advisor.
2. The On-Site DCAA Financial Advisor has a database of audited Forward Pricing Rates or the Forward Pricing Rate Agreements for some contractors.
3. All SSC-Pacific contracting personnel are to archive DCAA/DCMA pricing reports on the N:Share server. Ref: SSC-Pacific - Policy Alert 09-0004 Archiving of DCMA Reports

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
May 2016	Updated format, reorganized content, and updated links.
October 2011	Last version created in old format; no change notes available.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide the SPAWAR claimancy policy and guidance regarding final proposal revisions (*formerly best and final offers*).

Final proposal revisions are accepted from offerors within the competitive range once discussions are completed with all offerors.

Related guidance is available under CMPG Process Guide 3.1.4 Receive Amended Proposals

2. POLICY

2.1 FAR 15.307

A. Offerors within the competitive range may be given several opportunities to submit proposal revisions. However, when discussions are finally completed with all offerors, all offerors still within the competitive range shall be given an opportunity to submit a final proposal revision.

B. Second and subsequent requests for final proposal revisions shall be used only when necessary and unavoidable.

3. RESPONSIBILITIES

3.1 Contracting Officer (PCO)

A. The PCO is responsible for reviewing solicitations prior to issuance and once again before request for final proposal revisions.

B. This review is to ensure:

1. Regulatory compliance;
2. The inclusion of mandatory clauses and provisions; and
3. That the terms and conditions are clear, concise, and not subject to interpretation.

C. In addition, the PCO and other Government personnel involved in discussions with offerors, shall not engage in any of the prohibited conduct at FAR 15.306 (e) such as:

1. Knowingly furnishing source selection information;
2. Revealing an offeror's price without that offeror's permission;
3. Revealing an offeror's technical solution;
4. Revealing the source(s) of past performance information.

4. PROCEDURE

4.1 Why hold discussions?

A. In some cases more detailed information may be necessary in order to further evaluate proposals such as:

1. Clarification of quantities;
2. Time periods are priced;
3. Changes to proposed warranties;
4. Discount pricing;

B. It may also be necessary to hold discussions based on a change in Government requirements or evaluation criteria.

4.2 During Discussions

A. Prior to the conclusion of discussions:

1. All issues will have been addressed and responded to by the offerors;
2. Changes to the solicitation resulting from the discussions will have been provided or discussed with all offerors in the competitive range;

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3. A common cut-off date and time for receipt of final proposals will have been established.

B. The goal is to ensure that all relevant issues, and terms and conditions have been discussed and resolved.

4.3 After Discussions

A. When discussions have been completed with all offerors still in the competitive range, the PCO will issue a written request for final proposal revisions.

B. Requests for final proposal revisions shall advise offerors that the final proposal revision shall be in writing and that the government intends to make award without obtaining further revisions.

C. A letter can be used for soliciting the final proposal revision; however, it is recognized that some PCO's may wish to use a conformed contract.

4.4 Further Clarifications/Revisions

A. After receipt of final proposal revisions, minor informalities may be clarified without an additional request for final offers from all offerors. However, if further negotiations are needed, a second final offer opportunity may be extended to all offerors.

B. In requesting approval to request additional final proposal revisions, the contract specialist shall provide a detailed explanation of why an additional round of proposal revisions is necessary in the Business Clearance.

C. It is at the discretion of the PCO whether or not to allow proposal revisions by oral presentations, even if the original was given in this manner.

4.5 Evaluation of Final Proposal Revisions

A. The same basic rules apply to evaluation of final proposal revisions as were applied to the original evaluation.

B. The written evaluation of final proposal revisions is separate and apart from the basic evaluation and must cover the differences, if any, between the final proposal revision and the original proposal.

5. APPROVALS

5.1 Approving Official (AO)

The approving official on the business clearance memorandum is also the person who has the authority to approve entry into discussions.

5.2 Source Selection Authority (SSA)

In the case of competitive negotiated acquisitions under formal source selection, the contracting officer must obtain approval from the SSA.

Note: Sample Clearance Recommendation Verbiage: Based upon the information contained herein, it is requested that authority be granted to include both ABC and XYZ firms in the competitive range and enter into discussions with each offeror.

6. TOOLBOX

6.1 SPAWAR

A. Sample Letter to Contractors Opening Discussions
B. Sample Amendment
C. Sample Letter to Contractors on Final Proposal
D. Sample Face-to-Face Discussions/Oral Presentation Memo
E. Sample Oral Presentation Confirmation Letter

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
May 2016	Content formatted and reorganized. Links updated
February 2012	Last version created in old format

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide the SPAWAR claimancy policy and procedures for Government Furnished Property (GFP). In accordance with Department of Defense (DoD) and Department of the Navy (DoN) regulations, this document will provide guidance for SPAWAR to maintain auditable business processes for GFP throughout the relevant contracting and program management lifecycle events.

Related guidance is available under CMPG section Special Topics > Clauses > GFP.

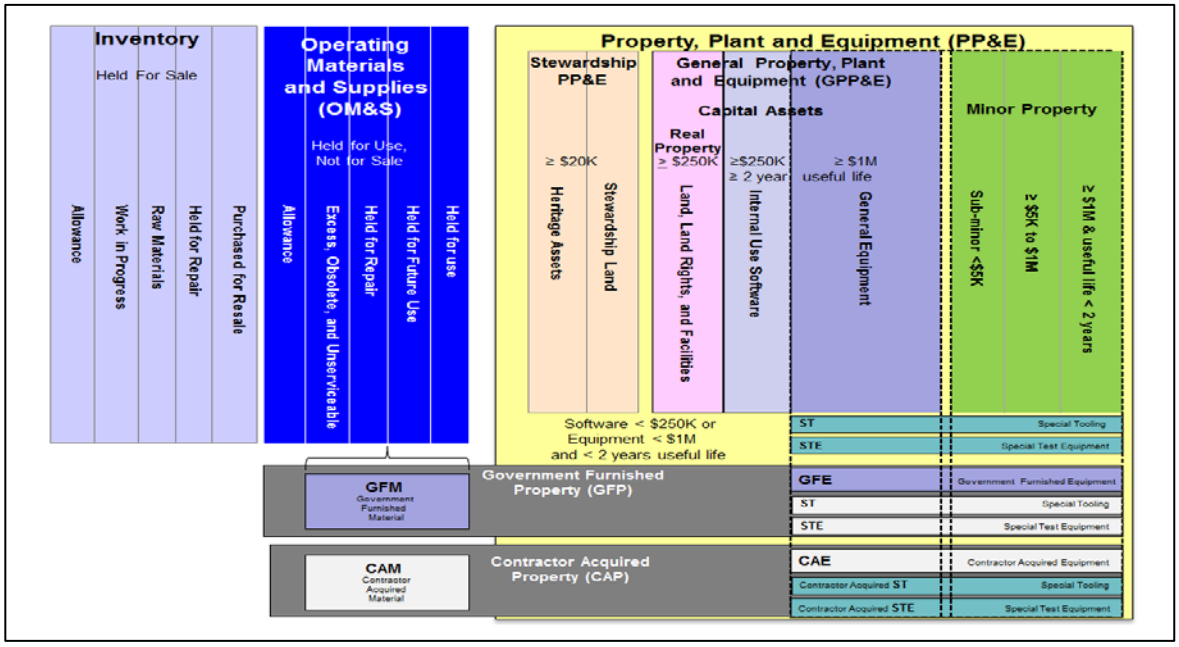
2. POLICY

2.1 FAR Definitions

The Federal Acquisition Regulation (FAR), paragraph 45.102 states that contractors are ordinarily required to furnish all property necessary to perform Government contracts. Contracting Officers shall provide property to contractors only when the conditions delineated in the Approvals section below are satisfied.

The Federal Acquisition Regulation (FAR) clause 52.245-1 defines GFP as "property in the possession of, or directly acquired by, the government and subsequently furnished to the contractor for performance of a contract. GFP includes, but is not limited to, spares and property furnished for repair, maintenance, overhaul, or modification. Government-furnished property also includes contractor-acquired property if the contractor-acquired property is a deliverable under a cost contract when accepted by the Government for continued use under the contract." GFP consists of two parts: Government Furnished Equipment (GFE) and Government Furnished Material (GFM). GFE is a subset of the larger General Equipment (GE) asset category. GFM is a subset of the larger Operating Materials & Supplies (OM&S) asset category. Figure 1 below provides a graphic for the categories discussed.

Figure 1: Asset Categorization for Government Property



2.2 Clause Compliance

In addition to meeting PGI 245.103-70's conditions described in Approvals section, certain contract types are required to include the appropriate Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) clauses. The following

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

sections will summarize the contract types that require GFP clauses and the list of required and situational GFP clauses.

2.2.1. GFP Contract Types

FAR Part 45.107 defines the contract types that require FAR clause 52.245-1 Government Property to be included in contracts. In accordance with FAR 45.107, include FAR clause 52.245-1 in:

1. "All cost reimbursement and time-and-material type solicitation and contracts, and labor-hour solicitations when property is expected to be furnished for the labor-hour contracts
2. Fixed-price solicitations and contracts when the Government will provide GFP.
3. Contract Actions or modifications awarded under FAR Part 12 procedures where Government property that exceeds the simplified acquisition threshold, as defined in FAR 2.101, is furnished, or where the contractor is directed to acquire property for use under the contract that is titled in the Government."

If a contract belongs to one of the contract types listed in FAR Part 45.107 above, then reference the following lists of the required and situational GFP clauses to be included in the contract.

2.2.2. GFP Clauses

Per FAR 45.107, DFARS 245.107, and DFARS 211.274-6, when FAR 52.245-1, Government Property, is included in a contract, the KO will ensure the following list of required clauses is included:

1. FAR 52.245-9: Use and Charges
2. DFARS 252.245-7001: Tagging, Labeling and Marking of Government Furnished Property
3. DFARS 252.245-7002: Reporting Loss of Government Property
4. DFARS 252.245-7003: Contractor Property Management System Administration
5. DFARS 252.245-7004: Reporting, Reutilization and Disposal
6. DFARS 252.211-7007: Reporting of Government Furnished Property

The following situational clauses are included in the contract based upon applicability:

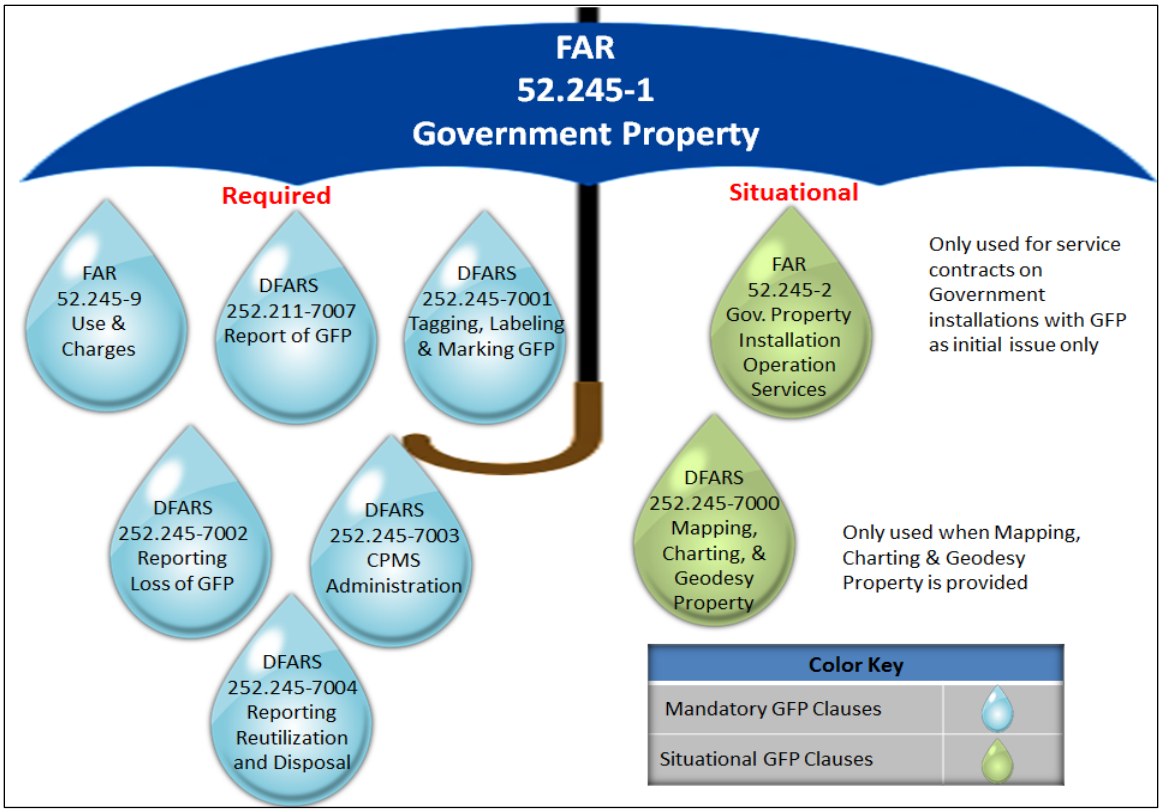
7. FAR 52.245-2: Government Property Installation Operation Services
8. DFARS 252.245-7000: Mapping, Charting, & Geodesy Property

Business Rule: In instances where GFP is added under contract modifications, task orders, or delivery orders, the required clauses (and situational clauses if applicable) stated above will be added to the base contract as required.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Figure 2 below provides a summary of the required and situational GFP clauses.

Figure 2: GFP FAR & DFARS Clauses



2.3 DON GFP Compliance Checklist

To ensure compliance with GFP requirements, the Assistant Secretary of the Navy (Research Development & Acquisition (ASN (RD&A)), Assistant Secretary of the Navy Financial Management & Comptroller (ASN (FM&C)) issued Joint Memorandum 4340, "Government Furnished Property Compliance with Regulatory Policy Requirements", dated 04 May 2015. Subsequently, the Navy Marine Corps Acquisition Regulation Supplement (NMCARS) Change 13-07 incorporated the requirements of the Joint Memorandum. NMCARS 5245.103-73 requires the contracting officer to complete Annex 9, Government-Furnished Property Compliance Checklist, as an attachment to the Business Clearance Memorandum whenever the use of FAR clause 52.245-1 is required. Additionally, SPAWAR HQ 2.0, on behalf of the SPAWAR Head of Contracting Activity (HCA), is required to submit a Quarterly summary of all Claimancy actions where the GFP Compliance Checklist was completed to Deputy Assistant Secretary of the Navy - Acquisition and Procurement (DASN AP) using Annex 4. Figure 3 below shows screenshots of both documents.

Figure 3: DON GFP Compliance Documentation

Truncated GFP Compliance Checklist

Government-Furnished Property Compliance Checklist

Instructions

This checklist is designed to enable pre-award review of compliance with existing GFP requirements as found in FAR, DFARS and DoD Policy. Lines 1-17 shall be validated prior to award and a copy of the checklist with lines 1-19 completed shall be included with the Business Clearance Memorandum retained in the contract file.

Lines 1 - 7: Enter information as appropriate

Lines 8-17: Contracting Officer select from the pull-down list after validating that the clause/list is included in the contract.

Lines 18-19 Sign and enter information as appropriate.

1	Solicitation/Contract Number	
2	Modification/Delivery Order/Task Order # (if applicable)	
3	Program Name	
4	Contracting Officer (PCO) Name	
5	Program Manager (PM) Name	
6	Period of Performance Start date	
7	Period of Performance End date	
8	FAR clause 52.245-1 Government Property with Alternate I only	
9	FAR clause 52.245-9 Use and Charges	
10	DFAR S clause 252.245-7001 Tagging, Labeling and Marking of GFP	
11	DFAR S clause 252.245-7002 Reporting Loss of Government Property	
12	DFAR S clause 252.245-7003 Contractor Property Management System Administration	
13	DFAR S clause 252.245-7004 Reporting, Reutilization and Disposal	
14	DFAR S clause 252.211-7007 Reporting of GFP	
15	FAR clause 52-245-2 Government Property Installation Operation Services(if applicable)	
16	DFAR S clause 252.245-7000 Government-Furnished Mapping, Charting and Geodesy Property (if applicable)	
17	Validate all known GFP is listed on O&D mandated attachments per PGI 245.103-72 Use forms Schedule Government Furnished Property Form (SGFP) and Requisitioned Government Furnished Property Form (RGFP) as appropriate. Both forms are available at http://dodprocurementtoolbox.org/site/detail/id28	
18	Contracting Officer signature/date	
19	UIC	

GFP Compliance Report

GOVERNMENT FURNISHED PROPERTY COMPLIANCE REPORT

Solicitation/ Contract Number	Mod#/DO/ TO (if applicable)	Program Name	Contracting Officer (PCO) Name	POP Start Date	POP End Date	FAR clause 52.245-1	FAR clause 52.245-9	DFARS clause 252.245-7001	DFARS clause 252.245-7002	DFARS clause 252.245-7003	DFARS clause 252.245-7004	DFARS clause 252.211-7007	FAR clause 52-245-2	DFARS clause 252.245-7000

2.4 GFP Attachments: RGFP & SGFP Forms

The PGI 245.103-72 requires the Government to document the agreed-upon property that will be furnished by the Government to the contractor by completing GFP Attachment Forms. The GFP Attachment takes one of two forms. The first is the Scheduled Government Furnished Property (SGFP) Form, which is used when the Government has scheduled to furnish the contractor with property. The second is the Requisitioned Government Furnished Property (RGFP) Form, which is used when the contractor has been given the authority to requisition property from the DoD Supply System. The Requiring Activity (e.g., Program Office, Tech Code) will provide the Attachments to the Contracting Officer for uploading into the Electronic Document Access (EDA) system, as detailed in section 4.1.1 below. More guidance on completing and retaining GFP Attachment Forms can be found in the GFP Validation Guide and DoD Procurement Toolbox, which can be found in the Toolbox section at the end of this document.

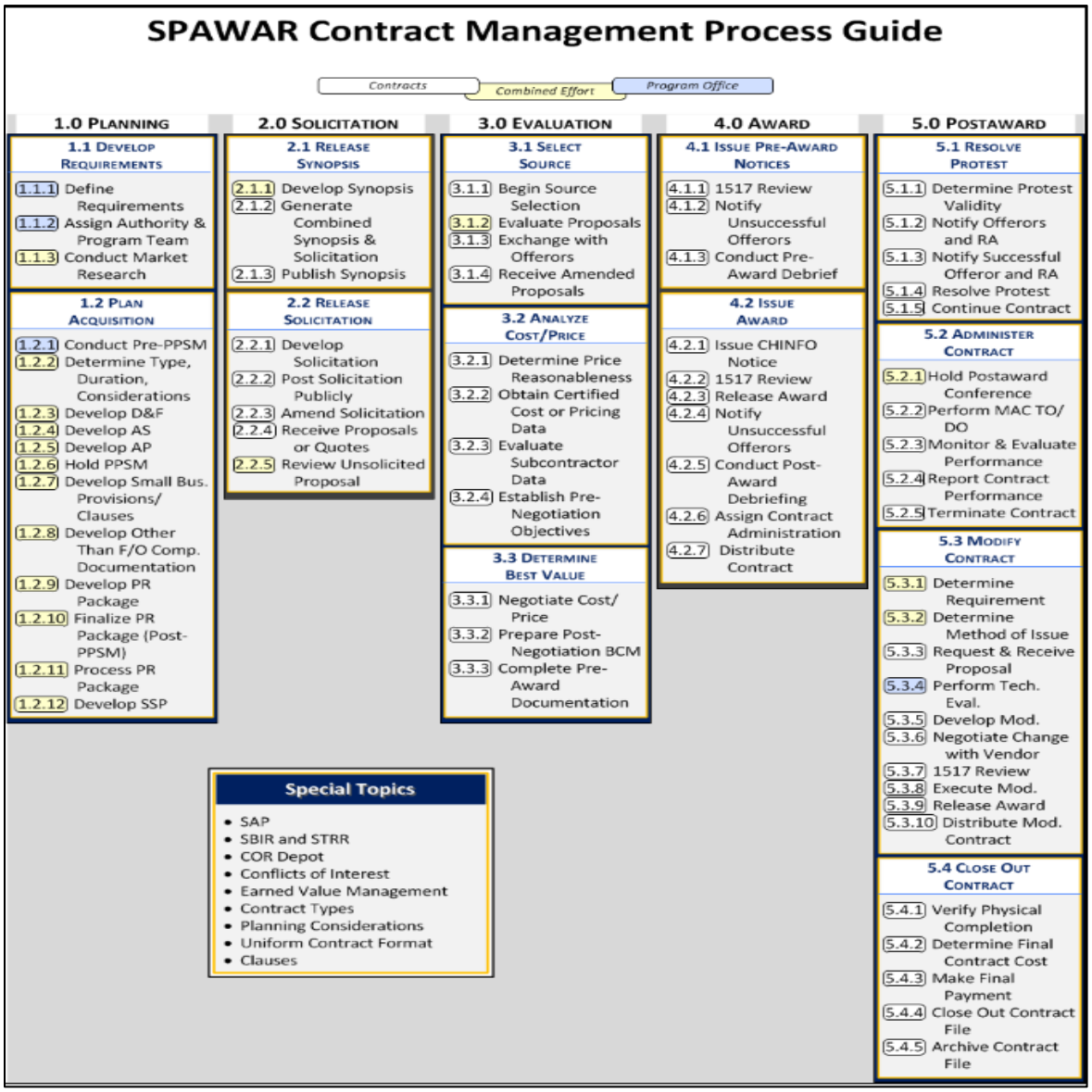
2.5 GFP Transfers

Per FAR 45.106, Government property will be transferred from one contract to another only when firm requirements exist under the gaining contract. Such transfers will be documented by modifications to both gaining and losing contracts. Once transferred, all Government property will be considered GFP to the gaining contract. The DFARS PGI 245.103-71 contains procedures for transferring Government property accountability. The KO will obtain approval of the Requiring Activity before transferring property between contracts (NMCARS 5245.103-71).

2.6 Contract Management Process Guide (CMPG) Sections with GFP Guidance

GFP related events occur throughout the contract lifecycle. Figure 4 below shows each CMPG section where GFP business rules are present. Responsibility section below will summarize the roles & responsibilities for each CMPG section.

Figure 4: CMPG Sections with GFP



3. RESPONSIBILITIES

3.1 Roles & Responsibilities

Ensuring compliance with GFP policies and procedures requires partnership between Contracts and Requiring Activity personnel. Each organization is assigned some level of ownership in each CMPG section, summarized in Figure 5 below. Role descriptions for each GFP stakeholder are listed below.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Figure 5: GFP Roles & Responsibilities

GFP Roles & Responsibilities				
Contract Phase	**CMPG Section**	**Contracts**	**Requiring Activity Representative**	**APO/OPA**
1.0 Planning	**1.1.3 Conduct Market Research**	**A**	**R**	**I**
	1.2.1 Conduct Pre-PPSM	**C**	**A,R**	**C**
	1.2.4 Develop Acquisition Strategy (AS)	**C**	**A,R**	**C**
	1.2.5 Develop Acquisition Plan (AP)	**C**	**A,R**	**C**
	1.2.6 Hold PPSM	**C**	**A,R**	**C**
2.0 Solicitation	**2.2.1 Develop Solicitation**	**A,R**	**C**	**I**
	2.2.3 Amend Solicitation	**A,R**	**C**	**I**
3.0 Evaluation	**3.1.1 Begin Source Selection**	**A,R**	**C**	**I**
4.0 Award	**4.2.3 Issue Award**	**A,R**	**R**	**R**
5.0 Post Award	**5.2.1 Hold Post-Award Conference**	**A,R**	**R**	**R**
	5.3.1.1 Modify Contract	**A,R**	**R**	**R**
	5.4.1 Closeout Contract – Verify Physical Completion	**A**	**R**	**R**

RACI Legend	
R – Responsible	Those who do the work to achieve the task. There is at least one role with a participation type that is responsible, although others can be delegated to assist in the work.
A – Accountable	Those ultimately answerable for correct and thorough completion for the deliverable or task, and those who delegate the work to those responsible. There must only be one accountable stakeholder specified for each task or deliverable.
C – Consulted	Those whose opinions are sought, typically Subject Matter Expects (SMEs); and with whom there is two-way communication.
I – Informed	Those who are kept up-to-date on progress, often only on completion of the task or deliverable; and with whom there is just one-way communication.

The role descriptions for all relevant GFP stakeholders are listed in sections 3.1 through 3.1.5.

3.1.1. Contracting Officer (KO)

A. **Role Description:** Per the FAR:

1. '"Contracting officer" means a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the contracting officer acting within the limits of their authority as delegated by the contracting officer.'

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

2. GFP-related roles include the following:
    i. Including GFP clauses in contracts where required
    ii. Completing GFP Compliance Checklists and placing in the official contract file
    iii. Ensuring GFP Attachments accompany Procurement Requests (PR), Solicitations, Contracts, and Contract Modifications where required
    iv. Assigning GFP management responsibilities to designated Contracting Officer's Representatives (COR)

3.1.2. Contracting Officer's Representative (COR)

A. **Role Description:** Per the FAR:
    1. '"Contracting officer's representative (COR)" means an individual, including a contracting officer's technical representative (COTR), designated and authorized in writing by the contracting officer to perform specific technical or administrative functions, including GFP management.'

3.1.3. Requiring Activity Representative

A. **Role Description:** The Requiring Activity Representative partners with the KO to perform the GFP Business Rules. This includes program office, competency and technical code personnel.

3.1.4. Accountable Property Officer (APO)

A. **Role Description:** Per guidance from the SPAWAR Property Manual:
    1. The APO is designated in writing for all business units. Physical accountability for property resides at the APO level. Commands may designate multiple APOs, as required, based on property classes (GFP, OM&S, and PP&E). The APO is required to designate custodial areas (e.g. at a PEO level, Tech Code level, PMW level, Project level), as well as ensure appointment of Organizational Property Administrators (OPAs). An APO may also perform the duties of an OPA and Custodian.
    2. Further guidance regarding the exact responsibilities of an APO can be found in the SPAWAR Property Manual, which is linked in the Toolbox section at the end of this document.

3.1.5. Organizational Property Administrator (OPA)

A. **Role Description:** Per guidance from the SPAWAR Property Manual:
    1. The OPA, in conjunction with the Plant Property Group, is responsible for the proper recording and maintenance of asset records under their cost centers and ensures that Property Custodians within their jurisdiction receive proper training to effectively perform personal property management duties and responsibilities.
    2. Further guidance regarding the exact responsibilities for an APO can be found in the SPAWAR Property Manual, which is linked in the Toolbox section at the end of this document.

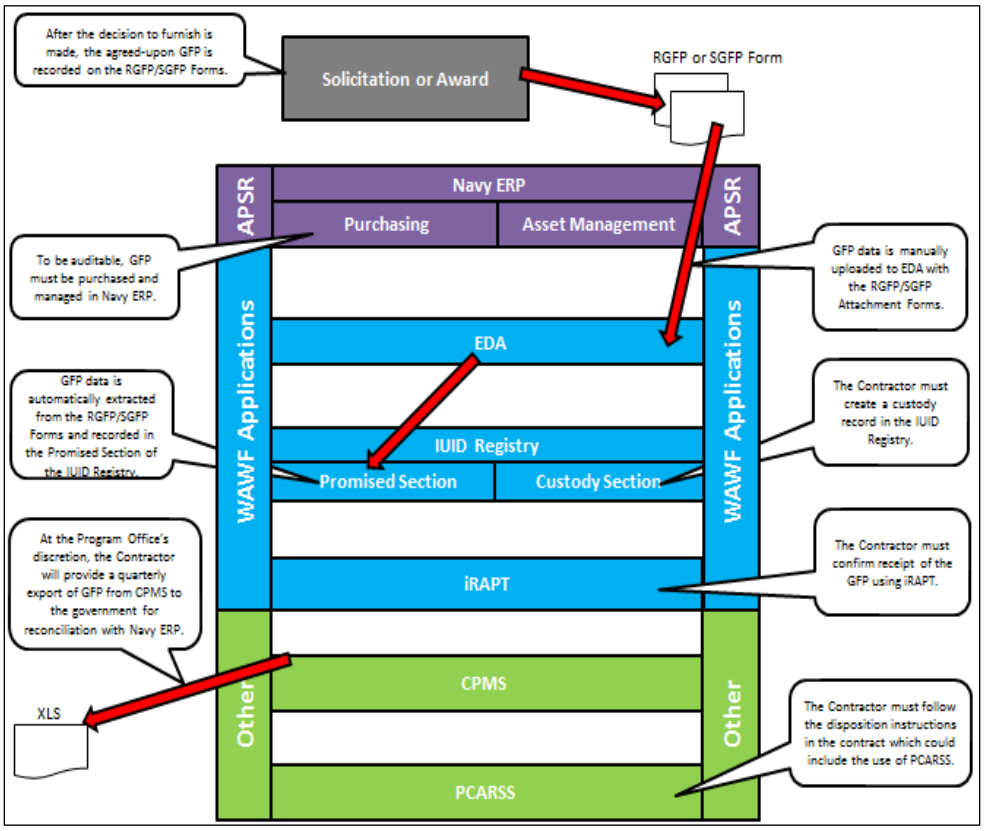
4. PROCEDURE

4.1 GFP Relevant Systems

There are various systems that are used to manage GFP throughout its lifecycle. The following sections provide a summary of the systems that are relevant to GFP, as well as references to tools that will assist in using each system. The Responsibilities section provides further detail on the roles & responsibilities. System access guides can be found in the Toolbox section at the end of this document. Figure 6 below provides a high level overview of systems relevant to GFP. It is the responsibility of Contracts, the Program

Executive Offices (PEOs), and the Program Managers (PMs) to coordinate which government and contractor employees gain access to the GFP-related systems listed below

Figure 6: GFP System Overview



Sections 4.1 through 4.1.5 below summarize the GFP-related systems shown in Figure 6 above.

4.1.1. Electronic Document Access (EDA)

EDA is an application within the Wide Area Workflow (WAWF) e-Business Suite. EDA is used as the repository where contract documentation is stored. This includes the following documents:

1. Contracts
2. Modifications, task orders, and delivery orders
3. RGFP/SGFP Attachment form(s)
4. Potential Financial Improvement and Audit Readiness (FIAR) Key Supporting Documents (KSDs), e.g. Determination to Provide GFP

4.1.2. Item Unique Identification (IUID) Registry

The IUID Registry is an application within the Wide Area Workflow (WAWF) e-Business Suite. The IUID Registry stores GFP asset data into two sections: the Promised GFP Section and the Custody Record Section.

1. IUID Registry: Promised GFP Section
   i. GFP asset data is transferred to the Promised GFP Section of the IUID Registry by uploading the GFP Attachment Forms to EDA. These are not GFP custody records. Promised GFP asset data do not transfer over to the Custody Section of the IUID Registry.
2. IUID Registry: Custody Record Section

i. The contractor establishes and reports to the IUID Registry the information required by FAR clause 52.245-1 in accordance with prescribed data submission procedures. The contractor is required to update the IUID Registry for changes in status, mark, custody, condition code (for reparables only), or disposition of items in accordance with DFARS 252.211-7007. When the Contractor performs receipt of a property transfer through the iRAPT application – which is listed below in section 4.1.3 – the custody record is updated.

NOTE: The IUID Registry is not a designated Accountable Property System of Record (APSR). See section 4.1.4 for more information regarding SPAWAR's APSR.

4.1.3. Invoicing, Receipt, Acceptance, and Property Transfer (iRAPT)

iRAPT is an application within the Wide Area Workflow (WAWF) e-Business Suite. iRAPT is used as the interface where government agencies and contractors transfer property between each other, in one of the following scenarios:

1. DoD to Contractor
2. Contractor to DoD
3. DoD to DoD
4. Contractor to Contractor

4.1.4. Accountable Property System of Record (APSR)

The "Approval Requirements for Accountable Property Systems of Record" memorandum dated 14 APR 2014 instructs DON Commands to designate an approved APSR for Plant, Property, & Equipment (PP&E). SPAWAR has designated Navy Enterprise Resource Planning (ERP) system as the APSR. All GFP must be managed in Navy ERP. It is the Accountable Property Officer's (APO's) responsibility to manage GFP assets in Navy ERP.

4.1.5. Contractor Property Management System (CPMS)

Per FAR 52.245-1, contractors must use an approved CPMS to manage their GFP. The asset records from the CPMS will be reconciled to the ASPR on a quarterly basis to comply with FIAR asset management requirements.

Figure 5 in the Responsibilities section above provides further guidance on the roles & responsibilities for each organization, which will help make the determination of who will need to gain access to each of the GFP-related systems. System access guides can be found in the Toolbox section at the end of this document.

5. APPROVALS

5.1 Decision to Provide GFP

Per the Procedures, Guidance, and Information (PGI) 245.103-70, the following conditions must be met to provide GFP to a contractor:

a) The requiring activity (project or program manager, or purchase request generator), as part of its responsibility for acquisition planning (FAR part 7, Acquisition Planning), is the decision point as to whether or not to furnish property to contractors. The basis for any decision to provide Government property shall be documented by the requiring activity and provided to the contracting officer. Such documentation is not required when contractors are furnished property for repair, modification, or overhaul under a contract.

b) Prior to providing GFP to the contractor, the Contracting Officer (KO) will ensure that each of the following four requirements listed in FAR 45.102 are met and documented in the contracting file:

   i. Element 1: In the Government's Best Interest: Discussion should be specific, factual, and where necessary, address actual or projected dollars and

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

percentages. Merely selecting one or two objectives supported by a general, perfunctory discussion does not address this element satisfactorily.

ii. Element 2: Overall Benefit: Demonstrate that the overall benefit to the acquisition significantly outweighs the increased cost of administration, including property disposal.

iii. Element 3: Government Assumption of Risk: Demonstrate that providing the property does not substantially increase the Government's risk.

iv. Element 4: Government Requirements Cannot Otherwise Be Met: Document why the furnishing of Government property is critical and significant to meeting acquisition plan objectives.

c) The written determination that the four elements listed above have been satisfied must be part of the official contract file. SPAWAR HQ utilizes a Memorandum to the File (MTF) template for this purpose, which can be found in the Toolbox section at the end of this document.

6. TOOLBOX

6.1 DoD References

6.1.1. Contract Regulations

1. Required FAR Clauses
   i. FAR 52.245-1: Government Property (w/Alternative I or II)
   ii. FAR 52.245-9: Use & Charges
2. Required DFARS Clauses
   i. DFARS 252.245-7001: Tagging, Labeling & Marking of GFP
   ii. DFARS 252.245-7002: Reporting Loss of GFP
   iii. DFARS 252.245-7003: Contractor Property Management System
   iv. DFARS 252.245-7004: Reporting Reutilization & Disposal
   v. DFARS 252.211-7007: Reporting of GFP
3. Situational Required Clauses
   i. FAR 52.245-2: Government Property Installation Operation Services
   ii. DFARS 252.245-7000: Mapping, Charting & Geodesy Property

6.1.2. Defense Acquisition University (DAU)

1. CLM037: Physical Inventories
2. CLM039: Foundations of Government Property
3. CLM040: Proper Financial Accounting Treatments for Military Equipment
4. CLM047: Fiscal and Physical Accountability and Management of DoD Equipment
5. CLM048: Audit Readiness Requirements for DoD Equipment
6. CLC051: Managing Government Furnished Property in the Possession of Contractors
7. CLE040: Marking for Item Unique Identification (IUID)
8. CLM200: Item Unique Identification (IUID)
9. SPAWAR DAU Instruction Guide (HQ Property Wiki)

6.1.3. DoD Tools

1. DoD Procurement Toolbox

6.2 DON Memorandums

1. "Government Furnished Property Compliance with Regulatory Policy Requirements" Memorandum 4340
2. "Designation of Navy Enterprise Resource Planning as An Official Accountable Property System of Record"

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

6.3 SPAWAR References

6.3.1. CMPG GFP References

1. 1.1.3 Conduct Market Research
2. 1.2.1 Conduct Pre-PPSM
3. 1.2.4 Develop Acquisition Strategy (AS)
4. 1.2.5 Develop Acquisition Plan (AP)
5. 1.2.6 Hold Procurement Planning and Strategy Meeting (PPSM)
6. 2.2.1 Develop Solicitation
7. 2.2.3 Amend Solicitation Document
8. 3.1.1 Begin Source Selection
9. 4.2.3 Issue Award
10. 5.2.1 Hold Postaward Conference
11. 5.3.1.1 Modifications
12. 5.4.1 Verify Physical Completion

6.3.2. SPAWAR GFP Documents

1. (Under Development)

6.3.3. SPAWAR GFP References

1. SPAWAR EDA Access Desktop Guide
2. SPAWAR IUID Access Desktop Guide
3. SPAWAR GFP Clause Validation Desktop Guide
4. SPAWAR GFE ERP Business Rules Guide (Under Development)
5. SPAWAR iRAPT Access Desktop Guide (Under Development)
6. SPAWAR iRAPT Transfer Validation Desktop Guide (Under Development)

6.3.4. SPAWAR Property References

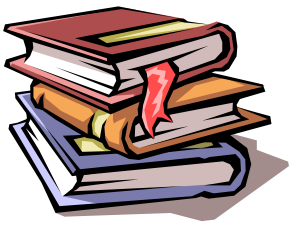
1. SPAWAR Property Manual
2. SPAWAR GE Asset Creation Template (ACT)

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
April 2016	Information updated by SPAWAR Property Support team.
August 2014	Content converted to new SCPPM format. Removed outdated NMCARS 5245.106 reference and replaced with NMCAR 5245.103-71; updated Toolbox references.
April 2014	Added approval reminder before transferring property between contracts.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.



NAVY INTERN CAREER DEVELOPMENT PLAN for CONTRACTING, SERIES 1102, at SPAWAR HQ

1. PURPOSE

The purpose of this document is to provide SPAWAR HQ policies and procedures in conducting its intern career development plan for the contracting series (1102). It is in concert with Navy-wide policies and procedures.

2. POLICY

Overview: This is a three-year intern program with a specific target position in the Acquisition Workforce. A detailed description of the program is outlined under Section 8. The intern is an employee of ***Naval Acquisition Development Program (NADP)*** but is assigned to a Command. SPAWAR HQ is designated as a Homeport. A Homeport is the location of an intern's target position. This is a GS-7 entry level position, with a target position of a GS-12 or equivalent. The intern should have Level I and Level II certifications upon completion of the internship. The ***NADP*** designed a site to assist current and potential Navy intern program employees in obtaining personnel information and career management services, at **http://www.secnav.navy.mil/rda/workforce/Pages/NADP/Employees.aspx**

3. KEY PERSONNEL

- ***NADP* Staff** - Each intern is assigned to an ***NADP*** team, comprised of the Program Manager, Career-Field Manager, Intern Counselor, Homeport Supervisor, Rotational Assignment Supervisor, and the Intern. A more detailed description of each of these individuals' roles and responsibilities follows:

- **Program Manager**

This individual serves as the intern's advisor while in the program. The PM is responsible for:

a. Determining qualifications and eligibility
b. Setting intern pay, making the formal offer, establishing starting date and initiating "Request for Personnel Action."
c. Reviewing & approving the intern's Individual Development Plan (IDP)
d. Reviewing progress reports/performance appraisals submitted by interns

- **Career-Field Manager**

This individual is accountable for the content of the intern's career field development at a Command/Activity. The Command is required to have a Homeport Career-Field Manager in order to have interns assigned. This person is the primary Point of Contact (POC) and is required to be a senior career field civilian, Level III certified, in career field. The Career-Field Manager is responsible for:

a. Making intern selection decisions;
b. Identifying an intern's target position;
c. Serving as functional POC for on-board processing, forms, passes, computer, travel and 1556's;
d. Content of intern's development program and fulfillment of it;
e. Conducting annual appraisals and progress reports;
f. Making disciplinary decisions in coordination of NCAWPD PM;
g. Delegating responsibility to Intern Counselor, as appropriate-may also function as Intern Counselor and/or Supervisor.

- **Intern Counselor**

This is the individual at a Command who may be delegated elements of an intern's development by a Career-Field Manager (such as assigned PCO or Branch Head).

- **Homeport Supervisor**

This is the individual to whom an intern directly reports at the Command where the target position is located (generally delegated to a team's Branch Head). This individual performs all normal supervisory and administrative duties and provides performance information for annual performance evaluations and progress reports. The Homeport Supervisor reviews rotational assignment plans, administrative functions such as pay, time and attendance, travel, tuition, and manage security clearance, etc.

- **Rotational Assignment Supervisor**

This is the individual to whom an intern reports when on an assignment other than with the Homeport Supervisor.

- **Intern**

An Intern must:

- Be a U.S. citizen;
- If male born after 12/31/59, be registered with U.S. Selective Service;
- Be eligible to obtain a security clearance;
- Be able to pass a drug test if required by position;
- Sign a mobility agreement; and
- Have a Bachelor's degree or higher from an accredited college or university. A Contract Specialist must have 24 semester hours of business credits.

4. DEVELOPMENT PLANS

Requirements are expressed in a **Master Development Plan (MDP)** [see ToolBox, Attachment (1)], and include minimum proficiency levels required for a contracting career field. The Individual Development Plan (IDP) is the personalized version of a career field MDP designed to meet the specific needs of the target position.

a. Within 45 days of hiring, a team consisting of the Intern and the Homeport Career Field Manager/Intern Counselor creates and submits an IDP to the NCAWPD Career Manager. The parties should annually review the IDP and submit modifications as necessary. The completed IDP is reviewed and approved by the NCAWPD Career Manager.

b. The IDP must include detailed descriptions with dates, durations and locations:

- Homeport assignments
- Rotational assignments at other locations
- The competencies, skills and other requirements to be attained through each detailed assignment.
- Defense Acquisition University (DAU) courses, travel to DAU classes is generally centrally funded from the Navy Registrar's Travel Fund.
- Technical training, college/university graduate level courses

c. Three weeks after their appointment date, new interns should begin applying for DAU courses. Interns should take the DAU courses in proper sequence, e.g. ACQ 101 before ACQ 201. The courses are found and applied for on the "Register-Now" website at: https://www.atrrs.army.mil/channels/registernow. The Homeport Career-Field Manager/Intern Counselor and intern should jointly identify and select the specific courses to appear on the intern's IDP. All planned and required education must be on the IDP.

d. Rotational assignments are required for each intern. All rotational assignments must be challenging, comprehensive, hands-on learning experiences directly related to achieving proficiency in the career field competencies.

5. FUNDING

a. ***NADP*** pays for:

- All IDP approved undergraduate and graduate courses and mandatory training, subject to provisions of the AWTAP for college courses (other training considered unrelated or specific to a Command must be funded by another source);
- DoN Intern Conference;
- One management course;
- MDP required program reviews and professional conferences;
- Mandatory technical training;
- Up to two rotational assignments (TDY travel, etc); and
- College or university tuition, registration and fees (not books) for courses successfully completed (applied for via ***NADP*** but centrally funded by DON's AWTAP program.

b. **Intern's Command** pays for:

- One technical training course direct related to career field work;
- All intern travel for work or representation for the benefit of the command;
- Any required management course not funded by NCAWPD;
- PC literacy skill training; and
- Additional rotational assignments deemed necessary by the intern's command.

6. ROTATIONAL ASSIGNMENT

A rotational assignment is a non-permanent assignment, designed to fulfill a portion of the IDP, to a different supervisor and/or job for a specific period with an ending evaluation of results. The MDP provides general guidance regarding assignments. The IDP incorporates individual training needs.

a. Rotational assignments are not to be used primarily for filling manpower vacancies, clerical work or observing others.

b. Rotations should be performed within the local commuting area whenever possible and within the DoN.

c. Rotations will be considered outside the Navy only when the request:

- Lists specific IDP competencies to be attained,
- Addresses the uniqueness of the assignment,
- Addresses the projected benefit to the individual and to the homeport activity,
- Addresses that the training is not readily available within DoN, and

- Is approved by the office of the DoN-DACM

d. Requirements of a rotational assignment are:
- There must be a specific written plan at the site, a specific supervisor, department and job,
- The intern should receive pre-assignment information (who, when, where), identification of clear report ability during assignment,
- An assignment should be meaningful and related to the intern's career field, and
- The intern should receive a final evaluation from the Site Supervisor and the Career-Field Manager.

e. At least 90 days in advance of a rotational assignment, the Homeport Career-Field Manager will notify and discuss the assignment with the Rotational Assignment Career-Field Manager. Two weeks prior to the beginning of a rotational assignment, the Homeport Career-Field Manager confirms the rotational assignment dates.

7. PROBATIONARY PERIOD

All interns are on excepted appointments for the entire length of their three-year training period. Any intern problems that can be corrected through prompt counseling should be addressed early. It is imperative that the Homeport Career-Field Manager coordinates with the ***NADP*** Program Manager for advice and assistance. Deficiencies and possible action should be discussed with HRO Pensacola and the Homeport HRO as appropriate.

8. SPAWAR WORK ASSIGNMENT & TRAINING FRAMEWORK

Interns assigned to SPAWARSYSCOM can expect to embark on the following planned curriculum, comprised of actual work assignments, knowledge attainment goals, rotation schedules, and training opportunities (in addition to DAWIA requirements).

a. **Year 1**

Challenges: Acquire basic skills and knowledge, with Branch Head and PCO oversight/mentorship, including:

- Knowledge of FAR, DFARS, and SPAWAR Contracts Policy: Learn to research, analyze, form decisions
- Contract formation: IDIQ orders, SEAPORT orders, Simplified Acquisition, SBIR Phase I. Understand Uniform Contract Format, CLIN/SLIN structure.
- Contract Administration: Incremental Funding, Changes to terms and conditions, Exercise of option

- Business Clearance: Compliances, cost and price analysis, and less complex Pre/Post Negotiation memorandum preparation
- Procurement Requests: SOWs, DD Form 1423, Fiscal Sheets, DD 2579 SB Form:
- Acquire understanding of:
  - Rights in Data clauses
  - Patent, copyright, proprietary data clauses and prescription
  - Technical data and computer software requirements

Training:

SPAWAR: PD2 – 4 days Classroom
WebX – 1 hr
Monthly 02 Seminars

DAWIA: CON 100 Shaping Smart Business Arrangements – 1 week Classroom
CON 111 Mission Planning Execution - 40 hr Online
CON 112 Mission Performance Assessment – 20 hr Online
CON 120 Mission Focused Contracting – 2 week Classroom

Elective (1): ACQ 101 Fundamentals of Systems Acquisition Management, 40 hrs Online

Rotation:

- Submit request for an external rotational assignment, no later than 6 months from report date.
- Successfully obtain agreement to rotational assignment request no later than 10 months from report date.
- Obtain prospective internal rotational assignment from current supervisor by no later than 12 months from report date.

b. **Year 2**

Challenges: Manage procurements of increasing complexity and different contract types, with Branch Head and PCO oversight/mentorship, including the following types of assignments:

- Performance-based CPFF, CPAF, or T&M service acquisitions, solicitation to award
- Commercial acquisitions, solicitation to award
- Support PCO/Contract Specialist in administration of production contract under an ACAT program, preferably a CPIF or FPI type.
- Support PCO/Contract Specialist on full and open competitive services and/or systems integration procurement, including the attainment of a full understanding of formal and informal source selection procedures
- Perform more complex contract administration including change orders, undefinitized actions, definitization of undefinitized actions, and supplemental agreements
- Prepare J&As, CBD announcements, and input for CHINFO contract award releases
- Autonomously prepare business clearances utilizing technical advisory reports and DCAA audits

Training:

SPAWAR: Monthly 02 Seminars

DAWIA: CON 214 Business Decisions for Contracting – 40 hr Online
CON 215 Intermediate Contracting for Mission Support - 2 week Online + 8 class days
CON 216 Legal Considerations in Contracting – 40 hr Online

Rotation: Internal: Transfer to another 02 Branch no later than midway through intern program year
External: Complete 3 month rotation obligation

c. **Year 3**

Challenges:

- Progress toward attainment of autonomous capability to manage the broad array of service and hardware procurements.
- Successfully manage a full and open services procurement, from the procurement planning to award phase, in fulfillment of criteria for Intern Program graduation.
- Participate as a Branch Super User on PD2.
- To the maximum extent possible, support a Lean Six Sigma Event.

Assignments to include, at a minimum, the following:

- Solicitation, evaluation, and award of a full and open performance-based services or hardware acquisition, ensuring award or near proximity award by planned graduation date. Perform the following tasks:
    - Support development of the Source Selection Plan
    - Support and receive approval of DD 2579 from SPAWAR SB Director
    - Complete reconciliation of RFP Sections C, L, and M
    - Reconcile Source Selection Plan (SSP) to RFP
    - Manage RFP Questions & Answers via SPAWAR E-Commerce portal, and amendments
    - Establish competitive range
    - Perform cost realism analysis
    - Review and support the approval of the Technical Evaluation Report
    - Prepare pre and post business clearances; receive approvals
    - Prepare contract, and contract award announcement
    - Debrief unsuccessful offerors
- Support PMW in the development of an Acquisition Plan
- Conduct a Pre-Proposal Conference and/or issue a Sources Sought Synopsis
- Issue Request for Information (RFI) or support a Market Research effort
- Manage SBIR, Phase II and/or III procurements
- Support PCO/Contract Specialist on a Request for Equitable Adjustment action
- Award a Letter Contract, and/or definitize same

- Support an award fee evaluation under a CPAF contract, including creation of the award fee modification, or award a CPAF contract.
- To the extent possible, support the solicitation, evaluation, and award of a systems integration contract in support of an ACAT program.

Training:

- CON 217 -- Cost Analysis and Negotiation Techniques – 40 hrs Online
- ACQ 201A -- Intermediate Systems Acquisition – 40 hrs Online
- ACQ 201B -- Intermediate Systems Acquisition – 5 day Class
- SPAWAR Green Belt Training – 4 day Class
- Monthly 02 Seminars

9. PROGRESS REPORT AND ANNUAL APPRAISALS

a. Obtain an Acquisition Intern Program Progress Record form from ***NADP***. Career-Field Manager/Intern Counselor completes the form and has it endorsed by the appropriate supervisor and intern. If intern performance is weak or there is no promotional potential, then comments are required. The completed form is sent to ***NADP***.

b. DAWIA certification – Level I, GS-5/7 and Level II, GS 9/11. Level I requirements must be met prior to promotion to GS-9.

c. The certification is initiated by the intern by utilizing the aforementioned "Register-Now" website.

10. PROMOTIONS

a. Upon successful completion of time-in-grade requirements, IDP Level I requirements and appropriate certification, an intern is promoted from GS-7 to GS-9. While promotions are not guaranteed in the Federal service, promotions should occur as planned provided basic performance requirements are met and adequate progress is made towards meeting IDP requirements.

b. Promotions normally occur at approximately one-year intervals. Interns are not promoted to the GS-12 level while on ***NADP*** rolls.

c. ***NADP*** notifies the Homeport Career-Field Manager approximately 60 days before the intern's promotion eligibility. If there are no delinquent forms, or when all forms are received, ***NADP*** initiates promotion upon recommendation of the Homeport Career-Field Manager.

11. GRADUATION/FINAL PLACEMENT

NADP notifies the Homeport Career-Field Manager approximately 90 days before the projected graduation date. ***NADP*** is provided all requested forms and information such as final Intern Progress Report, settlement of travel vouchers and grades from ***NADP*** funded courses. The Homeport Career-Field Manager arranges for the intern to transfer to his/her target position.

12. MISC.

ToolBox

(1) NADP Employee Information (ASN RD&A)
(2) DoN Acquisition Intern Program IDP (Master Development Plan)
(3) NADP Training

Miscellaneous:
(4) NADP Quick Reference Guide
(5) Official Forms
(6) Visit Request Form

1. PURPOSE

This document provides SPAWAR Claimancy policy and procedures for processing acquisitions using non-Department of Navy (DoN) and non-Department of Defense (DoD) contracts.

Related guidance is available under CMPG section 1.2.1.3.1 Non-DoD Contracts

2. POLICY

Acquisitions using Non-DoN contracts can be accomplished through **inter-agency** and **intra-agency** acquisition procedures.

- **Inter-agency** acquisition is a procedure by which SPAWAR (the requesting agency) obtains needed supplies or services from a contract of another agency outside of DoD (the servicing agency) (e.g. GSA, DoE).
- **Intra-agency** acquisition is similar, but it instead obtains needed supplies or services from a contract of a non-DoN agency inside of DoD (the servicing agency) (e.g. Army).

Although both types of acquisition procedures may fall under the **Economy Act** (31 U.S.C. 1535), described below, the specific regulatory requirements pertaining to each will differ (e.g. GSA and GWACs except from Economy Act).

Inter-agency and **Intra-agency** acquisitions can either be obtained using **assisted acquisition** or **direct acquisition** means.

- **Assisted acquisition** is a means in which the *servicing* agency is responsible for providing customized support for the order, including award and administrative functions such as development of procurement documentation and post-award task management (e.g. Interdepartmental Purchase Request (IPR) funds to GSA to have GSA place an order for SPAWAR). It is important to note that both intra-agency and inter-agency acquisitions may be structured as either a direct or assisted acquisitions depending upon the nature of the contract vehicle and the order requirements. The requirements for each of these types of procurements are unique and will be covered below.
- **Direct acquisitions** is a means in which the requesting agency places an order directly against an existing Indefinite Delivery contract vehicle which is maintained by a servicing agency. Thus a SPAWAR Contracting Officer issues the order and assumes the administrative functions necessary to order supplies or services even though the servicing agency manages the contract vehicle (e.g. SPAWAR PCO places order against GSA or NASA SEWP contract).

As described above, this SCPPM document applies to both intra-agency and inter-agency procurements. It may be advantageous for DoN Program Managers to leverage DoD contract vehicles outside of the DoN when doing so may allow for greater efficiency or cost savings to the Government. DoD encourages the use of non-DoD contracts to meet DoD requirements. Contracting Officers must ensure the contract is properly awarded/administered, is in the best interest of the Department, and is essential to meet DoD needs. It is of critical important that the Program Office ensure full awareness by the product/service end-user of the total costs of all fees associated with the use of a non-DoN or non-DoD contracting vehicle. The decision to continue with a proposed acquisition given additional fees must be part of the documentation supporting the business decision to pursue an intra-agency or inter-agency acquisition (See DPAP Memorandum - Interagency Acquisitions dated 11 Jun 2014).

The Economy Act (31 U.S.C. 1535) provides the authority for *both* intra-agency and inter-agency procurements where no other specific governing authority exists. FAR Subpart 17.5 sets forth the processes required to place an order under the Economy

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Act. It is important to note that the Economy Act provisions do not apply to Federal Supply Schedule (FSS) contracts and Government-wide Acquisition Contracts (GWACs). Other types of assisted acquisitions leveraging contracts maintained by non-DoD agencies will also frequently fall outside of the Economy Act because their use is governed by specific statutory authority.

FAR 17.502-02 requires that each order placed, citing the Economy Act as authority, be supported by a written Determination and Finding (D&F) which states that the use of an interagency acquisition is in the best interest of the Government and that the supplies or services cannot be obtained as conveniently or economically by contracting directly with a private source. The D&F requirement **does not** apply in the case of intra-agency acquisitions (See DASN(FM&C) Manual dated Dec 2015). There are exceptions, such as when placing an order on an Army contract vehicle (this requires a D&F). The D&F requirement applies to both direct and assisted inter-agency acquisitions. At SPAWAR, the approving authority for most Economy Act D&Fs is the HCA; Navy/DoD Economy Act D&Fs are delegated to SPAWAR 2.0/2.0A (See SPAWAR Delegation of Authority for Procurement Matters memo dated 1 May 2015)(See Determination and Findings SCPPM or further information on Economy Act D&Fs).

Certain provisions of FAR 17.5 only apply in cases where assisted acquisitions are required. Per FAR 17.502-2(c)(1)(iii), if the Economy Act order requires a contract action by the servicing agency, the D&F must also include a statement that at least one of the following circumstances applies:

(A) The acquisition will appropriately be made under an existing contract of the servicing agency, entered into before placement of the order, to meet the requirements of the servicing agency for the same or similar supplies or services.

(B) The servicing agency has the capability or expertise to enter into a contract for such supplies or services that is not available within the requesting agency.

(C) The servicing agency is specifically authorized by law or regulation to purchase such supplies or services on behalf of other agencies.

3. RESPONSIBILITIES

Responsibilities of each stakeholder in the contracting process for both intra-agency and inter-agency procurements varies depending upon which type of order is being placed, and if the acquisition is direct or assisted. This document describes the roles and responsibilities of the DoN Program Manager, Business Financial Manager and Contracting Officer/Department for each type of acquisition described herein. Although the Program Manager maintains primary responsibility for ensuring compliance with the regulations, policies and guidance provided within this document, this individual must work in concert with all other process stakeholders to ensure proper execution of each order.

3.1 Intra-Agency Acquisitions

3.1.1. DIRECT ACQUISITIONS

The **Program Manager** must:

- Coordinate with the DoD agency which holds the contract to ensure that:
  a. The contract includes the proper scope to cover the DoN requirement;
  b. The contract possesses sufficient remaining ceiling to cover the DoN requirement;
  c. The contract ordering period extends far enough to cover the Program Office's planned schedule;

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

- Ensure that the business decision to use a non-DoN contract is thoroughly described within the procurement documentation (Acquisition Plan and Acquisition Strategy as necessary, and PPSM documents).

The **Business Financial Manager** must:

- Ensure that funds are available and appropriate for the procurement action.

The **Contracting Officer** must:

- Coordinate with the Program Manager and the DoD agency which holds the contract to ensure that the requirement, timeframe, and contract specifics are understood.
- Prior to placing an order against another agency's contract vehicle, the Contracting Officer shall make a determination that use of another agency's contract vehicle is the best procurement approach.
- Coordinate with the Business Financial Manager to ensure that the funding/funding document is provided to the SPAWAR Contracting Office for placement on the non-DoN contract.
- Take the action to place the order on the non-DoN contract, including ensuring that all required procurement documentation is complete and accurate prior to submitting a Request for Proposal (RFP).
- Provide the non-DoN component with any unique requirements, terms and conditions associated with the acquisition.
- Review terms and conditions, and ensure that all appropriate/required clauses are included.

3.1.2. Assisted Acquisitions

The **Program Manager** must:

- Coordinate with the DoD agency which holds the contract to ensure that:
  a. The contract includes the proper *scope* to cover the DoN requirement;
  b. The contract possesses sufficient remaining *ceiling* to cover the DoN requirement;
  c. The contract *ordering period* extends far enough to cover the Program Office's planned schedule;
  d. Points of Contact (POC) within the servicing agency Contracting Office are identified;
  e. Any *fees* associated with ordering are properly understood, which may include contract usage fees and servicing fees (to pay the agency for the work performed by its contracting staff).
- Ensure that the business decision to use a non-DoN contract is thoroughly described within the procurement documentation (Acquisition Plan and Acquisition Strategy as necessary, and PPSM documents), which may include justification for fees associated with the assisted acquisition.

The **Business Financial Manager** must:

- Ensure that funds are available and appropriate for the procurement action.
- When required by the servicing agency, issue a IPR/Military Interdepartmental Purchase Request (MIPR) to the servicing agency in order to allow the Contracting Officer at that agency to place the funds on contract.

The **Contracting Officer/SPAWAR 2.0** must:

- Make a determination that use of an intra-agency acquisition represents the best procurement approach. This determination includes an analysis that the other agency contract vehicle satisfies the schedule, performance and delivery requirements; and is cost effective; and will result in proper use of funds taking into account appropriation limitations.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

- Provide the non-DoN component with any unique requirements, terms and conditions associated with the acquisition.
- Where a IPR/MIPR is required, 2.0/2.0A is responsible for providing approval for the IPR/MIPR action to provide the money to the servicing agency.

3.2 Inter-Agency Acquisitions

3.2.1 Direct Acquisitions

The **Program Manager** must:

- Coordinate with the non-DoD agency which holds the contract to ensure that:
  a. The contract includes the proper *scope* to cover the DoN requirement;
  b. The contract possesses sufficient remaining *ceiling* to cover the DoN requirement;
  c. The contract *ordering period* extends far enough to cover the Program Office's planned schedule;
- If the order is being placed under the Economy Act, ensure that a D&F has been drafted and approved by the HCA or 2.0/2.0A for Navy/DoD orders, prior to issuance of an RFP.
- Ensure that the business decision to use a non-DoD contract is thoroughly described within the procurement documentation (Acquisition Plan and Acquisition Strategy as necessary, and PPSM documents).

The **Business Financial Manager** must:

- Ensure that funds are available and appropriate for the procurement action.

The **Contracting Officer** must:

- Coordinate with the Program Manager and the non-DoD agency which holds the contract to ensure that the requirement, timeframe, and contract specifics are understood.
- Coordinate with the Business Financial Manager to ensure that the funding is provided to the SPAWAR Contracting Office for placement on the non-DoD contract.
- Prior to placing an order against another agency's contract vehicle, the Contracting Officer shall make a determination that use of another agency's vehicle is the best procurement approach. This determination includes analysis of the suitability of the contract vehicle; the value of using the contract vehicle (any cost savings from using an existing vehicle and reasonable access fees); the expertise of the requesting agency to place orders and administer them.
- Take the action to place the order on the non-DoD contract, to include ensuring all procurement documentation (including the D&F) is complete and accurate prior to RFP.
- Review terms and conditions as well as ensuring the use of appropriate/required clauses.
- Check the OSD website to ensure the non-DoD agency has certified that they will comply with defense procurement regulations including DoD Financial Management requirements (See http://www.acq.osd.mil/dpap/cpic/cp/interagency_acquisition.html).

3.2.2 Assisted Acquisitions

The **Program Manager** must:

- Coordinate with the non-DoD agency which holds the contract to ensure that:
  a. The contract includes the proper *scope* to cover the DoN requirement;
  b. The contract possesses sufficient remaining *ceiling* to cover the DoN requirement;
  c. The contract *ordering period* extends far enough to cover the Program Office's planned schedule;

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

d. Points of Contact (POC) within the servicing agency Contracting Office are identified;
e. Any *fees* associated with ordering are properly understood, which may include contract usage fees and servicing fees (to pay the agency for the work performed by its contracting staff).

- If the order is being placed under the Economy Act, ensure that a D&F has been drafted and approved by the HCA or 2.0/2.0A for Navy/DoD orders, prior to issuance of an RFP. As a reminder, the D&F in support of an assisted inter-agency acquisition must contain a set of specific provisions in addition to those necessary for a direct inter-agency acquisition, as described within FAR 17.502-2(c)(1)(iii). The Economy Act D&F is to be approved at the SPAWAR HCA level or SPAWAR 2.0/2.0A level for Navy/DoD Economy Act D&Fs.
- Ensure that the business decision to use a non-DoD contract is thoroughly described within the procurement documentation (Acquisition Plan and Acquisition Strategy as necessary, and PPSM documents), which may include justification for fees associated with the assisted acquisition.

The **Business Financial Manager** must:

- Ensure that funds are available and appropriate for the procurement action.
- When required by the servicing agency, issue a IPR/MIPR to the servicing agency in order to allow the Contracting Officer at that agency to place the funds on contract.

The **Contracting Officer/SPAWAR 2.0** must:

- Make a determination that use of an interagency acquisition represents the best procurement approach. At a minimum the determination shall include an analysis of procurement approaches, including and evaluation by the requesting office that the acquisitions satisfies the schedule, performance and delivery requirements; is cost effective; and will result in the appropriate use of funds, taking into account appropriations limitations.
- Provide the non-DoN component with any unique requirements, terms and conditions associated with the acquisition.
- Where a IPR/MIPR is required, 2.0/2.0A is responsible for providing approval for the IPR/MIPR action to provide the money to the servicing agency.

4. PROCEDURE

4.1 Ensure Continuous Collaboration between Process Stakeholders

It is critical that the DoN Program Office which holds the requirement coordinate with the Business Financial Manager, the cognizant Contracting Office and the Legal department early in the planning process to ensure that all parties understand their roles and responsibilities as well as any unique terms and conditions associated with the contract vehicle. All parties should reach a common understanding of the process necessary to place the order on contract before beginning to draft supporting documentation.

4.2 Conduct Strategic Market Research to Identify Contracts Suitable for Use

The Program Office should regularly review existing contract vehicles both within and outside of DoD to determine if any of these vehicles may possess suitable scope to cover its set of requirements. This type of review may be conducted as part of the Strategic Market Research process. The following tools may be applied:

- Review links to the Air Force, Army and other Navy sites on the E-Commerce Central website.
- Review existing MACs and GWACs for direct acquisitions.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

- Review the list of non-Defense agencies that have certified compliance with DoD procurement requirements and established agency agreements on the DPAP Interagency Acquisition page.

4.3 Developing and Documenting the Business Decision

It is important for the Program Office to obtain detailed information from the agency which holds the contract during the planning phase in order to make a sound business decision. This business decision should include an assessment of the length of time estimated to place the order on contract to ensure that this timeframe is acceptable for the requirement in question. The decision-making process should also involve analysis of any fees that may be associated with contract usage. For example, some non-DoN contracts may require funding for all the contract administration functions. While agreeing to pay these fees may allow the Program Office to access certain contract vehicles and benefit from the contracting organization's unique expertise, the decision to pursue this type of arrangement should be weighed against the Program Office's budgetary constraints to ensure the best usage of available dollars.

The Program Office must carefully document the outcome of its strategic analysis when preparing to issue the RFP, including within the D&F (where applicable). The documentation must show:

- That the planned contract action is in the best interests of DoD in terms of satisfying customer requirements;
- Cost effectiveness (including all fees);
- Delivery schedule, availability of suitable contracts within DoD;
- Contract administration; and
- Any other applicable considerations.

The end-users of the product/service being acquired must also be fully aware of all additional costs/fees associated with the type of acquisition that is planned (See DPAP Memorandum - Interagency Acquisitions dated 11 Jun 2014).

4.4 Additional Contracting Considerations

Applicable DoD/DON/SPAWAR unique terms and conditions should be provided to the assisting activity and incorporated into the contract. These may include the following considerations.

- Service Contracts must (1) obtain PBSA waiver approvals required by NMCARs 5237.170-2(b) following Performance Based Service Acquisition SCPPM and (2) ensure acquisition strategy aligns with MOPAS 2 SCPPM.
- Draft FSS order and include DFARS clauses and provisions - see Toolbox.

Note: Non-DoN Organizations may have **local procedures** that require additional documentation or affect the contracting/ordering process.

1. **Army** requires an Economy Act D&F, even though the Navy does not require it (see Fiscal Management Policy Manual Sec 03161.1a - D&F Requirements under Economy Act Order - DASN(FM&C) Manual dated Dec 2015
2. **Department of Energy (DoE)** has special rules and documentation described in DoD-Wide Policy for Using DoE's WFO Program to Access DoE-Owned Research, Development, and Production Facilities through Interagency Agreements.
3. Interagency requests for furniture to **Department of Interior (DoI)** Acquisition Services Directorate (AQD) are prohibited *after July 1* of any FY.

4.5 Interagency Agreements

An Interagency Agreement (IA) is a document which defines the terms of cooperative work which will occur between Federal agencies or between departments

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

within the same Federal agency. These documents describe the scope of the work that is to be performed and roles and responsibilities of each of the parties to the agreement. Examples of IAs include a Memorandum of Understanding (MOU), Memorandum of Agreement (MOA), GWAC, and cooperative research and development agreement.

A particular planned contract action may already be covered by an IA. Check DPAP Interagency Acquisition page for existing interagency agreements and related memos. In a direct acquisition, the SPAWAR Contracting Officer administers the order under an existing contract with an established IA. In order to develop a new IA, follow OFPP guidance, Improving the Management and Use of Interagency Acquisitions and the guidelines provided in Meeting DoD Requirements Through Interagency Acquisition.

5. APPROVALS

Any funds sent outside the command, to a non-DoD agency, requires SPAWAR 2.0/2.0A review and approval. SPAWAR 2.0/2.0A uses the IPR for Non-DoD Contracts (2.0 Review of IPR for Non-DoD Contract Action). Financial Managers (HQ and Echelon 3) shall reject any IPR over SAT that would result in an order placed outside the command until the action has been approved by SPAWAR 2.0/2.0A (See Proper Use of Non-DoD Contracts SCPPM for further information)

The following approval thresholds apply for both intra-agency and inter-agency procurements.

5.1 Direct Acquisitions

Threshold *(x)*	Review Authority	Approval Authority
5.1.1 SPAWAR HQ AND PEO		
$5M < $x \leq$ $50M	SPAWAR 2.0 PCO	SPAWAR 2.0 Branch Head
x>$50M	SPAWAR 2.0 Branch Head	SPAWAR 2.0/2.0A
5.1.2 SPAWAR FIELD ACTIVITIES*		
$3M < $x \leq$ $50M	TBD by Local Procedures	Executive Director SSC/Chief of the Contracts Office
$x \leq$ $3M	TBD by Local Procedures	TBD by Local Procedures

* SSC-PAC guidance is in the Toolbox below.

5.2 Assisted Acquisitions

Threshold *(x)*	Review Authority	Approval Authority
5.2.1 SPAWAR HQ AND PEO		
$x >$ $500M	2.0/HCA/DASN ACQ	ASN(RDA)
$50M < $x \leq$ $500M	PEO/SPAWAR 2.0/HCA Commander SPAWAR	DASN(AP)
$15M < $x \leq$ $50M	PEO/SPAWAR 2.0	HCA – Commander SPAWAR HQ (Delegated to 2.0/2.0A)
$5M < $x \leq$ $15M	PM/DPM	SPAWAR 2.0/2.0A
$150K < $x \leq$ $5M	PM/DPM	PM/DPM
5.2.2 SPAWAR FIELD ACTIVITIES		
$x >$ $550M	2.0/HCA/DASN ACQ	ASN(RDA)
$50M < $x \leq$ $550M	PEO/SPAWAR 2.0/HCA	DASN(AP)

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Threshold *(x)*	Review Authority	Approval Authority
	Commander SPAWAR HQ	
$5M < *x* ≤ $50M	SPAWAR 2.0	HCA Commander SPAWAR HQ
x <$5M	TBD by Local Procedures	Commanding Officer/Executive Director

6. TOOLBOX

6.1 Memos and Guides

1. Interagency Acquisitions – DPAP, Jun 2014
2. Interagency Acquisitions Guide - OMB – OFPP, Nov 2008
3. Meeting DoD Requirements Through Interagency Acquisition - USD(AT&L), Oct 2008
4. Management and Use of Interagency Acquisitions – OFPP, Jun 2008
5. Interagency Acquisition Memos - DASN(AP), Nov 2008; DPAP, Oct 2008; and OFPP, Jun 2008
6. Interagency Acquisition with Dept. of Interior/Acquisition Services Directorate - DASN(AP), Apr 2008 (Furniture restriction)
7. Proper Use of Non-DoD Contracts – SPAWARCOM, Dec 2004
8. Proper Use of Non-DoD Contracts - ASN(RDA), Dec 2004
9. Proper Use of Non-DoD Contracts – USD(AT&L), Oct 2004
10. Non-Economy Act Orders with Non-DoD Agencies – Jan 2007
11. DoDI 400.19 Support Agreements – USD(AT&L), Apr 2013
12. Fiscal Management Policy Manual Sec 03161.1a - D&F Requirements under Economy Act Order - DASN(FM&C) Manual – Dec 2015
13. SPAWAR Delegation of Authority for Procurement Matters memo - 1 May 2015

6.1.1 DIRECT ACQUISITIONS

1. Suggested DFARS Clauses and Agency unique provisions to include in GSA FSS orders/contracts
2. DoD-Wide Policy for Using DoE's WFO Program to Access DoE-Owned Research, Development, and Production Facilities through Interagency Agreements – DPAP, Jul 2014
3. Revision to DoD Prohibition on DoI Acquisition Services Directorate – DPAP, Mar 2008

6.1.2 SSC-PACIFIC

1. Procedures for Acquiring Supplies and Services from an Agency Outside DOD – SSC PAC, Nov 2005

6.2 Templates

1. Direct Acquisition for Supplies & Services Sample Memo to File
2. 2.0 Review of IPR for Non-DoD Contract Action – SPAWAR, Jul 2014

6.3 Related SCPPMs

1. Determination and Findings
2. Proper Use of Non-DoD Contracts
3. Services Acquisition via Non-DoD Contract
4. Performance Based Service Acquisition
5. MOPAS 2

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
June 2016	New SCPPM that combines the Proper Use of Non-DoD Contracts and the Economy Act section of the Determination and Finding SCPPM in order to cover all aspects of Intra-agency and inter-agency acquisitions.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide the SPAWAR claimancy policy regarding the COR's responsibility in reviewing and approving contractor submitted invoices for goods and services via iRAPT (Invoicing, Receipt, Acceptance, and Property Transfer (Formerly Wide Area Workflow (WAWF)).

Related guidance is available under CMPG section 5.2.3.3.3 Contract File Oversight and ASN (RDA)'s iRAPT overview.

2. POLICY

2.1 SPAWAR Contracts use iRAPT to electronically receive, accept, and certify invoices and receiving reports.

2.2 Use of the iRAPT was mandated via:

1. OUSD Memorandum of 14 Jul 2004
2. FMO Memo of 25 Sep 2007
3. DPAP Memo of 12 Mar 2008
4. ASN (RD&A) Memo of 16 Mar 2007 which called for full deployment of WAWF (now iRAPT) by the end of FY 2008

2.3 Effective 3 Nov 2014, iRAPT incorporated the capabilities of the Item Unique Identification (IUID) Registry for the capture of marking and valuation data on delivered items. This will require contracts issued in FY15 and on, to require IUID data to be submitted as part of the Material Inspection and Receiving Report. This change has been made to ensure that the values reported by industry for the acquisition of those items can be reviewed by the Government acceptor. It will also reinforce the practice where payment systems reject receiving reports that do not match the contract. In other words, the contract must state, as a separate CLIN, the hardware to be delivered and the price as listed in the contract. The contractor's invoice must itemize the cost of the hardware by CLIN. If the price being invoiced does not match the contract, the payment system will reject the invoice.

2.4 Based on your COR Designation Letter signed by the Contracting Officer, one of your primary duties is to review and validate the contractor-submitted invoices against products and/or services received to ensure the invoiced amount for labor, materials and travel are consistent and reasonable for the work performed during that billing cycle.

3. RESPONSIBILITIES

3.1 Generally, the **COR** is authorized by the **Contracting Officer** to perform:

1. Inspection and acceptance of contract deliverables
2. Verify the accuracy of contract vouchers/invoices
3. Monitor contract expenditures

3.2 The **COR** shall review and validate the contractor submitted invoices against the provided goods and/or services received by the Government during that billing cycle.

3.3 All voucher/invoice reviews/validations must be conducted by a **Government employee** only, never by a contractor.

4. PROCEDURES

4.1 Currently Section G Invoicing Instructions of the Contract or Delivery Order do not include contractor iRAPT invoice notification to the COR.

1. The Invoicing Clause G has been revised to include mandatory e-mail notification to the COR when the contractor submits invoices in iRAPT.
2. It is important to ensure the contractor provides the COR notification, an electronic copy of the invoice and any requested back-up data to assist the COR with the Invoice review/validation process.
3. The COR must log into iRAPT to review invoices and, as appropriate, accept goods/services and ensure the invoiced amount in iRAPT matches the contract amount. This match is critical to contract administration and financial audit requirements.

4.2 For all cost-type, Time and Material (T&M), and Labor-Hour services contracts and task orders, the COR will perform Labor Rate and ODC reviews by comparing and documenting each Invoice submitted by the contractor utilizing the Invoice-MSR Review Form.

4.3 For Firm Fixed Price Invoices/Receiving Reports in iRAPT:

1. The **COR** shall add Comments and/or upload any supporting documents under the Misc Info tab in iRAPT to support any Partial acceptances or any rejected items
2. Also, upload any documentation used to validate Receipt and Acceptance into iRAPT under the Misc Info tab in iRAPT.

4.4 To determine what activity is responsible for the administration of the Contract or Delivery Order see the front page of the contract or delivery order. For a Contract, the SF30, Block 7, titled "ADMINISTERED BY:" or a Delivery Order DD1155, Block 7, titled "ADMINISTERED BY:" will identify the administering activity by UIC/DODAAC. See the following three scenarios (4.5, 4.6, and 4.7) to identify the COR's role for invoice reviews, acceptance and/or rejection of Goods and Services based on the administering activity.

4.5 If **SPAWAR HQ is administering the contract**, and you and/or your code are **receiving goods and services**:

1. You are the designated Acceptor; access iRAPT and accept or reject the invoice for goods and/or services.
2. Review the invoice to ensure the invoiced amount correlates to the Goods/Services as documented in the iRAPT Shipment folder, or services provided during that billing cycle.
3. *If goods/services are accepted, the SPAWAR HQ Local Processing Official (LPO) certifies the invoice.*
4. In the case of rejection, the LPO will hold off certifying the invoice until the PCO provides resolution of the issue.

4.6 If **DCMA is administering the contract**, and you and/or your code are **receiving goods and services**:

1. You are the designated Acceptor; access iRAPT and accept or reject the invoice for goods and/or services.
2. Review the invoice to ensure the invoiced amount correlates to the Goods/Services as documented in the iRAPT Shipment folder, or services provided during that billing cycle.

3. You will not be certifying the invoice or approving payments. If you reject the Goods and Services, you should first contact the contractor to resolve the issue. If you are unable to resolve the issue with the contractor, you will need to discuss with the cognizant PCO. It is important to note that the invoice in question will still be paid and resolution may not occur until contract close out.
4. If you accept the Goods and Services no further action is required on your part.

If **DCMA** is administering the contract and is designated as the **Acceptor for the Goods and Services**, you have **no action** in iRAPT.

5. TOOLBOX

The main iRAPT link is the iRAPT Production Site which will provide step by step instructions for establishing a log-on and password and the required iRAPT Roles of both "Acceptor" and "Acceptor View Only."

1. iRAPT Production Site
2. Web-Based Training Site
3. iRAPT Practice Site
4. Navy *iRAPT* Assistance: (800) 756-4571, option 6; DFAS site
5. Navy iRAPT Quick References
6. DISA Ogden Help Desk: (800) 618-5988; cscassig@csd.disa.mil
7. DPAP Memorandum dated 14 Nov 2014, Line Item Structure
8. *Invoice-MSR Review Form – Feb 2016*
9. COR SCPPM

6. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
March 2016	Updated paragraph 4.5 regarding the Local Processing Official; updated the Invoice-MSR Review Form
December 2014	WAWF changed to iRAPT, added IUID requirement, and updated the Invoice Review Report Format form.
August 2014	Content converted to new format; links updated.
June 2014	Last version created in old format. Latest update under this version was the addition of determining interagency acquisition fees and documenting rational for selection of contract type.

1. PURPOSE

The purpose of this document is to provide SPAWAR Claimancy policy and guidance for procurements using other than full and open competition under FAR Subpart 6.3.

- This document does not apply to procurements under SAT. A written justification for non-competitive procurements under SAT is required; templates are listed in the Toolbox.
- For exceptions to the fair opportunity process under a multiple-award IDIQ contract (FAR 16.505(b)(2), DFARS 216.505-70), see the Multiple Award Contracts (MAC) SCPPM.
- See the Limited-Source Justifications for orders under GSA Federal Supply Schedules SCPPM (FAR 8.405-6) for FSS Limited Source Justifications.

Related guidance is available under CMPG section 1.2.8.1 J&As.

2. POLICY

It is the policy of SPAWAR to promote and provide for full and open competition first and foremost. Competition, direct or indirect, is the most effective motivator for industry to reduce costs and improve performance. SPAWAR promotes its full and open competition requirements primarily by competitive proposals. However, SPAWAR may solicit offers by sealed bid, combination procedures, sole source and other procedures. No separate justification or determination and findings is required for competitive small business set-asides, competitive 8(a) procurements, or competitive small business HUB Zone set-asides.

See Approvals to determine when a written J&A is required.

2.1 Posting J&As

It is SPAWAR policy to post J&As online for public inspection within 14 days or within 30 days for urgent requirements (in accordance with the Feb. 13, 2009 DPAP memorandum "Public Disclosure of Justification and Approval (J&A) Documents for Noncompetitive Contracts").

2.2 Does Not Apply to GSA FSS

This policy document does not apply to supplies or services acquired under a GSA Federal Supply Schedule (FSS) contract. In selecting a source under a Federal Supply Schedule contract, the guidance in FAR 8.4 and the SCPPM template "Sole Source Justifications under Federal Supply Schedule Contracts" in the SCPPM document Limited-Source Justifications for Orders Under GSA Federal Supply Schedule Contracts will be followed.

2.3 8(a) Sole Source Awards Over *$22M*

With the implementation of section 811 of the National Defense Authorization Act for FY 2010, the award of a sole-source contract in an amount over *$22* million under the 8(a) program authority without first obtaining a written, approved, and public J&A is prohibited. More specific guidance can be found in the DPAP memoranda of June, 16 2011 and the interim rule of FAC 2005-50. *Note that the $20 million threshold originally set forth in FAR 6.303-1(b) and described in the DPAP memorandum was raised to $22 million in Oct 2015 as part of an overall adjustment in keeping with FY16 inflation rates.* Contents for sole-source 8(a) J&As under Section 811 can be found at FAR 6.303–2.

2.4 IDIQ Service Requirements (Effective Feb 2012)

1. **Any increase in ceiling of IDIQ -** Service Requirements will require a J&A for HQ 2.0 approval. If the increase in ceiling is the result of supporting projects, programs, or customers not anticipated to be supported in the

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

original AP, provide rationale for supporting those projects, programs and customers in the J&A required for the ceiling increase (block 5).

2. **Use of an IDIQ contract by any customer not listed in the original Acquisition Plan** - Document the use of an IDIQ contract by any customer, not listed in the original Acquisition Plan. This includes orders placed in support of a program, service or customer that was not originally provided for in the approved Acquisition Plan. This becomes an issue when the contract ceiling is used up by activities that were not envisioned at the time of the Acquisition Plan approval. If a concurrent increase in ceiling of the IDIQ was the result of supporting programs, customers, activities not in the original AP, a thorough explanation as to why this support was provided to be stated in writing in the required J&A.

2.5 SBIR Phase III

Consider using the SBIR and STTR program Phase III sole source awards as an exception to competition whenever appropriate and applicable per reference ASN(RDA) memo, Jan 2015.

3. RESPONSIBILITIES

3.1 Program Manager/Technical Code

- Provides the contracting officer with any supporting information to justify the action to procure items without the benefit of full and open competition.
- It is highly recommended that the PM/technical code obtain an electronic version of the J&A from the contracting officer and provide rationale where necessary, namely J&A paragraphs 5, 7, 8, 9, 12, and 13.

3.2 Contracting Officer/Contract Specialist shall:

1. Ensure that an approved J&A is included in the contract file prior to commencing negotiations, unless urgent and compelling circumstances exist. Ensure all barriers to competition are removed on any required actions. See Market Research and Synopsis SCPPM documents.
2. Follow the format set forth herein.
3. Assign appropriate J&A numbers in accordance with local procedures (see J&A Numbering).
4. Post J&A in accordance with the 13 Feb 2009 DPAP memorandum "Public Disclosure of Justification and Approval (J&A) Documents for Noncompetitive Contracts".

3.3 Requirements Certification - The Program Director, Directorate Head, Program Executive Officer, Department Head (for SSC Pacific and Atlantic), or in their absence, their deputies, are the signatories for requirements certification.

Technical Certification – Technical certification shall be one level below the individual responsible for requirements certification.

4. PROCEDURE

4.1 Citing the exception to full and open competition at FAR 6.302-1

J&As will normally be prepared after synopsis to ensure that the sole source justification may be supported before entering negotiations. The paragraph within the J&A discussing the rationale for other than full and open competition should stand alone. The final report of the Under Secretary of Defense (A&T) sponsored Procurement Process Reform Process Action Team (January 1995) stated that, *"Industry response to a sole source synopsis is the single most valid indicator of whether a proposed procurement should be considered for competition. After the*

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

publication of the synopsis, if no inquiries are received from viable alternate sources, it would seem that the agency would be acting in good faith to proceed with the procurement, pending approval of the J&A." Therefore, Contracting Officers shall not commence negotiations for a sole source contract, unsolicited proposal, award or any other contract without providing for full and open competition unless the contracting officer: 1) Justifies, if required by FAR 6.302, the use of such actions in writing; 2) Certifies the accuracy and completeness of the justification; and (3) Obtains the approval required by FAR 6.304.

Note: It is recognized that on rare occasion, a J&A will need to be processed prior to synopsis. In this case, state the following: "This effort will be synopsized and any responses will be handled in accordance with FAR subparts 5 and 6."

For additional information, see the Office of Counsel J&A Briefing in Toolbox.

4.2 J&A Numbering

4.2.1 SPAWAR HQ - Procedures for assigning and obtaining control numbers for APs, BCs, D&Fs, IAMs, J&As, contracts and solicitations may be found in SCPPM Change Notice (SCN) 99-07.

4.2.2 SSC-PAC - Control numbers for all procurements may be obtained from the Electronic Procurement Log, located at: N:\\LOGS\Procurement Action Log – N:\\LOGS\Procurement Action Log.xls

4.2.3 SSC-CH - Control numbers for all J&As may be obtained by accessing the logbook located on the "N" drive.

4.3 J&As Over $93M

The content of these J&As must be fully developed per FAR 6.303-2 and NMCARS 5206.303-2. Assume the reader is unfamiliar with the program.

1. Forwarding Memoranda: A memorandum for forwarding J&As to ASN(RDA) via DASN(AP) is available in the Toolbox. Address this memo to ASN(RDA) and also copy to SPAWAR HQ 2.3 (Policy). It is important to thoroughly review this memorandum prior to completing the J&A.
   a. SYSCOMs may use their own standard forwarding memo formats, provided that they ensure that the arrangement and content of the paragraphs follow the structure and content used in the attached template.
   b. Field activities shall forward J&A packages to SPAWAR HQ 2.3 (Policy) in sufficient time for routing and coordination. Once HQ 2.0 has approved the J&A, submit the entire package (with the corresponding AS/AP) to DASN (AP) at RDAJ&As@navy.mil and also copy to SPAWAR HQ 2.3 (Policy) when the J&A is sent to DASN (AP) for review. The field activities will coordinate directly with DASN (AP) to obtain approval signatures.
2. A J&A (Over $93M) Template is provided in Toolbox.

4.4 Statutory Authorities for Other Than Full and Open Competition

Description	Reference	Exceptions	Synopsis Required
Only one responsible source	10 U.S.C.2304(c)(1), FAR 6.302-1	None	**Yes**
Unusual and compelling urgency	10 U.S.C.2304(c)(2), FAR 6.302-2 DPAP memo, Apr 2015	None	**No**
Industrial Mobilization	10 U.S.C.2304(c)(3), FAR 6.302-3	Brand Names for Resale	**Yes** FAR 5.202(a)(10)
International	10 U.S.C.2304(c)(4),	DFARS	**No**

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Agreement (IAM)	FAR 6.302-4	206.302-4	FAR 5.202(a)(3) **IAM required***
Authorized or required by statute	10 U.S.C. 2304 (c)(5) or 41 U.S.C.253(C)(5), FAR 6.302-5	FAR 6.302-5	**Yes / No** FAR 5.202(a)(10) No with regard to brand name commercial items for authorized resale
National Security	10 U.S.C.2304(c)(6), FAR 6.302-6	None	**No** FAR 5.202(a)(1)
Public Interest	10 U.S.C. 2304(c)(7) FAR 6.302-7	None	**No** FAR 5.202(a)(10) SECDEF D&F required, not J&A
SBIR Phase III	15 U.S.C. 638(r), NMCARS 5206.302-5 FAR 6.302-5	FAR 6.302-5	**No** FAR 5.202(a)(7)

***** IAMs use different approval thresholds from J&As (see Approvals).

4.5 PEO(C4I) Special Routing Instructions: For all sole-source acquisitions supporting PEO (C4I), use one of the two attached routing sheets, which are distinguished by the $93M threshold (see Routing).

4.6 Class J&As: A Class J&A is required when a class of contract actions will be executed for the same or related supplies or services that require essentially identical justification. Multiyear contracts and contracts with priced options are considered individual contract actions (NMCARS 5206.303-1).

4.7 Posting Requirements

Agencies shall make J&A documents available for public inspection: within 14 days of contract award (FAR 6.305); within 30 days if the J&A is for unusual and compelling urgency (FAR 6.302-2) (see additional procedures in 4.7.3 below), ; or posted with the solicitation for brand name justifications under FAR 6.302-1(c).

4.7.1 SCREENING OF J&A DOCUMENTATION FOR PROPRIETARY DATA

- Before making the justifications available for public inspection, contracting officers shall carefully screen all justifications for contractor proprietary data, references and citations, removing all such data, as necessary to protect proprietary information (FAR 6.305 (c)).
- Contracting officers shall also redact all names, signatures, and phone numbers of Government Officials.
- Contracting officers shall also be guided by the exemptions to disclosure of information contained in the Freedom of Information Act (5 U.S.C. 552) and the prohibitions against disclosure in 24.202 in determining whether other data should be removed. The J&A should be sent via encrypted e-mail as a PDF file to the Command FOIA officer to review and redact using ADOBE software.
- Next all postings prepared for public disclosure shall be reviewed by the PAO prior to posting.

4.7.2 ACTIONS IN WHICH NO RFP WAS ISSUED

You are still required to post the J&A. Go to the Electronic Commerce Central (ECC) site; click on “Create Award Document”; create the award synopsis; post it; return in

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

about 1 hour and you should see the tab for posting the J&A; follow ECC-FBO Instructions in Toolbox.

4.7.3 PROCEDURE FOR UNUSUAL AND COMPELLING URGENCY (ALSO SEE POLICY ALERT 15-067)

Contracting Officers shall use the following additional oversight for non-competitive contracts based on unusual and compelling urgency:

1. Document, in the J&A Numbering log (see 4.2 above), the date that the J&A for Unusual and Compelling Urgency was posted (FAR 6.302-2);
2. When required approval signatures are not obtained in order to post the justifications within 30 days, the Contracting Officer shall document in a memorandum to file explaining why the J&A was not timely and what action were being taken to prevent future occurrences and the memorandum must be approved at one level above the Contracting Officer;
3. If the cumulative value of the action, as stated in the J&A, increases beyond the initial J&A approval thresholds as defined in FAR 6.304, the Contracting Office shall document in a memorandum to file explaining the increase in the award value and the memorandum shall be signed at one level above the Contracting Officer and approved at the appropriate level as would have been required of a J&A at the increased value as defined in FAR 6.304.

This additional oversight is as a result of the DPAP memorandum of April 13, 2015 which is in response to Government Accountability Office (GAO) Report, GAO-14-304, "FEDERAL CONTRACTING: Noncompetitive Contracts Based on Urgency Need Additional Oversight," dated March 26, 2014.

4.8 Processing the J&A

1. After having been cleared for release, SPAWAR J&As are to be posted on the ECC website, which will post to the Government-wide Point of Entry (www.fedbizopps.gov).
2. All SPAWAR Activities shall post the J&A on ECC (see Toolbox for ECC-FBO Instructions).

5. APPROVALS

Award Value *(x)*	Technical Cognizance	Requirements Cognizance	Legal Review	Approval Authority
$150K < *x* ≤ **$700K**	✓	✓	✓	**PCO**
$700K < *x* ≤ **$13.5M**	✓	✓	✓	**Competition Advocate *****
$13.5M < *x* ≤ **$93M**	✓	✓	✓	**SPAWAR 2.0**
IAMs*- All Values	✓	✓	✓	**SPAWAR 2.0**
x > **$93M****	✓	✓	✓	**ASN(RDA)/Senior Procurement Executive via DASN(AP)**

* Per DFARS 206.302-4; delegated to 2.0/2.0A per HCA delegation memo.
** See J&As Over $93M for procedures.
*** SPAWAR 2.0/2.0A, SSC Atlantic Code 2.0, SSC Pacific Code 2.0 as appropriate.
✓ *Review and input required before J&A is submitted for approval.*

5.1 Field Activity Submissions to SPAWAR 2.0

Route through HQ Policy Branch 2.3.1 at HQ_CONTRACTS_POLICY@NAVY.MIL.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

5.2 What if negotiated award exceeds the J&A's approval authority?

If the dollar value of the contract is negotiated at a level that exceeds the authority of the official who approved the original justification, a new approval shall be obtained from the appropriate official prior to award (NMCARS 5206.304).

5.3 What if the dollar value later increases?

In situations where a J&A was approved, and a new scope addition to the J&A causes the estimated dollar value to cross into the next higher level, the approval level is determined by the dollar amount of the scope addition only, not the aggregate value of the previous work plus the new work. For example, if an $80M J&A was approved by SPAWAR 2.0, and a new scope J&A is needed for the contract in the amount of $15M, the approval level remains with SPAWAR 2.0 at $15M, not with ASN(RDA).

6. TOOLBOX

6.1 J&As up to $93M

1. NMCARS J&A Format for Actions over $150K
2. Sample Sole Source Justification for Actions Under $150K – Mar 2013
3. SSC-PAC Justification for Non-Competitive Procurement under $150K – Dec 2015

6.2 J&As Over $93M

1. NMCARS J&A Format for ASN(RDA) approval (w/ forwarding memo) via DASN (AP)

6.3 Routing

1. J&A Routing (Non PEO C4I)
2. J&A Routing up to $93M (PEO C4I)
3. J&A Routing over $93M (PEO C4I)

6.4 International Agreements

1. IAM Format
2. IAM Routing
3. IAM Sample

6.5 Miscellaneous/Related SCPPMs

1. J & A RDA Memo – ASN(RDA), May 2006
2. Noncompetitive Contracts Awarded Based on Urgency–DPAP memo, Apr 2015
3. Tapping Into Small Business in a Big Way–ASN(RDA) memo, Jan 2015
4. Public Disclosure of J&A Documents for Noncompetitive Contracts – USD(AT&L) Feb 2009
5. ECC-FBO Instructions for Posting J&As – Mar 2009
6. Submission/Review Tips for Justification and Approvals (J&A) – Oct 2015
7. Office of Counsel J&A Briefing – May 2014
8. Multiple Award Contracts (MAC)
9. Limited-Source Justifications for orders under GSA FSS
10. Market Research
11. Synopsis

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
May 2016	Updated 8(a) Sole Source Awards threshold.
March 2016	Updated SSC-Pacific template in Toolbox.
December 2015 Rev1	Removed obsolete SSC-Pacific Policy Gram 09-02 in Toolbox.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

December 2015	Replaced J&A Samples in Toolbox with the NMCARS J&A Format.
October 2015	Content converted to new format. Updated approval thresholds, IAM approval authority, SBIR Phase III justifications, Contracting Officer requirements, procedure for posting of J&As for Unusual and Compelling Urgency, and updated and added toolbox items.
July 2014	Last version created in old format; PEO C4I approval thresholds and route sheets updated and updated title to DASN (AP).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

LIMITATION ON AMOUNTS AVAILABLE FOR CONTRACT SERVICES FOR FISCAL YEARS 2012-2014

1. PURPOSE

The purpose of this document is to establish policy and provide guidance for the SPAWAR claimancy on compliance with Section 808 of the National Defense Authorization Act (NDAA) of 2012**, amended by Section 802 of the 2014 NDAA**.

2. POLICY

Section **802** of the NDAA of 201**4** limits spending for contract services in FY 2012, FY 2013**, or 2014** to the annual cost paid in FY 2010 for the same or similar services. This requirement applies to the award of new contracts and task orders in both sole source and competitive environments; it does not apply to options established prior to the 31 December 2011 enactment date of Section 808 or to options to be exercised after fiscal year 2013. For award of new Indefinite Delivery Indefinite Quantity (IDIQ) contracts, compliance may be measured either at the contract level through establishment of an FY 2013 ordering ceiling based on FY 2010 cost paid, or at the delivery order level for new task orders for continuing services. Guidance for implementation was provided in a class deviation issued by the Director of Defense Procurement and Acquisition Policy (DPAP) on 31 July 2012 and by a subsequent class deviation issued by DASN (AP) on 1 August 2012 and an implementation instruction on 27 August 2012. Compliance with Section 808 will be measured by reporting obligations semi-annually in the Navy Enterprise Resource Planning (ERP) accounting systems.

”Contract Services” means services procured from contractors, excluding those services relating to research, development, test, and evaluation; military construction; overseas contingency operations; and object class codes 25.3 (Other goods and services from Federal sources) and 25.6 (Medical Care).

Note: This "living" document will be electronically updated to the maximum extent possible on a regular or as needed basis. Always refer to the web site version located at: https://e-commerce.sscno.nmci.navy.mil/Command/02/ACQ/navgenint.nsf/policydocs/C0ACD1A60560357586257AED007B52FC/$file/Limitation_on_Amounts_Available_for_Contract_Services.pdf for the most up-to-date version.

"Costs paid" means costs invoiced for services provided in FY 2010.

"New services" means services procured to support an organization or program not in existence in FY 2010. A procurement may also be defined as new services if the support requirements of an existing organization or program have changed to the extent that a comparison with FY 2010 requirements is not meaningful.

"Research, development, test, and evaluation services" means a contract or task order whose principle purpose is basic research, applied research and exploratory development, advanced development, engineering development, operational systems development, or commercialization efforts.

3. RESPONSIBILITIES/PROCEDURES

a. Program Offices (PEO C4I, PEO EIS, PEO Space, JTNC); Staff codes at SPAWAR HQ and Systems centers:

i. For service procurements (except those excluded as specified in Section 2 above) beginning in FY 2013 with an estimated value greater than $10 million, program offices/staff code personnel, with assistance from the Defense Contract Management Agency and Defense Contract Audit Agency DCMA/DCAA, will determine the actual FY 2010 costs paid for the required services.

ii. After determination of costs paid, program office/staff code personnel will develop an Independent Government Estimate (IGE) for FY 2013 labor hour and Other Direct Costs (ODCs) using the FY 2010 costs paid as a ceiling. The labor hour/ODC estimates for fiscal years beyond 2013 are not governed by the restriction of Section 808 of the NDAA.

b. Procuring Contracting Officers (PCOs)/Contract Specialists

i. For FY 2013 services procurements with an estimated value between $10-$25M, PCOs/contract specialists shall, with assistance from the program office, prepare a memorandum for the file establishing that the FY 2013 procurement is for the "same or similar services". A memorandum shall also be prepared supporting the determination that procurement is for services exempted from Section 808 compliance or new services. This determination shall be signed by the PM or deputy PM, as well as the PCO. For FY 2013 services procurements with an estimated value that exceeds $25M, the determination of same or similar services or exempted services shall be documented in the MOPAS acquisition strategy document.

ii. PCOs/contract specialists shall insert a provision substantially the same as the following in the "General Information" section and Section M of SeaPort solicitations, and Section M of non-SeaPort service solicitations:

"This procurement is subject to the restrictions contained in Section **802** of the National Defense Authorization Act (NDAA) for Fiscal Year 2014 regarding procurement of contract services. The NDAA for FY **2014** limits spending for contract services in FY 2012, FY 2013**, or 2014** to the annual cost paid in FY 2010 for the same or similar services. The Government has based the FY 2013 labor hour and ODC estimates contained in the solicitation on the annual cost paid in FY 2010. If after receipt of proposals the Government determines that the offerors' proposed costs for FY 2012, FY 2013**, or 2014** exceed the costs paid in 2010, the Government may open discussions, amend the solicitation to revise its labor hour and ODC estimates, and request revised proposals".

iii. If, after evaluation of initial proposals (or final proposal revisions, if discussions are held) the best value source selection process indicates that the proposal representing the best value has a proposed cost for FY 2013 that exceeds the restriction contained in Section 808 of the NDAA, the PCO, with assistance from the program office/staff code, shall prepare a Determination and Findings (D&F) that sets forth the rationale for award. This rationale shall address the adverse impact to operations that would result from awarding at the limit established by cost paid in FY 2010. The D&F review and approval requirements to award a contract/task order that exceeds the restrictions established by Section 808 of the FY 2012 NDAA are contained in the below linked SCPPM document entitled “Determinations and Findings (D&Fs). Approval authority currently resides with DASN (AP). The D&F shall be submitted to DASN (AP) via RDAJ&As@navy.mil to obtain the required written approval prior to contract or task order issuance.

iv. For FY 2013 service contract/task order awards conducted in a sole source environment, program/staff code personnel with assistance from DCMA/DCAA, will determine the actual FY 2010 costs paid for the required services. After determination of costs paid, program office/staff code personnel will develop an IGE for FY 2013 labor hour and Other Direct Costs (ODCs) using the FY 2010 costs paid as a ceiling. PCOs/contract specialists shall establish their negotiation objectives based on FY 2010 costs paid.

Alternatively, PCOs/contract specialists shall establish negotiation objectives for direct labor and overhead rates that are less than or equal to direct labor and overhead rates paid to that contractor for the same or similar contracted services in FY 2010. PCOs/contract specialists shall coordinate with the DCMA/DCAA to determine the applicable rates.

In the event that the final negotiated cost/price exceeds the direct labor and overhead rates paid to that contractor for the same or similar contracted services in FY 2010, the PCO, with assistance from the program office/staff code, shall prepare a D&F that sets forth the rationale for award. This rationale shall address the adverse impact to operations that would result from awarding at the limit established by Section 808 of the NDAA. The D&F review and approval requirements to award a contract/task order that exceeds the restrictions established by Section 808 of the FY 2012 NDAA are contained in the below linked SCPPM document entitled “Determinations and Findings (D&Fs).

Approval authority currently resides with DASN (AP). The D&F shall be submitted to DASN (AP) via RDAJ&As@navy.mil to obtain the required written approval prior to contract or task order issuance.

4. APPROVALS

As provided for under Section 808 (c)(2), if it has been determined that it is necessary for a contract or task or delivery order to be awarded in an amount exceeding $10M to a contractor in FY12 or FY13 for continuing services, at an annual cost to the Government that exceeds the annual cost paid by the requiring activity for the same or similar services in FY10, a Determination and Findings shall be submitted to DASN(AP) via RDAJ&As@navy.mil to obtain written approval prior to contract award or order issuance.

5. MISCELLANEOUS

LIMITATION ON AMOUNTS AVAILABLE FOR CONTRACT SERVICES TOOLBOX

DPAP Class Deviation – Limitation on Amounts Available for Contracted Services dated 31 Jul 2012 - http://www.acq.osd.mil/dpap/policy/policyvault/USA003691-12-DPAP.pdf

DASN Class Deviation - Limitation on Amounts Available for Contracted Services dated 01 Aug 2012 - https://acquisition.navy.mil/rda/content/view/full/9097

DASN Implementation of Limitation on Amounts Available for Contracted Services dated 27 Aug 2012 - https://acquisition.navy.mil/rda/content/view/full/9203

SPAWAR Determination and Finding SCCPM Document

SPAWAR Acquisition of Services SCCPM Document (includes MOPAS instructions)

1. PURPOSE

This document outlines the SPAWAR Claimancy policy and guidance on Peer Reviews. This policy satisfies the requirements of DFARS 201.170, Peer Reviews; NMCARS 5201.170, Peer Reviews; and DASN (RDA) Memo dated 26 Mar 09, Department of Navy Peer Review Program.

2. POLICY

Peer reviews are a tool for ensuring that high standards in SPAWAR contracting processes are maintained. Intentional and deliberate review opportunities will be made available via the peer review/contract review board process. Both contract management and those formulating contracting decisions will have an opportunity to provide and receive feedback on key documentation that demonstrates judgment and rationale for spending taxpayer dollars. For Peer Review Rolling Forecast reporting on actions over $250M see the Peer Review SCPPM.

3. RESPONSIBILITIES

See Procedure paragraph below.

4. PROCEDURE

4.1. Headquarters

See the Local Peer Review (LPR) Policy for SPAWAR HQ.

4.2. SSC Atlantic

Specific: Local Peer Review (LPR) Policy (In Development)

4.3. SSC Pacific

Internal Policy Memorandum (IPM) 10-002cCON, Actions Requiring 2.0 Competency Lead or Local Peer Review (LPR) and Approval

5. APPROVALS

Approvals are outlined within site specific documents referenced in paragraph 4 above.

6. TOOLBOX

1. Local Peer Review (LPR) Policy for SPAWAR HQ
2. Local Peer Review (LPR) SSC Atlantic (In Development)
3. IPM 10-002cCON, Actions Requiring 2.0 Competency Lead or LPR and Approval SSC Pacific

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
April 2016 Rev 1	SSC Atlantic LPR links removed; LPR in Development.
April 2016	New SCPPM; replaces the Contract Review Board (CRB) SCPPM.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

This document outlines the policy and requirements to conduct Local Peer Reviews (LPRs) for SPAWAR HQ procurement actions by Local Peer Review Boards (LPRBs).

The peer review requirements established herein are effective immediately. Procurement actions to be reviewed in accordance with this policy are outlined in Local Peer Review Requirements Summary enclosure (1). The focus of this policy is to ensure proposed actions are consistent with current policies and procedures, based on sound business judgment, and in the best interest of the Government.

Related guidance is available under Toolbox, CMPG sections.

2. POLICY

2.1 References

DFARS 201.170, Peer Reviews, outlines Department of Defense (DoD) policy for:

A. preaward review of competitive solicitations valued at $1 billion or more[1];
B. preaward review of noncompetitive procurements valued at $500 million or more[1]; and
C. postaward review of contracts for services valued at $1 billion or more[1] by the Office of the Director, Defense Procurement and Acquisition Policy.

Further, it requires Military Departments, Defense Agencies, and DoD Field Activities to establish procedures for the conduct of peer reviews for:

A. preaward peer reviews of solicitations for competitive procurements valued at less than $1 billion[1];
B. preaward peer reviews for noncompetitive procurements valued at less than $500 million[1]; and
C. postaward peer reviews of all contracts for services valued at less than $1 billion[1].

DASN (AP) Memo dated 26 Mar 09, Subj: Department of Navy Peer Review Program, and NMCARS 5201-170 established Department of Navy (DoN) policy for conducting peer reviews for contracts and solicitations valued at $50 million or more[1].

To ensure compliance with DFARS 201.170, Peer Reviews, the 26 Mar 09 *DASN (AP) Memo*, and *NMCARS 5201-170* and to support ongoing DoD initiatives to ensure a high standard in contracting processes is maintained, this policy outlines the requirements to conduct LPRs for SPAWAR HQ procurement actions by LPRBs.

2.2 Local Peer Review Boards (LPRBs)

LPRBs are advisory in nature and shall be conducted in a manner to preserve the authority, judgment, and discretion of the Procuring Contracting Officer (PCO). Reviews conducted by LPRBs are intended to supplement, not replace, standard PCO responsibilities. As such, ultimate responsibility for the quality, consistency, and completeness of documents and any business decision rests with the cognizant PCO. In competitive procurements, the ultimate responsibility for the source selection decision rests with the Source Selection Authority (SSA).

[1] The values stated are inclusive of options and, for the initial LPRs are based on the Independent Government Cost Estimate. If any offer comes in above the stated thresholds, a pre-award 2nd review LPRB must be convened.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3. RESPONSIBILITIES

3.1 Cognizant PCOs

For procurement actions requiring a LPR, PCOs shall:

A. Initiate a LPR by completing and forwarding the LPR Request Form (enclosure (2)) to the Policy (2.3.1) representative;
B. Coordinate with the LPRB Chair/Branch Head regarding the required review(s);
C. Forward the required review documentation to the Policy (2.3.1) representative via HQ_Contracts_Policy@navy.mil, the LPRB Chair, and all LPRB team members via encrypted e-mail;
D. Attend the LPR, and in concert with the cognizant Contract Specialist, lead discussion of the procurement action, and have at least one complete copy of the procurement action available in the meeting;
E. When LPRB findings and recommendations are provided, document the associated remedies in the LPR Request Form (enclosure 2);
F. Assist the LPRB and Policy Branch in the preparation of lessons learned and best practices;
G. Complete the LPR Waiver Form enclosure (3) and obtain approval, if applicable;
H. Ensure a representative from Counsel attends the LPRB;
I. Depending of the technical complexity of an acquisition, have a member of the technical project team present at a LPR meeting; coordinating with the LPRB Chair and LPRB team members prior to their attendance; and
J. Document the contract file.

3.2 Contracts Policy Branch (2.3.1)

The policy representative shall:

A. Coordinate with the LPRB chair to determine LPRB membership;
B. Assist in the establishment of LPRB agendas and the notification of scheduled review dates and times to PCOs who have submitted LPRB requests;
C. For competitive procurements, ensure all participants have completed, signed, and returned a Certificate of Financial Interest to the PCO;
D. Participate in weekly LPRB meetings;
E. Create a record of the comments provided in the LPRB in a matrix for resolution/disposition;
F. Post lessons learned and best practices on the SCPPM website;
G. Review compliance with this policy as part of the Procurement Performance Management Assessment Program (PPMAP); and
H. Coordinate attendance of LPRs by other Contract Specialists to enable the LPRs to be utilized as a training tool. All 2.0 personnel, specifically trainees and interns, should be invited to attend LPR sessions when possible.

3.3 LPRB Chair

The LPRB chair shall:

A. For competitive procurements, complete, sign, and return a Certificate of Financial Interest to the PCO;
B. Conduct LPRB meetings for procurements under his/her cognizance;
C. Determine the number and order of procurement actions to be reviewed in his/her branch;
D. Facilitate a consensus recommendation and document findings and recommendations in the LPR Request Form (enclosure (2));

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

E. If a consensus recommendation cannot be reached, elevate discussions to 2.0/2.0A;
F. Communicate findings and recommendations to the PCO;
G. Facilitate use of the LPR as a training opportunity;
H. When documentation of remedies associated with LPRB findings and recommendations is necessary, provide concurrence with remedies in the LPR Request Form enclosure (2);
I. Provide lessons learned and best practices to the Policy Branch (2.3.1); and
J. If unable to fulfill his/her duties, identify a suitable replacement.

3.4 LPRB Team Members

LPRB team members shall:

A. For competitive procurements, notify the PCO of any conflicting financial interests;
B. Review documentation and prepare questions, comments, and/or recommendations regarding the procurement action;
C. Participate in the development of a consensus recommendation; and
D. If unable to fulfill his/her duties, coordinate with the policy branch (2.3.1) and the LPRB chair to identify a suitable replacement.

3.5 LPRB Participants

Additional LPRB team participants include the Program Manager/Requirements Owner (or an appropriate representative) and, for competitive procurements, the Source Selection Authority (if different from the Program Manager/Requirements Owner or the cognizant PCO). These participants shall:

A. For competitive procurements, notify the PCO of any conflicting financial interests;
B. Attend the LPR, and in concert with the cognizant PCO, lead the discussion of the programmatic/technical aspects of procurement action;
C. Depending of the technical complexity of an acquisition, have a member of the technical project team present at a LPR meeting; coordinating with the cognizant PCO prior to their attendance;
D. If the Source Selection Authority is requested to participate, the SSA should, be prepared to describe the basis for the source selection decision; and
E. If a team member is unable to fulfill his/her duties, coordinate with the policy branch (2.3.1) and the LPRB chair to identify a suitable replacement.

4. PROCEDURE

4.1 LPR Requirements

The requirements for LPRs and the composition of the LPRBs are outlined in Tables 1 and Table 2 of the Local Peer Review Requirements Summary at enclosure (1), and are discussed below:

A. Competitive Actions. Competitive procurement actions require a LPR as follows:
    a. Services procurements between $50 million and $250 million[1]
    b. Supply procurements between $50 million and $1 billion[1]
    c. Designated special interest items at any value.
    d. Competitive Procurement actions valued at $250 million or more[1] for services or $1 billion or more[1] for supplies shall follow the processes of DFARS 201.170, Peer Reviews, *DASN (AP) Memo dated 26 Mar 09,*

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Subj: Department of Navy Peer Review Program, and *NMCARS 5201-170.*

B. Non-Competitive Actions. Non-competitive procurement actions require a LPR as follows:

a. Services procurements between $50 million and $250 million[1]
b. Supplies procurements between $50 million and $500 million[1]
c. Designated special interest items at any value.
d. Non-Competitive Procurement actions valued at $250 million or more for services or $500 million or more for supplies shall follow the processes of DFARS 201.170, Peer Reviews, *DASN (AP) Memo dated 26 Mar 09, Subj: Department of Navy Peer Review Program*, and *NMCARS 5201-170*.

C. LPRB Composition. The LPRB chair will be the cognizant branch head for the procurement action to be reviewed. For pre-award LPRs, the LPRB team member positions will be filled by DP-4 PCOs with Unlimited Warrants from different operational contracting branches than the cognizant PCO and legal counsel. The program manager/requirements owner (or an appropriate representative) should also attend to address any programmatic or technical aspects of the procurement action. For competitive procurements, the source selection authority (if other than the program manager or cognizant PCO) must also attend 2nd review LPRs prior to award to address any questions and provide any details regarding the source selection decision documentation. A representative from the Policy Branch (2.3.1) will provide support to the LPRB members. To the maximum extent possible, the LPRB composition will remain the same for all pre-award reviews associated with the same procurement. Additional participants in the LPRB will be at the discretion of the LPRB Chair. The composition of post-award LPRBs is at the discretion of the LPRB chair, but should include at least one DP-4 PCO with an Unlimited Warrant from a different contracting branch, legal counsel, and the program manager (or an appropriate representative). The cognizant PCO and specialists, while not members of the LPRB, are responsible for presenting their procurement action at the LPRs.

D. Scheduling. LPRs will be held on a weekly basis, unless there are no scheduled procurement actions for review. A standard timeframe of two hours will be available for use on Wednesday of each week from 1000 to 1200 (pacific time zone). Ad-hoc meetings will be permitted on an as needed basis subject to the availability of LPRB team members. If more than one branch requests use of the standard timeframe and the allotted time is insufficient to support more than one review, the schedule will be adjusted collaboratively. Once the members are selected and scheduled for each standing meeting date, the Policy Branch representative will be responsible for notifying all respective parties that an LPR will be conducted. LPRs for procurements under Code 2.1.5 cognizance, and Code 2.1.5 participation in the other branches' LPRs, will be handled virtually.

E. Submission Requirement - At least four business days prior to the LPR, the PCO or contract specialist shall submit the entire LPR package with applicable attachments encrypted to HQ_CONTRACTS_POLICY@navy.mil. The submission must provide the appropriate procurement tracking number (extracted from the 2.0 shared drive at O:\23100_POLICY\1_LOGS-Policy_Record-Keeping\AP_BCM_JnA_DnF_Tracking_HQ) and a short

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

project/contract description on the "Subject" line. The Policy Branch will ensure routing to and coordination with the LPRB members.

F. Post-award Reviews. Post-award reviews of service contracts are required at either the mid-point of the period of performance (or ordering period), or prior to the exercise of an option when the total procurement value (base plus all options) is greater than or equal to $50M. The cognizant branch head shall ensure post-award reviews are conducted prior to option exercise and in accordance with applicable regulations.

G. Review Documentation. Documentation required for the conduct of LPRs is outlined in Local Peer Review Requirements Summary enclosure (1) and shall be submitted a minimum of four business days prior to the requested LPRB meeting date. Note that additional documentation may be required at the discretion of the LPRB chair or LPRB team members. LPR Request Form enclosure (2) shall be utilized to request a LPR and to document:

   a. the completion of reviews;
   b. the LPRB's findings and recommendations;
   c. the remedies employed by the PCO to address the LPRB's findings and recommendations.

H. Contract File. The completed LPR Request Form enclosure (2) form shall be included in the contract file. The requirement for pre-award reviews may be waived by SPAWAR 2.0. The LPR Waiver Form enclosure (3) must be completed for each procurement action that is waived. If a waiver for the LPR requirement is granted, the approved waiver form shall be included in the contract file.

5. APPROVALS

See approvals listed in Section 4. Procedure

6. TOOLBOX

6.1 DoD Tools

DFARS 201.170, Peer Reviews

6.2DON Memorandums and Tools

DASN (AP) Memo, 26 Mar 09, Subj: Department of Navy Peer Review Program

NMCARS 5201-170

6.3 CMPG References

1.2.6.1 Preaward Peer Review
1.2.10.3 Preaward Peer Review
3.3.3 Complete Pre-Award Documentation
5.2.4.1 Postaward Peer Review

6.4 Enclosures

Enclosure 1, Local Peer Review Requirements Summary
Enclosure 2, LPR Request Form
Enclosure 3, LPR Waiver Form

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
November 2016	Updated enclosure 1 table 1.
June 2016	Updated enclosures 1 and 2.
May 2016	Added Policy Branch email to paragraph 3.1.
April 2016	New SCPPM document.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

LOCAL PEER REVIEW REQUIREMENTS SUMMARY

COMPETITIVE (TABLE 1)

Type of Procurement	***Dollar Threshold (inclusive of options)***[2]	***Review Board Composition***	***Timing of Review(s)***	***Required Documentation***
PRE-AWARD				
Competitive	New services contract ≥$50M and <$250M (includes Task Order Under Multiple Award Contracts) New supplies/systems contract ≥$50M and <$1B	-LPRB Chair -Three PCOs from different branches than the Cognizant PCO -Legal Counsel -Program Manager or appropriate representative -Source Selection Authority -2.3.1 Representative (supporting)	1st Review Prior to release of the Draft Solicitation (if Sections L&M are included) or Prior to release of the Final Solicitation	-LPRB Request Form -Draft Solicitation with all Exhibits and Attachments (after PCO and legal review) -Any other documents as requested by the LPRB Chair and LPRB Team Members - PPSM brief of the program (this is for board members' background information)
			2nd Review Prior to Contract Award	-LPRB Request Form -Pre-Negotiation Business Clearance Memorandum (BCM), Post-Negotiation BCM or Pre/Post-Negotiation BCM -Evaluation Reports -Source Selection Decision Memorandum -Any other documents as requested by the LPRB Chair and LPRB Team Members - PPSM brief of the program (this is for board members' background information)

[2] The 1st Review Threshold is based on the Independent Government Estimate (IGE) amount and the 2nd Review Threshold is based on the BCM award amount.

POST-AWARD				
All Services	≥$50M and <$250M (base plus all options)	As determined by LPRB Chair	Prior to *First* Option Exercise *and Specialty Options*	-LPRB Request Form -Written Determination for Option Exercise -Past Performance (CPARS) Reports -Any other documents as requested by the LPRB Chair and LPRB Team Members - PPSM brief of the program (this is for board members' background information)

NON-COMPETITIVE (TABLE 2)

Type of Procurement	***Dollar Threshold (inclusive of options)***[3]	***Review Board Composition***	***Timing of Review(s)***	***Required Documentation***
PRE-AWARD				
Non-Competitive	New services contract ≥$50M and <$250M New supplies/systems contract ≥$50M and <$500M	-LPRB Chair -Three PCOs from different branches than the Cognizant PCO -Legal Counsel -2.3.1 Representative (supporting) -Program Manager or appropriate representative	1st Review Prior to Negotiations	-LPRB Request Form -Justification & Approval -Pre-Negotiation BCM -Any other documents as requested by the LPRB Chair and LPRB Team Members - PPSM brief of the program (this is for board members' background information)
			2nd Review Prior to Contract Award	-LPRB Request Form -Justification & Approval, Pre-Negotiation BCM, Post-Negotiation BCM or Pre/Post-Negotiation BCM -Any other documents as requested by the LPRB Chair and LPRB Team Members - PPSM brief of the program (this is for board members' background information)

[3] The 1st Review Threshold is based on the Independent Government Estimate (IGE) amount and the 2nd Review Threshold is based on the BCM award amount.

POST-AWARD				
All Services	≥$50M and <$250M (base plus all options)	As determined by LPRB Chair	Prior to Option Exercise	-LPRB Request Form -Written Determination for Option Exercise -Past Performance (CPARS) Reports -Any other documents as requested by the LPRB Chair and LPRB Team Members - PPSM brief of the program (this is for board members' background information)

LOCAL PEER REVIEW (LPR) REQUEST FORM

Procurement Information:

Requestors	Name	Code	Phone
Contract Specialist			
PCO			
Branch Head			

Solicitation/Contract Number	
Estimated Dollar Value and Funding Type(s) (inclusive of options)	
Description of Supplies/Services (If applicable, include acquisition category, phase of program, and any other pertinent information.)	
Contract Type	
PSC Code	
PCO and Legal Reviews Completed	☐ Yes ☐ No (If no, explain below.)

Check all that apply:

☐ Commercial Item Procurement
☐ In support of the War Effort
☐ Other Special Interest Item

Review Type:

Check one:

☐ Competitive Pre-Award/1st Review
☐ Competitive Pre-Award/2nd Review
☐ Competitive Post-Award Review (Services)

☐ Non-Competitive/1st Review
☐ Non-Competitive/2nd Review
☐ Non-Competitive Post-Award Review (Services)

LPRB Information:

Date Action Reviewed	

LPRB Participants:

Position	**Name**
LPRB Chair	
Team Member	
Team Member	
Team Member	
Legal Representative	
PM or PM Representative	
SSA	

Decision:

☐ Approved with no conditions/actions required (See below.)
☐ Conditionally Approved with actions required (See below.)
☐ Disapproved (See below.)

Findings, Recommendations, Conditions/Actions Required:

Cognizant PCO Initials	
Cognizant Branch Head/LPRB Chair Initials	

Remedy/Action Taken: (Applicable only if approval granted with conditions/actions required.)

Based on the findings/recommendations/actions required of/by the LPRB, the following action(s) were taken:

Cognizant PCO Initials	
Cognizant Branch Head/LPRB Chair Initials	

LOCAL PEER REVIEW (LPR) WAIVER FORM

Procurement Information:

Requestor	Name	Code	Phone
Contract Specialist			
PCO			

Solicitation Number	
Estimated Dollar Value (inclusive of options)	
Description of Supplies/Services (If applicable, include acquisition category, phase of program, and any other pertinent information.)	
Contract Type	
PSC Code	
Type of Local Peer Review to be Waived (Competitive or Non-Competitive Preaward 1st Review, Competitive or Non-Competitive Pre-award 2nd Review)	

Waiver Request:

Specify the rationale for the waiver, including adverse impact if waiver not approved (i.e. in support of the war effort, expediency due to political or other interests, etc.):

Approval:

I hereby agree to this waiver request, and recommend approval

_____

Signature of Cognizant Branch Head Date

I hereby waive the review(s) identified above as conduct of such review(s) would adversely impact the Government's requirement for the reason(s) stated above.

_____

Signature of SPAWAR 2.0/2.0A Date

PROCEDURES FOR IMPLEMENTING THE LIMITATIONS ON SUBCONTRACTING CLAUSE - FAR 52.219-14

1. PURPOSE

Recent events have highlighted the need for providing procedures for Contracting Officers, Contract Specialists, and Contracting Officer's Representatives (CORs) to follow when awarding a prime contract under the authority of FAR 19.5, Small Business Set-aside or FAR 19.8, the 8(a) Program.

2. POLICY

When the Acquisition Strategy calls for a competitive small business set-aside, a small business set-aside, a partial small business set-aside, or the 8(a) program- then include FAR 52.219-6 Notice of total Small Business Set Aside, FAR 52.219-7 Notice of Partial Small Business Set-Aside, and/or 52-219-18 Notification of Competition Limited to Eligible 8(a) Concerns, as applicable, along with FAR 52.219-14, Limitations on Subcontracting (also see 13 CFR 125.6); in the RFP and resultant contract. It is DoD and SPAWAR Contracting Policy, to ensure the prime contractor complies and performs at a minimum, 50% of the costs for labor in a services contract; and at least 50% of the costs of manufacturing the supplies, not including the cost of labor. In addition, sole source awards using the authority of the 8(a) program, exceeding $20M, must have written justification. The SBA may not accept for negotiation a sole-source 8(a) contract that exceeds $20 million unless the requesting agency has completed a justification in accordance with the requirements of 6.303.

Award of any small business set-aside or 8(a) contract/ task order **(e.g. – Seaport)** requires a Post Award Conference to inform the Prime of their responsibilities in regards to the Limitations on Subcontracting clause. The Post-Award Conference may be face to face, VTC, telephone, or in writing.

** REMINDER** the following must be complied with when contemplating awards exceeding $3000, but less than $150,000 (Simplified Acquisition Threshold):

> Section 15(j)(1) of the Small Business Act (page 164) and the Federal Acquisition Regulation (FAR) at FAR 13.003(b)(1), require contracting officers to set aside contracts above the $3,000 micro-purchase threshold and below the $150,000 SAT exclusively for small business, unless the contracting officer determines there is not a reasonable expectation of obtaining offers from two or more responsible small business concerns that are competitive in terms of market prices, quality, and delivery. This is known as the "rule of two." FAR 19.502-2(a)

requires the contracting officer to document the file if a set-aside is not used in connection with the award of a contract in this dollar range.

3. RESPONSIBILITIES & PROCEDURES

PM/Technical Code: Develop the Acquisition Strategy in conjunction with the SPAWAR Office of Small Business Programs and the Contracting Officer/Specialists. If the Acquisition Strategy requires award to a small business, using either a competitive small business set-aside, or an 8(a) award, the RFP shall have FAR 52.219-6 Notice of Total Small Business Set Aside; and FAR 52.219-14, Limitations on Subcontracting. The FAR Limitation of Subcontracting clause requires the Prime to provide *at least* 50% of the labor costs. They may subcontract up to 50% of the labor.

The Contracting Officer's Representative (COR): The COR must not direct subcontracting. It may impact the Prime's ability to retain 50% of the costs for labor. Requests for adding subcontractors are typically approved by the Contracting Officer. The contractor must provide the size standard of the proposed subcontractor based on the NAICS code assigned to the contract. **Any additions to the subcontracting team, after award, is a Tripwire, and input must be made to the Tripwire Tool**. If the added subcontractor is going to be performing a significant amount of the work, the Prime must provide rationale and what steps they are going to take to ensure they retain 50% of the labor costs in-house or, submit a revised proposal to the Contracting Officer/Specialist. The COR must review invoice submissions monthly to determine the costs being billed for labor and determine if the costs are associated with the prime or a subcontractor. The COR must notify the Contracting Officer if the labor costs of the Prime slip below 50%.

The method SPAWAR shall use to track compliance is to require the contractor, through a Contract Data Requirements List (CDRL), to report, every three months, the % of subcontracted labor costs. This can be tracked by the Contract Specialist and corrections made to ensure the contract ends up with the Prime performing 50% of the labor costs in-house. (See the CDRL in the Toolbox below)

The CDRL to be used to monitor subcontractor compliance is the "Certification/Data Report."

Instructions for completing the CDRL: 1) Identify whether the subcontracting methodology is a percent of contract value or percent of subcontracted value; 2) Identify the subcontracting credit (Tier 1, Tier 2, Tier 3, or All Tiers) in accordance with contract/task order **(e.g. – Seaport)**; 3) Identify all subcontractors by name, socio-economic categories, prime vendor purchase order number, percentage of contract value or percent of subcontracted value whichever is applicable, dollar amount, NAICS code to include a description of significant events and how they were a benefit to small business (IAW CPARS Guidance - Attachment A2-2); and, 4) Identify the total percent of contract value or percent of subcontracted value, whichever is applicable, that was expended. The Government reserves the right to perform spot checks and/or request copies of supporting documentation.

BLOCK 12 & 13: The Contractor shall deliver the initial monthly report 105 DACA. Subsequent submissions due no later than 15 days after the end of the next three month period. The required reporting covers every three month period and is an accumulation of the subcontracting efforts to

date. The subcontracting information in this report shall be provided in accordance with 52.219-14 as prescribed in 19.508(e) or 19.811-3(e).

Contract Specialist/PCO: When the Acquisition Strategy calls for a competitive small business set-aside, a small business set-aside, or the 8(a) program- then include FAR 52.219-6 Notice of total Small Business Set Aside; and FAR 52.219-14, Limitations on Subcontracting; in the RFP and resultant contract. FAR 52.219-14-Limitations on Subcontracting - **requires for services- at least 50% of the cost of contract performance incurred for personnel shall be expended for employees of the firm. For supplies- the concern shall perform work for at least 50% of the cost of manufacturing the supplies, not including the cost of labor. This limitation must be addressed in any post-award meeting with the Prime.** In order to ensure compliance with this clause, the Policy is to require the prime contractor to propose at least 50% of the costs for personnel in performing the **contract/task order (e.g. - Seaport) .** If the proposal does not comply with the requirements of the Limitations of Subcontracting Clause, the Specialist will typically negotiate the **contract/task order (e.g. Seaport)**. For IDIQ contracts or MACs, **the subcontracting percentage will be monitored at a delivery order/task order level, but reported at the IDIQ or MAC basic contract level. Each contract/task order (e.g. - Seaport) must have at least 50% of the labor costs being performed by the Prime contractor.** The method SPAWAR shall use to track compliance is to require the contractor, through a Contract Data Requirements List (CDRL) to report, on a tri-monthly basis, the % of subcontracted labor costs. This can be tracked by the Contract Specialist and corrections made to ensure the contract ends up with the Prime performing 50% of the labor costs in-house (See the CDRL in the Toolbox below). The Contracting Officer/Contract Specialist must provide the COR the total costs for labor for a particular **contract/task ordeer (e.g. - Seaport)**. Then, work with the COR to determine the amount of dollars being invoiced to determine compliance with the clause. Any variances or dollar amounts which will exceed the 50% limitation must be brought to the Prime contractor's attention. (Note – If the contractor has an approved purchasing system, consent to subcontract must be specifically identified by the PCO IAW FAR 44.201-1, Consent requirements)

If the award is to be to made using the authority of the 8(a) Program, the Contracting Officer must provide notification to the SBA office PRIOR TO COMMENCING NEGOTIATIONS, IAW FAR 19.804-2. Note that IAW PGI 219.804-2 the notification is not required for 8(a) awards under the SAT. The SBA has 10 working days to respond to the agency request. Please contact the SPAWAR Office of Small Business Programs for guidance in this area.

4. MISCELLANEOUS

Limitations on Subcontracting Toolbox

Certification/Data Report CDRL (include in Small Business Set-Asides)

1. PURPOSE

The purpose of this document is to provide SPAWAR claimancy policy and guidance for the preparation and approval of Limited-Source Justifications for orders under the General Services Administration (GSA) Federal Supply Schedule (FSS) contracts as specified in FAR 8.405-6.

The Limited-Sources Justification documents the determination that there are less than three GSA FSS small businesses that will satisfy the government's requirements.

Related guidance is available under 5.2.2.3.1 Limited Sources Justifications for Orders under GSA FSS Contracts.

2. POLICY

It is the policy of SPAWAR to promote competition for task and delivery orders among FSS contractors based on the guidance in FAR Subpart 8.4 and DFARS Subpart 208.4. However, SPAWAR may solicit quotations from FSS contractors on a Limited-Source basis.

SPAWAR orders solicited on a limited-source basis shall have a Limited-Source Justification prepared as provided for below. The Limited-Source Justification for orders under GSA FSS contracts as specified in FAR 8.405-6 is not considered a Justification and Approval (J&A); therefore the review by counsel for legal sufficiency in NMCARS 5206.303-90 is not required *but should be considered when deemed appropriate; SSC Atlantic policy requires legal review on actions >$13.5M*.

Orders placed under FSS are exempt from the competition requirements in FAR Part 6. However, ordering activities shall:

- Procure Limited-Source requirements only if the need to do so is justified in writing and approved at the levels specified in Approval Thresholds; and
- Prepare Limited-Source Justifications using the information at FAR 6.303-2, modified to cite that the acquisition is conducted under the authority of Section 201 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 501).
- Justify any restriction in the consideration of schedule contractors to fewer than required in FAR 8.405-1 or 8.405-2.

Orders under FSS contracts are not exempt from the submittal requirements of an Acquisition Plan at DFAR 207.103.

Justifications shall be posted online for public inspection within 14 days or within 30 days for urgent requirements as stated in FAR 8.405-6(2).

3. RESPONSIBILITIES

3.1 Contracting Officer / Contract Specialist

- Documents the Limited-Source Justification following the format herein.
- Ensures that an approved Limited-Source Justification is included in the contract file prior to issuing a task or delivery order under a Federal Supply Schedule contract.
- Assigns appropriate Limited-Source Justification numbers in accordance with local procedures when applicable (see Approval Thresholds below).
- Documents via a memorandum when large business quotes are necessary for FSS procurements between the micro-purchase and simplified acquisition threshold, except when an ordering activity has approved justification limiting

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

sources in accordance with FAR 8.405-6. The Limited Sources Justification will be provided with the DD2579 prior to review and approval by the Small Business Office.

- *Post the justification to Fedbizopps.gov via e-Commerce in accordance with FAR 8.405-6(a)(2).*

3.2 Program Manager (PM) / Technical Code

Provides the Contracting Officer/Contract Specialist with any supporting information to justify procuring items without the benefit of competition.

4. PROCEDURE

4.1 Contracting Officer / Contract Specialist

- Review Approval Thresholds to determine Limited-Source Justification approval authority:

> Note: After an initial Limited-Source Justification is approved, any subsequent Limited-Source Justification approval threshold shall be determined by the value of the subsequent/additional scope only, and not on the aggregate value of initially approved work and the subsequent work.

- Number the document IAW local policy in accordance with the following:

Activity	Numbering Scheme
SPAWAR HQ	Procedures for assigning and obtaining control numbers for APs, BCs, D&Fs, IAMs, J&As, contracts and solicitations may be found in SCPPM Change Notice (SCN) 99-07. See Policy Alert 14-006 for the HQ Current FY control numbers log.
SSC-Pacific	Control numbers for all procurements may be obtained from the Electronic Procurement Log, located at N:\\LOGS\Procurement Action Log.xls
SSC-Atlantic	Not Required.

- Obtains input from the PM/Technical Code to support the rationale for the Limited-Source Justification.

  Document *each* Limited-Source Justification, which require the same *type of* information and format as *in* a J&A (see Justification and Approval (J&A)).

  a. **SSC Atlantic**: See Toolbox for revised Limited-Source Justification Format for Acquisitions under GSA FSS Contracts.
  b. **SSC Pacific**: In an effort to promote standardization and ensure adequate documentation, the Business Memorandum for GSA Delivery Orders is mandatory for all GSA delivery order actions.
  c. If **ASN(RD&A)[1] Approval** is required:
     - **Contracting Officer / Contract Specialist** shall fully develop content per FAR 6.303-2, DFARS 206.302-1 and especially NMCARS 5206.303-2. Assume the reader is unfamiliar with the program.
     - In addition, review the following ASN(RD&A) Acquisition and Business Management (ABM) memos for additional content requirements:

[1] ASN(RD&A) is the Navy Senior Procurement Executive (NSPE) as per DFARS 201.101

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

  - Detailed information on the areas of concern and information requirements for these justifications can be found in an ABM Policy Memo dated March 27, 2002.
  - Amplifying information can be found in ABM Policy Memo dated Sept 05, 2002.
- **Contracting Officer / Contract Specialist** ensures each justification has a forwarding GSA Business Memorandum signed by **SPAWAR 2.0 / 2.0A**.
- Limited-Source Justifications over *$13.5M* initiated by field activities shall be forwarded to **SPAWAR HQ Code 2.3A** at *HQ_Contracts_Policy@navy.mil* in sufficient time for routing and coordination.

4.2 *Posting Requirements*

Agencies shall make justification documents available for public inspection: within 14 days of contract award (FAR 8.405-6(a)(2)(i)); within 30 days if the J&A is for unusual and compelling urgency (FAR 8.405-6(a)(2)(ii))

4.2.1 Screening of Justification Documentation for Proprietary Data

- *Before making the justifications available for public inspection, contracting officers shall carefully screen all justifications for contractor proprietary data, references and citations, removing all such data, as necessary to protect proprietary information (FAR 8.405-6(a)(2)(iii)).*
- *Contracting officers shall also redact all names, signatures, and phone numbers of Government Officials.*
- *Contracting officers shall also be guided by the exemptions to disclosure of information contained in the Freedom of Information Act (5 U.S.C. 552) and the prohibitions against disclosure in FAR Subpart 24.2 in determining whether other data should be removed. The Justification should be sent via encrypted e-mail as a PDF file to the Command FOIA officer to review and redact using ADOBE software.*
- *All postings prepared for public disclosure shall be reviewed by the PAO prior to posting.*

5. APPROVAL THRESHOLDS

Dollar Threshold *(x)*	Approval Authority
$x \geq$ **$93M**	ASN(RD&A) via DASN(AP)
$13.5M $\leq x <$ **$93M**	SPAWAR 2.0 or HCA (SES/Flag Only)
$700K $\leq x <$ **$13.5M**	Competition Advocate (SPAWAR 2.0/2.0A, SSC Atlantic Code 2.0, SSC Pacific Code 2.0)
$3,500 $\leq x <$ **$700K**	Contracting Officer

6. TOOLBOX

6.1 General

1. GSA FSS Sole Source Justification
2. GSA FSS Limited-Sources Justification
3. GSA Business Memorandum
4. GSA Order Checklist (Optional)
5. Justification and Approval (J&A) SCPPM

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

6.2 SSC Atlantic

1. GSA FSS Sole Source Justification

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
November 2015	Updated format, reorganized content, and updated links. In addition, updated thresholds and added posting requirement for limited source justifications.
July 2011	Last version created in old format. Links corrected Feb 2013.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide SPAWAR HQ policy and procedures for conducting market research to assist in acquiring, distributing, and supporting supplies and services.

Market research can be defined as a continuous process of collecting and analyzing information about capabilities within the market to satisfy DoD needs, and helps:

- Identify products and technologies, particularly to determine if a commercial item can meet the Government's requirements
- Identify the size and status of potential vendors (to maximize opportunities for small business participation and make smart acquisition decisions)
- Assess the competitiveness of the market
- Discover prevailing industry pricing and practices, including customary terms, conditions, and warranties
- Understand distribution and logistics capabilities
- Uncover historical acquisition information and ensure maximum competition

Related guidance is available under CMPG 1.1.3 Conduct Market Research.

2. POLICY

This SCPPM implements the requirements of FAR Part 10 and DFARS Part 210. FAR Part 10 implements the requirements of 41 U.S.C. 253a(a)(1), 41 U.S.C. 264b, 10 U.S.C. 2377, and 6 U.S.C. 796. Market research is mandated for every acquisition, as governed by FAR Part 10.

2.1 Pre Open-Market Research (Required Sources)

Except as required by 8.003, or as otherwise provided by law, agencies shall satisfy requirements for supplies and services from or through the sources and publications listed in 8.002, FAR Part 8 before proceeding to the open market to obtain goods or services for the Federal Government. Once this requirement has been satisfied, the market researchers can expand their search to the open market.

2.2 Extent of Market Research

The extent of market research determined by the Contracting Officer and depends on such factors as urgency, estimated dollar value, complexity, scope of the requirement, and past experience (FAR Part 10.001(a)(2)(i)-(v)).

2.3 Bundled Contracts

Comply with provisions set forth in FAR Part 10.001(c)(1)-(2) when contemplating awarding a bundled contract. This includes consulting with the local Small Business Administration (FAR 10.001(d)).

2.4 TO/DO's under IDIQ Contracts

Market research must be conducted before an agency places a task or delivery order in excess of the SAT under an IDIQ contract (FAR 10.001(d)).

2.5 Prime Contractor Market Research Requirement

A *prime contractor with a contract in excess of $5 million* for the procurement of items other than commercial items is required to conduct market research before making purchases that exceed the SAT (FAR 10.001(d); FAR clause 52.210-1) Ensure that FAR Part 44.402(a)(2) and 52.244-6 (Alternate 1) are included in the requirement for a prime contractor to perform market research.

2.6 Market Research Documentation

Market Research efforts must be documented in each contract file. The documentation must be a Memo to File format and a separate document. The Market Research conducted may be re-stated in the Acquisition Strategy, Business

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

MARKET RESEARCH

• PURPOSE

The purpose of this document is to provide SPAWAR HQ policy and procedures for conducting market research to assist in acquiring, distributing, and supporting supplies and services. This part implements the requirements of FAR Part 10 and DFARS Part 210. FAR Part 10 implements the requirements of 41 U.S.C. 253a(a)(1), 41 U.S.C. 264b, 10 U.S.C. 2377, and 6 U.S.C. 796.

• BACKGROUND

Market research can be defined as a continuous process of collecting and analyzing information about capabilities within the market to satisfy DoD needs. There are two phases of market research: Tactical Market Research and Strategic Market Research. Tactical market research, also known as "Market Investigation," is more focused and detailed than strategic market research. Tactical market research is conducted in response to a specific requirement for a product or service.
Strategic market research, also known as "Market Surveillance," is an ongoing process independent of any particular requirement. Strategic market research includes all the activities that one must perform on a continuing basis to stay abreast of product/service developments in one's area of responsibility.

Market research is mandated for every acquisition, as governed by FAR Part 10, and is intended to help:

- Identify products and technologies, particularly to determine if a commercial item can meet the Government's requirements
- Identify the size and status of potential vendors (to maximize opportunities for small business participation and make smart acquisition decisions)
- Assess the competitiveness of the market
- Discover prevailing industry practices
- Identify customary industry terms, conditions, and warranties
- Understand distribution and logistics capabilities
- Uncover historical acquisition information
- Ensure maximum competition
- Reveal pricing information

• POLICY

Market research is conducted to determine if commercial items or non-developmental items are available to meet the Government's needs or could be modified to meet the Government's needs. The extent of market research will vary, depending on such factors as urgency, estimated dollar value, complexity, and past experience. The contracting officer may use market research conducted within 18 months before the award of any task or delivery order if the information is still current, accurate, and relevant. It is critical that all results of market research performed are documented in the contract file upon contract award.

Except as required by 8.003, or as otherwise provided by law, agencies shall satisfy requirements for supplies and services from or through the sources and publications listed in 8.002, FAR Part 8 before proceeding to the open market to obtain goods or services for the Federal Government. Once this requirement has been satisfied, the market researchers can expand their search to the open market

Contracting Officers shall refer to the policy dictated in FAR Part 10, Market Research. Some key takeaways of FAR Parts 10.001 (1) and (2) are:

- Agencies must ensure that legitimate needs are identified and trade-offs evaluated to acquire items that meet those needs
- Market Research must be conducted appropriate to the circumstances
    - This means giving consideration to time frames, dollar values, complexity and scope of the requirement. (Refer to FAR Part 10.001(a)(2)(i)-(v) for exact details)
- The results of Market Research must be used to:
    - Determine capabilities within the industry,
    - Identify whether commercial items or non-developmental items will satisfy requirements or could be modified to satisfy requirements, determine industry practices (such as delivery, production, warranties, etc.),
    - Ensure the maximum practicable use of recovered materials and promote energy conservation and efficiency; and
    - Determine whether bundling is necessary and justified
    - Assess the availability of electronic and information technology that meets all or part of the applicability standards issued by the Architectural and Transportation Barriers Compliance Board at 36 CFR part 1194
- Do not request more than the minimum information necessary to be submitted from potential sources when conducting market research
- Comply with provisions set forth in FAR Part 10.001(c)(1)-(2) when contemplating awarding a bundled contract
    - This includes consulting with the local Small Business Administration
- Also ensure that FAR Part 44.402(a)(2) and 52.244-6 (Alternate 1) are included in the requirement for a prime contractor to perform market research in contracts in excess of $5 million for the procurement of items other than commercial items. (Refer to FAR 10.001(d)

• RESPONSIBILITIES

Market research is conducted by all members of the acquisition team including contracting (business advisors), program managers, engineers, logisticians, legal staff, test and evaluation personnel, cost specialists, the customer, etc. It is the responsibility of the Contracting Officer to ensure adequate market research has been conducted and to document the methods used and results of market research.

To be considered adequate market research, the Contracting officer must establish the extent of research necessary, which is dependent on five variables: (1) the complexity of the acquisition, (2) how urgent the need, (3) the estimated dollar value, (4) how readily information is available and (5) past experience with the product or service being acquired. FAR Part 10 requires that market research be documented in a manner appropriate to the size and complexity of the acquisition. Once the Purchase Request (PR) package has been submitted to the PCO (Procuring Contracting Officer), all exchanges with industry should be initiated and led by the PCO and not the Program Manager.

Additional Requirements for Market Research

1. DT/DO's under IDIQ Contracts:
   Market research must be conducted before an agency places a task or delivery order in excess of the SAT under an IDIQ contract. (Ref: FAR Case 2008-007)

2. Prime Contractor Market Research Requirements:
   A prime contractor with a contract in excess of $5 million for the procurement of items other than commercial items is required to conduct market research before making purchases that exceed the SAT. (Ref: FAR Case 2008-007 and FAR clause 52.210-1, Market Research)"

• PROCEDURES

Pre-Award Market Research

Pre-Award Market Research can generally be categorized as **Tactical Market Research**. Tactical Market Research is a methodical process with the end goal in mind of ultimately making a contract award, based on this research. There are six steps to Tactical Market Research:

1. Summarize the Market
   a. Compile ongoing Strategic Market Research as a foundation for establishing requirements,
   b. Document any relevant industry practices, important information pertinent to the requirement, and currently known sources
   c. Research existing contract vehicles to see if they may satisfy the requirement
2. Identify Sources
   a. Define requirements using existing strategic market research,
   b. Use FedBizOpps, (RFI's, Sources Sought, etc.)
   c. Advertise where commercial buyers do, (Hold Industry Days and Communicate with Industry) and

   d. Compile a list of potential sources.
3. Survey Suppliers
4. Check References
5. Evaluate Candidates
6. Document Results

Tactical Market Research is to be performed as a team effort amongst the Contract Specialist and Technical Requirements personnel and any other parties relevant to the acquisition process. The depth and breadth of adequate market research is dependent on the scope of the requirement, and is determined by the Contracting Officer and requirements established within FAR Part 10 and DFARS Part 210.

Post-Award and Continuous Market Research

Post-Award Market and Continuous Research can generally be categorized as **Strategic Market Research (SMR)**. Strategic Market Research is the continuous effort to maintain awareness of the market or markets related to the mission area or capabilities being acquired. The primary focus of SMR is to accumulate a knowledge base that becomes the foundation from which the market researcher pursues a more focused market investigation (tactical market research).

A May 2011 DoN Memorandum, Navy Clarifying Guidance on Communication with Industry, provides guidance that encourages frequent and clear communication between the Department of Defense and current and potential suppliers. Under the guidance, formal avenues exist that provide the Department of Defense opportunities to conduct Strategic Market Research in order to understand the current capabilities of the industry. Examples of such opportunities include Industry Days, Small Business Symposiums, and Requests for Information (RFIs) or Sources Sought through FedBizOpps.

Industry Day(s) are a vital tool in collecting information and feedback important to framing the Government's acquisition strategy is the use of industry day(s) (e.g., pre-solicitation conference, pre-proposal conference, etc.). Industry day(s) are highly recommended for all acquisitions.

The utilization of draft request for proposals (RFP) is also an important tool to seek input from industry on the Government requirement and ensure greater understanding on both sides of the acquisition. Use of a draft RFP is highly recommended for all acquisitions. The specific content of the draft RFP will be determined by the PCO.

Aside from the formal platforms that enable market researchers to survey the market in between acquisitions, there are steps that can be taken to continuously conduct market research for both services and technology. The Defense Acquisition University Course, CLC 0004, highlights two formal processes that market researchers may follow to ensure adequate market research is continually being performed.

Strategic Market Research for **services** can be conducted by following these steps:

1. Identify the requirement for Strategic Market Research
2. Identify experts in the provision of services to commercial and DoD organizations
3. Research primary commercial and government customers of the services
4. Research the mission or support requirements upon which the service is based

5. Identify industry leaders that translate these functions into specific services
6. Identify "enabling" products, services and technologies. In other words, if researching a service; identify any components that are "enablers" for implementation. For example, aircraft de-icing is only as good as the de-icing agent used during the process.
7. Identify key labor force capabilities relevant for the service
8. Research companies and industrial/trade/standards organizations that advance the state-of-the-art of these services and formulate performance standards.

Strategic Market Research for **technology** can be conducted by following these steps:

1. Identify the requirement for surveillance
2. Identify originators of the technology
3. Research current product applications of the technology
4. Identify experts in the integration of the technology in larger-scale applications
5. For each technology, identify relevant enabling technologies
6. Identify primary commercial and government customers of the technology
7. Identify key technical and manufacturing process capabilities and sources relevant to the technology
8. Identify professional and trade societies, research institutes, universities, technical conferences, symposia, industry consortia, etc. actively involved in advancing the state-of-the-art of the technology and formulating technical standards, interface specifications and protocol, etc.

• Small Business Considerations

Identifying and engaging Small Businesses is a priority within the Department of Defense and within SPAWAR. As a result, frequent communication with small business concerns is recommended in order to ensure potential small business contractors and their products are identified, and that small business concerns are utilized when appropriate in an acquisition. This will also ensure proper market research is conducted. One tool that can be beneficial in monitoring the Small Business industry is the use of Small Business Symposiums, where small businesses have an opportunity to interact with SPAWAR representatives and provide information on their offerings. **Until market research is conducted and the results are documented, any intent to set aside a requirement for small business is premature. Contracting officers must utilize the results of thorough market research when determining whether a requirement can be set aside for small business.**

Upon thorough documentation of market research results, Contracting Officer shall provide feedback to industry regarding the decision made to set aside procurement. This should be accomplished via the pre-solicitation synopsis notice. The synopsis must reference the previous market research sources sought notice and must include a statement that the activity small business office concurs with the set aside determination.

Additionally, DoDI 5000.01 and 02 instruct contracting officers and program managers to:

- Structure Acquisition Strategies to facilitate small business participation
  - This means conducting market research to identify potential SB sources as both prime and subcontractors

        - Based on market research, possibly breaking out requirements that may benefit and can be performed by SB concerns
    - Consider the use of Small Business Innovative Research (SBIR) technologies, and giver favorable consideration to successful SBIR technologies
        - Market research can identify where SBIR technologies may be applicable in an acquisition

• Notable DoD Sources

1. Enterprise Software Initiative (ESI), for the acquisition of COTS IT products. DFARS Part 208.7402 Departments and agencies shall fulfill requirements for commercial software and related services, such as software maintenance, in accordance with the DoD Enterprise Software Initiative (ESI).

2. General Services Administration (Advantage) for myriad supplies and services. GSA is listed in FAR Part 8 as a preferred source for supplies.

3. Other sources that can be checked are DISA Encore II and the Air Force Net Centric NETCENTS II site.

• Conclusion

Market Research is a continual process that enables the Department of Defense to procure state-of-the-art supplies and services that meet the needs of the Warfighter in a perpetually evolving marketplace. By conducting both Strategic and Tactical Market Research, Department of Defense Agencies can obtain the necessary services and technologies to achieve mission goals and ultimately protect the Warfighter. Further, Market Research allows Contracting Officers to be better equipped to meet agency requirements, gain an understanding of the marketplace conditions that may affect terms and conditions for commercial items, enter negotiations with knowledge of the industry and common practices, and to generate interest in offering for that requirement.

Open communication with industry provides the Department of the Navy (DON) with a level of transparency in the conduct of our acquisition business. Open and effective communications in this area will advance the DON's commitment to provide competitive opportunities where small businesses can provide products, services, and solutions to support the warfighter.

Market Research Toolbox

- **Market Research for Acquisitions (roundtable brief of 13 October 2011)**
- CMPG (Refer to Section 1.5 Market Research)
- Techniques for Conducting Market Research
- Air Force Market Research Guide

(cont.)

- Navy Clarifying Guidance on Communication with Industry
- **Improving Communications During the Market Research Process**

PR Process Guidebook Templates

1. Market Research Summary Form
2. RFI Response Review Matrix

2.0 Market Research Templates

- **Request for information (RFI) for Services Procurements**
- Source – Purchase Request (PR) Process Guide Book: Step by Step Instructions for Prime Mission Product or PMP-Related Services Contracts. Version 1.0, June 30, 2011 APEO-C Branch

Other Links:

- Small Business Administration
- ESI
- GSA Advantage
- FEDBIZOPPS
- E-Commerce
- DISA Encore II
- Air Force Net Centric NETCENTS II

1. PURPOSE

The purpose of this document is to provide the SPAWAR claimancy policy and procedures for processing/competing task or delivery orders issued under multiple award contracts (MAC). This document **does not** apply to Task Orders (TO) issued under GSA Federal Supply Schedule contracts under FAR Part 8 or DFARS 208.404 (see Limited Source Justification of FSS Orders and SeaPort-e Task Orders SCPPMs).

Related guidance is available under CMPG 5.2.2.1 Orders Under Multiple Award Contracts (MACs).

2. POLICY

The policy requirements and procedures for processing orders under a MAC are set forth in FAR 16.505 (b) and DFARS 216.505-70. It is SPAWAR policy that orders under MACs be competed to the maximum extent possible and that orders for services be expressed in terms of performance-based Performance Work Statements or Statement of Objectives to the maximum extent possible.

In support of the requirement at FAR 16.505(b)(1)(ii)(A) for order placement procedures, an ordering guide must be developed for any new MAC at the time the basic contract is awarded to aid the team, customers, and ordering officers in the subsequent TO/Delivery Order (DO) process.

Past Performance should be considered in all procurements including basic MAC contract awards and on subsequent orders as appropriate or applicable. When determining the dollar thresholds for past performance instances (e.g. – it would be unreasonable to set a $20M threshold for an effort likely to result in a $1M award), do not use an arbitrary figure, consider the average size of task orders to be issued, define what dollars are to be counted, (i.e. ceilings or invoiced amounts); determine if the amount is reasonable. Include the minimum dollar thresholds established for past performance instances in the Advance Notification of the TO as applicable.

FAR 16.505(a)(10)(i) states no protest under FAR Subpart 33.1 is authorized in connection with the issuance or proposed issuance of an order under a task-order contract or delivery-order contract, except for:

1. A protest on the grounds that the order increases the scope, period, or maximum value of the contract
2. A protest of an order valued in excess of $10 million. Protests of orders in excess of $10 million may only be filed with the Government Accountability Office, in accordance with the procedures at FAR 33.104.

3. RESPONSIBILITIES

3.1 Contract Specialist

- Ensures that proper procedures for processing orders under MACs are followed.

3.2 Contracting Officer

- Ensures the procedures of FAR 16.505(b) were followed prior to executing a task/delivery order award under multiple award contracts.
- Ensures that fair opportunity is provided to all contractors offering the services under the MAC for services exceeding the simplified acquisition threshold (FAR 16.505(b)(1)(iii)(B)) *or s*ubmits exceptions to fair opportunity to appropriate approval authorities (FAR 16.505(b)(2)(ii)(C).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

- Ensures the requirement is stated in a Performance Based Statement of Objectives (SOO), Performance Work Statement (PWS), or Statement of Work (SOW) or ensure appropriate approvals are obtained in accordance with the table of PBSA waivers in 1.2.9.2.2 Performance Based Service Acquisition SCPPM.
- Reviews the evaluation criteria for each order that will use "Best Value" selection criteria to ensure it is appropriate for the order being placed.
- If time permits, issues an Advanced Notice of the planned task order as soon as possible.
- If time permits, provides the number/description of any Key Personnel, and labor categories to be solicited and a draft SOO/PWS/SOW (as available). Provides the evaluation criteria and requests comment from contractors.
- If the TO is to be significant or highly complex, recommends holding an Industry Day to solicit input from the MAC contract holders.
- If the proposed TO is complex, considers adding 2-3 days to proposal preparation time to address questions and answers, and if the questions result in amendments, considers extending the proposal submission date as appropriate.
- Ensures that adequate time is made for proposal preparation. If the TO is highly complex or of high dollar value, considers a 45 day proposal preparation and submission time.
- Designates a COR in the TO.
- Ensures a Quality Assurance Surveillance Plan is included with TOs for services when PBSA techniques are used.
- Once the basic contract is awarded, recommends working with the COR/requestor to draft a TO forecast/pipeline and provides that to MAC contract holders for planning purposes and to assist MAC contract holders in determining the Government's future requirements.

3.3 Contracting Officer's Representative (COR) or the Technical Representative (SSC Atlantic Contract Resource Manager (CRM)

- Receives and reviews requirements packages for each task order to ensure the documents are complete, accurate, and in accordance with these guidelines.
- Reviews the SOO/PWS/SOW, evaluation criteria, the Acquisition Strategy (services over $100K), and the PBSA waiver, as applicable, as outlined in the 1.2.9.2.2 Performance Based Service Acquisition SCPPM.

3.4 Technical Requestor

- Defines requirements, recommends it as a firm fixed price or cost reimbursement order; performs market research; develops the exception to fair opportunity documentation; creates the Acquisition Strategy for services greater than SAT; drafts the PBSA waiver and obtains signatures.
- Develops evaluation criteria in concert with the Contracting Officer for selection and performing the technical evaluations of task order proposals received.

3.5 Designated Contract Ombudsman (SPAWAR 2.0)

Reviews complaints from contractors and ensure they are afforded a fair opportunity to be considered, consistent with the procedures in the contract.

4. PROCEDURE

4.1 Exception to Fair Opportunity

1. **COR** recommends if the requirement should be awarded using one of the exceptions to fair opportunity, in accordance with FAR 16.505(b)(2).

a. If so, an Exemption to Fair Opportunity must be approved by the appropriate approving official in accordance with FAR 16.505 (b)(2)(ii)(C). Once the Exemption is approved, the award will be made in accordance with standard ordering procedures.
b. If the order will be issued on a competitive basis, continue with these procedures.

For **orders in excess of $5M**, fair opportunity requires all contractors be provided, at minimum:

c. A notice of the task or delivery order that includes a clear statement of the agency's requirements;
d. A reasonable response;
e. Disclosure of the significant factors and sub factors, including cost or price, that the agency expects to consider in evaluating such proposals, and their relative importance;
f. Best Value Awards - a written statement documenting the basis for the award and the relative importance of quality and price or cost factors; and
g. An opportunity for a post-award debriefing consistent with the requirements of FAR 15.506.

4.2 Solicitation and Award

1. **COR** sends draft evaluation factors and scoring criteria, including the draft SOO/ Performance Work Statement (PWS)/SOW, the draft Contract Data Requirements List (CDRL) DD Form 1423, and the Independent Government Estimate to the contract specialist for internal review.
2. Following review and comments, the **contract specialist** when appropriate, forwards/presents the draft evaluation factors along with the draft SOO/PWS/SOW and CDRL to the **multiple award contract holders** for their review and responses.
3. Within a minimum of two days, or as specified by the **contract specialist**, the **potential offeror** submits comments and questions concurrently to both the **contract specialist** and the **COR**. The **COR** consolidates all of the questions and comments from the **potential offerors** into one Questions and Answers (Q&A) document.
4. The SOO/PWS/SOW, CDRL, and Q&A document are attached to the RFQ/RFP, and sent out to each **multiple award contract holders** electronically (may be sent via email).
5. Based upon the pre-established factors and rating criteria as stated in the SSP or Task Order Evaluation Plan (TOEP)(SSC Atlantic), a technical evaluation of the proposals will be performed and subsequent award recommendation will be submitted to the **contract specialist**, for the contracts review and concurrence.
6. The DD 1155 is prepared electronically and the order is awarded.
7. The **contract specialist** provides written notification of award to all **offerors**, to include the name of the awardee and price. Requests for debriefs shall be handled in accordance with FAR 15.506. The MAC ceiling value needs to be tracked in order to ensure that the MAC ceiling value is not exceeded.

4.3 Small Business Review

SPAWAR OSBP must review the decision to use unrestricted competition when there are two or more small business awardees under the MAC. A review by the Small Business Administration Procurement Center Representative (SBA PCR) is also

required for task or delivery orders that are not set-aside for small businesses if there are two or more small business awardees under the MAC. This review/concurrence shall be conducted per the instructions below for each activity: In general, five working days should be allowed for the OSBP Small Business Specialist review.

4.3.1 SPAWAR HQ, SSC PACIFIC & SSC ATLANTIC

1. The Contract Specialist will use a DD2579 or the HQ SB review form in the Toolbox for task order reviews by HQ OSBP and the SBA PCR.
2. The SB Deputy will conduct a review of the recommendation, supporting rationale and documentation for market research provided by the Contract Specialist.
3. If the recommendation by the Contracting Officer is to compete as a set aside and the SB Deputy concurs with the recommendation the SB Deputy will complete their review and provide the Contract Specialist a signed copy of the document.
4. If the recommendation by the Contracting Officer is to compete as unrestricted and the SB Deputy concurs with the recommendation, the SB Deputy will sign the form and forward to the SBA PCR for their review and approval.
5. Any non-concurrences shall be resolved between the Contracting Officer/Contract Specialist, SB Deputy and the SBA PCR. The SBA PCR will forward the signed DD2579 or SB review form to HQ OSBP who will provide a copy to the Contract Specialist.
6. A copy of the signed form shall be filed in the applicable electronic contract storage system with a copy maintained in the HQ OSBP records.

5. APPROVALS

Exemption to Fair Opportunity. Orders placed under a MAC which will not provide for fair opportunity, must be documented in the file with the contracting officer's determination and rationale. The format of the justification is included in the Toolbox at the end of this document and is outlined in FAR 16.505(b)(2)(ii). The justification posting is outlined in FAR 16.505(b)(2)(ii)(D).

Threshold *(x)*	Approval Authority
x > $93M	ASN(RDA) via DASN(AP)
$13.5M < $x \leq$ $93M	SPAWAR 2.0 or HCA (SES/Flag only)
$700K < $x \leq$ $13.5M	Competition Advocate • SPAWAR 2.0/2.0A • SSC Pacific 2.0 • SSC Atlantic
$3K < $x \leq$ $700K	SPAWAR 2.0 Branch Head

6. TOOLBOX

1. Performance Work Statement (PWS)
2. DD Form 1423 (CDRL)
3. DD 1155
4. DD2579
5. Fair Opportunity Exemption Template
6. Fair Opportunity Exemption Template (SSC Atlantic)
7. 1.2.9.2.2 Performance Based Service Acquisition

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

8. Sample Task Order Source Selection Plan (TO SSP) Template
9. Task Order Request for Proposal Template
10. Decision Paper Task Order Award Template
11. OSBP Review Forms (HQ, Atlantic and Pacific)
12. Documents for Orders under MACs (SSC Atlantic)
13. Sole Source Procurements (SSC Atlantic)
14. Development and Issuance of Task Orders IPM (SSC Pacific)
15. *MAC Working Group Process Implementation Summary*
16. *SPAWAR Task/Delivery Ordering Guide Framework*

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
December 2015 Rev 1	Added MAC ordering guide requirement in Policy section and two MAC documents to Toolbox section.
December 2015	Updated Thresholds in the Approvals section.
September 2015	Updated Past Performance information.
August 2015	Content formatted and reorganized; updated links; updates include updated Contracting Officer responsibilities, update of Small Business Review section with SSC Atlantic and SSC Pacific, and approval threshold update.
July 2014	Last version created in old format. Latest updates include addition of Small Business Review section.

1. PURPOSE

The purpose of this document is to provide SPAWAR Claimancy policy and procedures for the inclusion of the Organizational and Consultant Conflicts Of Interest (OCI) clause and the process to mitigate any actual or potential OCIs. This document implements within the SPAWAR Claimancy the requirements of FAR Subpart 9.5, DFARS 209.5 and NMCARS Subpart 5209.5.

Per FAR 2.101, a conflict of interest occurs when:

1. A person is unable or potentially unable to render impartial assistance or advice to the Government; or
2. The person's objectivity in performing the contract work is or might be impaired; or
3. A person has an unfair competitive advantage. In other words, a contractor possesses (1) proprietary information that was obtained from a Government official without proper authorization; or (2) source selection information that is not available to all competitors and will assist that contractor in obtaining the contract.

Related guidance is available under CMPG Ethics and Avoiding OCI.

2. POLICY

FAR Subpart 9.5 prescribes responsibilities, general rules, and procedures for identifying, evaluating, and resolving OCIs. DFARS 209.5 provides additional detail for (1) obtaining access to proprietary information (DFARS 209.505), (2) Contractors Acting as Lead System Integrators (DFARS 209.570), and (3) limiting OCI for Major Defense Acquisition Programs (DFARS 209.571).

It is SPAWAR Policy that the Contracting Officer (PCO) identifies potential OCIs and attempts to mitigate them prior to contract award. All SPAWAR contractor support (CS) is required to sign non-disclosure agreements (NDAs) and provide an OCI Plan, where applicable.

OCIs are more likely to occur in contracts involving:

1. Program management support services;
2. Consultant or advisory and assistance services;
3. Contractor performance of or assistance in technical evaluations;
4. Preparing Specifications or Statements of Work; or
5. Systems engineering and technical direction work performed by a Contractor that does not have overall contractual responsibility for development or production.

3. RESPONSIBILITIES

3.1 Head of the Contracting Agency (HCA)

May waive the FAR requirements for OCIs if it is determined that it is not in the Government's best interest. All requests for waivers must be in writing and describe the extent of the conflict. The HCA is the agency head's designee for approval, without power of re-designation (NMCARS Subpart 5209.5).

3.2 SPAWAR 2.0/2.0A

Shall approve, modify, or reject the PCO's recommendations, in writing.

3.3 Contracting Officer (PCO)

Determines whether there is potential for OCI and attempts to mitigate the conflict. The exercise of common sense, good judgment, and sound discretion is required in both the decision on whether a significant potential conflict exists and, if it does, the development of an appropriate means for resolving it.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. Obtains the advice of counsel and the assistance of appropriate technical specialists in evaluating potential conflicts, developing any necessary solicitation provisions and contract clauses, and evaluating mitigation plans.
2. Resolves or mitigates the conflict or the potential conflict in a manner consistent with the approval or other direction by SPAWAR 2.3A before awarding the contract.

3.4 SPAWAR Legal Counsel

Advise the **PCO** on instances of potential OCIs. Where potential OCI exists, advise the **PCO** on the adequacy of the offeror's OCI mitigation plan or recommend changes to it.

3.5 Program Manager/Technical Originator

Assist the PCO on identifying potential OCIs. Assist in developing necessary SOW/PWS language, as well as the development of mitigation plans.

4. PROCEDURE

4.1 Developing the Solicitation and Contract

1. The **PCO** discovers a potential conflict of interest.
2. The **PCO** begins an investigation with the assistance of the **Program Manager/Technical Originator** to identify all actual and potential conflicts. If information concerning prospective contractors is necessary to identify and evaluate potential OCIs or to develop recommended actions, the Contracting Officer should first seek the information from within the Government or from other readily available sources.
3. The **PCO** resolves or mitigates the conflict in a manner consistent with the approval or other direction of SPAWAR 2.0/2.0A before awarding the contract.
    a. Formally document judgment when a substantive actual or potential OCI exists. This document does not require SPAWAR 2.0/2.0A approval.
    b. Document a course of action for resolving any significant actual or potential OCI (following procedures at FAR 9.506) and submits it to SPAWAR 2.0/2.0A for approval before issuing the solicitation. Included in the course of action should be a requirement for the potential Offeror/Contractor to submit a Mitigation Plan.
4. The **PCO** includes appropriate OCI clauses and provisions; may tailor portions of the clause to fit the acquisition, as long as the clause remains "substantively the same."
    a. Significant potential OCIs shall contain a provision that:
        i. Invites offerors' attention to this subpart;
        ii. States the nature of the potential conflict;
        iii. Describes the proposed restraint upon future contractor activities; and
        iv. States whether the terms of any proposed clause are negotiable (FAR Subpart 9.507-1).
    b. If contractors will access Navy Information Systems (e.g., NERP, EDA, WAWF), insert SPAWAR clause 5252.237-9603 Required Information Assurance and Personnel Security Requirements for Accessing Government Information Systems and Nonpublic Information.
    c. If contractors will obtain access to third-party proprietary technical data or computer software, use the non-disclosure clause at DFARS 252.227-7025 (DFARS 209.505-4).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

d. If contractors are acting as Lead System Integrators in the acquisition of a major system (DFARS 209.570), use the following:
   i. 252.209-7006 Limitation on Contractors Acting as Lead System Integrators
   ii. 252.209-7007 Prohibited Financial Interests for Lead System Integrators
e. For Major and Pre-Major Defense Acquisition Programs (DFARS 209.571):
   i. If the solicitation includes the clause at 252.209-7009, Organizational Conflict of Interest—Major Defense Acquisition Program, use the provision at 252.209-7008, Notice of Prohibition Relating to Organizational Conflict of Interest—Major Defense Acquisition Program; and
   ii. Use the clause at 252.209-7009, Organizational Conflict of Interest—Major Defense Acquisition Program, in solicitations and contracts for systems engineering and technical assistance.

Number	Title and Notes on Use
N/A	**Notice of Significant Potential OCI** Describes the nature of the potential conflict, the proposed restraint on future activities and/or mitigation plan, and states whether these terms are negotiable.
5252.237-9603	**Required Information Assurance and Personnel Security Requirements for Accessing Government Information Systems and Nonpublic Information (Aug 11)** Required for contractor personnel accessing Government Information Systems including but not limited to, the Navy Enterprise Resource Planning (N-ERP), Electronic Document Access (EDA) and Wide Area Workflow (WAWF) System.
252.227-7025	**Non-Disclosure** Use clause when the contractor will provide systems engineering and technical assistance.
252.209-7006	**Limitation on Contractors Acting as Lead System Integrators** Use when contractors will act as lead system integrators.
252.209-7007	**Prohibited Financial Interests for Lead System Integrators** Use when contractors will act as lead system integrators.
252.209-7008	**Notice of Prohibition Relating to OCI – MDAP** Use provision when the solicitation contains 252.209-7009.
252.209-7009	**OCI – MDAP** Use clause when the contractor will provide systems engineering and technical assistance.
5252.209-9201	**Organizational Conflict of Interest (Systems Engineering)** Use when the contractor will provide systems engineering and technical direction.
5252.209-9202	**Organizational Conflict of Interest (Specification Preparation)** Use when the contractor will prepare specifications or work statements.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

5252.209-9203	**Organizational Conflict of Interest (Access to Proprietary Information)** Use when the contractor will provide technical evaluation, advisory and assistance services, or when the contractor may obtain access to proprietary information.
5252.209-9204	**Existing Organizational Conflict of Interest** Use when necessary to avoid, neutralize or mitigate a potential organizational conflict of interest.
5252.209-9205	**Organizational Conflict of Interest** Use when (1) the contractor will provide support services (e.g., program management support services, budgeting or accounting services or , advisory and assistance services including consultant services, and a potential conflict exists.
L-339	**Notice of Organizational Conflict of Interest** Use a provision substantially the same as L-339 in solicitations that include one of the Organizational Conflict of Interest clauses in Section H.

5. The **PCO** advises **SPAWAR 2.0/2.0A** when a SPAWAR OCI clause will be included in the solicitation and contract, including any recommended alterations to the clause necessary to address the unique requirements of the Program, or to address areas in a Mitigation Plan.
6. The **PCO** considers information provided by prospective contractors in response to the solicitation or during negotiations.

5. APPROVALS

Approval of the requiring activity representative is required before GFP can be transferred.

6. TOOLBOX

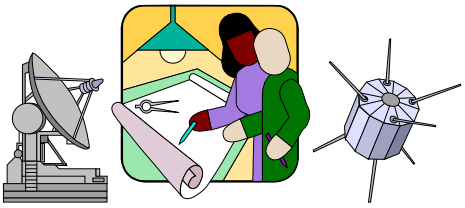
1. Company Information Access Agreement.docx
2. Employee Information Access Agreement.docx
3. Government Employee NDA (Source Selection Team)
4. Contractor No-Bid Sample Letter
5. NERP Access Process July 2011.ppt

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
May 2016	Content updated and converted to new SCPPM format; title updated to include ref to consultants.
October 2011	Last version created in old format.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.



OTHER TRANSACTIONS (PROTOTYPES)

1. PURPOSE

The purpose of this document is to provide the SPAWAR claimancy policy and procedures for transactions other than contracts, cooperative agreements and grants for prototype projects.

2. POLICY

It is the policy of SPAWAR to encourage and foster aggressive use of the authority first granted by Congress in 1996 for military Service Secretaries to use "other transactions" (OTs) to enter into prototype projects. This authorization was contained in 10 USC 2371 and Section 845 of the National. Defense Authorization Act (NDAA) for Fiscal Year 1994 as amended by Section 804 of the NDAA of 1997 and continues under the NDAA for FY99. ASN RD&A Memo of 10 September 1997 extends this authority to SPAWAR. These OTs are agreements used for basic, applied, advanced research and prototype projects and are not contracts, grants, or cooperative agreements. The OT is a new, highly flexible business tool. Use of this tool requires application of astute business acumen to ensure smarter, more efficient acquisition of systems for the Department of Defense. Guidance may be found in the "The Other Transactions Guide for Prototype Projects" from the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics website at http://www.acq.osd.mil

3. RESPONSIBILITY

The Contracting Officer has the overall responsibility for ensuring that proper Determinations and Findings (D&Fs) are submitted for approval, briefings are delivered, business clearances are filed, agreements are executed, and reports are submitted.

4. PROCEDURES

a. SPAWAR 2.0

(1) Determinations and Findings (D&Fs). Prior to embarking on the use of an Other Transaction, a D&F shall be submitted to 2.0/2.0A for approval. Further policies and procedures for this are found in the Planning 1.0 of the SCPPM at Determinations and Findings.

(2) Briefings. The purpose of the briefings is to help ensure that other transaction authority is used in a manner that is consistent with law, regulation, policy, and good business judgment by informing senior management (i.e., 2.0A, 3.0, and the cognizant Program Manager) of the status of an acquisition. The briefings advise 2.0A, Program Manager, and legal counsel of the intent to use Other Transaction authority and the supporting rationale. The briefings must include a description of the effort, the competitive environment, the rationale for using OT authority, vice a traditional vehicle, and any special terms and conditions that may apply.

- The following briefings are mandatory and shall occur as indicated:
  - ✓ Within a reasonable time after receipt of proposals;
  - ✓ Prior to eliminating an offeror from any further consideration;
  - ✓ Prior to source selection; and
  - ✓ When it becomes apparent that conditions exist that may impact either the source selection decision or the terms and conditions of the resulting agreement in an unusual way.
- Briefing prior to submitting the D&F document is optional.

(3) Business Clearance Memorandum. The purpose of the business clearance memorandum is to ensure a proposed OT instrument conforms to applicable laws, regulations, and Navy procurement policies and practices. This document along with its exhibits provides a written record of the issues, circumstances and conditions associated with implementation of an OT. General guidance is provided in the SCPPM at Evaluation 3.0 at Business Clearances. Although each OT, because of its flexible nature, will have unique elements that require the application of sound business judgment to ensure the Navy's rights and interests are protected, specific guidance on minimum OT Business Clearance Memorandum contents is that each should address:

- The procurement background;
- The source selection process (i.e. evaluation factors, sharing arrangement, competitiveness, discussions with offerors, and award decision);
- The cost and/or price evaluation;
- Pre-award compliances and certifications;
- Use of government property;
- Milestone payments and the timing of those payments; and
- Any unique terms and conditions of the agreement (e.g., intellectual property rights, disputes, funding profile, inclusion of the 'Comptroller General access to Records' clause, etc).

(4) Comptroller General and Department of Defense Access to Records Clauses.

(a) A clause must be included in solicitations and agreements for prototype projects awarded under authority of 10 U.S.C. 2371, that provide for total government payments in excess of $5,000,000 to allow Comptroller General access to records that directly pertain to such agreements.

(b) In addition to the clause requiring Comptroller General access to records, a clause must also be included in prototype projects in excess of $5,000,000 that allows the Department of Defense access to awardee and subawardee records. When a Department of Defense access to records clause is included as part of the Other Transactions agreement, the following areas mat be addressed during the negotiation of the clause: (1) Frequency of audits, (2) Means of accomplishing audits, (3) Scope of audit, (4) Length and extent of access, and (5) Awardee flow down responsibilities.

(c) Specific guidance on the applicability and text of the Comptroller General access to records clause can be found in the "The Other Transactions Guide for Prototype Projects" from the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics website at http://www.acq.osd.mil

(d) Specific guidance on the applicability, exceptions, and details concerning the text and areas to be addressed in the Department of Defense access to records clause can be found in the "Other Transactions Guide for Prototype Projects" at the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics website at http://www.acq.osd.mil

Numbering. The Office of the Under Secretary of Defense (AT&L) "The Other Transactions Guide for Prototype Projects" establishes the policy for numbering Other Transactions for prototype projects. DFARS 204.70 shall be used for assigning the Procurement Instrument Identification Number (PIIN) with one exception, the 9th position of the PIIN shall be coded "9" for all Section 845 other transactions (e.g. N00039-98-9-0001). The Other Transactions Guide can also be found at the Office of the Under Secretary of Defense (AT&L) http://www.acq.osd.mil

(5) Nontraditional Defense Contractors. The Other Transactions Guide implements recent legislation requiring that, "…there is at least one nontraditional defense contractor participating to a significant extent in the prototype project; or if not, at least one third of the total cost of the prototype project is to be paid out of funds provided by … other than the federal government." The OT Guide provides the definition of Nontraditional Defense Contractors.

(6) Reporting. The DD2759TEST form has been developed for collection of common data elements for every Section 845 other transaction obligation or deobligation. Instructions concerning DD2759 completion can be found in the Other Transactions Guide, Appendix 3. All activities shall complete and forward the form within 10 days of the execution of the OT agreement to SPAWAR 2.3.1.

Title 10 USC 2371(h) requires an annual report to Congress on use of OT authority. Effective in FY 01, this report must be prepared in accordance with Appendix 2 of the OT Guide and submitted to SPAWAR 2.0A for review

PRIOR to awarding a new OT. The approved report will be forwarded to SPAWAR 2.3.1 within 10 days of OT award. No additional end of year reporting is required.

b. SSC San Diego

(1) Procedures shall be as above, except for routing.

(2) Determination and Finding. A D&F must be submitted to Code D21 prior to using Other Transaction Authority. The D&F must then be submitted to SPAWAR 2.0/2.0A for approval per Delegation Authority Memorandum (SER 02-41E/002 dated 27 May 1998). The format for the D&F shall be the sample attached to this instruction.

(3) Business Clearance Memorandum. The review and approval process for the business clearance memorandum for an OT instrument shall be the same as that for any other acquisition business clearance memorandum at SSC-SD. However, specific thresholds as referenced herein and in Delegation Authority Memorandum (SER 02-41E/002 dated 27 May 1998 must be adhered to. Routing procedures are the same as all other business clearance memoranda.

(4) Agreement Execution. Agreements shall be signed by warranted Agreement/Contracting Officers.

(5) Numbering and Reporting. The numbering and reporting of other transactions shall be the same as outlined for SPAWAR 2.0 above and in accordance with the OT Guide. See CSOP No. 105 on Grants, Cooperative Agreements and Other Transactions for reference only.

c. SSC Charleston

(1) Procedures shall be as above, except for routing.

(2) Determination and Finding. A D&F must be submitted to Code 11 (via Codes 111 and 11A) prior to using an Other Transaction Authority. The D&F must then be submitted to SPAWAR 2.0/2.0A for approval per Delegation Authority Memorandum (SER 02-41E/002 dated 27 May 1998).

(3) Briefings. The briefings should be consistent with the briefings referred to in Section 4 with the exception that they should be presented to Code 11 (SSC Charleston's senior management). The briefings will be in the format of a presentation to the Contract Review Board.

(4) Business Clearance Memoranda. Reference is made to the Delegation Authority Memorandum (SER 02-41E/002 dated 27 May 1998) for approval levels of the business clearance memoranda. Routing procedures are the same as all other business clearance memoranda.

(5) Agreement Execution. Agreements shall be signed by warranted Agreement/Contracting Officers.

(6) Numbering and Reporting Procedures. The numbering and reporting of other transactions shall be the same as outlined in the SPAWAR 2.0 procedures above and in accordance with the OT Guide.

5. APPROVALS

a. ASN (RD&A) memo 21 Feb 97 delegated authority to enter into prototype projects to the "Heads of Contracts" including the principal deputy to such official. ASN (RD&A) memo 10 Sep 97 clarified that the "Heads of Contracts" must approve the use of an Other Transaction but may further delegate the authority to execute the Other Transaction Agreement. SPAWAR 00 memo of 15 July 97 further delegated authority to 2.0 and 2.0A to enter into other transactions for prototype projects. Specific authority is as delineated below for the reviews, signatures, approvals, and determinations. Those functions delegated are to the permanent incumbent of that position holding a warrant of such and cannot be assumed by anyone filling that position on temporary assignment.

OTHER TRANSACTION APPROVAL LEVELS

Action	*Purpose*	*Delegation (Approval Authority)*
Determination & Finding	Document the appropriateness of and authorize use of Other Transaction	Retained by 2.0/2.0A
Business Clearance HQ SSC CH SSC SD	Documentation of business decision and rationale	Division Director and/or 2.0/2.0A as set forth elsewhere herein 2.0A 2.0A
Other Transaction Agreement	Execution	Procuring Contracting Officer

b. Business clearance approval thresholds for OTs are in accordance with SPAWAR Memorandum, SER 02-41E/002 dated 27 May 1998. Authority to approve the business clearance at SPAWAR headquarters rests with the Division Director for any one program under $1 Million as reflected in the table below. However, if the Division Director or Branch Head determines that the issues surrounding negotiations and the terms of the resulting agreement are significantly complex, he/she is obligated to forward the clearance to 2.0A for final review and approval authority. 2.0A is the approval authority for clearances covering agreements valued over $1,000,000. For field activities, all business clearances must be forwarded to 2.0A for approval. It is incumbent upon the Division Directors to employ their business acumen when contemplating status reporting, workload assignment, and negotiation decisions.

OT BUSINESS CLEARANCE APPROVAL LEVELS

ORGANIZATION	*DOLLAR THRESHOLD*	*APPROVAL AUTHORITY*
SPAWAR 2.0	< $1,000,000/program > $1,000,000/program	Division Director 2.0A
SSC CH	ALL	2.0A
SSC SD	ALL	2.0A

Sample OT D&F

PUT ON SPAWAR LETTERHEAD

DETERMINATION AND FINDING
FOR THE USE OF "OTHER TRANSACTION" AUTHORITY

DETERMINATION

Upon the basis of the following justification, I, as Director of Contracts, Space and Naval Warfare Systems Command, hereby determine that an "Other Transaction" Agreement is appropriate for the acquisition described below. This agreement will be issued pursuant to the authority of (pick one – either **10 USC 2371** – for a research OT or **Public Law 104-201, Section 804** – for a prototype OT).

JUSTIFICATION

1. Nature/Description of Action to include a description of what is to be acquired (research or prototype) and whether action will be competitive or sole source. Describe why competition is limited, or sole source.
2. Explanation as to why an OT is the most appropriate vehicle (in the case of research OTs, this justification must be expanded to include a justification as to why a standard contract, cooperative agreement or grant is not feasible or appropriate). Show how basic requirements for Prototype or Basic Research OT are meet and not duplicated. Show how this acquisition fits some definition of a prototype.
3. Description of any known special terms and conditions (e.g., cost sharing, and patents). Since research OTs require a 50% minimum cost share, this paragraph should either include an affirmative statement that this will be required or a justification as to why a waiver to the requirement is justified. It is recommended, although not required, that this section address the issue of whether a prototype OTs will require cost sharing as well. Additionally, it is becoming Navy Policy to provide justification for no cost share on prototypes just as it is under Other Transactions for Research.

REMINDER: STOP, start a separate page for certification/approval (signature page).

TECHNICAL AND REQUIREMENTS CERTIFICATION

I certify that the facts and representations under my cognizance which are included in this justification and which form a basis for this justification are complete and accurate.

Signature:_____

_____
Printed/Typed Name and Title Code Phone Date

CONTRACTING OFFICER CERTIFICATION
I certify that this DETERMINATION is accurate and complete to the best of my knowledge and belief.

Signature: _____

_____
Printed/Typed Name and Title Code Phone Date

REVIEW FOR LEGAL SUFFICIENCY
This DETERMINATION is determined legally sufficient.

Signature: _____

_____
Printed/Typed Name and Title Code Phone Date

APPROVAL BLOCK
APPROVED:

Signature: _____

_____
Printed/Typed Name and Title Code Phone Date

1. PURPOSE

This document provides SPAWAR policy on Peer Reviews of contracts for supplies and services.

Peer Reviews are independent management reviews that are advisory in nature, and preserve the authority and judgment of the Contracting Officer. The purpose of Peer Reviews is to:

A. Ensure that Contracting Officers implement policy and regulations consistently and appropriately;
B. Continuously improve the quality of contracting processes; and
C. Facilitate sharing of best practices and lessons learned.

Related guidance is available under CMPG sections 1.2.6.1 Pre-Award Peer Review, 1.2.10.3 Pre-Award Peer Review, 3.3.3 Complete Pre-Award Documentation, and 5.2.4.1 Post award Peer Review.

2. POLICY

2.1 DoD Peer Review Mandate

A. DoD has mandated that Peer Reviews be performed on high dollar value supply and service contracts (DFARS 201.170; PGI 201.170).

2.2 DON Peer Review Program

A. DoN Peer Reviews shall be performed on solicitations and contracts with estimated acquisition values of $50M or more (including options) (NMCARS 5201.170).
B. See NMCARS Annex 8 - Peer Review Program and DASN(AP) memo DON Peer Review Program (Enclosure 1), for additional information on the DON Peer Review process.

2.3 SPAWAR Policy

A. The SPAWAR Peer Review Program shall leverage existing review processes to the maximum extent practicable, as described in Section 4. Procedure: Pre-Award Peer Reviews and Postaward Peer Reviews. See Approvals for thresholds and authorities.
B. SPAWAR 2.3.1 collects Peer Review data and sends the monthly Peer Review Rolling Forecast report for procurements over $250M to DASN(AP) at RDAJ&As@navy.mil, subject line “Peer Review Rolling Forecast.”

2.4 Pre-Award Peer Reviews

A. Shall be conducted on acquisitions for supplies, systems, and services (including all Seaport orders).
B. Shall assess the following elements:
    1. The process was well understood by the Government and Industry;
    2. The source selection was conducted in accordance with the Source Selection Plan and the solicitation;
    3. Contracting mechanisms to incentivize contract performance are appropriate;
    4. The Source Selection Evaluation Board assessment was clearly documented;
    5. The Source Selection Advisory Council (SSAC) recommendation was clearly documented and included in the contract file;
    6. The Source Selection Authority decision was clearly derived from the conduct of the source selection process;

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

7. All source selection documentation is consistent with section M evaluation criteria; and
8. The business arrangement is in the best interests of the Government.

C. Shall be completed:
1. Prior to issuing the solicitation;
2. Prior to requesting final proposal revisions; and
3. Prior to contract award.

D. If a competitive range determination results in the identification of one qualified offeror and there is no basis for further discussion, the second and third peer reviews may be conducted concurrently.

E. For non-competitive procurements, pre-award Peer Reviews shall be completed not later than the approval of the pre-negotiation and post-negotiation business clearances.

F. The revised ACAT I-IV milestone process specifies that peer reviews take place prior to the release of the final RFP for competitive acquisitions and prior to the commencement of negotiations for non-competitive acquisitions.

2.5 Postaward Peer Reviews

A. Shall assess the following elements:
1. Contract performance in terms of cost, schedule, and requirements;
2. Use of contracting mechanisms (including competition), contract structure and type, the definition of contract requirements, cost or pricing methods, the award and negotiation of task orders, and management and oversight mechanisms;
3. The contractor's use, management, and oversight of subcontractors;
4. The staffing of contract management and oversight functions;
5. Pass-through charges;
6. For contracts where one contactor oversees the services performed by another:
   a. Evaluation of agency's reliance on the contractor to perform work closely related to inherently government functions;
   b. Evaluation of any financial interest a prime contractor performing acquisition functions may have in the outcome of a solicitation;

B. Shall be conducted on contracts for services regardless of award procedures used in placing the contract.

C. Should be conducted at the midpoint of the period of performance, or in sufficient time to complete the review and disposition of recommendations prior to the exercise of an option.

3. RESPONSIBILITIES

3.1 SPAWAR Director for Contracts/Deputy Director for Contracts

A. Peer Review Authority for all Pre-Award and Post-Award Claimancy Peer Reviews for supplies & services between $50M to $1B and for non-competitive procurements between $50M to $500M.

3.2 Chief of the Contracting Office (SSC LANT/SSC PAC)

A. Peer Review Authority for all Pre and Post-Award Peer Reviews for Services between $50M to $250M at their respective activities.

3.3 Contracting Officer

A. Documents reviews conducted
B. Retains documentation in the contract file.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3.4 Approval Authority

A. Assesses the Peer Review Form
B. Signs upon approval.

3.5 SPAWAR 2.3.1 Contracts Policy

A. Organizes and sends the monthly Peer Review Rolling Forecast report.

4. PROCEDURE

4.1 Pre-Award Peer Reviews

A. Are comprised of the following existing reviews, as applicable (note: other document reviews may be added as deemed necessary):
   1. SPAWAR Claimancy Contracts Review Board
   2. Acquisition Plan/Acquisition Strategy Report
   3. MOPAS Approval
   4. Justification & Approval (J&A)
   5. Determinations & Findings (D&F)
   6. Source Selection Plan
   7. Solicitation Review
   8. TEB/SSEB/SSAC Reports
   9. SSA Decision Memorandum
   10. Pre and/or Post Negotiation Business Clearance
   11. COR Designation & Appointment Letters

B. The **Contracting Officer** provides the SPAWAR Pre-Award Peer Review Approval Form with the Pre and/or Post Negotiation BCM for approval to the SPAWAR Peer Review Authority.
C. The **Review Authority** assesses the Pre-Award Peer Review Form.
D. Once approved, the **Contracting Officer** adds the Pre-Award Peer Review Form to the official contract file and sends a copy to SPAWAR 2.3.1 at HQ_Contracts_Policy@navy.mil.

Is the action over $250M? If so,

E. The **Contracting Officer** shall submit copies of required memoranda documenting peer review results and recommendations to DASN (AP)/PA&BT via RDAJ&As@navy.mil, subject line "*PGI 201.170-4 - Disposition Of Peer Review Recommendations*" followed by the solicitation/contract number and peer review date.

4.2 Postaward Peer Reviews

A. The SPAWAR Peer Review Program for Postaward actions is comprised of the following existing reviews, as applicable (note: other document reviews may be added as deemed necessary):
   1. Exercise of Option (documentation as required by FAR 17.207)
   2. CPARS
   3. Award Fee Board Reports
   4. COR Reviews
   5. Internal or External Contract Review

B. The **Contracting Officer** documents the reviews conducted and provides the SPAWAR Postaward Peer Review Approval Form to the SPAWAR Peer Review Authority.
C. Once approved, the **Contracting Officer** adds the Postaward Peer Review Form to the official contract file and sends a copy to SPAWAR 2.3.1 at HQ_Contracts_Policy@navy.mil for tracking purposes.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Is the action over $250M? If so,

D. The **Contracting Officer** shall submit copies of required memoranda documenting the disposition of peer review results and recommendations to DASN (AP)/PA&BT via RDAJ&As@navy.mil, subject line "*PGI 201.170-4 - Disposition Of Peer Review Recommendations*" followed by the solicitation/contract number and peer review date.

4.3 Peer Review Rolling Forecast Report – DFARS 201.170

A. **SPAWAR 2.3.1 Contracts Policy** sends a monthly reminder for HQ and SSC personnel to update information in the SPAWAR Peer Review Rolling Forecast Report Wiki for all upcoming peer reviews valued at $250,000,000 or more requiring peer reviews by ASN(RD&A) or DPAP.

1. To update Wiki: Log in, edit spreadsheet by clicking "Edit in Office" link, edit entry (highlight changed cells in yellow and strikethrough completed dates), save, and close. The Wiki notifies SPAWAR Contracts Policy when changes are made.
2. No changes to report? Reply to the email stating you have NO edits.

B. By the 25th of each month, **SPAWAR 2.3.1 Contracts Policy** submits a rolling forecast of acquisitions in NMCARS Annex 8, Peer Review Program format to DASN (AP) via RDAJ&As@navy.mil, subject "*DFARS 201.170 - Peer Review Rolling Forecast*."

5. APPROVALS

Type	Panned Value *(x)*	Review	Approval
Non-Competitive Procurements	***$500M*** < *x*	SPAWAR 2.0, DASN(AP)	DPAP OSD
Competitive Supplies or Services	**$1B** < *x*	SPAWAR 2.0/2.0A, DASN(AP)	DPAP OSD
Special Interest	**$100M** for AS or AP	SPAWAR 2.0/2.0A	ASN(RDA)/ DASN(AP)
Supplies or Services – HQ	**$50M** < *x* ≤ **$1B**	SAPWAR Contracting Officer	SPAWAR 2.0/2.0A
Supplies or Services - Field Activity	**$50M** < *x* ≤ **$250M***	LANT/PAC Contracting Officer	LANT/PAC CCO

** SPAWAR 2.0 or 2.0A are the approval authorities for field activity procurements over $250M and up to $1B. Submit your request for Peer Review to the SPAWAR HQ Policy office for processing.*

6. TOOLBOX

6.1 Federal

A. FAR 17.207 "Exercise of options"

6.2 DoD

A. DFARS 201.170 "Peer Reviews"
B. PGI 201.170 "Peer reviews"
C. DODI 5000.02, Operation of the Defense Acquisition System
D. DPAP, "Peer Reviews Of Contracts for Supplies And Services"
E. OUSD (AT&L), "Review Criteria for the Acquisition of Services"

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

F. DPAP Peer Review Resources

6.3 DON

A. NMCARS 5201.170 "Peer reviews"
B. NMCARS Annex 8 - Peer Review Program (includes projection report format)
C. Peer Review Projections Worksheet Format
D. DASN(AP), DON Peer Review Program (Enclosure 1)
E. DASN(RD&A), Peer Review Program

6.4 SPAWAR

A. SPAWAR Pre-Award Peer Review Approval Form
B. SPAWAR Postaward Peer Review Approval Form

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
July 2016	Revised to updated format, added Peer Review Rolling Forecast Report procedure, and fixed links.
July 2014	Updated thresholds; updated subject lines for Disposition of Peer Review Recommendations and Peer Review Rolling Forecast.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to establish the policy and guidance for the SPAWAR Claimancy issuance of Policy Alerts, Clause Book updates, process documentation for the SPAWAR Contracts Policy and Procedures Manual (SCPPM), and management of the Contracts Management Process Guide-online (CMPG).

2. POLICY

2.1 Contract Policy Updates

1. It is SPAWAR policy to provide timely updates to contract specialists within the Claimancy when acquisition processes change or guidance is issued by higher authority (Defense Procurement Acquisition Policy (DPAP) and Deputy Assistant Secretary of the Navy-Acquisition and Procurement (DASN(AP))).
   a. Timely implementation of changes and updates to acquisition processes promotes standardization, efficiency and statutory compliance in contracting operations.
2. The SPAWAR Contract Policy and Field Management Branch 2.3.1 has overall responsibility to:
   a. Receive;
   b. Analyze;
   c. Develop implementing guidance;
   d. Coordinate related training; and
   e. Issue Policy Alerts to the contract specialists within the claimancy.
3. Policy Branch 2.3.1 works with a standing SPAWAR Clause Book Committee and SCPPM Committee to develop and implement changes in clauses, and maintains or develops contracting processes and training for the specialists as needed.

3. RESPONSIBILITIES

3.1 SPAWAR Contract Policy and Field Management Branch 2.3.1

1. When changes are issued either by FACs, DFARS Change Notices, DPAP Memorandums, or DASN(AP) Policy Memorandums, etc., the Policy Branch Head assigns procurement analyst with the responsibility to analyze and determine the impact to contracting operations.
2. The procurement analyst recommends a course of action (i.e. develop implementing guidance, issue a Policy Alert, develop a Clausebook change or develop new contracting process).
3. The Policy Branch Head will review the recommended action and make a decision on the best course to take.

3.2 Clausebook Committee

1. The Clausebook Committee is comprised of members from each SSC and HQ. The members shall review FAR /DFARS/NMCARS changes and any proposed changes to local clauses in the Online SPAWAR Clausebook.
2. The HQ Policy Branch Head acts as the Lead for the committee.
3. The Clause Book Committee is responsible for reviewing and ensuring adequate, legally approved, local clauses are uploaded into the Claimancy Clausebook and ensuring that the local contract writing system is updated.

3.3 SCPPM Committee

1. The SCPPM Committee is comprised of members from each SSC and HQ.
2. The HQ Policy Branch Head acts as lead for the Committee.
3. The members shall meet periodically to review existing processes, provide updates, and draft new processes for claimancy use.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4. The SCPPM committee shall recommend new processes to be drafted based on requirements of use, input from contract specialists and managers, changes issued by DoD, Navy or higher level authority.

4. PROCEDURES

SPAWAR HQ Policy Branch is responsible for uploading all new clauses and SCPPM documents.

4.1 Policy Alert Process

1. Write the Policy Alert notification in Microsoft Word
2. Go to the Contracts Policy Page Website, **Log in** (only personnel approved as editors can log into the site) at: https://e-commerce.sscno.nmci.navy.mil/command/02/acq/navgenint.nsf/policydocs?openview
3. Click the "New Policy Document" button at the top of the page.
4. Fill in the required fields. Policy Alerts are numbered as follows: Policy Alert 16-XXX -- *Title* (the 16 refers to FY posted)
5. Once the required fields are filled in, if there are attachments, click on the browse button to locate your file and upload it to the field.
6. Review all entries, ensuring the appropriate category of document is selected, then hit *"Submit"*
7. If this is a new Policy Alert- be sure to click the radial button to *Notify Subscribers.*
8. If this is a correction to a previously uploaded document, click the radial button for *Do Not Notify Subscribers*.

4.2 SCPPM Processes

1. **Adding New Documents:**
   a. Once the new guidance document is generated, go to the Contracts Policy Page Website, and click on 3. SCPPM.
   b. Click on the Phase that corresponds with the guidance you are posting. (For example, if the guidance is related to the early stages of contract planning, you would choose *1.0 Planning*. If it relates to the later stages of award, you would choose *5.0 Post Award*).
   c. In the designated Phase menu, administrators will click Edit on the top left of the page. You may add a brief description for the guidance you are adding in the established text in the *Description* box. You will then *Browse* the document to where it is saved on your hard drive, select, and *Submit*. The document should now appear in that Phase's menu of guidance documents.
2. **New SCPPM Documents are added to the SCPPM Matrix (Table of Contents) in the appropriate phase of the process, using the process below:**
   a. In the Main Contracts Policy Page, Select 3. SCPPM.
   b. Select Table of Contents, click on the current Matrix file and *Save-As* on to your desktop.
   c. Once saved, edit the file: insert a row on the table to add a new process in the appropriate place. Make sure to mark an "X" in the ***Phase*** column that corresponds with the guidance you are adding.
   d. In the *Document Name* cell on the spreadsheet, add the Hyperlink of the document's SCPPM location. (*Use the right-click/Copy Shortcut function to get the URL*). Once the location is linked to the Matrix, *Save* the document.

e. Go back to the 3. SCPPM/Table of Contents page. Administrators will choose *Edit.*

f. At the bottom of the edit screen you will find the documents currently residing in the SCPPM, select the current Matrix document for deletion. Then *Browse* and select the edited Matrix document on your hard drive. Once the old matrix is selected for deletion, and the newer matrix is selected for addition, click on *Submit*.

g. To verify that the upload was complete, go back to the main Policy page, click refresh, and click on 3. SCPPM/Table of Contents. Ensure that your revised document is in the correct location after every upload.

5. APPROVALS

5.1 Policy Alert, SCPPM Document, CMPG content, and Clausebook creation and updates are to be approved by the HQ Policy Branch Head, 2.3.1 prior to being uploaded to the appropriate Policy Pages.

1. When an issue comes up which requires consensus review, the SPAWAR Policy Branch Head will first send an e-mail to the Clausebook Committee with the issue explained. The Policy Branch Head will convene a meeting of the Clause Book Committee, which will review the change/proposed clause and recommend acceptance of the change/proposed clause or recommend rejection. If accepted, the SPAWAR policy Branch Head will assign a member to process the clause IAW the Deviation and Component Clause Use SCPPM. If the proposed clause is rejected, the SPAWAR Policy Branch Head will forward finding to the originator.
2. Potential reasons for rejection:
   a. Already have a clause which covers this situation.
   b. Legally unacceptable.
   c. Not a standard clause, but ok for one time use.

6. TOOLBOX

None

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
May 2016	Content reformatted and reorganized.
January 2011	Last version created in old format.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide the SPAWAR claimancy with policy and guidance for postaward debriefings and conferences. The SCPPMs were recently combined to help highlight the difference between these events. While any offeror may request a debriefing to better understand source selection results, only the successful offeror is invited to discuss contract requirements at a postaward conference.

1.1 Postaward Debriefing

Debriefings inform successful or unsuccessful offerors of the basis for the selection decision and contract award. Meaningful debriefings serve to strengthen and enhance the Government's relationship with industry, instilling greater confidence in the acquisition process, through comprehensive and open debriefings in which the offeror is given an opportunity to provide feedback regarding the solicitation, discussions, evaluation, and the source selection process.

1.2 Postaward Conference

The postaward conference is held with the successful offeror to ensure a clear understanding of contract requirements. Before the successful offeror begins working on the contract, the PCO must ensure that the contractor understands the following:

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

Related guidance is available under CMPG sections 4.2.5 Conduct Postaward Debriefing and 5.2.1 Hold Postaward Conference.

2. POLICY

2.1 Postaward Debriefings

Whenever the Government awards a contract based on competitive proposals, successful and unsuccessful offerors are entitled to a debriefing IAW FAR 15.506 if:

a. The offeror makes a written request for a debriefing;
b. The offeror has not requested a prior debriefing (offerors are entitled to one debriefing per proposal); and
c. The request is received *within three days* after the offeror received notice of contract award. Untimely debriefing requests may be accommodated.

The purpose of a debriefing is to provide the basis for the selection decision to successful and unsuccessful offerors; it is not the forum to challenge evaluation and award results. A debriefing does not compare offers in detail, nor does it include page-by-page analysis of the offeror's proposal. The objectives of a debriefing include:

- Explaining the rationale for excluding the offeror from competition (if applicable);
- Instilling confidence in the offeror that they were treated fairly;
- Assuring the offeror that proposals were evaluated in accordance with the solicitation, as well as applicable laws and regulations;
- Identifying weaknesses in the offeror's proposal, so the offeror can prepare better proposals in response to future Government acquisitions; and
- Reducing misunderstandings and protests.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

2.2 Postaward Conference

A postaward conference is held with the successful offeror after award to foster a clear and mutual understanding of all contract requirements. Using the criteria in FAR 42.503, the Contracting Officer shall determine whether or not a postaward conference is necessary to identify and resolve potential problems.

a. For those procurements where a postaward conference is not necessary (e.g., the contractor performed satisfactorily on a recent similar contract), document the file accordingly.
b. A postaward conference shall be held promptly after award. Postaward conferences are encouraged to assist small business, small disadvantaged and women-owned small business concerns. This conference is not to be used to alter the final agreement arrived at in any negotiations leading to contract award.
c. The contractor is generally responsible for conducting postaward conferences with subcontractors; however, the prime contractor may invite government representatives to a conference with subcontractors, or the government may request that the prime contractor initiate a conference with subcontractors.

3. RESPONSIBILITIES

3.1 Postaward Debriefing

3.1.1 PROCUREMENT CONTRACTING OFFICER (PCO)

Responsible for the overall debriefing and assembling the debriefing team. PCO is not responsible for conducting the entire debriefing, but may rely on Government technical and cost/price personnel to present the portions of the debriefing that address those specialized areas of the offeror's proposal.

3.1.2 CONTRACT SPECIALIST - Participates in the debriefing and ensures that a copy of the debriefing memorandum is filed in the official contract file.

3.1.3 OFFEROR (SUCCESSFUL OR UNSUCCESSFUL) – Asks to be debriefed.

3.2 Postaward Conference

3.2.1 PROCUREMENT CONTRACTING OFFICER (PCO)

Decides whether a postaward conference is necessary; determines the type of conference that best suits the contract; arranges for the conference and conducts the meeting; completes the Post-Award Conference Record (DD Form 1484).

3.2.2 CONTRACT SPECIALIST - Assists PCO to plan and administer the meeting.

3.2.3 SUCCESSFUL OFFEROR - Participates in the conference; hosts a separate conference to communicate requirements to subcontractors.

4. PROCEDURE

4.1 Postaward Debriefing

4.1.1 PREPARATION

Debriefings are time-sensitive; preparations for debriefings should begin before proposal evaluations are complete. The following factors should be looked at early on during the acquisition process to avoid possible pitfalls:

- A good source selection plan;
- A well-documented evaluation of the offeror's proposal, citing both good and bad points (strengths and weaknesses); and
- A knowledgeable and strong chairperson for the technical evaluation committee.

1. Qualified **Offeror** requests a debriefing *within three days* of notice of contract award.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

2. **PCO** identifies the Government debriefing team members, with the selection based on the complexities presented in the acquisition.
    a. Ensure that knowledgeable Government personnel are present.
    b. Due to the statutory requirement for a prompt debriefing, the PCO should tentatively select the team before the contract award is announced.
    c. Usually, the proposal evaluation board will assist in preparing debriefing charts and conducting the debriefing. Accordingly, at the time the evaluation board is formed, the evaluators should be informed that their duties include assisting with debriefings.
3. **PCO** determines whether the debriefing is conducted orally, in writing, or by electronic means.
4. Prior to the debriefing, the **PCO** asks Contractor for a list of debriefing attendees. No limit is placed on the number of personnel the Contractor may bring to a debriefing, though space constraints may limit the number of contractor personnel invited to attend. Nonetheless, PCOs should not impose such restrictions unless all suitable alternate facilities are unavailable.
5. **Contractor** identifies all individuals by name and position that will attend the debriefing.
6. **PCO** briefs Government personnel attending the debriefing on their roles and expected demeanor during the debriefing. Argumentative or overly defensive conduct is discouraged, and Government personnel are instructed to make a positive presentation.
7. **PCO/Contract Specialist** assembles debriefing material: briefing charts and notes prepared for debriefing use.
8. **PCO** ensures that necessary notes or other documents are accessible during the debriefing. Government personnel should NOT bring proposals or evaluation reports of other offerors into the debriefing room.

By law, a debriefing may NOT include point-by-point comparisons of the debriefed offeror's proposal with those of other offerors. In addition, debriefings may NOT disclose information that is exempt from release under the Freedom of Information Act (FOIA), relating to:

- Trade secrets;
- Privileged or confidential manufacturing processes and techniques;
- Commercial and financial information that is privileged or confidential, including cost breakdowns, profits, indirect cost/rates, and similar information; and
- Names of individuals providing reference information about an offeror's past performance.

Information contained in a proposal that the submitter has marked as proprietary may not be shared with other offerors. Proprietary information does NOT include information that is otherwise available without restriction to the Government or public. Before releasing anything incorrectly marked as proprietary, contact the assigned **Legal Counsel** for an appropriate determination.

9. **PCO** notifies the offeror of the scheduled date in writing or by electronic means, with immediate acknowledgement requested. It is extremely important that the Government schedules a debriefing *within 5 days* of receipt of the offeror's request. Also, debriefings are conducted with one offeror at a time.
10. **Contractor** acknowledges receipt. If unable to attend the scheduled date, the Contractor acknowledges in writing that it was offered an earlier date and

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

requests the later date instead. This procedure serves to protect the Government's interests in the event the offeror subsequently files a protest.

Note: Offering a postaward debriefing within 5 days of receipt helps minimize the Competition in Contracting Act (CICA) Stay window for protests. When a protest is filed ***within 10 days of award or 5 days of the debriefing date offered to the protester, whichever is later****, contract award or performance ceases unless a D&F for continued performance is approved by the HCA.*

4.1.2 CONDUCTING THE DEBRIEFING

PCO chairs any debriefing session(s), with individuals who conducted the evaluations providing support. The **Office of Legal Counsel** may also attend the debriefing, as well as assist in preparations for the debriefing.

11. **PCO / Contract Specialist** records debriefing attendance. If the meeting is face to face, everyone present at the debriefing signs in.
12. **PCO / Contract Specialist** takes meeting minutes, recording the substance of debriefing conversations. The minutes of a debriefing become a key document in cases where a protest is filed, and it is difficult to remember every statement that is made and by whom. Faulty memory or misstatements by Government personnel are detrimental to a successful debriefing.
13. **PCO** chairs the debriefing, ensuring it discloses appropriate information and conforms to law. Suggested outline to follow when conducting a debriefing:
    I. **Introduction**
    II. Explain the **purpose** of the debriefing.
    III. Announce the **ground rules**.
    IV. Summarize the **source selection process** that was used.
    V. State the **proposal evaluation factors and sub factors.**
    VI. Reveal the **evaluation results**:
        a. The significant **advantages** of the offeror's proposal.
        b. The significant **weaknesses** of the offeror's proposal. Significant weaknesses typically warrant discussion during the negotiation phase of the acquisition.
        c. The **evaluation ratings** of the offeror's proposal to the second level of evaluation, explaining the rating definitions. Be prepared to explain the rationale for the offeror's proposal ratings.

The **second level** is defined as the subsections that fall under each major section title in the proposal (e.g., under Management, the second level of evaluation would include Management Approach, Proposed Staffing, and Past Experience).

        d. At the **PCO**'s discretion, the Government's total **evaluated cost / price** of the offeror's proposal for each contract line item (CLIN), explaining any significant cost realism adjustments made by the Government to the major cost element level. The total final evaluated cost/price may not be released without obtaining consent or determining, in consultation with the offeror, it would not suffer harm from the information's release.

If the evaluation included a cost realism analysis, include information about the results of the analysis as it relates to the offeror being debriefed and its effect on the offeror's evaluated cost (NMCARS 5215.506).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

VII. A summary of the **rationale for the contract award decision**.
   a. When debriefing an unsuccessful offeror, identify the significant advantages of the awardee's proposal in general terms, without revealing confidential proprietary information. If the awardee's proposal includes a commercial item as an end item under the contract, the make and model of the item must be disclosed.
   b. Although debriefing an awardee is similar in many respects to debriefing an unsuccessful offeror, there is one significant difference — very little information is revealed regarding the proposals of the unsuccessful offerors.

VIII. The **overall ranking of all proposals**, but do not identify the unsuccessful offerors by name (use alphanumerical letter or other designators).

IX. **Answer relevant questions** pertaining to whether the Government followed the source selection procedures set forth in the solicitation, applicable regulations, and other authorities.

14. **PCO** fields any unanticipated questions from the offeror through the following process:
    a. Allow the offeror to present the question.
    b. Ask for any clarification needed.
    c. Discuss the Government's answer in private to reach a firm consensus.
    d. Deliver the Government's answer.

4.1.3 DOCUMENTING THE DEBRIEFING

15. **PCO** creates the debriefing memorandum in as much detail as possible. Good debriefing memorandums are essential if the acquisition is reopened or resolicited within one (1) year of the contract award date. Site-specific samples are listed in the Toolbox. Include at a minimum:
    a. A list of all persons who attended the debriefing.
    b. A summary of the information disclosed during the briefing. Identify the charts that were used at the debriefing and attach a copy of them to the memorandum.
    c. The substance of all questions and answers discussed at the debriefing, including answers provided after the debriefing. Include minutes from the debriefing.
16. Both the **PCO** and **Technical Government Representatives** should sign the debriefing memorandum.
17. **PCO** includes the debriefing memorandum in the contract file IAW FAR 15.506(f).

4.2 Postaward Conference

The PCO may hold a Postaward Conference with the successful offeror to ensure a thorough understanding of contract requirements.

1. **PCO** determines what type of conference best suits the procurement. In some circumstances, a formal letter or other form of communication (e.g., e-mail message or telephone call) to the contractor may be adequate postaward orientation in lieu of a face-to-face conference.
2. **Contract Specialist** prepares the DD Form 1484 (Post-Award Conference Record); the **PCO** should review it to determine the appropriate agenda items.
3. **Contract Specialist** contacts the principal participants to solicit agenda items and obtain a listing of their invitees (name, phone number and position). Request the contractor team include individual(s) who can commit the contractor.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4. **Contract Specialist** notifies all participants of conference date, time, place and final agenda.
5. As appropriate, **PCO** convenes a pre-conference meeting of government representatives to establish a unified government position on the agenda items.
6. **PCO / Contract Specialist** prepares for and hosts the conference.
7. At the conclusion of the conference, the **Contract Specialist** will complete the DD Form 1484 with minutes (if recorded) of the conference.
8. **PCO**/Chairman signs the completed DD Form 1484.
9. **Contract Specialist** distributes the completed form to the PCO (for the official contract file), CAO, contractor, COR, and others as required.

5. APPROVALS

PCO signs the debriefing memorandum and the postaward conference record.

6. TOOLBOX

6.1 Debriefings

1. "Mythbusting": Addressing Misconceptions to Improve Communications with Industry during the Acquisition Process - DASN(AL&M), Apr 2011
2. Dangers of Source Selections: Debriefings – Sep 2013
3. Debriefing Outline
4. SSC Atlantic - Unsuccessful Debrief
5. SSC Atlantic - Sample Unsuccessful Debrief Slides
6. SSC Atlantic - Sample Debriefing Memo
7. SSC Atlantic - Sample Debriefing Slides
8. SSC Pacific - Post Award Debrief Handout

6.2 Conference

1. DD Form 1484 – Post-Award Conference Record
2. Postaward Conference Checklist
3. Sample Waiver Postaward Letter
4. Sample Postaward Conference Agenda
5. Sample Notification of Postaward Conference
6. Sample Telephone Conversation Transcript

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
June 2016	Combined Postaward Debriefing and Postaward Conferences SCPPMs. Content formatted and reorganized; updated links and CICA stay information. Added Postaward Conference sample documents to the Toolbox.
September 2012	Last version of Postaward Debriefings SCPPM; no change notes.
July 2009	Last version of Postaward Conferences SCPPM in old format; no change notes available.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide the policy and guidance for the preparation of Pre-Award Debriefings for the SPAWAR claimancy.
Meaningful debriefings serve to strengthen and enhance the Government's relationship with industry, instilling greater confidence in the acquisition process, through comprehensive and open exchanges in which the offeror is given an opportunity to provide feedback regarding the solicitation, discussions, evaluation, and the source selection process.

A debriefing is a meeting between government personnel and an offeror. It is held to inform an offeror of the basis for the selection decision when award has been made through competitive negotiation procedures on a basis other than price or price related factors. It may be held either prior to (pre-award) or after contract award (post-award). It may be done orally, in writing, or by any other method acceptable to the Contracting Officer.

Related guidance is available under CMPG 4.1.3 Conduct Pre-Award Debrief.

2. POLICY

2.1 Debriefings May be Held When

- Offerors excluded from the competitive range (or otherwise excluded from the competition before award) submit a timely request for a pre-award debriefing in accordance with FAR 15.505(a)(1). If the debriefing is delayed until after award, it shall include all information normally provided in a post award debriefing.
- Unsuccessful offerors submit a timely request for a post-award debriefing in accordance with FAR 15.506(a)(1). Unsuccessful offerors who receive a pre-award debriefing are not entitled to a post-award debriefing involving the same solicitation in accordance with FAR 15.505(b).
- Successful offerors (awardee), request a post award debriefing. Good business practice dictates that the Government should perform this debrief since post award conferences, which are often provided to successful offerors, do not necessarily substitute for a debriefing.

2.2 Objectives of a Debriefing Include

- Explaining the rationale for excluding the offeror from competition (if applicable);
- Instilling confidence in the offeror that they were treated fairly;
- Assuring the offeror that proposals were evaluated in accordance with the solicitation, as well as applicable laws and regulations;
- Identifying weaknesses in the offeror's proposal, so the offeror can prepare better proposals in response to future Government acquisitions; and
- Reducing misunderstandings and protests.

2.3 A Debriefing is NOT

- A page-by-page analysis of the offeror's proposal;
- A comprehensive point-by-point comparison between the proposals of the debriefed offeror and the successful offeror(s); nor
- A debate or defense of the Government's award decision or evaluation results.

3. RESPONSIBILITIES

3.1 PCO

The PCO is responsible for the overall debriefing and assembling the debriefing team.

3.2 Contract Specialist

- Notifies offerors promptly, and in writing, when proposals are excluded from the competitive range (see FAR 15.503(a)).
- Participates in the debriefing.
- Ensures that a copy of the debriefing memorandum is filed in the official contract file.
- Performs additional duties outlined in the Procedure section below.

3.3 PMW/Technical Code

Provides support and performs duties as outlined under the Procedure section below.

4. PROCEDURE

4.1 Preparation

4.1.1 IDENTIFYING THE GOVERNMENT TEAM

The **PCO** should identify the Government debriefing team members, with the selection based on the complexities presented in each acquisition and the specific knowledge Government personnel possess. The Government team should display that it fully understood the offeror's proposal; if this is not conveyed, the offeror will have little confidence in the conduct of the acquisition.

4.1.2 IDENTIFYING THE DEBRIEFED/UNSUCCESSFUL OFFEROR'S TEAM

Prior to the debriefing, the **PCO** should ask the offeror to identify all individuals by name and position that will attend the debriefing. Normally, no limitation should be placed on the number of personnel the offeror may bring to a debriefing.

4.1.3 EARLY TEAM INVOLVEMENT

Debriefings are time sensitive; preparations for debriefings should begin before proposal evaluations are complete. Usually, the proposal evaluation board will assist in preparing debriefing charts and conducting the debriefing. Accordingly, at the time the evaluation board is formed, the evaluators should be informed that their duties include assisting with debriefings.

4.1.4 PREREQUISITES FOR PROPERLY CONDUCTING A DEBRIEFING:

- Government personnel attending the debriefing should be briefed on their roles and expected demeanor during the debriefing. Argumentative or overly defensive conduct should be discouraged, and Government personnel should be instructed to make a positive presentation.
- The following factors should be looked at early on during the acquisition process to avoid possible pitfalls. Waiting until you receive a request for debriefing is too late:
  1. A good source selection plan;
  2. A well-documented evaluation of the offeror's proposal, citing both good and bad points (strengths and weaknesses); and
  3. A knowledgeable and strong chairperson for the technical evaluation committee.

4.1.5 DEBRIEFING MATERIAL

Normally, debriefing materials consist of briefing charts and notes prepared for use during the debriefing. The PCOs should ensure that necessary notes or other documents are accessible during the debriefing. Government personnel should NOT bring proposals or evaluation reports of other offerors' into the debriefing room. In addition, for pre award debriefings, the government's technical evaluation report of the unsuccessful offeror's proposal, business clearance memorandum, and the

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

unsuccessful offeror's technical/cost proposal should be available; faulty memory or misstatements by Government personnel are detrimental to a successful debriefing.

4.2 Scheduling and Debriefing

It is extremely important that the Government schedule a debriefing on the earliest possible date after receipt of the request from the offeror. The contracting officer should notify the offeror of the scheduled date in writing, with immediate acknowledgement requested. If the debriefing is for an unsuccessful offeror, the notice should request the unsuccessful offeror to submit their questions or concerns in writing in advance of the scheduled debrief, for review by the government team. If the offeror is unable to attend the scheduled date and requests a later date, the offeror should be required to acknowledge, in writing, that it was offered an earlier date, but requested the later date instead. This procedure serves to protect the Government's interest in the event the offeror subsequently files protest. Note: The 10-day protest clock does not begin until the day the offeror is debriefed.

4.3 Conducting the Debriefing

The PCO should normally chair any debriefing session(s), with individuals who conducted the evaluations providing support. In other words, the PCO is not responsible for conducting the entire debriefing, but may rely on Government technical and cost/price personnel to present the portions of the debriefing that address those specialized areas of the offeror's proposal. The PCO's Office of Legal Counsel may also attend the debriefing, as well as assist in preparations for the debriefing. PCOs may conduct debriefings orally or in writing. If the debriefing is face to face, always have an attendance record, signed by everyone present at the debriefing.

4.3.1 AT A MINIMUM FOR PRE-AWARD

Pre-award debriefing information SHALL disclose the agency's evaluation of the proposal's significant elements, the rationale for exclusion, and reasonable responses to relevant questions about the source selection process. Pre-award debriefings should not include the number, identity, ranking, content or evaluation of any proposals, nor should it include any of the information prohibited by FAR 15.506(e). The required minimum information to be included in a debriefing in addition to what shall not be disclosed is outlined in FAR 15.505(e)-(g) and FAR 15.506 and NMCARS 5215.505 and 506.

4.3.2 AT A MINIMUM FOR POST AWARD

Post award debriefing information SHALL include the Government's evaluation of any significant weaknesses in the offeror's proposal, the evaluated cost or price and any technical rating of the successful offeror and the debriefed offeror, and past performance information on the debriefed offeror, the overall ranking of all offerors when any ranking was developed by the agency during the source selection, a summary of the rationale for award, the make and model of any applicable commercial item to be delivered by the successful offeror; and reasonable responses to relevant questions about the source selection process. The required minimum information to be included in a debriefing in addition to what shall not be disclosed is outlined in FAR 15.505(e)-(g) and FAR 15.506 and NMCARS 5215.505 and 506.

4.3.3 GUIDELINES FOR INFORMATION TO BE DISCLOSED

- If a weakness was significant enough concern to warrant its discussion during the negotiation phase of the acquisition, it should be included for debriefing purposes as well. Whereas, if it was not significant enough to warrant discussion, it is not significant for debriefing purposes either, unless the

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

weakness was created in the final proposal revision. It is also a good practice to discuss the significant advantages of the debriefed offeror's proposal.

- The total proposed and evaluated cost/price of the unsuccessful offeror's proposal should be disclosed for each contract line item (CLIN), and an explanation should be given for any significant cost realism adjustments made by the Government at the major cost element level. However, it may be a good business practice not to disclose the specific Government cost/price adjustments to the awardee's proposed cost/price (especially in a Cost type contract). PCO's may use their discretion here.
- If the evaluation board used adjectival ratings, the adjectives and their definitions contained in the evaluation plan should be disclosed. Likewise, if numerical ratings or color codes were used instead, they should also be disclosed.
- If the source selection authority ranked the proposals, the overall ranking of all proposals must be revealed at the post-award debriefings. However, the identities of the other unsuccessful offerors should not be revealed. Rather, those offerors should be referred to by alphanumerical letter or other designators.
- The Government should disclose a summary of the rationale for the contract award decision at post-award debriefings, identifying the significant advantages of the awardee's proposal in general terms, without revealing confidential proprietary information contained in the awardee's proposal.
- If the awardee's proposal includes a commercial item as an end item under the contract, the make and model of the item must be disclosed.
- Reasonable responses to relevant questions about whether source selection procedures contained in the solicitation, applicable regulations, and other applicable authorities were followed.
- Under certain circumstances, additional information may be released, such as the final overall ratings for non-cost factors and/or the final total evaluated cost/price of the other unsuccessful offerors. Release of the overall non-cost rating is discretionary. However, release of the total final evaluated cost/price is limited to those situations where an unsuccessful offeror consents or the agency determines that the unsuccessful offeror, after consulting with it, would not suffer competitive harm from such a release. The decision to release any of this information should be made on a case-by-case basis with guidance from legal counsel.

4.3.4 WHAT CANNOT BE DISCLOSED DURING POST-AWARD DEBRIEFINGS

A post-award debriefing shall NOT include point-by-point comparisons of the debriefed offeror's proposal with those of other offerors. In addition, post-award debriefings shall NOT disclose information that is exempt from release under the Freedom of Information Act (FOIA), relating to:

- Trade secrets;
- Privileged or confidential manufacturing processes and techniques;
- Commercial and financial information that is privileged or confidential, including cost breakdowns, profits, indirect cost/rates, and similar information; and
- Names of individuals providing reference information about an offeror's past performance.

4.4 Debriefing the Awardee

Although debriefing an awardee is similar in many respects to debriefing an unsuccessful offeror, the one significant difference is that very little information is revealed regarding the proposals of the unsuccessful offerors.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4.5 Debriefing Outline

See Toolbox.

4.6 Debriefing Memorandum

4.6.1 CONTRACT FILE

In accordance with FAR 15.506(f), an official summary of the debriefing shall be included in the contract file.

4.6.2 DEBRIEFING MEMORANDUM IMPORTANCE

The debriefing memorandum shall be provided in as much detail as possible. Good debriefing memoranda are essential if the acquisition is reopened or re-solicited as a result of a protest or otherwise, within one (1) year of the contract award date. In such circumstances, the law requires that the contracting agency make available to all offerors information regarding the proposal of the awardee that was provided to other offerors at debriefings on the prior contract. This requirement is designed, in part, to place all offerors on a level playing field.

4.6.3 DEBRIEFING MEMORANDUM CONTENTS

The debriefing memorandum should include at a minimum:

- A list of all persons who attended the debriefing.
- A summary of the information disclosed during the briefing. The most efficient means for doing this is to identify the charts that were used at the debriefing and attach a copy of them to the memorandum.
- The substance of all questions and answers discussed at the debriefing, including answers provided after the debriefing.

4.6.4 SIGNATURES

Both the technical and procurement Government representatives should sign the debriefing minutes (debriefing memorandum).

4.7 Site-Specific Procedures

4.7.1 SSC ATLANTIC

Pre-Award Module 23 and Pre & Post Debriefings. In addition, when formal source selection procedures are used, debriefing slides WILL be prepared for all unsuccessful offerors and transmitted to the offeror with its unsuccessful notification. The offeror may still request a debrief; however, the transmission of this information with the notices to unsuccessful offerors will significantly reduce the request for formal debriefs.

4.7.2 SSC PACIFIC

In addition, when formal source selection procedures are used, debriefing slides MAY be prepared for all unsuccessful offerors and transmitted to the offeror with its unsuccessful notification. The offeror may still request a debrief; however, the transmission of this information with the notices to unsuccessful offerors will significantly reduce the request for formal debriefs.

5. APPROVALS

N/A

6. TOOLBOX

1. "Mythbusting": Addressing Misconceptions to Improve Communications with Industry during the Acquisition Process, DASN(AP) Apr 2011
2. Debriefing Outline
3. SSC-Pacific Sample Debrief Hand Out
4. SSC-Atlantic Unsuccessful Debrief Slides

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

5. SSC-Atlantic Sample Debriefing Slides
6. SSC-Atlantic Sample Debriefing Memo

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
June 2016	Content formatted and reorganized; links updated.
September 2012	Last version created in old format. No change notes available.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide SPAWAR Claimancy-wide policy and guidance for distributing/submitting new contract award surveys required by the Procurement Performance Management and Assessment Program (PPMAP).

Related guidance is available under CMPG Process Guide 5.2.3.2 PPMAP and 5.2.3.3.3 Contract File Oversight.

2. POLICY

SPAWAR policy requires that a Contract Award Survey be completed for all new "C" and "D" contract awards exceeding $100,000 (including all options), no later than 30 days after award.

3. RESPONSIBILITIES

3.1 The SPAWAR 2.0 Contract Specialist:

1. Requests, via email, completion of the survey from their technical point of contact (TPOC).
    a. The survey web link will be attached to the e-mail provided by the Policy Branch monthly.

3.2 SPAWAR 2.0 Policy Branch:

1. Notifies SPAWAR 2.0 Contract Specialists if their surveys have not been received within 30 days.
2. Tabulates and rates surveys and provides information to senior management.

3.3 The Technical Point of Contact (TPOC):

Completes the survey utilizing the web link provided by the Policy Branch.

3.4 The Procuring Contracting Officer:

1. Ensures the surveys have been submitted within the allotted time-frame (30 days after award).

4. APPROVALS

N/A

5. PROCEDURES

5.1 Contract Award Surveys:

1. Shall be used for each new "C" and "D" procurement exceeding $100,000 (including all options).
    a. The Contract Specialist will send the survey web link to the cognizant TPOC and request that it be completed.
    b. If the survey is not submitted within 30 days after contract award, the appropriate member of the SPAWAR 2.0 Policy staff will notify the cognizant PCO, and the PCO shall follow up with the TPOC.
    c. Survey must be maintained by the Policy Branch for PPMAP review.
    d. When requesting said survey, please ensure that the appropriate member of the SPAWAR 2.0 Policy is copied.

5.2 Site-Specific Procedures:

1. SSC-Atlantic: TBD
2. SSC-Pacific: TBD

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

6. TOOLBOX

N/A

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
May 2016	Content reformatted and reorganized. Added reference to CMPG 5.2.3.2 and 5.2.3.3.3
August 2011	Last version created in old format. No change notes available.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide the SPAWAR claimancy with guidance regarding protests filed with the agency (SPAWAR) or the General Accountability Office (GAO). If there is a conflict between this document and statutory or regulatory guidance such as the FAR, DFARS, NMCARS or Government Accountability Office Bid Protest Regulations under 4 CFR 21, the latter guidances shall control.

A protest is a written objection by an interested party (actual or prospective offeror with economic interest in a contract) to any of the following:

a. Solicitation or request for offers for the procurement of property or services;
b. Cancellation of the solicitation or other request;
c. Contract award or proposed award; or
d. Termination or cancellation of contract award, if the objection contains an allegation of improprieties concerning the award of the contract (FAR 33.101).

Related guidance is available under CMPG 5.1.1 Determine Protest Validity.

2. POLICY

All parties are encouraged to use their best efforts to resolve concerns at the contracting officer level before filing a formal protest (FAR 33.103). Alternative Dispute Resolution (ADR) techniques are encouraged, such as conciliation, facilitation, mediation, fact-finding, mini-trials, arbitration, and use of ombudsmen (FAR 33.201).

Protests are categorized into pre-award and post-award types. Pre-award protests involve objections to a solicitation or the cancellation of a solicitation before an award has been made. Post-award protests involve objections to an award, proposed award or a termination/cancellation of an award after the Government awards a contract (FAR 33.104).

Protests may be filed directly with the agency, GAO, U.S. Court of Federal Claims (COFC), or U.S. District Court. Each forum has specific statutory and regulatory requirements, and thus, the agency should follow the regulations applicable to the forum in which the protest was filed. This policy document focuses on agency and GAO protests, as these forums are the most common protest forums, and does not address protests submitted to other organizations. Note: Pursuant to FAR 19.302, any protest challenging the small business representation of an offeror in a specific offer must be filed with the Small Business Administration.

2.1 Agency Protests (FAR 33.101 through FAR 33.103)

Agency protests do not include formal discovery or hearings; however, informal sharing of relevant information may occur (FAR 33.103(h)). The contracting officer must render a formal agency decision that is well reasoned and explains the agency position. Listed below are some of the most significant FAR procedural requirements relating to agency protests. For a full and detailed explanation of FAR requirements for agency level protests, see FAR 33.101 through FAR 33.103. In addition to the FAR, agencies should adhere to applicable Navy and DoD policies relating to protests.

2.1.1 DOCUMENTATION

The following are existing documents applicable to agency level protests:

1. *Statistical Report:* DON HCAs maintain statistical information on agency protests IAW the ASN (RD&A) memo, to include:
    - Number of agency protests received.
    - Number of agency protests reviewed at a level above the contracting officer.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

- Number of agency protests decided in favor of the protester or for which some form of corrective action was taken by the contracting activity.
- Number of agency protests appealed to GAO and number of such GAO protests decided in favor of the protester.
- Estimated number of GAO protests avoided because protests to the agency submitted instead.

2. *DPAP Briefing:* The DPAP Memo of Jan 02, 2008 and DASN(AP) memo of Dec 2008 require an agency briefing to the DPAP Director *within ten days* of the filing of any protest for either a competitively awarded Major Defense Acquisition Program (MDAP) or a services acquisition valued at $1 Billion dollars or more.

2.1.2 PROTEST REQUIREMENTS

Protests shall be concise and logically presented to facilitate review by the agency. The substantial failure to do so may be grounds for dismissal (FAR 33.103(d)).
Timing:

- Pre-Award: Protests challenging an impropriety in the solicitation (pre-award) must be filed before bid opening or the date set for receipt of proposals. (FAR 33.103(e))
- Postaward: All other protests (post-award) should be filed within 10 calendar days after the basis is known or should have been known, whichever is earlier, or within 5 calendar days of a required debriefing. (If the last day of this period falls on a weekend or holiday, the protest may be filed on the next workday.)

2.2 GAO Protests (FAR 33.104; 4 CFR 21)

In contrast to agency level protests, GAO level protests are statutorily allowed and involve a decision-making body separate from the agency. GAO, rather than the agency, determines whether the protest should be denied or sustained and what corrective action must be taken, if any. During a GAO protest, formal discovery and/or hearings between the parties and the GAO will occur. In addition, the agency may be required to provide information relating to the protest to GAO, the protester, and/or other interested parties. Some requested information may be source selection sensitive or proprietary. Interested parties, however, may request a protective order prohibiting certain parties and/or the public from accessing the sensitive information.

CICA Stay. The Competition in Contracting Act (CICA) requires GAO to notify the agency of a protest within one day after the receipt of a protest. When the agency receives notice of a GAO protest *filed within 10 days of award or 5 days of the debriefing date offered to the protester* (when required), whichever is later, the contracting officer shall immediately direct the contractor(s) to cease performance under the contract and to suspend any related activities that may result in additional obligations being incurred by the United States under that contract.

3. RESPONSIBILITIES

3.1 Interested Party/Protester

Communicates concerns to contracting officer; participates in ADR; files protest with the agency or GAO.

3.2 General Accountability Office (GAO) – GAO Protest

Receives protests from interested parties and issues recommendations to agencies.

3.3 Contracting Officer

Considers all protests and seeks legal advice, whether protests are submitted before or after award and whether filed directly with the agency or the GAO.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

- GAO protests: submits a statement of relevant facts to the Office of Counsel and assists the Office of Counsel in preparing the agency report and D&F, if necessary, to award or continue performance in the face of a protest.
- Agency protests: reviews, signs and sends the agency decision to the protester. If requested by the protester, a level above the contracting officer may be requested to issue/sign the protest decision (FAR 33.103(d)(4), NMCARS 5233.103(d)(4)).

3.4 Office of Council / SPAWAR 3.0

Prepares the agency report or agency decision; reviews protester-requested documents; and prepares the D&F to award or continue performance in the face of a protest.

3.5 Chief of the Contracting Office (CCO)

Reviews and signs the agency report to the GAO; reviews all agency decisions for agency-level protests.

3.6 Head of the Contracting Activity (HCA) / SPAWAR 2.0

- GAO Protests:
  - Provides a copy of each report to *DASN(AP)* concurrent with the submission to GAO.
  - Consults with *DASN(AP)* before any final decision is reached that differs from GAO's recommendations (NMCARS 5233.104(g)).

4. PROCEDURE

4.1 Attempt to Resolve Concerns

1. **Interested Party** communicates concerns to contracting officer.
2. **Contracting Officer**
   a. Attempts to resolve issue (implements ADR); and
   b. Contacts Office of Counsel for legal support.
3. **Interested Party** decides to file a protest with the agency (see Agency Protests for next step) or GAO (see Protests to GAO for next step). Note that pursuing an agency protest does not extend the time for obtaining a CICA stay at GAO.

4.2 Agency Protests (FAR 33.103 | DFARS 233.1 | NMCARS 5233.103)

Agency uses their best efforts to resolve agency protests *within 35 days* after the protest is filed (FAR 33.103(g)). Interested parties/protestors may request.

4.2.1 FILING AN AGENCY PROTEST

1. **Protester** develops written protest. Protests shall be concise and logically presented to facilitate review; substantial failure to do so may be grounds for dismissal. Agency protests include:
   - Name, address, fax and telephone numbers of the protester;
   - Solicitation or contract number;
   - Detailed statement of the legal and factual grounds for the protest, to include a description of resulting prejudice to the protester;
   - Copies of relevant documents;
   - Request for a ruling by the agency;
   - Statement as to the form of relief requested;
   - All information establishing that the protester is an interested party; for the purpose of filing a protest; and
   - All information establishing the timeliness of the protest.
2. **Protester** may request an independent review of their protest at a level above the contracting officer (the CCO or, if the CCO is less than two levels

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

higher than the contracting officer, the Chief of the next higher contracting office).

3. **Protester** submits protest within applicable time limits (FAR 33.103(e)).
   a. Protests claiming an impropriety in the solicitation (pre-award) must be filed before proposal due date or bid opening.
   b. All other protests (post-award) should be filed *no later than 10 days after the basis* of protest is known (or should have been known). If the last day of this period falls on a weekend or holiday, the protest may be filed on the next workday.
   c. The agency may choose to consider protests that are not filed on time where it determines the protest raises significant issues with its acquisition system.

4.2.2 AGENCY REPORT

1. **Contracting Officer**/CCO and Office of Counsel validate proposal for timeliness and completeness.
2. **Contracting Officer**/CCO and Office of Counsel determine appropriate action:
   a. Suspend performance. Immediately suspend performance on any contract where the protest is received within ten (10) days of award or five (5) days of the offered debriefing date, whichever is later, the contracting officer shall immediately suspend performance. Unless award/performance is urgent and compelling, the contracting officer shall not award a contract until the protest is resolved.
   b. Award pending protest disposition. In some cases, an urgent and compelling Government need may necessitate award or continued performance (FAR 33.103(f)(3)).
      i. **Contracting officer** and program office/technical code justify contract award or continued performance in writing following the Determination and Findings (D&F) SCPPM. The D&F is reviewed by SPAWAR 3.0 and SPAWAR 2.0, and approved by the *head of the contracting agency (HCA).*
      ii. Inform all offerors who might become eligible for award.
      iii. Consider requesting offerors to extend the time for acceptance of their solicitations to avoid the need for a re-solicitation.
   c. Corrective action. If *within 1 year of contract award,* a protest causes the agency to either (1) issue a new solicitation on the protested contract award, or (2) issue a new request for revised proposals on the protested contract award, follow the guidance at FAR 15.507(b)-(c) and provide the following information to appropriate parties:
      i. Information provided to unsuccessful offerors in any debriefings conducted on the original award regarding the successful offeror's proposal.
      ii. Other nonproprietary information that would have been provided to the original offerors.

Is an acquisition valued at over $1B being protested? If yes:
Agency submits the required protest notice *within five (5) days* of protest filing to DASN(AP) at RDAJ&As@navy.mil (NMCARS 5233.170). If the acquisition is for an MDAP or services, brief DPAP *within 10 days* of protest filing IAW DFARS 233.170 and DFARS PGI 233.170.

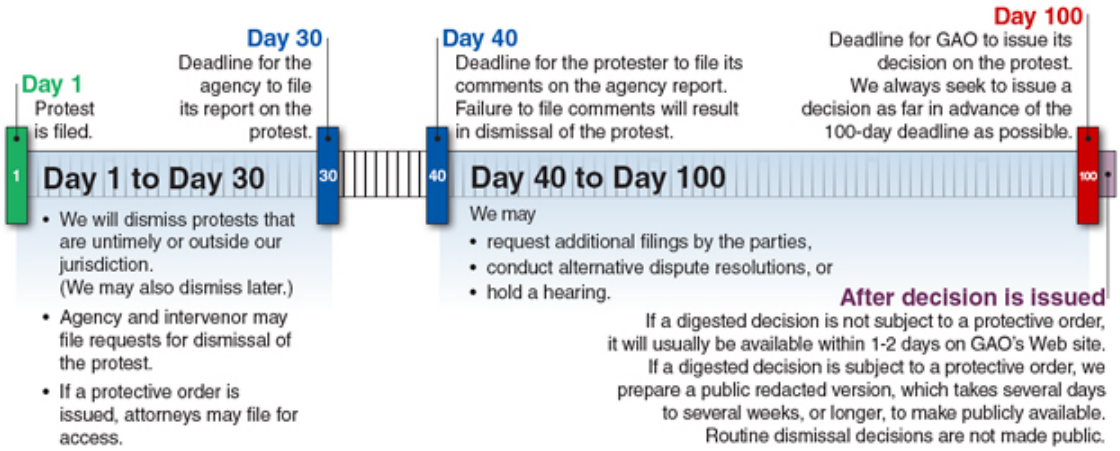
3. **Office of Council** prepares the agency report or decision.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

a. An agency's protest decisions shall be well-reasoned, and explain the agency's position. In this manner, the protester will fully understand the agency's viewpoint.
b. All agency protest decisions are independently reviewed by the CCO.
c. An agency appellate review of a contracting officer's final decision does not extend the GAO's timeliness requirements.

4. **Protester** may challenge the Contracting Officer's decision via the GAO Contract Appeals Board.

4.3 GAO Protests (FAR 33.104 | DFARS 233.1 | NMCARS 5233.104 | 4 CFR 21)
GAO determines whether the protest should be denied or sustained and what corrective action must be taken, if any. The GAO issues a decision within 100 workdays of the initial filing (65 calendar days if the express option is used). The GAO website provides the following image for GAO protest decision timeline, including a full-text description.



4.3.1 Developing a GAO Protest

1. **Protester** develops written protest, addressing 4 CFR 21 GAO requirements.
2. **Protester** submits the written protest IAW GAO procedure.
   a. Protests alleging improprieties in a solicitation must be filed *before proposal due date* if the improprieties were apparent prior to that time.
   b. A solicitation defect that was not apparent before that time must be protested *not later than 10 days after the defect became apparent*.
   c. In negotiated procurements, if an alleged impropriety did not exist in the initial solicitation but was later incorporated into the solicitation by an amendment, a protest based on that impropriety must be filed *before the next closing time* established for submitting proposals.
   d. In all other cases, protests must be filed *not later than 10 days after* the protester knew or should have known the basis of the protest, whichever is earlier, with the exception of protests following a required
3. **Protester** furnishes a copy of its complete protest to the official and location designated in the solicitation (or, in the absence of such a designation, to the contracting officer), so it is received *no later than 1 day* after the protest is filed with the GAO. The GAO may dismiss the protest if the protester fails to furnish a complete copy of the protest within 1 day.
4. **GAO** notifies the contracting officer by telephone within 1 day after the filing of a protest, and, unless the protest is dismissed under this part, shall

promptly send a written confirmation to the agency and an acknowledgment to the protester.

5. **GAO** may decide to use the Express Option (at the request of a party or on its own initiative) to resolve a protest under an expedited schedule (4 CFR 21.10(a)). If the GAO decides to dismiss the protest, an agency report is not required.
6. Upon notice that a protest has been filed with the GAO, the **contracting officer** immediately begins compiling information necessary for a report to the GAO. This includes providing the Office of Counsel with:
    a. Relevant protest file documents (see Agency Protests);
    b. A statement of relevant facts, requiring all persons with potentially relevant information to retain all information and assisting the Office of Counsel to prepare the agency report (see Agency Protests).
7. **Agency** immediately issues a notice of protest
    a. *Pre-Award:* Agency gives notice of the protest to all parties who appear to have a reasonable prospect of receiving award if the protest is sustained. The contracting officer, in consultation with the Office of Counsel, furnishes copies of redacted protest submissions with instructions to (1) communicate directly with the GAO, and (2) provide copies of such communication to the agency and to other participating parties when they become known.
    b. *Postaward:* Agency gives notice of the protest to the contractor(s) immediately after receipt of the GAO's written notice that a protest has been filed.

4.3.2 AGENCY REPORT

1. **Contracting officer** decides how to respond to the GAO protest notification.
    a. **Suspend performance or terminate awarded contract.** Immediately suspend performance or terminate the awarded contract if the GAO protest notice is received before contract award (Pre-Award) or (Postaward) *within 10 days after the contract award or within 5 days after the debriefing date offered to the protester*, whichever is later. See paragraph b for authorized exceptions (i.e., continued performance or award).
        i. Suspended award: Inform all offerors who might become eligible for award. Consider requesting offerors to extend the time for acceptance of their solicitations to avoid the need for a resolicitation.
        ii. Suspended or terminated award: Attempt to negotiate a mutual agreement on a no-cost basis.
    b. **Continue with performance or award.** Urgent and compelling circumstances that significantly affect Government interest will not permit awaiting GAO decision. Justify contract award or continued performance in writing following the Determination and Findings (D&F) SCPPM. The D&F is reviewed by SPAWAR 3.0 and SPAWAR 2.0, and approved by the *HCA.*
        i. Pre-Award (FAR 33.104(b)): HCA authorization required for award; award is likely to occur within 30 days of D&F approval.
        ii. Postaward (FAR 33.104(c)(1)): Under CICA Stay conditions, the **contracting officer** immediately suspends/terminates the awarded contract. **HCA** may authorize continued performance or award via approval of D&F.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

iii. Inform GAO of the written finding to continue; provide written notice of the decision to the protester and other interested parties.

c. **Postpone award until after protest resolution.** Inform the offerors who might become eligible for award. If appropriate, request that offerors extend the time for acceptance of their offers to avoid the need for re-solicitation.

Is an MDAP or services acquisition valued at over $1B being protested? If yes: **Agency** briefs DPAP *within ten (10) days* of protest filing (DFARS 233.170). This brief should outline the basis of the protest, SPAWAR's position, and any other information deemed relevant to the protest.

2. **Office of Counsel** creates and maintains a protest file. If an actual or prospective offeror so requests, the procuring agency shall provide actual or prospective offerors reasonable access to the protest file within a reasonable time after submittal of an agency report to the GAO. However, if the GAO dismisses the protest before the documents are submitted to the GAO, then no protest file need be made available. The protest file shall include an index and as appropriate:
   a. The protest;
   b. The offer submitted by the protester;
   c. The offer being considered for award or being protested;
   d. All relevant evaluation documents;
   e. The solicitation, including the specifications or portions relevant to the protest;
   f. The abstract of offers or relevant portions; and
   g. Any other documents that the agency determines are relevant to the protest, including documents specifically requested by the protester.
3. **Agency** completes its report to GAO (see FAR 33.104(a)(3)(iv) for detailed agency reporting requirements). The agency report contains:
   - The documents in the protest file;
   - The signed statement of relevant facts;
   - A legal memorandum in opposition to the protest;
   - A list of parties being provided the documents; and
   - Responses to the protester's document requests.
4. **Agency** submits report to GAO *within 30 days* (or 20 days for an Express Option) after the GAO notifies the agency that a protest has been filed, unless the GAO advises the agency the protest is dismissed or authorizes an extension.
5. At the same time, **contracting officer** provides copies of the agency report to the protester and any interveners subject to protective order limitations.
6. **Protester** requests any other documents from the time of relevance or mentioned in the report within *two (2) workdays* after receipt of the report; **agency** provides requested documents to GAO *within two (2) days*.
7. **Protester** submits a response to the agency report to GAO within *10 days* (5 days under Express Option) after receipt of the report.

4.3.3 GAO DECISION

1. **GAO** issues a decision on the protest *within 100 days*:
   a. **Dismiss the protest**. In this case, an agency report is not required.
   b. Authorizes **additional time for the Agency report** in response to an agency request for an extension.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

c. **Sustain the protest.** GAO may recommend that the agency implement any combination of the following remedies:
   i. Refrain from exercising options under the contract;
   ii. Cancel or amend the solicitation;
   iii. Terminate the contract;
   iv. Re-compete the contract;
   v. Award a contract consistent with statutes and regulations to promote compliance; or
   vi. Other recommendations it deems necessary, including but not limited to reimbursing the offeror for its bid and proposal costs and attorney's fees.

2. **HCA** reviews GAO recommendation; consults with *DASN(AP)* before any final decision is reached that differs from GAO's recommendations (NMCARS 5233.104(g)).
3. If GAO recommends reimbursement of cost
   a. Agency consults legal counsel before paying an award of costs; and
   b. Agency and protestor attempt to reach an agreement on the amount:
      i. Agreement: **Offeror** files a claim for its costs with SPAWAR *within 60 days* or forfeits its right to recover costs.
      ii. Unable to reach agreement: Protester requests GAO to recommend an amount; **Agency** has *60 days* to inform GAO of action taken in response to their recommendation.
4. If GAO recommendations are not fully implemented *within 60 days* of receipt, the **HCA** reports the failure to the GAO no more than 5 days later (65 days after receipt). The report shall explain the reasons why the GAO's recommendation, exclusive of costs, has not been followed by the agency.

5. APPROVALS

N/A

6. TOOLBOX

1. Protest Resources – DPAP webpage
2. GAO – website
3. GAO Bid Protest Guide - 2009
4. Protests – DASN(AP), Dec 2008
5. Improving Communication during Competitive Source – DPAP, Jan 2008
6. FAR 33.103; Protests to the Agency – ASN(RD&A), Aug 1996
7. Policy Alert 09-51 -- An Analysis of Viable Protests – SPAWAR, 2009
8. Determination and Findings

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
June 2016	Content formatted and reorganized; updated links.
March 2013	Last version created in old format; no change notes available. Latest updates are highlighted by purple text.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide SPAWAR Claimancy policy, responsibilities, and procedures for the precontract authorization and contractual recognition of costs incurred by contractors prior to contract, modification, or delivery order award in accordance with FAR 31.205-32.

Related guidance is available under CMPG 2.2.4.2 Precontract/Anticipatory Costs.

2. POLICY

2.1 Authorization

A. Precontract or anticipatory costs are authorized only in those instances that warrant an exception to the standard procedures for award of contract actions.
B. Requests by program managers/technical codes for precontract cost authorization shall not be used as a routine solution for inadequate planning.
C. Program managers/technical codes and contracting officers shall not tacitly or overtly authorize or otherwise encourage contractors to begin work and incur costs without benefit of a formal contractual agreement, except in accordance with the procedures of this instruction.
D. If it can be demonstrated that cost incurrence prior to award of the anticipated contract is essential to achieve the contract delivery schedule, and that failure to meet this schedule will adversely impact the Government, the PCO may authorize anticipatory costs in accordance with the procedures below.

2.2 Alternatives

A. In examining the alternatives for meeting urgent requirements, the PCO and the program manager should also consider whether issuing a letter contract (FAR 16.603) is a more appropriate solution.
B. Factors to consider in choosing one of these two alternatives include the following:
    1. Schedule:
        a. Authorizing anticipatory costs should be considered a short-term solution.
        b. The longer the period of time between authorization and contract/modification award, the more appropriate the use of a letter contract action will be. Otherwise, the lack of cost control over an extended period could place the government at a greater financial and legal risk.
    2. Cost ratio:
        a. Anticipatory costs should cover a relatively small portion of the anticipated total contract amount.
        b. As the ratio of projected incurred costs to total estimated costs increases, the use of a letter contract may be more appropriate. Otherwise, the contract may take the form of an invoice for work essentially completed.

3. RESPONSIBILITIES

3.1 PCO/Contract Specialist

A. Determines whether recognition of pre-contract costs or a letter contract is more appropriate.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3.2 Program Manager

A. Ensures adequate contract award lead time via formal acquisition plans and individual procurement request planning.
B. Prevents precontract performance and cost incurrence without benefit of a formal contract arrangement with SPAWAR.
C. Assists the contracting officer in determining whether issuing a letter contract is a more appropriate solution.

4. PROCEDURE

4.1 Contractor Notifies PCO

A. **Contractor** provides notification to the PCO that they have been incurring costs without prior anticipatory cost authorization.
B. **PCO** immediately:
   1. Provides written notice to the contractor that the Navy is under no obligation to reimburse the contractor and that they are working at their own risk;
   2. Consults with the cognizant program office/technical code before determining whether or not to authorize anticipatory costs; and
   3. If an increase to a previously approved anticipatory cost limitation is requested, follows paragraph 4.2(D) below.

4.2 Documentation and Authorization

A. **PM/Tech Code** ensures the formal Procurement Request (PR) or Modification Request (MR) including evidence that funds are available has been received by the cognizant contracting office.
   1. The funding document should reflect a severable/non-severable determination, type of funding, and expiration date.
   2. If an unauthorized commitment exists, follow FAR 1.602-3 and the Ratification of Unauthorized Commitments SCPPM.
B. **PM/Tech Code** requests authorization of anticipatory costs (unless waived, in rare exceptions, by the PCO) via a memorandum signed IAW Approvals to the cognizant PCO requesting authorization of anticipatory costs. See Toolbox for sample memos, which shall include:
   1. The factual information substantiating the necessity for a contractor to proceed with effort prior to contract award,
   2. The requested start date if such effort,
   3. The total time period of the advance effort, and
   4. The cost limitation.
C. **Contracting Officer/Contract Specialist** determines whether or not the information in the program manager's/technical code's request for authorization of anticipatory costs is adequate to support such an action.
   1. If the request is not justified, the Contracting Officer shall notify the program manager/technical code in writing.
   2. If the information supports the request, proceed to the next step.
D. **Contracting Officer/Contract Specialist** ensures that the following documents are in, or have been obtained, for the contract file:
   1. A sole source J&A (if appropriate - see FAR 6.302), developed and approved IAW the Justification and Approval SCPPM.
   2. Claimancy funding for the amount of anticipatory cost authorization, or concurrence of the program manager's/technical code's request for anticipatory cost authorization, indicating that funds are still available.
E. **Contracting Officer/Contract Specialist** obtains approval to authorize anticipatory costs from one level above that of the cognizant contracting

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

officer, and provide a copy to the program manager/technical code (see Toolbox for sample).

F. **Contracting Officer / Contract Specialist** authorizes anticipatory costs using one of the following methods (see Toolbox for samples):
   1. An Advanced Agreement signed by both parties; or
   2. An Allowability of Anticipatory Costs letter to the contractor, providing SPAWAR's position concerning costs incurred before award.

G. **Contracting Officer / Contract Specialist** limits pre-award authorization of anticipatory cost expenditures. The contractor shall not be authorized to expend more than 25% of the anticipated contract amount prior to award, unless a waiver for the greater amount is approved two levels above the Contracting Officer.

H. J&A? If so, **Contracting Officer / Contract Specialist** recognizes costs initially incurred by a contractor before execution of the J&A. Costs initially incurred by a contractor, at their own risk, prior to approval of the J&A may be recognized under an authorization of anticipatory costs once the J&A is signed.

I. **Contracting Officer / Contract Specialist** inserts the SPAWAR Component clause 5252.231-9200 "Anticipatory Costs" in any contract for which anticipatory costs have been authorized. (See SPAWAR Clausebook.)

5. APPROVALS

Document	Approval Authority
Memorandum	PD, PEO, Technical Directorate Head, or Technical Code (as appropriate)
Authorization of Anticipatory Costs	Branch Head
Letter/Notice to Contractor	PCO

6. TOOLBOX

6.1 SPAWAR

6.1.1 HQ AND SSC-ATLANTIC

A. PM/Tech Code's Memo request for Authorization of Anticipatory Costs
B. PCO's Memo request for Authorization of Anticipatory Costs
C. Advance Agreement
D. Sample Letters to Contractor

6.1.2 SSC-PACIFIC-SPECIFIC

A. Determination and Findings (D&F) for Letter Contracts
B. Letter for Letter Contracts
C. Letter for Pre-Contract Costs
D. Letter for Pre-Task/Delivery Order Costs (after quote)
E. Letter for Pre-Task/Delivery Order Costs (prior to quote)

6.2 Related SCPPMs

A. Ratification of Unauthorized Commitments
B. Justification and Approval

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

7. CHANGE HISTORY

Date	Description of Changes
June 2016	Content formatted and reorganized. List schema standardized. Links fixed. Templates added as attachments vice appended.
November 2012	Last version created in old format. Links were updated in the Toolbox.

Updated material is highlighted by *purple text* and an Alert/New icon.

1. PURPOSE

The purpose of this document is to provide the policy and guidance for conducting a Procurement Planning and Strategy Meeting (PPSM) for contract actions conducted by SPAWAR 2.0 for SPAWAR Headquarters, SSC PAC, SSC LANT, and associated PEOs.

The PPSM is a formal meeting for all Participants/Invitees (stakeholders) to discuss the procurement approach and critical success factors for making the planned award on time. On-time award partly depends on submitting a Purchase Request (PR) through Navy Enterprise Resource Planning System (Navy ERP) that allows for the proper flow of information through the contract writing system, PD2.

One PPSM may suffice for a simple acquisition; PPSMs for more complicated acquisitions require multiple meetings that continue until the contract is awarded. A best practice is to hold a pre-PPSM 18–24 month prior to contract award in order to conduct early planning (evidence of a pre-PPSM can be documented by a simple memo, email, or formal template); a Post-PPSM is held to finalize the PR package.

Related guidance is available under CMPG sections 1.2.6 Hold Procurement Planning and Strategy Meeting, 1.2.1 Conduct Pre-PPSM, and 1.2.10 Finalize PR Package (Post-PPSM).

2. POLICY

This Policy is applicable to contract actions above the Simplified Acquisition Threshold (SAT), including new contracts, out of scope modifications to existing contracts, SeaPort-e task or delivery orders, and orders placed with GSA or non-DoD contracts. This policy does not apply to incremental funding modifications *or actions where another agency issued the solicitations (e.g. Broad Agency Announcements (BAA), Rapid Innovation Fund (RIF), and Small Business Innovative Research (SBIR))* nor does it apply to cases related to Foreign Military Sales or the 2282 Security Assistance Program.

2.1 Scheduling

PPSMs are to be conducted *within 30 days* of the PM/APM identifying the requirement for supplies and services. Specifically for PEO C4I three PPSMs are held:

1. **Pre-PPSM** is held soon after requirements are identified to plan the PPSM;
2. **PPSM** is held *at least 12 months before* planned award; and
3. **Post-PPSM** is the final opportunity to stakeholders to review "final draft" PR documents and verify that they reflect the exit criteria.

The PPSM is held even if one of the participants is not in attendance.

2.2 Participants/Invitees

At minimum, the PPSM includes SPAWAR representatives from:

- APEO for Contracts (APEO-C) and/or DPEO Acquisition Management;
- SPAWAR 1.0 and/or Business Financial Manager (BFM);
- SPAWAR 2.0 Contracts Procurement Contracting Officer (PCO), Contracts Specialist, APM-C;
- SPAWAR 3.0 Legal;
- SPAWAR 4.3 Logistics, including the APEO-L and the APM-L;
- SPAWAR 4.3.2 Supply Chain Management (SCM);
- SPAWAR 5.0 Chief Engineer, including the APM-E and CSE representative;
- SPAWAR 8.2 CIO, IT Policy;
- SPAWAR 8.8 Small Business;
- SPAWAR HQ Foreign Disclosure Specialist Alicia Rhamy, alicia.rhamy@navy.mil; and

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

- Other Acquisition disciplines or SPAWAR Competencies as deemed necessary by the PM/APM and/or PCO (e.g., HSI, SE, T&E).

2.3 Goals

1. Recommend the method of acquisition, type of contract, basic format and scope of the acquisition package;
2. Determine the contract Section B Contract Line Item (CLIN) structure, Product Service Codes (PSC), and line item structure and contents of the PR;
3. Define Operating Materials and Supplies (OM&S) or Property, Plant and Equipment (PP&E) which will either be retained by the Government or provided to the Contractor as either Government Furnished Material or Government Furnished Equipment (GFE) or procured by the contractor as Contractor Acquired Material or Contractor Acquired Equipment, and ensure both categories (retained and provided to the contractor) and **each item is "broken out" in Section B of the contract as a separate CLIN as per - DPAP Memorandum dated 14 Nov 2014 and titled 'Line Item Structure' requiring separate CLINS be established for items of supply, material, or hardware.**
4. Categorize to be procured assets of Property, Plant and Equipment as Military Equipment (ME), General Equipment (GE) or Internal Use Software (IUS) IAW Asset and GFP Categorization;
5. Review the Acquisition Plan (AP) for currency, if the AP has already been approved;
6. Review early drafts of the PR related documentation such as specifications, Statement of Work (SOW), Justification and Approval (J&A), etc.;
7. Decide, address, and document applicable acquisition planning topics discussed in FAR 7.105 "Contents of written acquisition plans," including Item Unique Identification (IUID), SPII, EVM, Open Systems Architecture, and OCI applicability (check CMPG and related SCPPMs);
8. Schedule events and reviews that will be required for the procurement;
9. Review the Acquisition Strategy (AS);
10. Review the Acquisition Strategy for Services (MOPAS); and
11. Review Small Business issues.

2.4 Products

The main products resulting from a PPSM are (1) a defined requirement, (2) line item structure, and (3) the attachments necessary for a PR to be developed.

3. RESPONSIBILITIES

3.1 Program Manager (PM)/Assistant PM (APM)

- Convenes and Chairs the PPSM. For SSC PAC and LANT, the person maintaining technical cognizance of the requirement shall determine who should attend, schedule and invite participants.
- Documents the decisions made at the PPSM in the PPSM Baseline document.
- Maintains the PPSM Baseline document until the contract is awarded.
- Develops and releases the PR with the PCO.

3.2 Procurement Contracting Officer (PCO)

- Documents the decisions made at the PPSM in the PPSM Baseline document.
- Develops and releases the PR with PM/APM.

3.3 Contracts Specialist in SPAWAR 2.0

Works in close coordination with the PR developer to develop Section B, CLIN structure AND the Navy ERP PR line item structure.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3.4 PPSM Participant / Invitee

- Member of the Acquisition Coordination Team
- Participates in the PPSM; provides comments/input to the Baseline

4. PROCEDURE

4.1 Preparation

1. **PM / APM** identifies the requirement for supplies and services; PPSM is held *within 30 days* of the PM/APM identifying the requirement.
2. **PM / APM** sends a notice of the planned PPSM to all participants *at least 10 working days* before the event that includes:
   a. PPSM Agenda;
   b. Proposed list of supplies and services (in contract Section B format);
   c. Executive Summary of the program or procurement;
   d. A copy of the SPAWAR PPSM Baseline document; and
   e. PPSM Objectives and Key Issues to be resolved at the meeting.

4.2 Meeting and Documentation

1. **PPSM Participants** meet to:
   a. Discuss/develop an appropriate Section B CLIN structure (see DFARS 204.71 and Purchase Request Process Guide Book (APEO-C Guide));
   b. Discuss/develop Navy ERP PR line item structure;
   c. Discuss the method of procurement, type of contract, basic format and scope of the procurement package;
   d. Determine any quality requirements or performance measures to be used to measure quality such as Earned Value Management applicability (see Earned Value Management (EVM) SCPPM);
   e. Determine any delivery requirements;
   f. All GPP&E assets /supply items greater than $5,000 in value must be separately identified and a CLIN established for Military Equipment Valuation and IUID tracking procedures;
   g. Discuss the need to provide GFP and document what items will be provided (see Government Furnished Property SCPPM);
   h. Determine if the acquisition is an Information Technology National Security System (see FAR Part 39);
   i. Discuss the use of either performance/commercial specifications or military specifications and standards;
   j. Determine whether or not options will be included and the applicability of variable quantity options (see Use of Options);
   k. Determine the applicability and approval of warranty provisions;
   l. Determine the applicability of value engineering provisions;
   m. Discuss the level of data rights, if any, to be obtained under the contract;
   n. Determine the level of contractor cost reporting, if any, to be required and the applicable data items to be invoked;
   o. Discuss the applicability of special performance incentives;
   p. Determine if a list of spares for inclusion as priced option items has been developed;
   q. Discuss small business/small disadvantaged business participation;
   r. Review all items addressed on the SPAWAR PPSM Baseline document;
   s. Consider pre-solicitation briefings/conferences and draft RFPs; and
   t. Schedule the events and reviews that will be required for procurement.
2. **PM / APM** documents the deliberations of the PPSM including the names of each PPSM attendee.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3. **PM / APM** and **PCO** document the decisions made at the PPSM in the PPSM Baseline document.
4. **PM / APM** sends a copy of the meeting minutes (see PEO C41 PPSM Minutes Template in Toolbox), including the signed SPAWAR PPSM Baseline document, to all codes invited to the PPSM, whether they attended or not.
5. Any **Participant** may provide comments/input to the PPSM Baseline agreement, even if s/he was unable to attend the PPSM.
6. If the contents of a previously-submitted PPSM Baseline Document have changed, the **PM / APM and PCO** prepare and submit a revised document to the members of the PPSM. Changes should not be made without adequate written justification.

4.3 Purchase Request (PR)

A PR is submitted through Navy ERP, which allows for the proper flow of information through the contract writing and entitlement systems.

1. **PM / APM** and **PCO** complete the PR package.
2. **PM / APM** and **PCO** include a copy of the approved PPSM Baseline or the signed waiver including rationale.

4.3.1 LINE ITEMS

1. **PM / APM** and **PCO implement the CLIN structure determined at the PPSM. The CLIN structure must allow data to flow through other automated systems without causing re-work, delays in awarding contracts and delays in vendors receiving payment.**
2. **PM / APM** and **PCO** categorize Navy ERP line items based on their use in the SPS award. See the SPS PR User Guide (ERP ZSPS PR USER GUIDE) (restricted access).

4.3.2 DOCUMENTATION

1. **PM / APM** and **PCO** develop the following documentation required for the Navy ERP PR to be accepted by the contract writing system, SPS PD[2]:
   a. Statement of Work, Performance Work Statement for Services, Statement of Objectives, Specification for General Property, Plant and Equipment (GPP&E) assets/supplies or Technical Requirements Document, and Quality Assurance Surveillance Plan (QASP) for service contract actions;
   b. Required data deliverables using Contract Data Requirements List (CDRL), DD Form 1423;
   c. Required IT approvals. See ITPR Process.
2. **PM / APM** uploads Navy ERP PR and documentation to the document management system (DMS), links documents in the PR, and submits the package to workflow.
3. **SPAWAR 2.0** receives PR and determines whether any additional documents are required to award a Navy ERP PR in SPS, such as:
   a. Justification for Other Than full and Open Competition (J&A);
   b. Determination and Findings for Contract Type or for Single Award of an IDIQ contract;
   c. Source Selection Plan;
   d. Foreign Disclosure;
   e. Acquisition Strategy (MOPAS);
   f. Acquisition Plan;
   g. COR nomination letter;
   h. Government Furnished Property (GFP) listing by part number and NSN (if applicable);
   i. Security clearance or access requirements in a DD Form 254; or

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

j. Independent Government Cost Estimate (IGCE) which serves as a guide to the estimated cost of the requirement.

4. **PM / APM** sends the above documents and any other procurement sensitive files to the **PCO** via WebEx or encrypted email, NOT via DMS.

5. APPROVALS

The Program Manager and the PCO sign the PPSM Baseline document.

6. TOOLBOX

1. Purchase Request Process Guide Book (APEO-C Guide) – restricted access
2. SPS PR User Guide (ERP ZSPS PR USER GUIDE)
3. Contract Planning Policy – PEO C4I and Space, Apr 2006
4. ITPR Process
5. Linking Financial Data to Contract Documents – OSD, Mar 2009
6. Asset and GFP Categorization – SPAWAR DRAFT, Sep 2010
7. SPAWAR PPSM Baseline document
8. DD Form 1423
9. DD Form 254
10. Earned Value Management (EVM)
11. Government Furnished Property
12. Use of Options
13. DPAP Memorandum dated 14 Nov 2014 and titled 'Line Item Structure'
14. PEO C4I PPSM Minutes Template

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
December 2015 Rev 1	Updated Policy section to add additional exceptions.
December 2015	Updated Purpose and Policy sections, added PEO C4I PPSM Minutes Template to Toolbox, and updated links.
December 2014	Added Line Item Structure DPAP Memo to Toolbox.
September 2014	SCPPM reorganized and reformatted; links updated.
September 2011	No change notes available.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

PROPER USE of NON-DoD CONTRACTS

1. PURPOSE

The purpose of this document is to provide SPAWAR Claimancy policy and guidance for the preparation and approval for the use of non-DoD contract vehicles. This policy does not apply to DoD Contracting Officers awarding DoD contracts using FAR Parts 13, 14 and 15.

2. POLICY

Each year billions of DoD dollars are spent using non-DoD contracts to procure supplies and services. In many cases this represents an effective way to accomplish acquisitions in support of DoD's mission. For this reason the use of non-DoD contracts is encouraged when it is the best interest of the customer, and most cost effective procurement to meet DoD requirements.

However, recent DoD and General Services Administration Inspector General reports identified several issues associated with the Department's use of non-DoD contracts for the acquisition of certain supplies and services. Non-DoD contracts may not be used to circumvent conditions and limitations imposed on the use of funds, nor are they a substitute for poor acquisition planning. For amounts greater than the simplified acquisition threshold SPAWAR Claimancy shall use the below review and approval procedures when acquiring supplies or services using non-DoD contract vehicles. These requirements apply for both direct (orders placed by SPAWAR on non-DoD vehicles) and assisted acquisitions (contracts awarded or orders placed by non-DoD entities).

Department of Interior's (DoI) Acquisition Services Directorate (AQD) (formerly GovWorks) See: DASN (A&LM) Memo of April 4, 2008

DoD Wide Policy for **Interagency Agreements with the Department of Energy Work For Others (**WFO) Program to Access DoE-Owned RDP Facilities through IAs in FY12

See: DPAP Memo of September 30, 2011

DoD components are prohibited from submitting interagency requests for furniture after July 1 of any Fiscal Year, regardless of the anticipated delivery date of the requirement.

3. RESPONSIBILITIES

While the Program Manager or requirements official has the primary responsibility to ensure compliance with this policy, success will not be achieved without the cooperation of the financial management and contracting communities within SPAWAR and its affiliated PEOs. SPAWAR procedures are effective 1 January 2005. SSC Pacific guidance is linked in the Toolbox below.

A. **Procuring Contracting Officers/Contract Specialists shall:**

1. As of June 2014, business decisions justifying the use of non-DoD, Contracting Officers must determine that fees associated with the acquisition are fair and reasonable. Notify the customer of any fees associated with the acquisition, and the total costs prior to sending funds to a non-DoD agency. Document either the Acquisition Strategy; Acquisition Plan; Business Clearance Memorandum; or Memo to File to support the business decision to use Non-DoD/Interagency contract vehicles. Documentation must include name of person and date contacted. Ensure the use of a non-DoD contract vehicle is in the best interests of the Department of Defense. Take into account the following:
   - Does this meet the customer's needs – quality, delivery, price
   - Is this within scope of the ordering vehicle
   - Is this a cost effective way of meeting the customer's need
   - Schedule
   - Contract administration
   - Consideration of small business (bundling)

All interagency acquisitions over $500k entered into 03 November 2008 and thereafter must follow the guidelines provided in the Office of Management and Budget, OFPP Interagency Acquisitions guide June 2008 edition:

i. Include all of the elements listed in Appendix 2, or follow the model agreement provided in Appendix 3.
ii. Utilize Appendix 1 to facilitate the clear identification of roles and responsibilities.

2. Review contract terms and conditions of the intended vehicle prior to placing orders and provide to the assisting agency unique requirements/terms and conditions associated with the acquisition.
(A listing of the DFARS clauses and provision is being developed to assist in this review. See toolbox item **#8** for suggested list of DFARS clauses/provisions. This list only applies to orders placed under GSA Federal Supply Schedule contracts. Other agency contracts must be obtained, reviewed and analyzed by the negotiator to determine what DFARS clauses need to be included.)

3. Determine if there is an available contract vehicle within DoD that can satisfy the requirement. Review links to the Air Force, Army and other Navy sites on the E-Commerce Central website to assist in this determination.

4. If (SPAWAR) is executing the contract action (direct), ensure metrics are being measured and collected for later reporting requirements. (see Procedures 4e below for the reporting format)

B. *Program Manager/Technical Code:*

1. Ensure there is a bona fide need and define requirements accurately.
2. Services >$100K must be Performance Based.
3. In collaboration with the Contracting Officer, perform Market Research (i.e. identify multiple potential sources)
4. Comply with the procedures of COMSPAWAR Memorandum dated 17 December 2004, toolbox item #4.
5. Before sending funds or requirements to a non-DoD agency for acquisition purposes determine in writing that the use of the non-DoD vehicle is in the best interests of the Government.
   The determination should include at a minimum (see sample in below Tool Box):
   i. Are requirements within scope of the intended vehicle
   ii. Schedule
   iii. Cost effectiveness (including any fees paid)
   iv. Ensure that the supplies or services are consistent with the appropriated funding being used.
   v. Funds must be consistent with appropriation limitations.

6. Collect metrics in accordance with the format in Procedures below. Report annually by 15 Oct.

C. *Financial Managers*

Financial Managers (HQ and Echelon 3) shall reject any Interdepartmental Purchase Requests (IPR) over the $100K threshold that would result in an assisted supply or service acquisition to a non-DoD activity until the action has been approved as below using the 2.0 Review of IPR for Non-DoD Contract Action form ***or an approved Economy Act D&F***.

4. PROCEDURES

Economy Act

31 U.S.C. 1535 permits ordering supplies/services from another federal Agency when there is no other specific authority to do so. Interagency acquisitions subject to the Economy Act must comply with the requirements of Federal Acquisition Regulation 17.503 and Navy-Marine Corps Acquisition Supplement 5217.503. The Economy Act Determination and Findings may be used to document compliance with the procedures herein, provided that the determination addresses application of the DoD unique terms and conditions, PBSA waivers and non-availability of DoD Contract vehicles. Assisted acquisitions by non-DoD activities are frequently covered by other statutory authorization and not covered by the Economy Act. Program Offices/Requiring individuals are responsible for ensuring there is adequate documentation to demonstrate that these assisted acquisitions comply with the DoD and DoN policies herein.

Economy Act D&Fs are required whenever orders are placed outside of the Navy (Ref: Comments on Further Delegation of Authority to Approve Economy Act Orders)

Federal Supply Schedules

When using Federal Supply Schedules to satisfy procurements between the micro-purchase and simplified acquisition threshold the Contracting Officer will document via a memorandum when large business quotes are necessary, except when an ordering activity has approved justification limiting sources in accordance with FAR8.405-6. The Limited Sources Justification will address the consideration of small businesses and how the determination was made there were less than three small businesses on the schedule that will satisfy the government's requirements. The Limited Sources Justification will be provided with the DD2579 prior to review and approval by the Small Business Office.

A. Assisted Acquisition of Supplies (non-DoD agency places order or awards contract for DoD use)

Program offices/requiring individuals need to coordinate with legal, financial and contracting early in the acquisition process for identification of unique terms/conditions and availability of suitable contracts within DoD.

(1) For assisted acquisitions of supplies above the Simplified Acquisition threshold placed against non-DoD contracts, program offices or requiring individuals must document the record with the following:

i. The action is in the best interests of DoD in terms of satisfying customer requirements, cost effectiveness, delivery schedule, availability/non-availability of suitable contracts within DoD, contract administration and any other applicable considerations.
ii. DoD/DoN unique terms and conditions that are provided to the assisting activity and to be included in the contract award (*see toolbox for suggested DFARS/provisions list. This list only applies to GSA Federal Supply Schedule contracts, other agency contracts must be obtained, reviewed and analyzed for the appropriate DFARS clauses to include*).
iii. Funding is available and appropriate for the acquisition
iv. Supplies to be provided are within scope of the intended vehicle.

(2) Collect the information for reporting purposes in the format provided below and report by 15 Oct. each year.

B. Assisted Acquisition of Services (non-DoD agency places order or awards contract for DoD use)

(1) For assisted acquisitions of services above the Simplified Acquisition threshold placed against non-DoD contracts, program offices or requiring individuals must document the record with the following:

i. The action is in the best interests of DoD in terms of satisfying customer requirements, cost effectiveness, delivery schedule, availability/non-availability of

suitable contracts within DoD, contract administration and any other applicable considerations.

ii. Business decisions justifying the use of non-DoD, Contracting Officers must determine that fees associated with the acquisition are fair and reasonable. Notify the customer of any fees associated with the acquisition, and the total costs prior to sending funds to a non-DoD agency. Document either the Acquisition Strategy; Acquisition Plan; Business Clearance Memorandum; or Memo to File to support the business decision to use Non-DoD/Interagency contract vehicles. Documentation must include name of person and date contacted.

iii. Approvals required by Navy-Marine Corps Acquisition Regulations Supplement 5237.170-3(b), at the threshold indicated in the SCPPM document, Acquisition of Services have been obtained.

iv. DoD/DoN unique terms and conditions that are provided to the assisting activity and to be included in the contract award (see toolbox for DFARS Clauses/provisions).

v. Funding is available and appropriate for the acquisition.

vi. Services to be provided are within scope of the intended vehicle.

(2) Collect the information for reporting purposes in the format provided below and report by 15 Oct each year.

c. Direct Acquisition of Supplies *(SPAWAR Contracting Officer places order on non-DoD vehicle)*

1. For direct acquisitions of supplies over the simplified acquisition threshold placed against non-DoD contracts, the Contracting officer must document for the record the following:

   i. The action is in the best interests of DoD in terms of satisfying customer requirements, cost effectiveness, delivery schedule, availability/non-availability of suitable contracts within DoD, contract administration and any other applicable considerations.

   ii. DoD/DoN unique terms and conditions are incorporated *(see toolbox for DFARS clauses/provisions. This list applies to orders under GSA Federal Supply Schedule contracts only. The negotiator must obtain, review and analyze the basic contracts of other agencies to determine the appropriate DFARS clauses to include.)*

   iii. Funding is available and appropriate for the acquisition.

   iv. Supplies to be provided are within scope.

   v. Collect the information for reporting purposes in the format provided below and report by 15 Oct each year.

2. SSC-PAC specific guidance is linked in the Toolbox below.

d. Direct Acquisition of Services *(SPAWAR Contracting office places order on non-DoD vehicle)*

(1) For direct acquisitions of services over the simplified acquisition threshold placed against non-DoD contracts, the Contracting officer must document for the record the following:

   i. Compliance with the approval requirements of the Navy-Marine Corps Acquisition Regulations Supplement 5237.170-2, at the threshold indicated in the SCPPM document, Acquisition of Services have been obtained.

ii. The action is in the best interests of DoD in terms of satisfying customer requirements, cost effectiveness, delivery schedule, availability/non-availability of suitable contracts within DoD, contract administration and any other applicable considerations.

iii. Business decisions justifying the use of non-DoD, Contracting Officers must determine that fees associated with the acquisition are fair and reasonable. Notify the customer of any fees associated with the acquisition, and the total costs prior to sending funds to a non-DoD agency. Document either the Acquisition Strategy; Acquisition Plan; Business Clearance Memorandum; or Memo to File to support the business decision to use Non-DoD/Interagency contract vehicles. Documentation must include name of person and date contacted.

iv. DoD/DoN unique terms and conditions are incorporated (*see toolbox for DFARS clauses/provisions. This list applies to orders under GSA Federal Supply Schedule contracts only. The negotiator must obtain, review and analyze the basic contracts of other agencies to determine the appropriate DFARS clauses to include.)*

v. Funding is available and appropriate for the acquisition.

vi. Services to be provided are within scope of the intended vehicle.

(2) Collect the information for reporting purposes in the format provided below and report by 15 Oct each year.

(3) SSC-PAC specific guidance is linked in the Toolbox below.

e. Metric/Record Data

At a minimum, the Program office/Requirements activity shall record and report the data in the table as indicated below. It is recommended that records be maintained electronically to facilitate reporting and in anticipation of specific reporting requirements from OSD. Records must be maintained for at least 2 years following completion of the resultant contract/order. (Ref. NMCARS Change 03-14, DoN Guidelines for Proper Use of Non-DoD Contracts dtd. 14 Dec, 2004 and ASN(FM&C) Proper Use of Non-DoD Contracts dtd. 04 May, 2006.

Part	
I	**Reporting Activity** a. Reporting/Requiring organization (major Claimant) w/DODAAC (name/address) b. Requiring Activity w/DODAAC
II	**Requirement (Supplies/Service)** a. Description of supply or service b. Funding (amount, type of funds) c. Federal Supply Class or Federal Service Code d. North Atlantic Industry Classification System (NAICS)
III	**Requirement Identification** a. Document control number (PR number) b. Date of Action c. Type of action (new requirement, change, funding action) d. Rationale for use of non-DoD contract e. Decision Authority f. Date of decision g. Additional cost/fee for use of non-DoD vehicle (i.e.GSA fees)

IV	**Assisting Activity (other than DoD places order)** a. Contracting Office (Department, agency, address) b. Contact information for Contracting Officer c. Contract Number/Delivery/task order number d. Assisting Activity Federal Procurement Data System- New Generation (FPDS-NG) or Defense Contract Action Data System (DCADS) information/link

5. APPROVALS

a. **Approval Thresholds (Caution: See aforementioned policy concerning any inter-agency agreements over $100,000 with GovWorks)**

ASSISTED ACQUISITION OF SUPPLIES/SERVICES

SPAWAR HQ & PEO Thresholds for Approval of funds leaving the command
For execution on Non-DoD contract vehicles.

Dollar Threshold	**Review Authority**	**Approval Authority**
$100K to $5 million	PM/DPM	PM/DPM
$5M to $15 million	PM/DPM	As applicable: SPAWAR Deputy Commander, or SPAWAR Director of Contracts, or SPAWAR Director Installations & Logistics, or SPAWAR Chief Engineer, or SPAWAR CIO, PEO-C4I & PEO Space Systems, or PEO-IT, or PEO-Space Systems
>$15 million to $50 million	PEO/SPAWAR **2.0**	HCA – Commander SPAWAR HQ
>$50 million	PEO/SPAWAR **2.0** /HCA Commander SPAWAR	DASN **(AP)**

ASSISTED ACQUISITION OF SUPPLIES/SERVICES

SPAWAR Field Activity Thresholds for Approval of funds leaving the command for execution on
Non-DoD contract vehicles. (SSC-PAC specific guidance is in the toolbox below)

Dollar Threshold	**Review Authority**	**Approval Authority**
$100K to $5 million	TBD BY LOCAL PROCEDURES	TBD BY LOCAL PROCEDURES
$5M to $15 million	TBD BY LOCAL PROCEDURES	Commanding Officer/Executive Director
>$15 million to $50 million	SPAWAR **2.0**	HCA – Commander SPAWAR HQ
>$50 million	SPAWAR **2.0**/HCA Commander SPAWAR HQ	DASN **(AP)**
> $500 million	**2.0**/HCA/DASN ACQ	ASN(**RDA**)

DIRECT ACQUISITONS OF SUPPLIES/SERVICES

SPAWAR HQ & PEO Thresholds for Approval of acquisitions using non-DoD contract vehicles (SSC-PAC specific guidance is in the toolbox below)

Dollar Threshold	**Review Authority**	**Approval Authority**
Less than or equal to $3 million	Negotiator/PCO	SPAWAR HQ PCO
>$3 million to $5 million	PCO	SPAWAR **2.0** Branch Head
>$5 million to $15 million	SPAWAR **2.0** Branch Head	SPAWAR **2.0/2.0A**
>$15 million to $50 million	SPAWAR **2.0**/**2.0**A	HCA - Commander SPAWAR HQ
>$50 million	SPAWAR **2.0**/**2.0** A/HCA Commander SPAWAR HQ	DASN (**AP**)

DIRECT ACQUISITONS OF SUPPLIES/SERVICES

SPAWAR Field Thresholds for Approval of acquisitions using non-DoD contract vehicles

Dollar Threshold	**Review Authority**	**Approval Authority**
Less than or equal to $3 million	TBD by Local Procedures	TBD by Local Procedures
>$3 million to $50 million	TBD by Local Procedures	Executive Director SSC/Chief of the Contracts Office

6. MISCELLANEOUS

TOOL BOX

Guidance

(1) DPAP – Interagency Acquisitions
(2) OMB – OFPP guide: Interagency Acquisitions
(3) Meeting DoD Requirements Through Interagency Acquisition, DASN(A&LM) 20 November,2008, DPAP 31 October 2008 and Improving the Management and Use of Interagency Acquisitions 06 June 2008 memoranda
(4) DASN (A&LM) Memo of 4 April2008, Interagency Acquisition with Dept. of Interior/Acquisition Services Directorate (Furniture restriction)
(5) COMSPAWARCOM Memorandum, 17 December 2004, Proper Use of Non-DoD Contracts
(6) ASN(RDA) Memorandum, 20 December 2004, Proper Use of Non-DoD Contracts
(7) AT&L Memorandum, 29 October 2004, Proper Use of Non-DoD Contracts
(8) Suggested DFARS Clauses and Agency unique provisions to include in GSA FSS orders/contracts
(9) Comments on Further Delegation of Authority to Approve Economy Act Orders- General Counsel of the Navy
(10) Non-Economy Act Orders with Non-DoD Agencies

SSC-Pacific Guidance

(10)Procedures for Acquiring Supplies and Services from an Agency Outside DOD (Nov 2005)

Sample Determination

(11)Acquisition for Supplies & Services Sample Determination Memo (Updated 1/29/16)

IPR Review Form

(12) 2.0 Review of IPR for Non-DoD Contract Action (Updated 7/29/14)

Purchase Request (PR) Process Guide Book

Step by Step Instructions for Prime Mission Product or PMP-Related Services Contracts

Version 1.0

June 30, 2011

Process Change Owner:
APEO-C Branch

REVISION HISTORY

This table is used to record revisions to this process document. For each revision, the date, author, document revision (same as version number on the cover), and changes should be noted on the chart.

Date	Author	Revision	Change
2/25/15	Marty Richards	1.0	Updated links on pages 37 and 38
TBD	Trelli Davis	1.0	Baseline established.

DOCUMENT CONTROL INFORMATION

This table is used to record document control information for this document. This document can be found at the location indicated in the "Stored" column. Any comments or suggestions relating to it should be directed to the Document Owner. Cite the Document ID in all correspondence.

Document Owner	Document Approver	Stored	Disposition
Trelli Davis	TBD	TBD	Draft

REFERENCE TABLE

This table is used to record references related to this document.

Date	Reference
05/16/2011	Federal Acquisition Regulation (FAR): https://www.acquisition.gov/far/
06/08/2011	Defense Federal Acquisition Regulation Supplement (DFARS): http://farsite.hill.af.mil/VFDFARA.HTM
12/06/2010	Navy/Marine Corps Federal Acquisition Regulation Supplement (NMCARS): http://farsite.hill.af.mil/VFNAPS1.htm

QUICK START GUIDE

This guide serves as a ready reference for SPAWAR staff and its customers (PEO C4I, PEO EIS, JPEO JTRS, and others) to conduct the PR Process. **Table 1** summarizes major actions included in this document. It is intended to be used as a memory jogger for experienced users. Detailed flowcharts and process instructions can be found in Section 2. The table on the following page shows the symbols used in process flow charts within this document. For a visual display of this process summary, see Figure 1.

Table 1: Process Summary

Step Number	Action	Competency/Role
1	Identify Contract Requirement	Program office
2	Receive Demand Signal	APM-C
3	Initiate Pre-PPSM	APM-C
4	Distribute PR Strategic Outline	APM-C
4a	Conduct Market Research	Program office
5	Conduct Procurement Strategy Discussions	Program office
6	Approve Procurement Approach	SPAWAR 2.0/PCO
7	Conduct PPSM	Program office
8	Determine Whether Competency Stakeholders Agree to Strategy	Program office
9	Create PR Documentation	Program office
10	Assess When the PR Documentation Meets Final Quality Standards	APM-C
11	Conduct Post PPSM	Program office
12	Obtain Agreement from Competency Stakeholders on Final PR Documents	Program office
13	Determine if External Review is Required	Program office
14	Submit Final PR into Navy ERP	Program office

Predefined Process	A step in the process that has underlying procedures defined for the actions that need to take place to complete the step
Process Activity	A step that takes place within the process but requires no underlying procedures to define the action
Decision	Represents a decision or "switching function" that dictates the direction to continue through the flow based on the answer to the question within the symbol
Document	Depicts human, readable data such as printed output
Off Page Reference (Exit)	A cross reference to a flow on a different page *(Output to another process)*
Off Page Reference (Entrance)	A cross reference from a flow on a different page *(Input from another process)*
On Page Reference	A cross reference within the same page defined by lettering the output and the input alike
Tool	Represents any type of tool that requires direct input/ output with the process flow to assure its successful completion
Begin/ Terminate	Represents absolute beginning or end of the process flow
Connector	Directs the sequence of actions through the process flow

Table of Contents

Quick Start Guide iii

INTRODUCTION 2

1.1 Purpose 2

1.2 Scope 2

1.3 Governing Policy 3

1.3.1 Assumptions 3

1.3.2 Business Rules 3

1.4 Roles & Responsibilities 4

2. PURCHASE REQUEST PROCESS 7

2.1 Receive Demand Signal (Figure 1, Block 2) 9

2.1.1 Receive Demand Signal Process Components 11

2.2 Initiate Pre-Procurement Planning and Strategy Meeting (Pre-PPSM) (Figure 1, Block 3) 12

2.2.1 Initiate Pre-PPSM Process Components 14

2.3 Conduct Market Research (Figure 1, Block 4a) 16

2.4 Conduct Procurement Strategy Discussions (Figure 1, Block 5) 19

2.5 Conduct Procurement Planning & Strategy Meeting (PPSM) (Figure 1, Block 7) 19

2.5.1 Conduct PPSM Process Components 21

2.6 Create Purchase Request (PR) Documentation (Figure 1, Block 9) 24

2.6.1 Create PR Documentation Process Components 26

2.7 Conduct Final Quality Check (Figure 1, Block 10) 29

2.8 Conduct Post-Procurement Planning & Strategy Meeting (PPSM) (Figure 1, Block 11) 29

2.8.1 Conduct Post-PPSM Process Components 31

2.9 External Review Requirements (Figure 1, Block 13 and 13A) 32

2.10 Submit final PR to Navy ERP (Figure 1, Block 14) 32

2.11 Update Contract Information System (CIS) (Figure 1, Block 15) 33

2.12 Receive PR via PD2 Through Make Award (Figure 1, Blocks 16-22) 34

3. PROCESS CONCLUSION/SUMMARY 36

3.1 Changes to Processes 36

4. TOOLKIT 36

4.1 1.1.1 Entry and Exit Criteria 37

4.2 1.1.6 Entry and Exit Criteria 37

4.3 2.0 Entry and Exit Criteria 37

4.4 3.0 Entry and Exit Criteria 37
4.5 5.0 Entry and Exit Criteria 37
4.6 8.2 Entry and Exit Criteria 37
4.7 8.3 Entry and Exit Criteria 37
4.8 FAR 37
4.9 DFARS 37
4.10 NMCARS 37
4.11 Pre-PPSM Template/PR Strategic Outline 37
4.12 Competitive POA&M Template 37
4.13 Sole Source POA&M Template 37
4.14 Market Research Template 37
4.15 PPSM Baseline Document Template 37
4.16 PR Documentation List 37
4.17 Acquisition Plan Guide and Template 37
4.18 Acquisition Strategy Template 37
4.19 CCA Compliance Information and Template 37
4.20 CDRL 37
4.21 COR Information and Templates 37
4.22 D&F Information and Templates 37
4.23 DD254 Information and Template 37
4.24 EIT Certification Information and Template 37
4.25 ITPR Certification Information and Template 37
4.26 J&A Information and Template 38
4.27 Non Personal Service Certification Information and Template 38
4.28 QASP Information and Template 38
4.29 SSP Information and Template 38
4.30 Spec/TRD Information and Template 38
4.31 SOW/PWS/SOO Information 38
4.32 Email Template for Virtual Post-PPSM 38
4.33 External Review Threshold Matrix 38
4.34 Navy ERP Information 38
APPENDIX A **Acronym list 1**
APPENDIX B **Process Control Plan 1**

INTRODUCTION

1.1 PURPOSE

This SPAWAR Purchase Request (PR) Process Guide Book provides guidance and procedures for overall planning, individual procurement action responsibilities, and the processing of PR documentation to support a contract award for Prime Mission Products (PMP) or services related to PMP within SPAWAR Headquarters (HQ) as it is related to PEO C4I. This document can be tailored to support other Program Executive Offices (PEOs) and corporate activities; however, in order for the process to be successful, the roles and responsibilities described in Table 2, below, must be identified and assigned. For organizations that do not currently have these roles in place, other resources may fulfill the function. For example, the Assistant Program Manager for Contracts (APM-C) function may be fulfilled by a program office or contracting office resource.

This guide book also incorporates SPAWAR HQ competency stakeholder highly recommended suggestions that a program office must address when providing PR documentation for review, concurrence, or approval in order to execute this process efficiently. These suggestions, provided by competency stakeholders, can be found in the entry/exit criteria in the toolkit. This guide book is intended as instructional material for program office staff as well as members of the SPAWAR competencies.

1.2 SCOPE

This guide book is designed to describe the PR process, which commences with the identification of a new contract requirement, and is complete after submission of the final PR package to SPAWAR 2.0. It encompasses requirement definition, contract planning, PR documentation development, the approval process, and submission to SPAWAR 2.0. This guide book is intended for contracts to award PMP or services related to PMP. This guide book does not apply to support services, or task/delivery order solicitation processes (e.g., Seaport-e, CALI, C2 MAC). To access specific delivery/task order processes, contact the APM-C representative for each PMW. This guide book is not applicable to SPAWAR Government Purchase Card (GPC) holders creating PRs for micro-purchases or to the Simplified Acquisition Process performed by SSC Pacific IAW with the current SPAWAR Support Agreement. For these processes, please contact your SPAWAR GPC holder, or the SSC Pacific Simplified Acquisition Branch respectively.

Although the PR process described herein is complete after submission of the final PR package to SPAWAR 2.0, there are many processes that occur after submission that are not addressed in the guide book. These processes, many of which apply to post award management, can have downstream financial impact and should be managed with continuous communication and collaboration between the program offices and the SPAWAR competency stakeholders.

1.3 GOVERNING POLICY

1.3.1 Assumptions

The processes outlined in this guide book follow all Federal Acquisition Regulation (FAR), Defense Federal Acquisition Regulation Supplement (DFARS) and Navy Marine Corps Acquisition Regulation Supplement (NMCARS) sections and subsections applicable at the time of its creation as well as relevant SPAWAR and PEO C4I policies. Reasonable efforts will be undertaken to update this guide book regularly to incorporate regulatory and policy changes.

1.3.2 Business Rules

- The PR process should be initiated in the program office approximately 18 months in advance of the required contract award date to allow adequate time for soliciting data, obtaining key decisions, coordinating competency reviews and obtaining external/internal approvals.

- The acquisition process involves all activities associated with identifying and justifying a mission need, formulating an acquisition strategy to meet this need, and implementing the strategy by means of a contractual relationship with industry. The process is a joint effort by the PM and PCO. Thus, establishing and maintaining a good working relationship between the PM and the PCO early in the cycle is a key element to the success of the acquisition. Anything short of close teamwork could result in failure of the process to function properly and cause delays in the award of contracts.

- Even though it is the PM and the PCO who are primarily responsible for executing procurement actions, there is a comprehensive group that rounds out the competency authorities and support for executing the acquisition strategy and plan. The acquisition team primarily consists of the PM and/or his/her delegates from the program office and SPAWAR competency areas. The program office representatives (i.e., Deputy Program Manager (DPM), Principal Assistant Program Manager (PAPM), Principal Integration Program Manager (PIPM), and/or Assistant Program Manager (APM)) will develop and define the requirements, where the competency Subject Matter Experts (SMEs) will analyze and ensure that the requirements are communicated through the requisite documentation and are in compliance with competency bound regulation stemming from law and best practices. This balanced approach to acquisition is reflective of procurement discipline. The processes contained herein ensure that the discipline has rigor and can meet the standards of a quality procurement.

- Having APM-Cs allows both the program office and SPAWAR 2.0 to not only meet but exceed the Competency Alignment Organization (CAO) concept by having embedded personnel working with the program office daily and fully integrated into

its internal teams responsible for developing quality PR documentation. It is incumbent upon the APM-C to ensure that its PEO goals are met within context of the PR by implementing, measuring/analyzing, planning, assisting, coordinating, collaborating, and training related topics throughout the procurement process. It is the APM-C's key tasking to standardize best practices across the program offices such that contributions are made to increase quality and speed to warfighter capability. The APM-Cs assist both the PCO and PM as required, ensuring that the PR is representative of the PPSM Baseline agreement and Acquisition Strategy/Plan. The APM-C is focused on the planning Procurement Action Lead Time (PALT) where the PM is responsible and metrics are counted as how long the procurement planning takes (from communication of contract demand signal to PR Acceptance by SPAWAR 2.0). Therefore, having standardized business practices, socialized agreements, and templates where possible can help achieve the PEO goals for planning PALT.

- SPAWAR competency representatives represent their respective organization and its interests in all work product reviews, votes and decisions.
- SPAWAR competency representatives shall ensure proceedings from meetings are communicated to the representative organization, its staff, and other related SPAWAR enterprise groups and initiatives.
- As competency requirements change for the entry/exit criteria, contact the APEO-C branch for updates.
- Briefs, POA&Ms, and PR documentation shall be created using templates and references found in the Toolkit in Section 3.

1.4 ROLES & RESPONSIBILITIES

Table 2 lists the roles and responsibilities that are attributed to individuals or entities that participate within the documented processes while **Table 3** lists the responsibilities of all process stakeholders in the SPAWAR Competency areas as well as the program offices.

Table 2: Process Participants

Team/Individual	Responsibility
APM/PAPM	• Coordinate PR working groups • Review and approve PR documentation
APM-C	• Update Contract Information System (CIS) at various stages in the process • Coordinate all aspects of the Pre-PPSM • Assist with market research • Review PPSM brief and meeting invite list • Participate in PR documentation working groups • Coordinate Post-PPSM
APEO-C	• Issue CDS report to SPAWAR competency stakeholders
SPAWAR 2.0/PCO	• Provide input and guidance during Pre-PPSM • Issue RFIs as related to market research • Approve procurement approach • Approve PPSM Baseline document
Competency stakeholders (SPAWAR 1.0 through 8.8)	• Plan workload based on CDS • Provide input and guidance during Pre-PPSM • Provide input and guidance during procurement strategy Discussions as needed • Prove input and guidance to PPSM • Review PR documentation • Provide concurrence on Post-PPSM
Program office	• Conduct market research • Provide input and guidance during Pre-PPSM • Conduct procurement strategy discussions • Coordinate PPSM • Submit PR into Navy ERP
Document Lead (An assigned representative from the program office or the SPAWAR competencies)	• Coordinate completion of the PR documentation that is assigned.
PR Working Group members (Members from the program office and/or the SPAWAR competencies)	• Obtain guidance and templates, develop, and distribute PR documentation
Navy ERP reviewers	• Review and approve PR

Table 3: List of All Process Stakeholders

Role	Responsibility									
	Demand Signal	Pre-PPSM	Market Research	PR Strategic Outline	Procurement Approach	PPSM	PR Docs /Verify		Navy ERP	Award Phase
PAPM/APM		Initiate planning	Plan approach		Engage Codes	Guide discussion	Doc dev	Review	Input	2.0
APM-C	Receive CDS	Initiate planning	Plan approach	Develop outline	Assist APM	Guide discussion	Assist	Review		
1.0					Provide guidance	Provide guidance	Provide guidance	Review		Review
2.0		Initiate planning	Plan approach		Provide guidance	Provide guidance	Provide guidance	Review		RFP
3.0					Provide guidance	Provide guidance	Provide guidance	Review		
4.0					Provide guidance	Provide guidance	Provide guidance	Review		
5.0					Provide guidance	Provide guidance	Provide guidance	Review		
6.0					Provide guidance	Provide guidance	Provide guidance	Review		
7.0					Provide guidance	Provide guidance	Provide guidance	Review		
8.0					Provide guidance	Provide guidance	Provide guidance	Review		

2. PURCHASE REQUEST PROCESS

The primary purpose of the PR is to provide to SPAWAR 2.0 the technical requirements (description, quantity, Statement of Work (SOW)/Performance Work Statement (PWS)/Statement of Objectives (SOO), specification, delivery schedule, inspection and acceptance, etc.) to be incorporated into planned Request for Proposals (RFPs) and contracts for supplies and services. It is a SPAWAR requirement that PRs provided to SPAWAR 2.0 be clear, complete, and comprehensive in content and be in a written format that can be readily transformed into solicitations and contracts. To help ensure the success of this requirement, APM-Cs are embedded into the program offices (currently PEO C4I) in order to ensure that PR documentation submitted to SPAWAR 2.0 minimizes schedule impacts and represent the discipline and rigor required for successful preparation of solicitations and contracts.

The preparation of a PR for procurement should be initiated in the program office approximately 18 months in advance of the required contract award date to allow adequate time for soliciting data, obtaining key decisions, coordinating competency reviews and obtaining external/internal approvals. The foregoing considerations make it imperative that the program office adhere to the PPSM Baseline agreement made with the PM and PCO to ensure that the PR is staffed, approved and forwarded to SPAWAR 2.0 in sufficient time to enable the contract negotiator to meet the required contract award date.

The PR documentation is critical input to the RFP that SPAWAR 2.0 PCOs will issue to obtain a new requirement on behalf of the program office. Only PCOs have the authority to bind the Government and enter into contracts to procure the necessary requirements for a program office. PCOs are also stewards of extensive policies in which a contract is used as the vehicle to achieve the objectives of those policies. In order to properly carry out this task, PCOs must ensure that all requirements of law, executive orders, regulations, and other procedures are met. For this reason, it is essential that the program office involves the PCO early and provides the necessary documentation fully describing and supporting their procurement need. The PR process is the disciplined approach to ensure that both the PCO and PM's requirements are met with the level of quality required. Having a process that describes expectations for documentation type, when it is required, who approves and the actions required; sets the entire acquisition team on a path for successful procurement completion.

Figure 1 depicts the end-to-end PR Process.

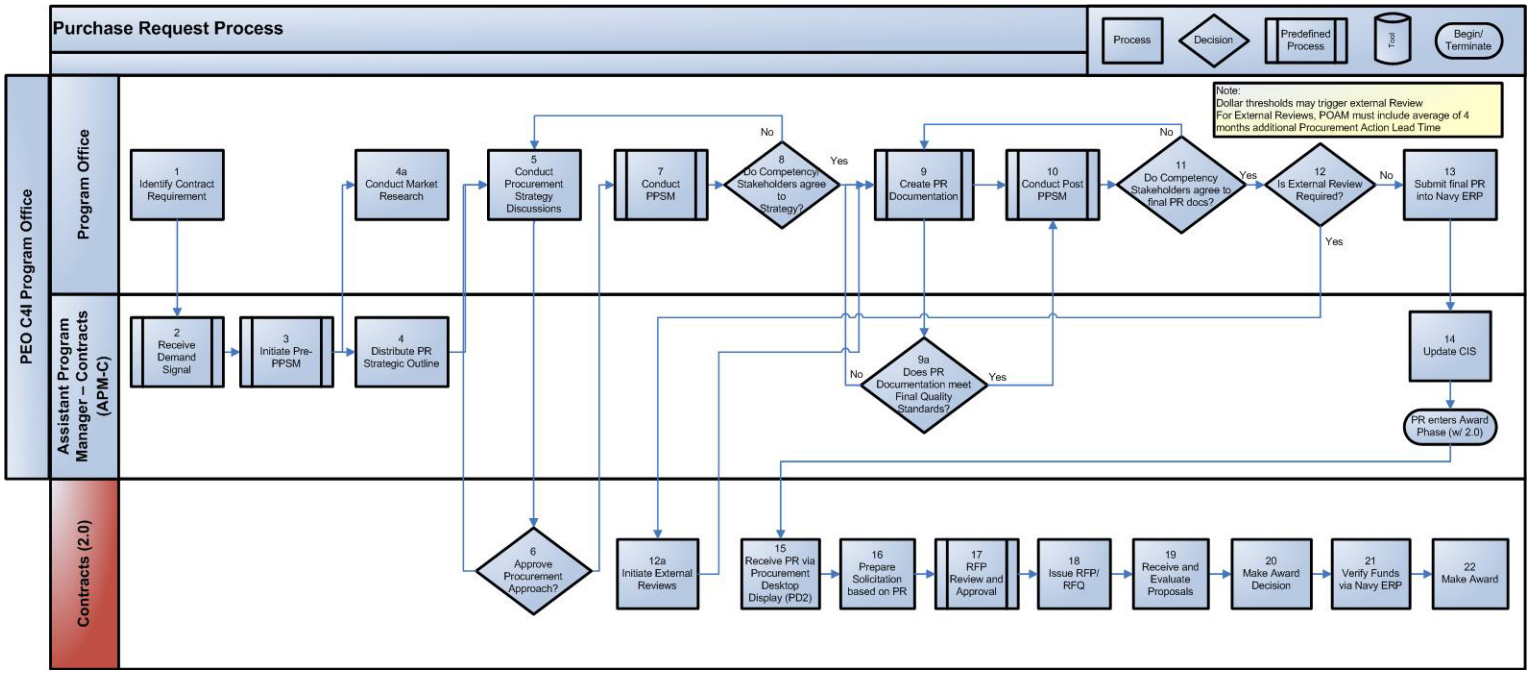


Figure 1: Purchase Request Process Flowchart

2.1 RECEIVE DEMAND SIGNAL (FIGURE 1, BLOCK 2)

The PR process commences with program office's receipt of a demand signal, indicating that a contract action will be necessary for a particular requirement or group of requirements. Requirements that create a demand signal can come from various sources such as notification of expiring contracts via tools such as the Master Contract List (MCL) Bellringer, program milestones, new programs, congressional plus-up, etc. The PEO C4I Contract Information System (CIS) database provides a repository for information regarding planned upcoming contract action. Upon the identification of a requirement for a new contract action (Figure 1, Block 1) and confirmation by the PM or designated representative, preliminary information of the planned procurement is loaded into the CIS by the APM-C. The APEO-C Branch then uses the information in the CIS to develop the Contract Demand Signal (CDS) report which is then released to SPAWAR competencies and contracts process stakeholders to allow these organizations and individuals to plan for proper allocation of resources.

Figure 2 depicts the Process by which the Demand Signal is received.

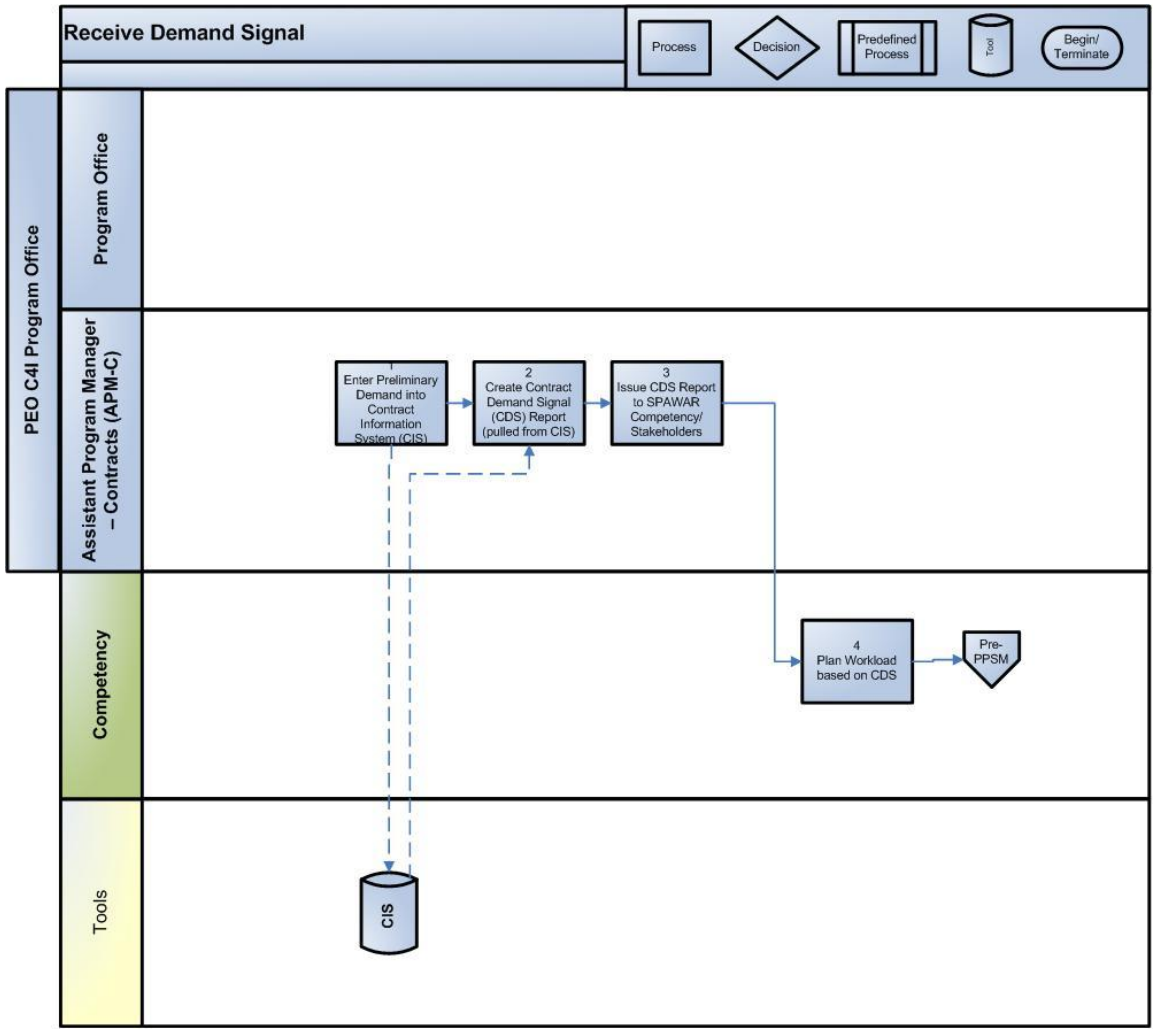


Figure 2 – Receive Demand Signal

2.1.1 Receive Demand Signal Process Components

The following tables provide details on the Receive Demand Signal actions steps, inputs and outputs. The input and output tables capture only those items that enter and exit the phase. Additional inputs and outputs identified in the action step table are those that are internal to the processes within the Receive Demand Signal phase.

Table 4: Receive Demand Signal Inputs

Input	Description	Source
Existing programmatic information that describes requirement	Any existing acquisition or technical information (e.g. briefing material, Technical Authority reviews, Gate reviews, Milestone Decision Authority (MDA) reviews, etc.) that may help describe the requirement, scope and/or schedule.	Government personnel, e.g. PMs, APMs, functional leads, Business and Financial Managers (BFMs), Contracting Officer Representatives (CORs), etc.

Table 5: Receive Demand Signal Action Steps

Role	Step #	Action Description	Outputs
APM-C	1.	**Enter preliminary demand into Contract Information System (CIS)** The program office contacts APM-C to discuss requirement. The APM-C then enters the preliminary contract information into the CIS database.	Populated CIS entry
APEO-C	2.	**Create Contract Demand Signal (CDS) report (pulled from CIS)** The APEO-C branch assists the APM-Cs by creating the CDS report from the data entered by the APM-Cs.	CDS Report
APEO-C	3.	**Issue CDS report to SPAWAR competencies/stakeholders** The CDS is sent out for the purpose of workload planning.	
SPAWAR Competencies	4.	**Plan workload based on CDS** The competencies reference the CDS in order to plan workload required to support the demand requirements.	
	End	The process ends here	

Table 6: Receive Demand Signal Outputs

Output	Description	Primary Customer(s)
CDS Report	The CDS Report provides SPAWAR competencies with a PEO C4I program office forecast of upcoming contract actions. This report is distributed monthly.	SPAWAR competencies and PEO C4I program offices.

2.2 INITIATE PRE-PROCUREMENT PLANNING AND STRATEGY MEETING (PRE-PPSM) (FIGURE 1, BLOCK 3)

The Pre-PPSM is initiated by the APM-C once the program office staff, including the APM for the program or project, has decided to commence planning a procurement action. The purpose of the Pre-PPSM is to plan a roadmap to enter and exit the PPSM successfully. Therefore the Pre-PPSM is absolutely critical to formulating a contract strategy which will be successfully applied. The Pre-PPSM ideally should be conducted approximately 12-18 months prior to contract award for new contract actions.

During the Pre-PPSM, the APM-C meets with the APM, PCO, and program office to discuss the notional procurement objectives, scope, dollar amount, and contracting framework. The APM-C will review these plans and provide comments designed to further the programmatic goals. This documents information necessary for the team to begin planning their contract strategy with a focus on the requisite PR process discipline. The APM-C will guide the APM and procurement team through the PR process early in the process so that SPAWAR stakeholders (to include the PCO) will have detailed information necessary to make decisions. Early involvement from stakeholders identified above will assist in having a successful PPSM. The Pre-PPSM will also help the APM to determine which type(s) of market research to conduct before beginning to assemble PR documentation. The Pre-PPSM culminates with the distribution of the PR Strategic Outline to the Program Office and the PCO as reference in Figure 1, Block 4. The PR Strategic Outline contains the information discussed during the Pre-PPSM and helps guide procurement strategy discussions.

Figure 3 depicts the Initiate Pre-PPSM Process.

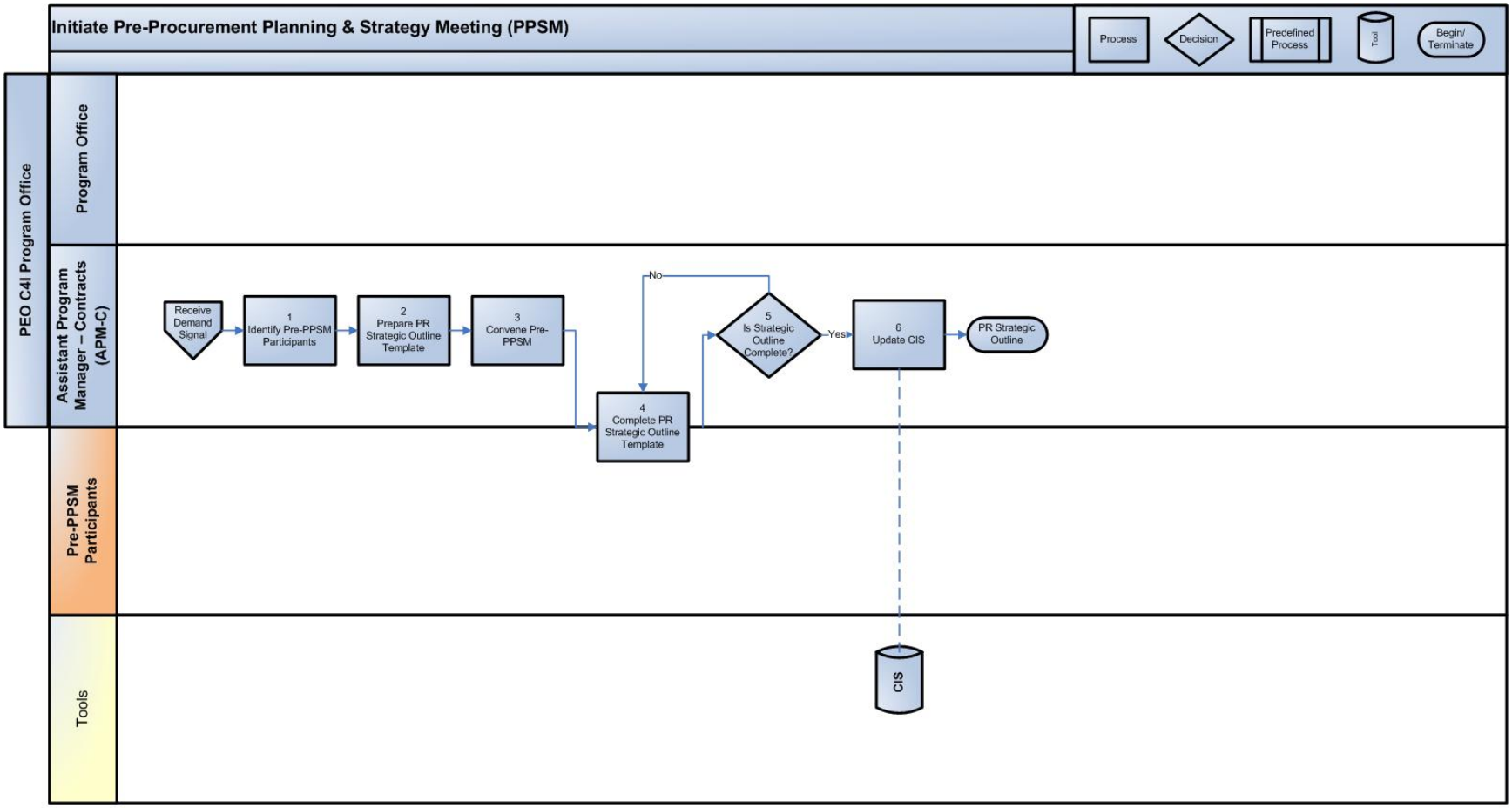


Figure 3 – Initiate Pre-PPSM

2.2.1 Initiate Pre-PPSM Process Components

The following tables provide details on the Initiate Pre-PPSM actions steps, inputs and outputs. The input and output tables capture only those items that enter and exit the phase. Additional inputs and outputs identified in the action step table are those that are internal to the processes within the Initiate Pre-PPSM phase.

Table 7: Initiate Pre-PPSM Inputs

Input	Description	Source
Receipt of the demand signal	See Section 2.1.	Requirements that create the demand signal can come from various sources such as notification of expiring contracts via tools such as the MCL Bellringer, program milestones, new programs, congressional plus-up, etc.

Table 8: Initiate Pre-PPSM Action Steps

Role	Step	Action Description	Outputs
APM-C	1.	**Identify Pre-PPSM meeting participants** The APM-C recommends a list of program office key stakeholders who can advise on major milestones and key policies that will have impact to schedule and drafting of RFP documents. Core attendees should include APM, PCO, BFM, and AM. Additional attendees could include 3.0 representatives, 5.0 representatives, 4.0 representatives, etc.	A meeting invite is sent to all participants
APM-C	2.	**Prepare PR Strategic Outline** The PR Strategic Outline is created using the Pre-PPSM brief template and can serve as the agenda for discussions and will assist in the preparation of the PPSM brief. Outline is prepared based on preliminary information in order to facilitate discussions.	PR Strategic Outline

Role	Step	Action Description	Outputs
APM-C	3.	**Convene Pre-PPSM Meeting** The purpose of the meeting is to engage the program office staff in discussions to assist in defining the scope of the procurement action and potential procurement strategies. The final outcome should be a general roadmap for the procurement strategy discussions and PR development, along with associated timelines. At a minimum, the following items need to be discussed regarding the procurement: history of the program, purpose of the upcoming contract action, scope of the potential contract, POAM, market research strategy, planned contract type, Government Furnished Property (GFP), CORs, data rights, cost, Organizational Conflicts of Interest (OCI), handling of sensitive data, no-bids and Non-Disclosure Agreements (NDA), and Source Selection Authority (SSA) considerations.	PR Strategic Outline
APM-C	4.	**Complete PR Strategic Outline** The PR Strategic Outline is updated and finalized based on the outcome of the meeting. This document can serve as the beginning template for the PPSM. A draft POAM is prepared to guide the PR process. Careful coordination between the program office and PCO is necessary to ensure agreement on timeline to award.	Completed PR Strategic Outline and POAM
APM-C	5.	**Decision Point: Is Strategic Outline Complete?** The draft PR Strategic Outline will be reviewed by the PAPM, APM and PCO. If the outline is not complete and comments/updates are provided, the PR Strategic Outline and POAM will need to be revised to incorporate changes (return to Step 4). If the outline is complete and no changes are necessary, the APM-C can move forward with distribution of the strategic outline. The strategic outline will serve as a guide to the team and can be used to update stakeholder management on the way forward (continue to Step 6).	Final PR Strategic Outline and POAM
APM-C	6.	**Update CIS** The APM-C will update the CIS record with dates from the POAM. The CIS will serve as a workload planning device and metrics tracker.	Updated CIS record
	End	The process ends here	

Table 9: Initiate Pre-PPSM Outputs

Output	Description	Primary Customer(s)
PR Strategic Outline and POAM	The PR Strategic Outline, described above in the action table, will be populated from discussions during the Pre-PPSM meeting. This outline will serve as a guide for the procurement strategy discussions and will be used to populate the PPSM brief.	The program office and PCO

2.3 CONDUCT MARKET RESEARCH (FIGURE 1, BLOCK 4A)

After an initial approach to procurement has been defined in the Pre-PPSM, and before initiating procurement strategy discussions, the program office and PCO research the market availability of products or services and their manufacturers or providers. FAR 8.002 provides a list, in descending order of priority, of federally mandated sources for satisfying a Government requirement, while FAR Part 10 prescribes policies and procedures for conducting market research.

The program office should work with SPAWAR 2.0 and/or 8.8 to draft a description of their needs, using their requirements and information from the PR Strategic Outline. The description should be stated in terms sufficient to allow for market research to be conducted. The program office and SPAWAR 2.0 then use the techniques listed in the table below to conduct internal and external market research. The data collected during this research is carefully documented in the market research template for use as justification during the procurement strategy discussions, and in the PPSM. Techniques for conducting market research may include any or all of the following:

	Market Research Activity	Techniques	FAR Citation
Internal Research	Contact knowledgeable individuals within the Government to determine market capabilities	• Leverage SPAWAR competency representatives as related to the programmatic information that describes requirement (i.e. contact SPAWAR 5.0 when requirements exist for technical and engineering development) • Interviews • Visitations to other Government offices • Attendance at technical conferences	10.002(b)(2)(i)
	Review the results of recent market research efforts which have been conducted to meet similar or identical requirements	• Interviews • Studies • Internet-based research	10.002(b)(2)(ii)
	Query Government and commercial databases to determine whether contracts exist that may be leveraged to meet the programmatic requirement. The contract may be one that has been let by another agency but is intended for use by multiple agencies.	• Search contract databases • Leverage web-based resources: http://www.contractdirectory.gov/ contractdirectory	10.002(b)(2)(iv)
	Obtain lists of similar items from other contracting activities or agencies.	• Search contract databases • Leverage web-based resources: http://www.contractdirectory.gov/ contractdirectory	10.002(b)(2)(vi)

In	Market Research Activity	Techniques	FAR Citation
External Research	Participate in interactive on-line communication among industry, acquisition personnel and customers.	• Interviews • Studies • Internet-based research	10.002(b)(2)(v)
	Release a formal Request for Information (RFI) or Sources Sought Notice in an appropriate venue and request Industry responses (usually white papers) for review.	• RFI: An RFI requests responses from industry e.g., white papers, capability statements, product brochures) solely for information and planning purposes. RFIs may be used when the Government does not presently intend to award a contract, but wants to obtain price, delivery, other market information, or capabilities for planning purposes. Responses to these notices are not offers and cannot be accepted by the Government to form a binding contract. • Sources Sought Notice: Sources Sought Notices are designed to identify potential sources for procurements and can provide an opportunity for the marketplace to indicate its interest in submitting offers for future acquisitions. This type of synopsis has particular application when one Contractor is thought to be uniquely capable of meeting the Government's minimum requirements and verification of this opinion is needed.	10.002(b)(2)(iii)
	Review catalogs or other generally available product literature published by manufacturers, distributors or dealers, or available on-line.	• Interviews • Studies • Internet-based research	10.002(b)(2)(vii)
	Conduct interchange meetings or hold pre-solicitation conferences such as Industry Days or Industry One-on-Ones.	• Q&As • Industry Days: Typically open forums for exchanges of all types of information not necessarily related to one specific procurement. Industry days related to a specific procurement are referred to as pre-solicitation conferences or site visits. They can cover a broad range of subjects or materials, such as how to do business with the SPAWAR. • One-on-Ones	10.002(b)(2)(vii)

2.4 CONDUCT PROCUREMENT STRATEGY DISCUSSIONS (FIGURE 1, BLOCK 5)

Once market research has been completed, the program office, PM, the PCO, the APM, and the APM-C, will use the results documented in the completed Market Research template to continue defining its procurement strategy along with guidance from SPAWAR 1.0 (Comptroller), SPAWAR 2.0 (Contracts), SPAWAR 3.0 (Legal), and other SPAWAR competencies as needed. During the procurement strategy discussions, the PR Strategic Outline, the populated Market Research template, and the POA&M serve as guides to help draft a procurement approach. This is an ongoing process which factors in the nature of the requirement, the type and amount of funding available, and the expected time frame of the planned contract action. The procurement approach is approved once all involved with the discussions agree on the contract needs and the PCO determines the contract type (Figure 1, Block 6). These discussions will continue as the PR documentation is developed.

2.5 CONDUCT PROCUREMENT PLANNING & STRATEGY MEETING (PPSM) (FIGURE 1, BLOCK 7)

The PPSM is initiated by the program office after the PCO and the program office approve the procurement approach, which is shown in Figure 1, Block 6. The purpose of this meeting is to describe and discuss the procurement approach with the stakeholders. The meeting gives the stakeholders an opportunity to provide input on the approach. The stakeholders are from all the major programmatic and competency areas applicable to the particular procurement.

Some of the areas covered in this meeting are basic contract information such as contract strategy, scope, type, value, and length. Other main topics are market research, procurement schedule, Contract Line Item Number (CLIN) structure, Small Business considerations, program budget, and special requirements (e.g., security requirements, data rights, GFP, and materials). The PPSM SCPPM document provides further guidance. **Figure 4** below depicts the PPSM process.

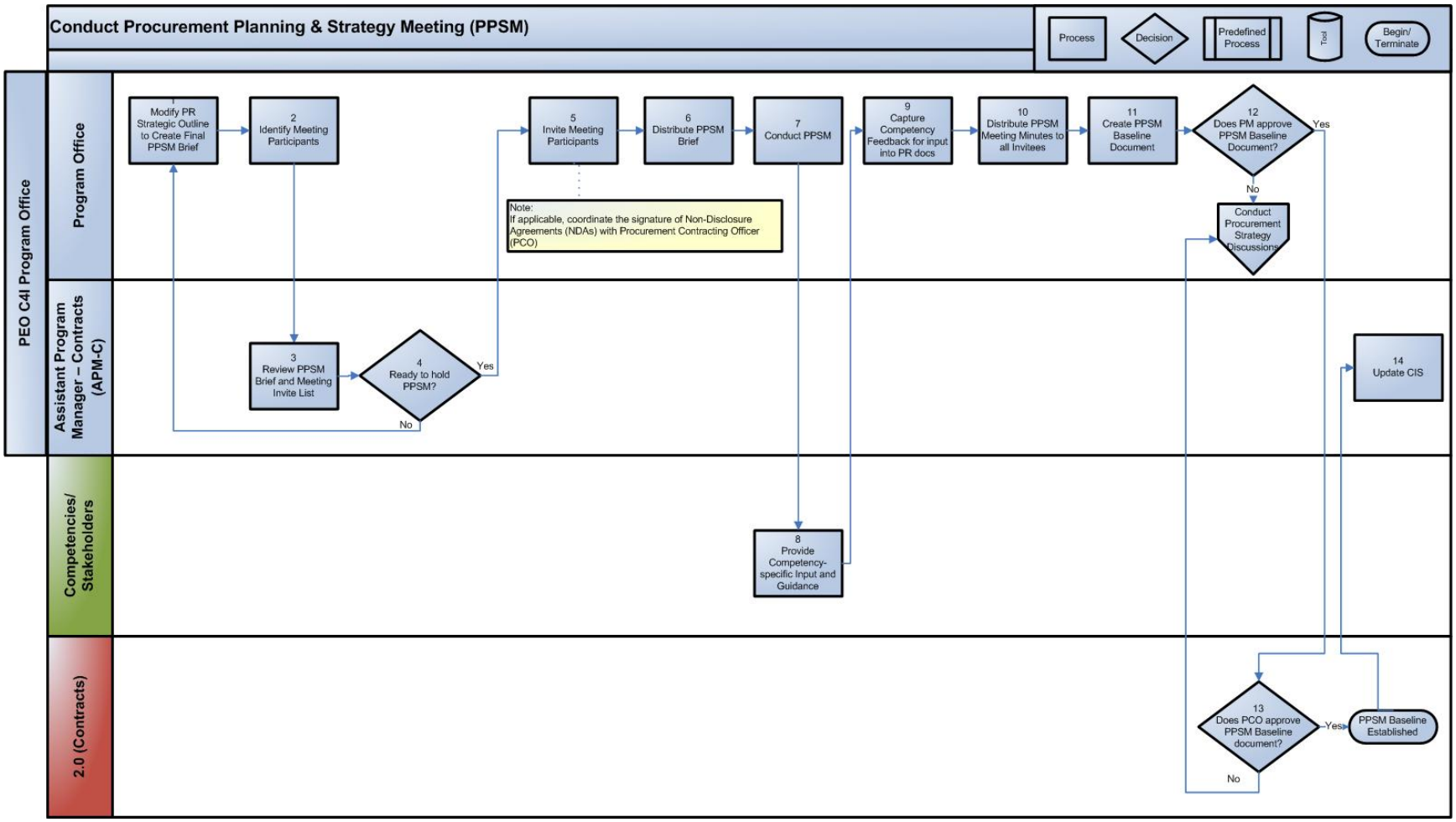


Figure 4: Conduct PPSM Flowchart

2.5.1 Conduct PPSM Process Components

The following tables provide details on the PPSM actions steps, inputs and outputs. The input and output tables capture only those items that enter and exit the phase. Additional inputs and outputs identified in the action step table are those that are internal to the processes within the PPSM phase.

Table 10: Conduct PPSM Inputs

Input	Description	Source
PR Strategic Outline	The PR Strategic Outline will have been populated from discussions during the Pre-PPSM meeting. This outline will have served as a guide for the procurement strategy discussions and is used to populate the PPSM brief.	Program office and SPAWAR 2.0/PCO
Approved procurement approach	All parties agreed on the procurement approach prior to PPSM.	All competency stakeholders, via the PPSM

Table 11: Conduct PPSM Action Steps

Role	Step	Action Description	Outputs
Program office	1.	**Modify PR Strategic Outline to create final PPSM Brief** Create PPSM brief using the PR Strategic Outline as a starting point. The PPSM brief template should be utilized as a guide, and the PPSM SCPPM document used as a reference. There will probably be multiple meetings with 2.0 and the APM-C in creating this brief.	Final PPSM brief
Program office	2.	**Identify Meeting Participants** Review the PPSM SCPPM document to identify the stakeholder groups that should be included in the PPSM. Tailor the list to meet the procurement; for example, a chief engineer would not have to attend a PPSM for administrative support services. For the specific people that will represent the various competencies, coordinate with the APM-C.	PPSM invitee list

Role	Step	Action Description	Outputs
APM-C	3.	**Review PPSM Brief and Meeting Invite List** APM-C will review the PPSM brief and attendee list for quality and completeness. The APM-C will also confer with SPAWAR 2.0 on the content.	Updated PPSM brief and meeting invite list
APM-C	4.	**Decision Point: Ready to Hold PPSM?** If the PPSM brief and attendee list are ready, the APM-C will coordinate PPSM readiness with program office leadership and PCO. If the PPSM brief and attendee list are not ready, the APM-C sends comments to the program office to revise and incorporate.	Decision point
Program office	5.	**Invite Meeting Participants** If the PPSM is a face to face meeting, send a calendar invite to personnel on the attendee list at least six working days before the meeting per PEO policy.	Calendar invite
Program office	6.	**Distribute PPSM Brief** Send the PPSM brief to the invitees via secure transmission. [IMPORTANT: Do not attach the brief to the calendar invite!] If the PPSM is electronically held, an encrypted email will be sent to personnel on the attendee list with the PPSM brief attached.	Brief distributed
Program office	7.	**Conduct PPSM** The PM or designated representative will conduct the PPSM which consists primarily of presenting the brief and facilitating discussion with the stakeholders. Attendance should be taken, and minutes recorded, specifically capturing stakeholders' comments.	Stakeholder comments
Competencies	8.	**Provide Competency-specific Input and Guidance** During the PPSM, the competencies should provide their input to the information presented and the general strategy.	Stakeholder comments
Program office	9.	**Capture Competency Feedback for input into PR Documents** Competency input, noting critical, substantive, and administrative inputs, will be recorded in the meeting minutes and reviewed for possible incorporation in the PR package.	Meeting minutes

Role	Step	Action Description	Outputs
Program Office	10	**Distribute PPSM meeting minutes to all invitees** via secure transmission.	Minutes distributed
Program Office	11.	**Create PPSM Baseline Document** Create PPSM Baseline Document using the template contained in the SCPPM.	Draft PPSM Baseline document
Program Office	12.	**Decision Point: Does PM approve PPSM Baseline Document?** If so, the baseline document gets forwarded to 2.0. If not, the baseline document gets sent back to the APM with comments and further procurement strategy discussions may be needed.	Decision point
SPAWAR 2.0/PCO	13.	**Does PCO approve the PPSM Baseline Document?** If so, the PCO establishes the PPSM Baseline. If not, the PPSM Baseline document gets sent back to the program office with comments and further procurement strategy discussions may be needed.	PPSM Baseline document
APM-C	14.	**Update CIS** Updates the CIS with the actual PPSM date and other projected dates.	Updated CIS record
	End	The process ends here	

Table 12: Conduct PPSM Outputs

Output	Description	Primary Customer(s)
PPSM Baseline document	The PPSM Baseline document is a document signed by the APM and the PCO agreeing to move forward with the procurement approach.	Program office and SPAWAR 2.0/PCO

2.6 CREATE PURCHASE REQUEST (PR) DOCUMENTATION (FIGURE 1, BLOCK 9)

A successful RFP is dependent upon quality documents created by the program office during the time of the PR development. Once an agreement is made with the PCO and PM regarding procurement strategy (Figure 1, Block 8), the APM must first identify the team or working group that will write the documents. If the procurement strategy is not agreed upon among the competency stakeholders, return to Figure 1, Block 5. In conjunction with identifying the team, an associated timeline to complete documentation will put the team on the path for a timely PR submission. The type of PR documents needed will vary based on the type of procurement sought (i.e. competitive vs sole source and further variations based on what is being purchased). The procurement strategy decision will drive the documentation requirements. Next, drafting the documentation should begin. The APM-C will provide templates and updated guidance throughout the process to ensure that the program office is working from the most recent information. Documentation can be in a very early draft state when the PPSM is held to allow for SPAWAR competency guidance to further shape documents. It is important to use the SPAWAR competency entry/exit recommendations included in the toolkit herein. By using the guidance, program offices increase the likelihood that the documentation will experience fewer reviews and rejections. Teams developing documentation should employ an incremental approach to document completion; that is, writing portions and obtaining some validation from key document decision makers and/or the APM-C that the document is on a path to success. Once documents are in a final draft state, teams should hold an internal review session with the program office decision makers and SMEs and progressively extend the reviews to SPAWAR competency and PEO C4I (as required) reviewers and approvers. The PR documentation process begins upon procurement strategy decision and ends with the Post PPSM where principal stakeholders perform a final verification that documentation meets their competency requirements. A list of all PR documentation with descriptions and indications of whether the document is required for sole source and/or competitive can be found in the toolkit.

Figure 5 depicts the process of Creating PR documentation.

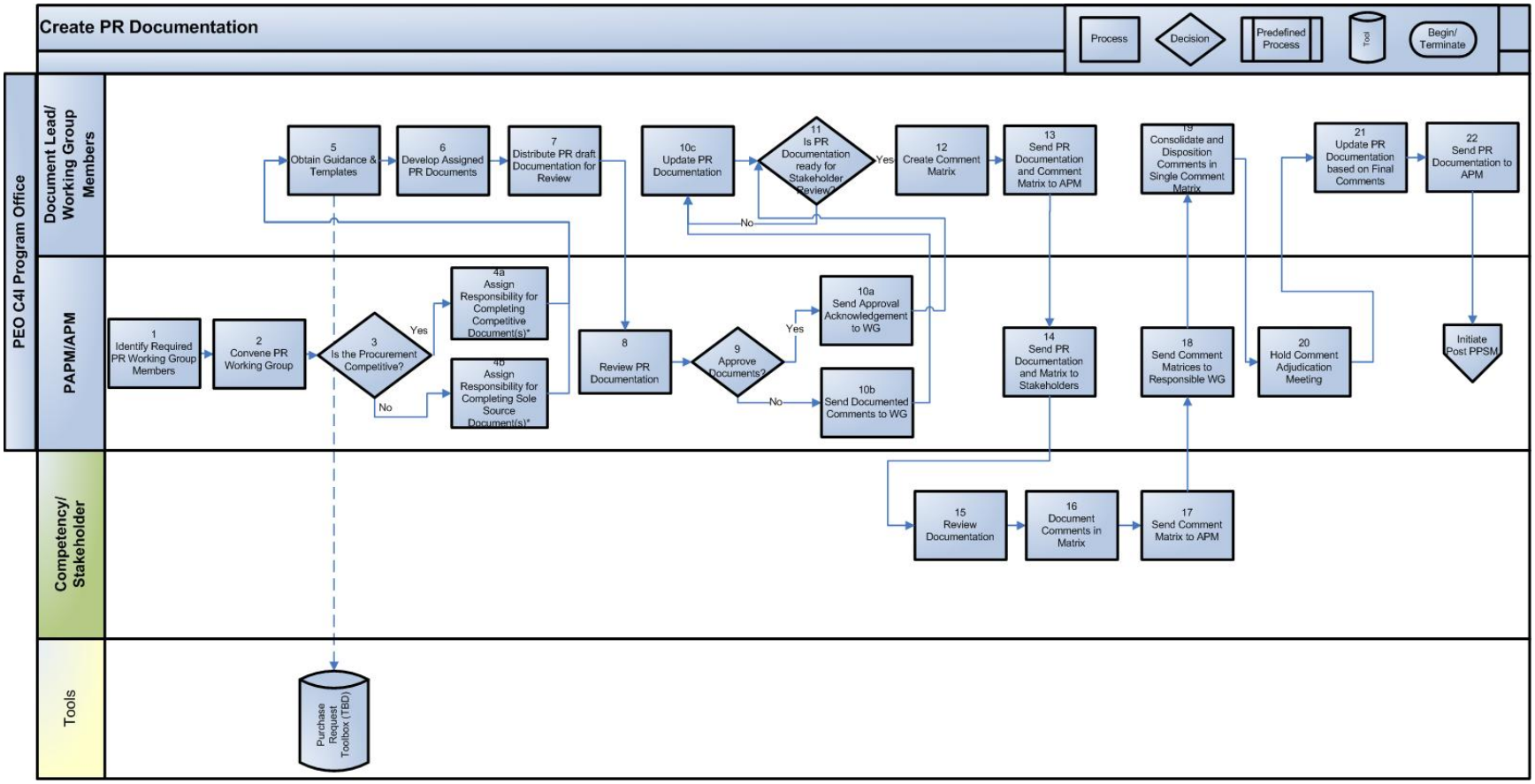


Figure 5: Create PR Documentation Flowchart

2.6.1 Create PR Documentation Process Components

The following tables provide details on the actions steps, inputs and outputs for Creating PR Documentation. The input and output tables capture only those items that enter and exit the phase. Additional inputs and outputs identified in the action step table are those that are internal to the processes within the Create PR Documentation phase.

Table 13: Create PR Documentation Inputs

Input	Description	Source
Market research results	The information that resulted from the market research will be referenced in various PR documents.	Program office and SPAWAR 2.0/PCO

Table 14: Create PR Documentation Action Steps

Role	Step	Action Description	Outputs
PAPM/APM	1.	**Identify required PR working group members**	Working group roster
PAPM/APM	2.	**Convene PR working group**	Working group meeting
PAPM/APM/PCO	3.	**Decision point: Is the procurement competitive or sole source?** This decision is made during the procurement strategy discussion	Decision point
PAPM/APM	4a.	**Assign responsibility for completing competitive documents** The documents required for a competitive procurement are listed in the toolkit. An Integrated Master Schedule or POAM is recommended to track PR deliverables.	PR document assignments to working group
PAPM/APM	4b.	**Assign responsibility for completing sole source documents** The documents required for a sole source procurement are listed in the toolkit. An Integrated Master Schedule or POAM is recommended to track PR deliverables.	PR document assignments to working group
Document Lead/ Working Group Members	5.	**Obtain guidance and templates** Based on the particular type of PR, obtain guidance and templates for the documents listed above from the toolkit.	Necessary PR document templates and guidance

Role	Step	Action Description	Outputs
Document Lead/ Working Group Members	6.	**Develop assigned PR documents** The working group members develop the documents in accordance with the IMS or POAM set by the PAPM/APM	Draft PR Documents
Document Lead/ Working Group Members	7.	**Distribute PR draft documentation for review** The documents get sent to all other working group members for internal review.	Distributed PR draft documents
PAPM/APM	8.	**Review PR documentation** PAPM/APM must review the working group's documentation for accuracy, compliance with strategy, and completeness.	Approval or non-approval with comments
PAPM/APM	9.	**Decision point: Approve documents?** If the PAPM/APM does not approve of the working group's documentation, documented commented get sent to the working group for their incorporation prior to stakeholder review. If the PAPM/APM provides approval of the working group's documentation, approval acknowledgement is sent to the working group.	Decision
PAPM/APM	10a	**Send approval acknowledgement to working group**	Approval acknowledgement
PAPM/APM	10b	**Send documented comments to working group** If the PAPM/APM has comments that he/she wants incorporated prior to stakeholder review	Documented comments
Document lead/working group members	10c	**Update PR documentation** If the PAPM/APM did not approve, the PR working group will update the PR documentation with the comments provided	Updated PR documentation
PAPM/APM	11.	**Decision point: Is PR documentation ready for stakeholder review?**	Decision
Document lead/working group members	12.	**Create a comment matrix** Link to comment matrix and possibly include definitions of types of comments	Comment matrix
Document lead/working group members	13.	**Send PR documentation and comment matrix to APM**	PR documentation and comment matrix

Role	Step	Action Description	Outputs
PAPM/APM	14.	**Send PR documentation and comment matrix to stakeholders**	PR documentation and comment matrix
Competency/ stakeholder	15.	**Review documentation** Competency stakeholders review and validate the documentation to ensure compliance with the established competency requirements.	Validated documentation
Competency/ stakeholder	16.	**Document comments in matrix** Stakeholders note	Stakeholder Comment Matrix
Competency/ stakeholder	17.	**Send comment matrix to APM**	Comment matrix sent to APM
PAPM/APM	18.	**Send comment matrices to responsible working group** PAPM/APM reviews the comment matrices to understand the inputs received, then assigns the comments to the working group for consolidation.	Comment matrix
Document lead/working group members	19.	**Consolidate and disposition comments in single comment matrix** The working group consolidates the comments into a single comment matrix in preparation for adjudication.	Consolidated Comment Matrix
PAPM/APM	20.	**Hold comment adjudication meeting**	Comments adjudicated
Document lead/working group members	21.	**Update PR documentation based on final comments**	Completed PR documentation
Document lead/working group members	22.	**Send final PR documentation to APM-C**	Quality Check Feedback
	End	The process ends here	

Table 15: Create PR Documentation Outputs

Output	Description	Primary Customer(s)
Completed PR documentation	The completed PR documentation should have all stakeholder comments adjudicated.	APM-C

2.7 CONDUCT FINAL QUALITY CHECK (FIGURE 1, BLOCK 10)

A Final Quality Assessment is the APM-C's capstone activity prior to the PR being submitted for the principal stakeholder review during the Post PPSM phase. The APM-C's review will cover the following: 1) Ensure that competency comments/guidance/direction have been addressed in the various documents as agreed upon by the PCO/APM; 2) Verify all required documents are developed; 3) Perform document traceability; 4) Read each document to assure consistency of purpose of the purchase compared to scope/funding/compliances. This activity begins once the PR documentation is at a final draft state and ends prior to Post-PPSM. This assessment will save stakeholders time during their final reviews and ensure that PR packages are submitted to SPAWAR 2.0 with the expectant quality agreed to during the PPSM.

2.8 CONDUCT POST-PROCUREMENT PLANNING & STRATEGY MEETING (PPSM) (FIGURE 1, BLOCK 11)

A Post-PPSM gives all of the participants of the PPSM one final opportunity to verify the contents and completeness of the PR documentation. It also serves as the forum to address any final concerns regarding the planned contracting approach. It is the final verification of PR documents and contract approach, involving discussion (if necessary) between all competency and program office stakeholders. The stakeholders from the PPSM should be given an opportunity to provide final comments and agreement to the documents in the PR prior to submission to Navy ERP. The Post-PPSM is held following the APM-C final quality check of the PR documentation and immediately prior to submission to Navy ERP for review and processing.

Figure depicts the Post-PPSM process.

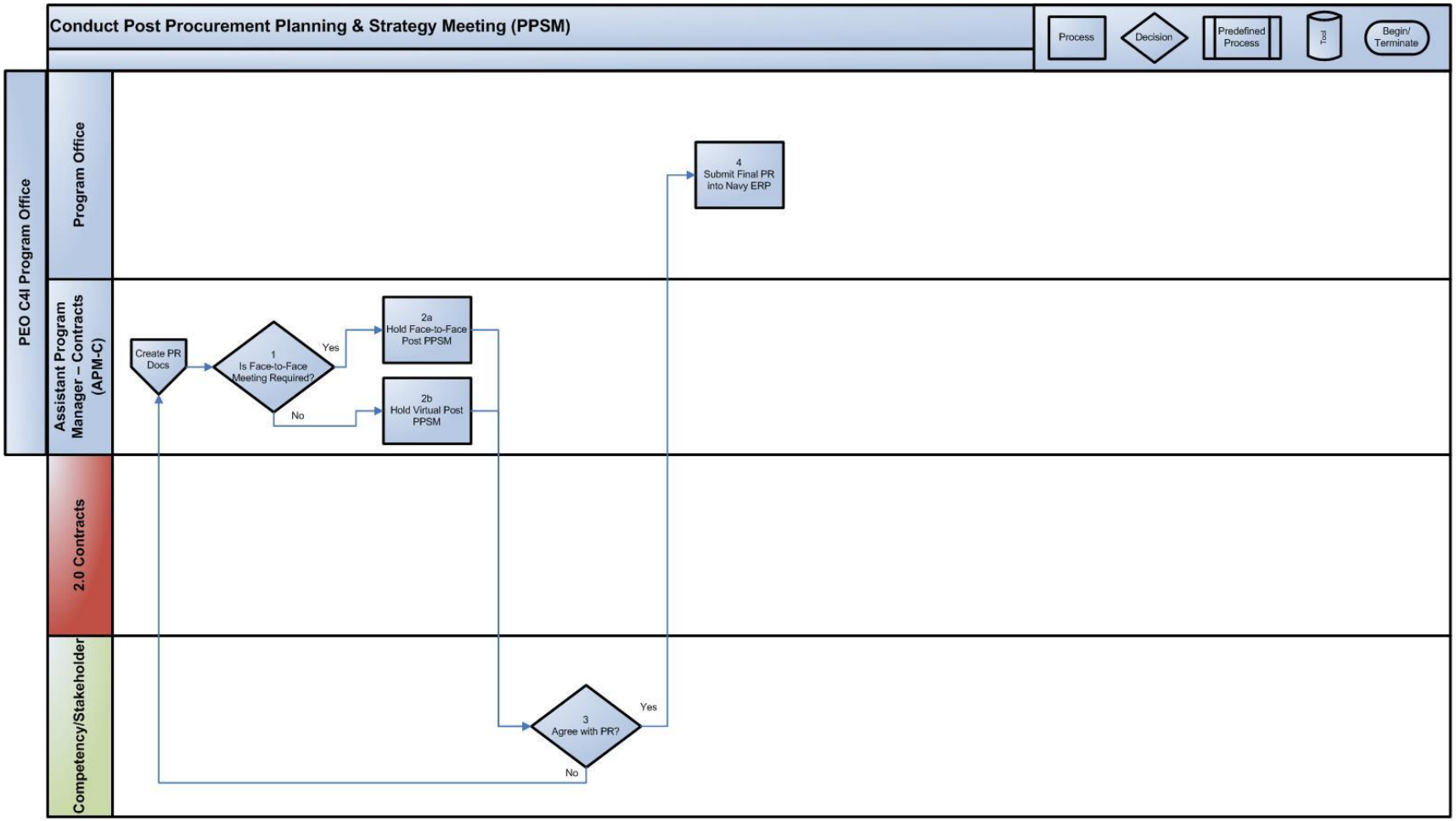


Figure 6: Conduct Post-PPSM Flowchart

2.8.1 Conduct Post-PPSM Process Components

The following tables provide details on the Post-PPSM actions steps, inputs and outputs. The input and output tables capture only those items that enter and exit the phase. Additional inputs and outputs identified in the action step table are those that are internal to the processes within the Conduct Post-PPSM phase.

Table 16: Conduct Post-PPSM Inputs

Input	Description	Source
PR Documents	All PR documents that have been created during the PR documentation creation process.	APM

Table 17: Conduct Post-PPSM Action Steps

Role	Step	Action Description	Outputs
APM-C	1.	**Decision point: Is face-to-face meeting required?** APM-C coordinates with PCO, Contract Specialist and the program office requirements team to ascertain the completeness of the PR. If any major changes occurred after the PPSM, a face-to-face meeting with some or all PPSM stakeholders may be required.	Decision
APM-C	2.a	**Hold face-to-face Post-PPSM Meeting** A face-to-face meeting will be held similar to PPSM, only abbreviated to address the major changes from the PPSM that will be presented along with final PR documents resulting in final concurrence from all PPSM stakeholders on final PR documentation.	Meeting Minutes
APM-C	2.b	**Hold Virtual Post-PPSM Meeting** Virtual meeting via secure transmission (encrypted mail or WebX) to all stakeholders with final PR documents resulting in final concurrence from all PPSM stakeholders on final PR documentation. A sample email can be found in the toolkit.	Meeting Minutes
Stakeholders	3.	**Decision point: Agree with PR? (Figure 1, Block 12)** During face-to-face or responding to virtual Post-PPSM meeting agreement to final PR documents shall be stated by all stakeholders. If any stakeholder is not in agreement, return to “Create PR Documents” process.	Decision

Role	Step	Action Description	Outputs
Program office	4.	**Load final documents into Navy ERP** Source selection sensitive documents should be submitted via secure transmission (encrypted mail or WebX) to PCO.	Final PR documentation
	End	The process ends here	

Table 18: Conduct Post-PPSM Outputs

Output	Description	Primary Customer(s)
Final PR documentation	Final PR documents agreed to by all stakeholders.	PCO

2.9 EXTERNAL REVIEW REQUIREMENTS (FIGURE 1, BLOCK 12 AND 12A)

Certain thresholds trigger external review requirements due to dollar value. Every document has a different threshold for approval and contracts over a certain value can trigger a Peer Review. DoD has mandated that Independent Management Reviews known as “Peer Reviews” be performed on high dollar value supply and service contracts. A link to the approval thresholds can be found in the toolkit.

2.10 SUBMIT FINAL PR TO NAVY ERP (FIGURE 1, BLOCK 13)

Navy Enterprise Resource Planning (ERP) is an integrated business management system that updates and standardizes Navy business operations, provides financial transparency, and total asset visibility across the enterprise. Navy ERP is the single system for Funds Control and Accounting for SPAWAR, and enables a more efficient and expedient allocation and execution of funds via electronic routing of funding documents and PRs.

When the final PR is ready to be sent to SPAWAR 2.0, the program office will create a ZSPS PR (as opposed to a ZFD) to submit the final package into Navy ERP and route the package through the appropriate workflow for review and approval. Once approvals are complete, the package is automatically routed to the Procurement Desktop Display (PD2) Branch Team Cabinet of the identified PCO for preparation of the solicitation.

A complete list of PR documentation is referenced in Section 2.6. It is important to note that PR documents uploaded into Navy ERP are accessible by other Navy ERP account holders within SPAWAR. Therefore, source selection sensitive documentation must be submitted to SPAWAR 2.0 through alternative methods in order to avoid disclosure.

The PR should first be created in accordance with the local site's Navy ERP SPS PR User/Desk Guides:

a. HQ: Navy ERP SPS PR User Guide, maintained by SPAWAR 2.3.2
b. SSC Atlantic: Navy ERP SPS PR Desk Guide, maintained by 2.3
c. SSC Pacific: Navy ERP SPS PR Desk Guide, maintained by 2.3.6

The PR should have an associated Document Management System (DMS) shell to hold all applicable contract documentation referenced in Section 2.6. Once the PR is created, it should be saved and submitted to workflow. The PR is first sent for Ad Hoc review. The Ad Hoc approver can be one or more of the following individuals: APM, COR, IPT/BFM, or supervisor. After Ad Hoc approval, the PR is sent for IPT/BFM review. The IPT/BFM validates the SOW/PWS, and either approves or rejects the PR. If approval is granted, the PR is sent for IT review. A representative from 8.2 reviews the PR for compliance with the ITPR form or waiver requirements. After IT approval, a representative from 1.1.1 reviews the PWS/SOW and anticipated appropriation against the requirement. After 1.1.1 approval, the Navy ERP interfaced with SPS to transition the PR into PD2. During the PRs progression through Navy ERP, prior to interfacing with SPS, the status for all approvers can be found in the Customer Data tab of the PR. An email is automatically generated and sent to the PR requestor with a notification that the interface was completed without error. The PD2 PR is created in the corresponding SPS Team Cabinet, which is based on the Purchasing Group code entered in the Navy ERP PR.

2.11 UPDATE CONTRACT INFORMATION SYSTEM (CIS) (FIGURE 1, BLOCK 14)

Once the PR has been submitted in Navy ERP, the APM-C updates the CIS with the actual date of submission. The CIS will then be updated once more with an actual award date once the award has been made.

2.12 RECEIVE PR VIA PD2 THROUGH MAKE AWARD (FIGURE 1, BLOCKS 15-21)

After the PR interfaces with PD2 from Navy ERP as described in section 2.10.1, SPAWAR 2.0 then prepares the solicitation based on the PR, issues the RFP or RFQ, receives and evaluates the proposals, makes the award decision, verifies the funding within Navy ERP, and then makes the award. These actions are outside the scope of the PR Process Guide Book and any questions should be directed to a SPAWAR 2.0 representative.

2.13 RFP REVIEW AND APPROVAL (FIGURE 1, BLOCKS 17)

The PDUSD memo of June 23, 2011 directed the Acquisition Strategy and the RFP for the Production and Deployment (P&D) Phase be submitted for MDA review and approval prior to Milestone C. The RFP review occurs after SPAWAR 2.0 prepares the solicitation.

2.13.1 RFP Review Process

The following table provides details on the actions steps.

Table 19: Conduct RFP Review and Approval Action Steps

Role	Step	Action Description	Outputs
Program Office	1	**Decision Point 1: Is the program an ACAT I-IV?** If yes, go to decision point 2. If no, proceed with RFP release	
Program Office	2	**Decision Point 2: Is the RFP supporting the P&D Phase?** If the RFP is supporting the Production and Deployment (P&D) Phase, the MDA must review the Acquisition Strategy and draft prior to RFP release. If the RFP is not supporting the P&D phase, the documents do not need to be reviewed by the MDA, and SPAWAR 2.0 may release the RFP.	

Role	Step	Action Description	Outputs
Program Office	3	Prepare a one page Executive Summary of the RFP summarizing the contents of the RFP. The Executive Summary template can be found in the toolkit.	The Executive Summary is sent to SPAWAR 2.0 for recommendation
SPAWAR 2.0	4	SPAWAR 2.0 reviews the Executive Summary and provides recommendation. The Acquisition Strategy and draft RFP are attached to the Executive Summary.	Executive Summary and RFP Package are sent back to Program Office

Table 20: Inputs

Input	Description	Source
Approved documentation for RFP release	The MDA approves the Acquisition Strategy and RFP prior to RFP release	Program Office and Contracts (2.0)/PCO

3. PROCESS CONCLUSION/SUMMARY

3.1 CHANGES TO PROCESSES

As competency requirements change for the entry/exit criteria, contact the APEO-C branch for updates.

4. TOOLKIT

The toolkit provides additional references and templates for many of the documents and processes referenced within the PR Process Guide Book. Below are descriptions of the various items found within the toolkit.

- Entry/Exit criteria from SPAWAR competencies. This criterion was obtained during interviews with various members of the SPAWAR competencies.
- Links for the FAR, DFARS, NMCARS, and other applicable external reference sites for use during creation of the PR documentation.
- Various templates for documents referenced in this section.

4.1 1.1.1 ENTRY AND EXIT CRITERIA

4.2 1.1.6 ENTRY AND EXIT CRITERIA

4.3 2.0 ENTRY AND EXIT CRITERIA

4.4 3.0 ENTRY AND EXIT CRITERIA

4.5 5.0 ENTRY AND EXIT CRITERIA

4.6 8.2 ENTRY AND EXIT CRITERIA

4.7 8.3 ENTRY AND EXIT CRITERIA

4.8 FAR

4.9 DFARS

4.10 NMCARS

4.11 PRE-PPSM TEMPLATE/PR STRATEGIC OUTLINE

4.12 COMPETITIVE POA&M TEMPLATE

4.13 SOLE SOURCE POA&M TEMPLATE

4.14 MARKET RESEARCH TEMPLATE

4.15 PPSM BASELINE DOCUMENT TEMPLATE

4.16 PR DOCUMENTATION LIST

4.17 ACQUISITION PLAN GUIDE AND TEMPLATE

4.18 ACQUISITION STRATEGY TEMPLATE

4.19 CCA COMPLIANCE INFORMATION AND TEMPLATE

4.20 CDRL

4.21 COR INFORMATION AND TEMPLATES

4.22 D&F INFORMATION AND TEMPLATES

4.23 DD254 INFORMATION AND TEMPLATE

4.24 EIT CERTIFICATION INFORMATION AND TEMPLATE

4.25 ITPR CERTIFICATION INFORMATION AND TEMPLATE

4.26 J&A INFORMATION AND TEMPLATE

4.27 NON_PERSONAL_SERVICE_CERTIFICATION_INFORMATION_AND TEMPLATE

4.28 QASP INFORMATION AND TEMPLATE

4.29 SSP INFORMATION AND TEMPLATE

4.30 SPEC/TRD INFORMATION AND TEMPLATE

4.31 SOW/PWS/SOO INFORMATION

4.32 EMAIL TEMPLATE FOR VIRTUAL POST-PPSM

4.33 EXTERNAL REVIEW THRESHOLD MATRIX

4.34 NAVY ERP INFORMATION

4.35 CDRL REVIEW PROCESS BEST PRACTICES AND EXAMPLES

.

APPENDIX A ACRONYM LIST

The following acronyms are specific to the Purchase Request Process. Standard Department of Defense acronyms can be found on the Joint Acronyms and Abbreviations at the following website: http://www.dtic.mil/doctrine/jel/doddict/acronym_index.html

Table 19: Acronyms

Acronym	Definition
ACAT	Acquisition Category
AM	Acquisition Manager
AP	Acquisition Plan
APEO-C	Assistant Program Executive for Contracts
APM-C	Assistant Program Manager for Contracts
APM-E	Assistant Program Manager for Engineering
APM-L	Assistant Program Manager for Logistics
AS	Acquisition Strategy
ASN	Assistant Secretary to the Navy
BFM	Business and Financial Manager
CAO	Competency Aligned Organization
CCA	Clinger Cohen Act
CDRL	Contract Deliverable Requirement List
CDS	Contract Demand Signal
CIO	Chief Information Officer
CIS	Contracts Information System
CLIN	Contract Line Item Number
COR	Contracting Officer Representative
CoSC	Continuity of Services Contract
D&F	Determination and Findings
DFARS	Defense Federal Acquisition Regulation Supplement
DMS	Document Management System
DO	Delivery Order
DoD	Department of Defense
DoDI	Department of Defense Instruction
DPM	Deputy Program Manager
EIT	Electronic Information Technology
ERP	Enterprise Resource Planning
FAR	Federal Acquisition Regulation
FAR	Federal Acquisition Regulation
FFRDC	Federally Funded Research and Development Centers
G&A	General and Administrative
HQ	Headquarters
ICE	Independent Cost Estimate
IT	Information Technology

Acronym	Definition
ITPR	Information Technology Purchase Request
J&A	Justification and Approval
MAIS	Major Automated Information System
MC	Mission Critical
MCL	Master Contracts List
MDA	Milestone Decision Authority
ME	Mission Essential
NMCARS	Navy Marine Corps Acquisition Regulation Supplement
PALT	Procurement Action Lead Time
PAPM	Principal Assistant Program Manager
PCO	Procuring Contracting Officer
PEO	Program Executive Offices
PIPM	Principal Installation Program Manager
PM	Program Manager
PMP	Prime Mission Product
PMW	Program
POAM	Plan of Action and Milestone
PPSM	Procurement, Planning and Strategy Meeting
PR	Purchase Request
PWS	Performance Work Statement
QASP	Quality Assurance Surveillance Plan
RDA	Research Development and Acquisition
RFI	Request for Information
RFP	Request For Proposal
SCPPM	SPAWAR Contracts Policy and Procedures Manual
SOO	Statement of Objectives
SOW	Statement of Work
SSA	Source Selection Authority
SSAC	Source Selection Advisory Council
SSP	Source Selection Plan
TDP	Technical Data Package
TO	Task Order
TRD	Technical Requirements Document

APPENDIX B PROCESS CONTROL PLAN

The goal of executing this process is to submit a complete PR package to 2.0.

The control plan provides the process owner with a mechanism for assessing the continued benefit of the process and establishes action triggers in the event the expected results are not met. The following activities ensure the PR process is a transparent, standardized process.

1. PURPOSE

The purpose of this document is to provide the policy and guidance for ratification of unauthorized commitments within the SPAWAR Claimancy. This guidance conforms to the requirements as set forth in NMCARS 5201.602-3 (Ratification of Unauthorized Commitments (UAC)).

An unauthorized commitment is an agreement made by a Government representative who is not authorized to do so. The agreement is not binding, but it can be ratified, or approved, by an authorized official when the limitations of FAR 1.602-3(c) are met.

For related guidance, see CMPG Section 5.3.1.7 Ratification of Unauthorized Commitments.

2. POLICY

2.1 Requirements for Entering Contracts

FAR 1.602-1(b) provides that no contract shall be entered into unless the Contracting Officer ensures that all requirements of law, executive orders, regulations, and all other applicable procedures, including clearances and approvals, have been met. This includes the following:

- The ordering and acceptance of supplies and services without benefit of a legal contract constitute illegal acts and do not obligate the government for the items ordered, but may incur a personal liability and/or disciplinary action to the individual who made the commitment.
- Only duly appointed "Contracting Officers" are authorized to enter into contractual commitments, contracts or changes to contracts.

2.2 SPAWAR Commander

Subject to the limitations and procedures prescribed in FAR 1.602-3(c):

- The Commander, SPAWAR, as *Head of the Contracting Activity (HCA)*, has delegated authority to ratify actions initiated or approved by SPAWAR personnel who did not have authority to enter into contracts on behalf of the Government, and which resulted in supplies delivered or services rendered to the Government to the SPAWAR Director of Contracts, and further delegated to the Chief of the Contracting Office at SSC-Atlantic and SSC-Pacific. (see *Ratification Thresholds*)

2.3 The Need for Ratification Actions

The regulatory requirements for ratification of unauthorized commitments are set forth in FAR 1.602-3:

- This reference tasks agencies to take positive action to preclude, to the maximum extent possible, the need for ratification actions.
- Utilization of the procedures contained therein in a manner that encourages unauthorized commitments by Government personnel is specifically prohibited.

2.4 Notification Procedures

Notifications of unauthorized commitments are set forth in NMCARS 5201.602-3.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

2.5 Initial notification. Upon receipt of a contractor request for payment which is not covered by a current contract, task order, or delivery order, the SSCs shall notify HQ Policy Branch *2.3.1*, within 10 calendar days of determining the need for a ratification. Procedures are found in paragraph 4.1.1 below.
Note: There is no dollar threshold to this reporting policy. All ratifications are to be reported.

2.6 UAC/Ratification Reporting. The activity executing the Ratification is responsible for reporting to DASN(AP) in accordance with paragraph 4.1.3 below.

2.7 Disputes and Appeals

Unauthorized commitments that cannot be ratified under FAR 1.602-1(b):

- That involve claims subject to resolution under the Contract Disputes Act of 1978, should be processed in accordance with FAR Subpart 33.2, Disputes and Appeals.
- Cases that are not ratifiable may be subject to resolution as recommended by the Government Accountability Office under its claim procedure (GAO Policy and Procedures Manual for Guidance of Federal Agencies, Title 4, Chapter 2) or as authorized by FAR Part 50. Legal advice should be obtained in these cases.

3. RESPONSIBILITIES

3.1 All Personnel

All personnel are responsible for ensuring that their dealings with contractors are conducted in such a manner as to avoid the impression that they intend to obligate the government in any manner whatsoever. Specifically, regarding existing or prospective contractual matters, no person except a Contracting Officer may take any action concerning:

- Price, cost, or fee
- Quantity
- Quality
- Scope of contract
- Delivery schedule
- Labor category or key personnel qualifications

3.1.1 Advanced procurement information

All personnel are cautioned that they can collect information needed to understand the market, but cannot provide advanced procurement information specific to an upcoming requirement, or in any fashion appear to commit the government. All conversations should conclude with a statement that confirms the party does not have the authority to commit the government, and that nothing within the context of the conversation should be construed to indicate a promise, interest, or desire to do business.

3.2 Contracting Officer

May bind the Government only to the extent of the authority delegated to them. No person except a Contracting Officer may:

- Promise work to a contractor
- Modify terms or conditions of an existing contract
- Issue Stop Work Orders (except when facing impending danger or gross waste/abuse of government resources)
- Authorize government furnished property or contractor acquired property
- Authorize additional work

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3.3 The Program Director/Program Manager/Department Head/ Program Manager Warfare (PMW)/Technical Code (or other appropriate official):

Has responsibility for ensuring that proactive measures are in place within their department or area of responsibility to preclude the occurrence of unauthorized commitments. Accordingly, Program Managers/technical codes should coordinate with the Contracting Officer prior to initiating discussions with contractors involving contractual matters.

3.4 Assigned Contracting Officer

The assigned Contracting Officer, within the applicable contracting office, is responsible for processing ratification actions and notifying the 2.3.1 Policy Branch via the HQ_CONTRACTS_POLICY@NAVY.MIL email within 10 days of determining an unauthorized commitment has happened, as evidenced by a Statement of Fact document. The Contracting Officer will coordinate with those involved in the unauthorized commitment, the Program Director/Program Manager/Department Head/ Program Manager Warfare (PMW)/Technical Code (or other appropriate official), Legal Counsel, the Ratifying Official, the claimant and others as required to ensure timely resolution. The Contracting Officer will prepare the package for the Ratifying Official's review. **Note:** The Contracting Officer and the Ratifying Official cannot be the same person.

3.5 The Ratifying Official

The Ratifying Official cannot be the assigned Contracting Officer. The Ratifying Official for HQ unauthorized commitments is SPAWAR 2.0/2.0A. The Ratifying Official shall review the package and if ratification is proper, approve the ratification by signature on the D&F and return the package to the Contracting Officer for execution and distribution.

3.6 HQ Policy Branch

The 2.3.1 HQ Policy Branch shall record all unauthorized commitments in the unauthorized commitment log set up on the Share Drive, and maintain a record of all unauthorized commitment ratification actions. The Policy Branch will report all UACs in accordance with NMCARS 5201.602-3 and Annex 15 and paragraph 4.2.9 below.

3.7 SSC Policy Offices

Within 10 calendar days of determining the need for a ratification of an unauthorized commitment, the activity where the ratifiable action occurred shall report the UAC to HQ Policy Branch via the HQ_CONTRACTS_POLICY@NAVY.MIL.
SSC Policy Branch is responsible for recording, numbering and reporting all unauthorized commitments to HQ Policy Branch via the HQ_CONTRACTS_POLICY@NAVY.MIL. SSC Policy Offices shall ensure the procedures of this SCPPM are followed. SSC Policy offices shall report UACs/Ratifications directly to DASN(AP) and copy HQ Policy Branch. The quarterly report shall follow the procedures in paragraph 4.1.3 below.

4. PROCEDURE

4.1 Reporting/Notification

4.1.1 **Initial notification**. Upon receipt of a contractor request for payment which is not covered by a current contract, task order, or delivery order, personnel(including SSC Policy offices) shall notify HQ Policy Branch within 10 calendar days of determining the need for a ratification via HQ_CONTRACTS_POLICY@NAVY.MIL with the subject "Contractor Request for Payment-###" The initial notification shall be numbered in accordance with

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

NMCARS 5201.602-3 (S-90)(e)(2) and include the date reported by the contractor, a decision that event reported is or is not a unauthorized commitment, the contractor name and the dollar value of the action.

4.1.2 **HQ Policy branch** shall log the event in the Record Log located in the Policy folder on the Share Drive.

4.1.3 **Unauthorized Commitment/Ratification Reporting.** The activity executing the Ratification is responsible for reporting. Submit a report quarterly of all UACs/Ratifications occurring during the quarter in the format prescribed in NMCARS Annex 15, to DASN(AP) by e-mail at RDAPOLICY@NAVY.MIL and HQ Policy Branch at HQ_Contracts_Policy@navy.mil with the subject "NMCARS 5201-602-3(S90(2)). Report is due by January 31, April 30, July 31 and October 31. Negative reports are required.

4.2 Ratification Process

4.2.1. The individual identifying the unauthorized commitment notifies his/her respective contracting office via their respective chain of command. Provide a signed statement of facts and complete the Ratification of Unauthorized Commitment Checklist (located in Toolbox), describing the circumstances in detail and addressing the following issues:

a. A signed statement describing the circumstances surrounding the unauthorized commitment;
b. Why normal procurement procedures were not followed;
c. What bona fide need of the Government necessitated the commitment;
d. Whether or not any benefit was received and its value;
e. How and when it was identified as an unauthorized commitment;
f. Attempts to resolve the unauthorized commitment prior to requesting authorization (such as returning merchandise);
g. All orders, invoices, or other documentary evidence of the transaction; and
h. Any other pertinent facts.

4.2.2. If the **Program Director/Program Manager/Department Head/ Program Manager Warfare (PMW)/Technical Code (or other appropriate official)** concurs that the determination should be ratified, she/he forwards the statement of facts in a report to the Contracting Officer with an endorsement that:

a. Verifies the accuracy and completeness of the documentation;
b. Determines if this is a repeat offender;
c. Describes administrative action taken and the measures taken to prevent a recurrence of unauthorized commitments; and
d. Provides a complete purchase description and funding for the ratifying contract.

4.2.3. Upon receipt of the ratification package, the assigned **Contracting Officer**:

a. Reviews the documentation and endorsement provided;
b. Determines the adequacy of the facts and documentation, obtaining any additional material required;
c. Prepares a D&F (see Determination and Findings SCPPM) addressing the limitations in FAR 1.602-3(c)(1) through (7) for signature by the Ratifying Official *and Legal Counsel*;
d. Determines a fair and reasonable price for the item or services;
e. Prepares a recommendation to the Ratifying Official;

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

f. Prepares and completes the Ratification of Unauthorized Commitments Checklist (in toolbox)
g. Prepares appropriate contractual documents; and
h. Submits the contract and supporting documents to the Office of Counsel. Legal Counsel shall review the unauthorized commitment package for legal sufficiency. If Legal Counsel does not find the action legally sufficient for ratification, the assigned Contracting Officer will take action to deny the ratification or resolve the legal determination, as appropriate.

4.2.4. Comptroller review is recommended for all ratifications. It is required for ratifications in **excess of $1,000,000** where the use of expired funds is anticipated.

4.2.5. The assigned **Contracting Officer** shall provide the ratification package, to include the appropriate contractual and funding documents to the Ratifying Official. Upon approval of the D&F, Contracting Officer shall sign the ratified contract.

4.2.6. The **Ratifying Official** shall review the file, and if ratification is proper, approve the ratification by signature on the D&F and return the package to the Contracting Officer for execution and distribution. For SSCs, the CCO is the Ratifying Official subject to the limitation stated below in Approvals.

4.2.7. The assigned **Contracting Officer** and **Program Director/Program Manager/Department Head/Program Manager Warfare (PMW)/Technical Code (or other appropriate official)** develop the ratifying contract/order.

a. The ratified contract/order must be bi-lateral; and
b. It must contain a release of liability/claims statement.

4.2.8. A copy of the entire package, once approved by the Ratifying Official, shall be submitted to HQ Policy Branch 2.3.1. Package must include:

a. Ratification of Unauthorized Commitment Checklist (located in Toolbox);
b. Statement from the individual committing the unauthorized commitment;
c. Contracting Officer's D&F approved by the ratifying official;
d. Copy of the contract mod, task order mod, or 1155 Purchase Order which ratified the action.
e. The Contracting Officer's determination of fair and reasonable pricing- may be included in the D&F document.

4.2.9. **SSC Policy offices** shall submit the UAC/Ratification report for which they are responsible to DASN(AP) using Annex 15 of the NMCARS for report format, with a copy to **HQ Policy Branch**; **HQ Policy Branch** shall submit all other ratification reports which includes all the reporting for HQ.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

5. APPROVALS

5.1 Ratification authority limitations (NMCARS 5201-602-3(b)(3)(i)).

5.1.1. When a HCA has recorded less than 15 UACs in a single fiscal year, the HCA (or designee) may delegate authority to ratify as follows:

(A) Actions valued at $50,000 or less - Not lower than the Activity CCO;

(B) Actions valued between greater than $50,000 and $100,000 or less - Not lower than the *SPAWAR* Director of Contracts;

(C) Action valued greater than $100,000 – HCA without power of redelegation

5.1.2. When the number of UACs in a FY reaches 15 or more exceeding $3500, the authority to ratify is automatically rescinded and reverts to the HCA without power of redelegation.

5.1.3. When the person committing the UAC is a repeat offender or the contractor performing the UAC has reported a UAC in the past, the HCA shall be the ratifying authority without power of redelegation.

5.1.4. For counting purposes, use the date that the ratifiable action occurred, not the date of reporting.

5.2 Ratification Thresholds

Contract Value *(x)*	Ratifying Official
x >**$100K**	**HCA**
$50K < *x* ≤ **$100K**	**Director of Contracts, SPAWAR HQ (SPAWAR 2.0)**
x≤**$50K**	**SSC CCOs**

6. TOOLBOX

1. Determination and Findings
2. Sample Memos, Statement of Facts, and Determination & Findings
3. SPAWAR Ratification Checklist
4. GAO Policy and Procedures Manual for Guidance of Federal Agencies
5. Ratification Reporting Spreadsheet to DASN(AP)

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
June 2016	Added NMCARS language regarding actions which exceed $3500 in a FY.
April 2016	Content formatted and reorganized; notification and reporting requirements added and links updated.
February 2012	Last version created in old format. No change notes available.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to establish the policy and procedures for issuing and administering SeaPort-e task orders within the SPAWAR Claimancy.

Related guidance is available under CMPG section 5.2.2.2 Orders Under SeaPort-e.

2. POLICY

This document shall be used in conjunction with the NAVSEA Concept of Operations (CONOPS) document. The NAVSEA CONOPS is the standing policy for SeaPort-e task order awards throughout the Virtual SYSCOM. This SCPPM document is meant to provide additional information not covered in the NAVSEA CONOPS that will be useful to SPAWAR 2.0 personnel awarding SeaPort-e task orders. Therefore, the CONOPS should be referenced first when seeking SeaPort-e procedural guidance. The CONOPS is located in the SeaPort Portal under the CONOPS tab.

Recent overarching policies related to the acquisition of services that apply SeaPort-e task orders:

A. All new PRs for services are required to be accompanied by a Certification of Non-Personal Services. (DFARS 237.503 & PGI 237.503) Request for Services Contract Approval (Certification & Worksheet). *See 1.2.9.2.2 Certification of Non-Personal Services SCPPM.*

B. Acquisition program that is estimated at $50M or more for all years or $25M or more for any fiscal year. Refer to Acquisition Plan.

3. RESPONSIBILITIES

3.1 Super User Support

"Super-User" support is provided by *Kelly Smith, Code 21100* to SPAWAR 2.0 personnel in all facets of the SeaPort-e task ordering process. SSC-Atlantic Super User support is provided by *Code 23000*. SSC-Pacific Super User support is provided by Jacob Ward, Code 22530.

3.2 Local Administrator Support

The Paperless Branch, Code 23200 provides SeaPort Portal Systems Administration support to SPAWAR HQ personnel, including approval of new Portal users and user roles. SSC-Atlantic Local Administrator support is provided by *Robin Turner and Kris Smith, Code 23000.* SSC- Pacific Local Administrator support is provided by Jacob Ward, Code 22530.

3.3 Portal Roles and Responsibilities

Users on the SeaPort Portal are given permissions according to their roles in the SeaPort-e task ordering process.

3.3.1 ORIGINATOR

Creates reviews and edits Purchase Requests (PR) and evaluates proposals. All SPAWAR 2.0 personnel will be given Originator status, so they can input PR data into the Portal.

3.3.2 1102, PCO AND BID EVENT CREATOR

The roles of 1102 and PCO are self-explanatory. All 1102s and PCOs will also have the role of Bid Event Creator which allows them to post actions to the public portal site.

3.3.3 CONTRACTING OFFICER'S REPRESENTATIVE (COR)

Formerly known as Task Order Manager (TOM).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4. PROCEDURE

4.1 Planning Phase

4.1.1 TASK ORDER ACQUISITION STRATEGY

A Task Order Acquisition Strategy (see Toolbox for the Task Order Acquisition Strategy Template) in conjunction with the overarching SeaPort Program AP suffices for acquisition planning documentation. A Task Order Acquisition Plan is not required. See SeaPort CONOPS Section 4.4.

4.1.2 PROCUREMENT REQUEST (PR) PACKAGE

All PRs should be received through Procurement Desktop Defense (PD2) via Navy Enterprise Resource Planning (ERP). The PR package shall contain the following:

1. **PR document**
2. **Performance Work Statement (PWS**). All SeaPort-e task orders are in accordance with performance based acquisition (PBA) requirements. Thus, the work statement must be in the form of a PWS. It is also important that PWS paragraphs be structured so as to distinguish work by appropriation ("color of money"). The PWS shall be uploaded onto the portal as an Adobe .pdf file. No other file type (i.e. MS Word), is acceptable. The contract specialist is responsible for the upload. This ensures security and stability of the document.
3. **Note on other PBA Elements.** Besides the PWS, there are three other elements of a PBA: performance standards, performance review measures and performance incentives.
4. **Quality Assurance Surveillance Plan (QASP).** Technical code shall develop a QASP for their prospective task order in the format contained in the established template. The QASP template is located in the linked PWS Template (updated September 2010 enclosure 3) and the Quality Assurance Surveillance Plan (QASP Template) listed in the Toolbox section. *See also 1.2.9.2.2 Performance-Based Service Acquisitions (PBSA)*.
5. **Independent Government Estimate (IGE).** Technical code shall develop an IGE for their prospective task order in the format contained in the established template (Worksheet Pt 1/Worksheet Pt 2). The template does not contain proprietary labor rate information. The originator shall develop the labor categories and labor rates for the level of effort support required. This information can be developed based on the invoiced rates of the same/similar efforts currently being performed in the program office, and is for Government eyes only. Users may refer to SSCPACINST 4330.2B for guidance on the preparation of Independent Government Cost Estimates (IGCEs).
6. **Source Selection Plan.** The standard SeaPort-e Source Selection Plan is streamlined for task order competitions and should be tailored for each individual award. Technical Evaluation personnel shall be identified in the Source Selection Plan; for purposes of streamlining, technical evaluation should be performed by at least three people. Legal review is also required for task orders over $10,000,000.
7. **DD 254.** DD 254s are processed as normal. Solicitation DD 254s cannot be executed by Security until a task order solicitation number is assigned to the action. This number assignment is automatic in the Portal upon creation of a draft solicitation.
8. **Section 508/EIT Certification.** Certification required with PR package in accordance with standard procedures.
9. **Task Order Acquisition Strategy.** Technical code shall develop an Acquisition Strategy in accordance with the established template.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

10. **Contracting Officer's Representative Nomination Letter with Certificates.** See SCPPM Contracting Officer's Representative (COR) Ensure the Designation letter and certificates are provided on the portal in the 1102 file.

4.1.3 SMALL BUSINESS (SB) REVIEW.

The decision to conduct an unrestricted competition or a set-aside competition shall be reviewed/concurred by the SPAWAR Deputy for SB for each task order. This review/approval shall be conducted via the Portal. A separate DD 2579 is not required (see DD Form 2579 SCPPM). A review by the Small Business Administration Procurement Center Representative (SBA PCR) is also required for task orders (TO's) that are not set-aside for small businesses. This review/concurrence shall be conducted per the instructions below for each activity: In general, five working days should be allowed for the OSBP Small Business Specialist review.

1. HQ: A separate DD 2579 is not required. The SB Deputy conducts a review of documentation for market research from the 1102 file, if the recommendation by the PCO is to compete as a set aside and the SB Deputy concurs with the recommendation the SB Deputy will complete the DSB review. If the recommendation by the PCO is to compete as unrestricted and the SB Deputy concurs with the recommendation, the SB Deputy forwards the SBA PCR an e-mail notification stating that the effort is being considered for an unrestricted competition and is ready for review in the SEAPORT e portal. The SBA PCR will perform their review via the portal and respond via e-mail to the SB Deputy *that the review has been completed*.
2. SSC Pacific: A separate DD 2579 is not required. The Contract Specialist will select the "DSB Reviewer" in Seaport and concurrently forward the SSC Pacific SB Deputy a copy of the Market Research documentation. The documentation must be forwarded electronically if the recommendation from the PCO is to solicited on an unrestricted basis; however, if the recommendation is to compete as a set aside the documentation can be provided either electronically or in hard copy. If the recommendation by the PCO is to compete as a set aside and the SSC Pacific SB Deputy concurs with the recommendation the SSC Pacific SB Deputy will complete the DSB review within the Seaport Portal. If the recommendation by the PCO is to compete as unrestricted and the SSC Pacific SB Deputy concurs with the recommendation, the SSC Pacific SB Deputy will forward the SBA PCR an e-mail notification stating that the effort is *ready for SBA PCR review and* being considered for an unrestricted competition and the market research documentation is attached for review. The SBA PCR will *complete* their review *on the Seaport portal* and respond via e-mail to the SSC Pacific SB Deputy with concurrence or non-concurrence which will be filed in the applicable Seaport 1102 file, as well as the hard copy file. Any non-concurrences shall be resolved between the PCO/Contract Specialist, SSC Pacific SB Deputy and the SBA PCR.
3. SSC Atlantic: A separate DD 2579 is not required. The SB Deputy conducts a review of documentation for market research from the 1102 file, if the recommendation by the PCO is to compete as a set aside and the SB Deputy concurs with the recommendation, the SB Deputy will complete the DSB review. If the recommendation by the PCO is to compete as unrestricted and the SB Deputy concurs with the recommendation, the SB Deputy forwards the SBA PCR an e-mail notification with the market research documentation and PCO recommendation stating that the effort is being considered for an

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

unrestricted competition. The SBA PCR will perform their review and respond via e-mail to the SB Deputy with concurrence or non-concurrence which will be filed in the applicable 1102 file. The SB Deputy will record concurrence in the DSB block and any non-concurrences shall be resolved between the PCO/Contract Specialist, SB Deputy and the SBA PCR.

4.1.4 1301 REVIEW

SPAWAR HQ's financial review will be conducted in accordance with the established ERP process. A "Planning PR" must be processed via ERP to obtain 1301 approval prior to release of the RFP. Even if no funding can be identified yet, the type of funds should be stated in the PR, and a copy of the PWS shall be attached.

4.1.5 LEGAL REVIEW

Legal review is required when using a non-standard Source Selection Plan and also for task orders over $10,000,000.

4.1.6 OSD CERTIFICATION FOR BUSINESS INFORMATION TECHNOLOGY

Any task order valued at $1M or more spent on "Development or Modernization" of a Business IT system must receive OSD review and approval in advance. Failure to obtain OSD certification for the Business IT system in advance violates the Anti-Deficiency Act. See CONOPS Slide 24 for detailed information.

4.1.7 ADVANCE PLANNING NOTIFICATION

The Advance Planning Notification for each package shall be issued on the SeaPort Portal upon PR receipt. This notification is to be issued even if the Small Business Review is incomplete.

4.1.8 COST PLUS AWARD FEE (CPAF) CONTRACT TYPE TASK ORDERS

A Determination & Findings is required if the work to be performed is such that it is neither feasible nor effective to devise predetermined objective incentive targets applicable to cost, technical performance or schedule, and must be executed prior to award of the task order. See SCPPM document pertaining to D&Fs.

4.1.9 SEAPORT-E 8(A) SET-ASIDES

In accordance with the July 2008 MOU between the DoN and the SBA, certain requirements may be designated as an 8(a) set-aside competition. The 1102 should beware aware of these procedures and become familiar with the clause at G-6.

4.1.10 ORGANIZATIONAL CONFLICT OF INTEREST (OCI) ANALYSIS

The Technical Code and Contracting Officer, along with Legal Counsel, if necessary, should review the contractor support being provided or to be provided to the Technical Code to determine if the new requirement or any future requirements may cause any potential conflicts of interest with the new or current contractor. Clauses specific to the requirement, with the assistance of Legal Counsel, should be generated and incorporated into the Solicitation to mitigate any real or potential OCI issues. All OCI issues shall be addressed directly with the contractor on a case by case basis, meaning that a contractor's performance on one Task Order that may cause potential OCI issues on multiple requirements and each requirement will necessitate its own separate analysis. See OCI SCPPM for details.

4.2 Solicitation Phase

4.2.1 SOLICITATION DEVELOPMENT

The task order solicitation will be developed in the Portal in accordance with Portal procedures. 1102/PCOs may use the solicitation template in the Toolbox or use other provisions/clauses as appropriate. The task order template may be tailored as

required. The task order template has been reviewed/approved by SPAWAR Legal Counsel.

4.2.2 'LIMITATION ON FUTURE CONTRACTING' CLAUSE

This clause is not to be inserted without approvals as it restricts the contractor from participating in future competitions. Per FAR 9.504, the PCO is required to obtain the advice of counsel in evaluating potential conflicts and in developing any necessary solicitation provisions and contract clauses. Before issuing a solicitation for a contract that may involve a significant potential conflict, the contracting officer shall first recommend to the *Director of Contracts (Nancy Gunderson)* a potential course of action for resolving the conflict- to include the use of the proposed OCI clause. In accordance with the SPAWAR Contracts Policy and Procedure Manual (SCPPM) the insertion of an OCI clause requires a memorandum setting forth the contracting officer's identification of the potential OCI, and the proposed resolution to include the use of a solicitation provision or clause. This memorandum must be signed by the Director of Contracts for HQ solicitation and the Chief of the Contracting Office for SSC solicitations.

4.2.3 SOLICITATION REVIEW, APPROVAL, AND ISSUANCE AND PROPOSAL RECEIPT

Performed in accordance with Portal procedures.

4.2.4 TECHNICAL DIFFICULTY IN PROPOSAL SUBMISSION

In the unlikely event the SeaPort system is not operational, experiencing technical difficulties or if a contractor is temporarily unable to access or use the system, the Contractor shall immediately notify the Contracting Officer. This notification must occur prior to the proposal submission deadline. The Contracting Officer shall allow manual submissions of written proposals in the event of technical difficulties of which they have been made aware.

4.2.5 FOR ORDERS IN EXCESS OF $5,000,000

The requirement to provide all contractors a fair opportunity to be considered is not met unless all contractors are provided, at a minimum:

1. [Source: Section 843 of the National Defense Authorization Act for FY2008, Public Law 110-181]
2. (1) A notice of the task or delivery order that includes a clear statement of the agency's requirements;
3. (2) A reasonable period of time to provide a proposal in response to the notice;
4. (3) Disclosure of the significant factors and subfactors, including cost or price, that the agency expects to consider in evaluating such proposals, and their relative importance;
5. (4) In the case of an award that is to be made on a best value basis, a written statement documenting the basis for the award and the relative importance of quality and price or cost factors; and
6. (5) An opportunity for a post-award debriefing consistent with the requirements of section 2305(b)(5) of Title 10 U.S.C.

4.3 Evaluation Phase

4.3.1 TECHNICAL EVALUATION

Technical evaluations may be performed outside the Portal, but must be consistent with the established SeaPort Ratings Guide and be in compliance with the task order Source Selection Plan.

4.3.2 COST EVALUATION-ANALYSIS

For cost reimbursement task orders, a cost reasonableness and cost realism analysis shall be performed by the 1102 using standard analytical techniques.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. In accordance with the NAVSEA CONOPS, the cost reasonableness/realism review can be limited to those contractors that represent the most likely candidates for award based on preliminary information obtained from the technical evaluation and relative cost considerations. Decisions regarding why other offers were not considered competitive should be documented in the file.
2. The cost analysis on proposals that represent "borderline" candidates for award can be postponed until further technical analysis results in a firm depiction of the set of proposals that are the most likely candidates for award.
3. Additional guidance, including prescribed clauses for the use of Fixed Fee contracts within SeaPort-e, is found in this SeaPort-e and Fixed Fee Presentation.

4.3.3 CAPS

1102 shall verify that each offeror's escalation, subcontractor pass-through and fixed fee rates do not exceed the caps established in the offeror's basic SeaPort-e contract. This verification is performed by examining pages 1a and 1b of the contractor's basic SeaPort contract posted to EDA or the modification issued on 31 May 2005.

4.3.4 ACCOUNTING SYSTEM REVIEWS

It is the task order contracting officer's responsibility to verify that the contractor being awarded a cost-type task order within SeaPort has an accounting system adequate for use in administering the proposed type of contract.

4.3.5 BEST VALUE COST/TECHNICAL TRADE-OFF

Unless using the low cost/technically acceptable approach, a trade-off process shall be used to determine the best value task order awardee.

4.3.6 SOURCE SELECTION DECISION

The source selection decision shall be made by the PCO. Another source selection authority may be established if using a non-standard Source Selection Plan.

4.3.7 DOCUMENTATION

A Memorandum to the File shall document the technical evaluation, cost evaluation, trade-off analysis and best value source selection decision using the template provided.

4.3.8 LEGAL REVIEW

Legal review of the source selection decision and documentation is required if using a non-standard Source Selection Plan, if there are more than 10 offers in response to the task order solicitation and for task orders over $10,000,000. SSC-Atlantic legal review of the source selection decision and associated documentation is recommended for all orders greater than $500K.

4.3.9 FOR ALL HQ ORDERS IN EXCESS OF $10 MILLION

Provide 2.0 with a copy of the evaluation/award decision documentation, and do not proceed with award until this review is complete.

4.4 Award Phase

4.4.1 1517 REVIEW

SPAWAR HQ's financial review will be conducted in accordance with the established ERP process. SSC-Atlantic's financial review will be conducted in accordance with the established DCMR process. SSC-Pacific's financial review will be conducted in accordance with the established ERP process. For more information, see the Manual

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Funds Validation Standard Operating Procedure, which includes special instructions for SEAPORT awards/mods.

4.4.2 ELECTRONIC SIGNATURE

SeaPort-e task orders are executed electronically in accordance with Portal procedures. No other exchange of signatures is required.

4.4.3 DISTRIBUTION

Distribution of task orders, modifications and all attachments to EDA is automatic. However, forward copies of task orders, modifications and attachments to Distribution for transmittal to Funds Control, Security, Designated Legal Counsel, etc.

4.4.4 PORTAL TASK ORDER FILE

The electronic file created by the task order award contains a section entitled "1102 File". All supporting documentation (memos to the file, source selection plan, correspondence) shall be uploaded to the 1102 File for each task order. WebEx archiving is not required.

4.4.5 CONTRACTING ACTION REPORT (CAR)

CAR submission via FPDS-NG is executed automatically via the Portal.

4.4.6 CONTRACTING OFFICER'S REPRESENTATIVE DESIGNATION LETTER

A Contracting Officer's Representative (COR) Designation Letter is required for all task orders. See Contracting Officer's Representative SCPPM.

4.5 Postaward Phase

4.5.1 MODIFICATIONS

1. Identifying Changes. The Portal generates modifications by producing a new conformed task order. Thus, the changes invoked by a modification are not readily apparent. For this reason, the 1102 shall identify the specific changes in the General Information section of the modification.
2. Modification Authority. The type of modification and authority should be cited (e.g. supplemental agreement) in the General Information section of the modification as appropriate.

4.5.2 PAST PERFORMANCE EVALUATION

CPARS apply to all individual SeaPort-e task orders regardless of dollar value. See the Contract Performance Assessment System (CPARS) SCPPM for detailed information on registering new task orders in CPARS.

4.5.3 CLOSEOUT

Task Order closeout is performed by the cognizant DCMA ACO for the basic contract.

5. APPROVALS

N/A

6. TOOLBOX

6.1 General

1. 1.2.9.2.2 Certification of Non-Personal Services
2. 1.2.4.1 MOPAS 2
3. Acquisition Plan
4. 1.2.9.2.2 Performance-Based Service Acquisitions (PBSA)
5. Contracting Officer's Representative (COR)
6. OCI

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

7. Contract Performance Assessment System (CPARS)
8. Navy SeaPort ConOps, V 10.4 – Apr 2012
9. SPAWAR Subcontracting Goal & Small Business Participation
10. Department of the Navy (DON) Policy for the Procurement of Information Technology (IT) Development and Support Services"- DASN (AP) 23 April 2012.

6.2 PR Package

1. Quality Assurance Surveillance Plan
2. Task Order Acquisition Strategy
3. PR Package Requirements List (see cautionary note on IGEs)
4. CDRL MSR
5. Task Order Source Selection Plan
6. Foreign Disclosure for Contracts Training – Jan 2012
7. DD254 Preparation Guide
8. EIT Certification – Restricted Access SPAWAR Wiki, Apr 2014
9. SSCPACINST 4330.2B – Restricted Access SPAWAR Wiki

6.3 Solicitation Templates

1. Manual Funds Validation Standard Operating Procedure
2. General Solicitation Template (Removed 5/9/16)
3. Contracting Officer's Representative (COR)
4. CDRL Attachments
   a. MSR Att 1 (Staffing Plan Spreadsheet) - Mar 2013
   b. MSR Att 2 (Staffing Plan Spreadsheet) - May 2013
   c. Prefixes and Global WBS
   d. Engineering and PM WBS Maps
5. Cost Summary Format (CPFF)
6. Cost Summary Format (CPAF)
7. Rate Check Request Template Form
8. Supporting Cost Data
9. Relevant Experience Form
14. PWS Template – Sep 2010

6.4 Miscellaneous

1. *Memo to the File BCM*
2. Tech Eval Template
3. Distribution Sheet
4. Ratings Guide - Oct 2010
5. Written Debrief Sample
6. SeaPort-e and Fixed Fee
7. SeaPort Plan of Action and Milestones Matrix
8. SeaPort-e 8(a) Set-Aside Procedures
9. DoD Inspector General Audit Report D-2009-08 – May 2009
10. Quality Assurance Surveillance Plan (QASP Template)
11. Link to template for market research for services

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
August 2015	Content formatted and reorganized; Links and POCs updated; updated SeaPort Memo to File BCM document in Toolbox; update of Policy and the Small Business Review section.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

August 2014	Last version created in old format; recent updates include section 4.1.3 Small Business Review and SSC Pacific user Support contact.

1. PURPOSE

This document provides SPAWAR policy on the NMCARS requirement to conduct Service Requirements Review Boards (SRRB) for planned service procurements. This requirement includes providing a report to the Deputy Assistant Secretary of Navy for Acquisition and Procurement (DASN (AP)).

2. POLICY

In accordance with NMCARS 5237.191, *Service Requirements Review Board reporting*, it is a requirement that agencies procuring services shall conduct a Service Requirements Review Board (SRRB) not less than annually. Action items from the SRRB not corrected within 120 days shall be reported to DASN (AP) with a Plan of Action and Milestones (POAM) to complete corrections. The activity must forward the SRRB Final Analysis file within 30 days of the completed SRRB to DASN (AP).

Further guidance on the SRRB process was provided in the Office of the Assistant Secretary of the Navy (Research, Development & Acquisition) (ASN (RD&A)) memo of 13 April 2012 titled *Service Requirements Review Board Guidance*, which was included as a reference within *ASN (RD&A) Memo of 17 October 2014 titled Contractual Services Guidance for FY 2015*. The 2012 ASN (RD&A) memo established the SRRBs as a forum for each activity to develop an appropriate review process to assess risk of possible contract fraud and to facilitate meaningful discussions about services requirements, processes, contracting and management. Items for coverage in these discussions focus on nine key areas:

1. Requirement Definition
2. Requirements Validation
3. Market Research Summary
4. Contract Administration – How will performance be monitored?
5. Competition
6. Contract Type
7. Spend – How much is being spent on each part of the contract and what is the highest labor rate in the contract?
8. Tripwires
9. Contracting Activity Authority

3. RESPONSIBILITIES

3.1 PEOs

- The PEO community is responsible for ensuring that the guidance set forth in the two memoranda identified in Section 2 of this document has been followed for services acquisitions.
- This responsibility requires continued implementation of the contract service oversight process including holding SRRBs on at least an annual basis.

3.2 Program Office/Requestor

- Address the nine key areas described within the 2012 ASN (RD&A) memo during the Procurement Planning and Strategy Meeting (PPSM) for any planned services acquisition.
- See Service Requirements Review Board Key Areas Summary for a useful description of the subtopics included in each key area.

3.3 Contracting Officer

- Ensures that the Program Office/Requestor has sufficiently addressed the nine key areas during the PPSM.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4. TOOLBOX

1. Service Requirements Review Board Key Areas Summary

5. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
December 2015	New SCPPM established.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide policy and guidance for timely submission and completion of the Small Business Coordination Record (DD2579) within the SPAWAR claimancy.

Related guidance is available under CMPG section 1.2.6.2 Small Business Coordination Record (DD Form 2579).

2. POLICY

SPAWAR shall provide small business concerns the maximum practicable opportunity to participate in acquisitions both as prime contractors and as subcontractors. Efforts to ensure small business participation in each particular acquisition shall be documented using the DD2579 or activity-specific forms for task orders under multiple award contracts when there are two or more small business primes in accordance with the SeaPort-e Task Orders and Multiple Award Contracts (MAC) Procedures SCPPMs.

Per FAR 19.201(c)(10) and DFARS 219.201(c)(10)(A), the Office of Small Business Programs (OSBP) Small Business Specialist shall review all acquisitions exceeding $10,000, modifications that increase the scope of the contract, or orders under a Federal Supply Schedule. There is no OSBP review required for acquisitions under the Simplified Acquisition Threshold (SAT) 100% small business set-aside; and awards to small business concerns under the Small Business Innovation Research (SBIR) Program (NMCARS 5219.201(d)(10)(A)(ii)).

The term “small business”, as used in this document, shall include small, HUBZone, small disadvantaged, women-owned, and veteran-owned small businesses unless otherwise noted (DFARS 219.201).

3. RESPONSIBILITIES

3.1 Contracting Officer

Documents Small Business Participation efforts using the DD2579 (electronic filing procedures are listed below), which is maintained in the contract file, for all acquisitions exceeding $10,000; modifications that increase the scope of the contract; or orders under a Federal Supply Schedule. Submit the DD2579 (electronic filing procedures are listed below) to the OSBP Small Business Specialist. DD2579 **not** required for acquisitions under the Simplified Acquisition Threshold (SAT) 100% small business set-aside; and awards to small business concerns under the Small Business Innovation Research (SBIR) Program (NMCARS 5219.201(d)(10)(A)(ii)) The rationale should fully explain the Market Research efforts and the results.

3.2 OSBP Small Business Specialist

Reviews the submitted DD2579. Makes recommendations as to whether a particular acquisition shall be awarded under FAR Part 19 following the procedures at PGI 219.201(c)(10) (DFARS/PGI view).

3.3 SBA Procurement Center Representative (PCR)

If the proposed acquisition is for supplies or services currently being provided by a small business and is of a quantity or estimated dollar value that makes it unlikely that small businesses can compete for the prime contract, SBA PCR reviews the acquisition and records its findings in the DD2579.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4. PROCEDURE

4.1 Contracting Officer shall complete the DD2579 electronically through the NAVSUP Small Business Coordination Record (SBCR) application (see ASN RDA memo)(access problems?). Complete blocks 1 through 14 and block 17 of the DD2579 (see DD2579 Instructions), electronically signs block 17c, and electronically submits to the OSBP Small Business Specialist, accompanied by:

1. Upload PR and/or Statement of Work as available. Document(s) submitted must contain a complete description of supplies or services being procured.
2. Ensure that you are inserting the correct Federal Supply Class/Service (FSC/SVC) Code in Block 6a. FSC/SVC Codes are listed in the Product and Service Codes (PSC) Manual and the DPAP Product and Service Code (PSC) Selection Tool.
3. Ensure that you select the correct North American Industrial Classification System (NAICS) Code in Block 8a. and the corresponding size standard will automatically be populated. (An incorrect NAICS code assignment may result in a size standard protest to SBA). NAICS Codes and small business size standards are available on the SBA website at http://www.sba.gov/content/small-business-size-standards.
4. Documentation supporting results of any market research (Sources Sought synopsis, etc.) that demonstrate efforts to locate and/or encourage qualified small business sources. Summarize in block 11.
5. Upload J&A, if applicable. Draft copy is acceptable.
6. Upload or include any additional information available to support the recommended procurement strategy such as prior bid abstracts or procurement mailing lists.
7. When using Federal Supply Schedules to satisfy procurements between the micro-purchase and simplified acquisition threshold, the Contracting Officer will document via a memorandum when large business quotes are necessary, except when an ordering activity has approved justification limiting sources in accordance with FAR 8.405-6. The Limited Sources Justification will address the consideration of small businesses and how the determination was made there were less than three small businesses on the schedule that will satisfy the government's requirements. The Limited Sources Justification will be provided with the DD2579 prior to review and approval by the Small Business Office.

NOTE: If there are any significant changes, between the time the OSBP signs the original DD2579, and the time the Request for Proposals (RFP) is issued, such as, a different acquisition strategy is chosen or the NAICS Code changes from the original signed DD2579, the PCO must re-route the DD2579 back to the OSBP for review and signature, prior to issuing the RFP.

4.2 OSBP Small Business Specialist Review

The OSBP Small Business Specialist shall review and make recommendations to the contract specialist as to whether a particular acquisition should be awarded under FAR 19.201(c)(10) and DFARS 219.201(c)(10)(A). In general, ***five working days*** *should be allowed for the OSBP Small Business Specialist review*.

A. This review shall be completed prior to issuance of a synopsis (FAR Part 5.2) of a competitive solicitation or contract modification.

B. For actions processed as other than full and open competition (FAR Part 6.3), this review can be completed after the synopsis (if applicable), but shall be completed prior to the issuance of the solicitation.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4.3 SBA PCR Review

If the proposed acquisition is for supplies or services currently being provided by a small business and is of a quantity or estimated dollar value that makes it unlikely that small businesses can compete for the prime contract (FAR 19.202-1(e)): OSBP Small Business Specialist provides a copy of the proposed acquisition package to the SBA PCR for review at least ***30 calendar days*** prior to the issuance of the solicitation. The PCR review is also documented on the DD2579.

4.4 Review Results

The OSBP Small Business Specialist will return the DD2579 to the contract specialist upon completion of their review (and SBA PCR review if applicable). If the SBA PCR rejects the recommendation of the contracting officer, the SBA PCR may initiate a unilateral set-aside by issuing an SBA Form 70. The contracting officer has 5 working days to reject the PCR's recommendation (FAR 19.505). See FAR 19.505 and DFARS 219.505 for complete procedures and time frames for rejecting SBA recommendations.

4.5 Offer and Acceptance

The contracting officer will provide a copy of the offering and acceptance letter to the OSBP Small Business Specialist after execution of a DD2579 for an 8(a) set-aside.

5. APPROVALS

See OSBP Small Business Specialist Review and SBA PCR Review.

6. TOOLBOX

1. SeaPort-e Task Orders
2. Multiple Award Contracts (MAC) Procedures
3. DD2579 Instructions
4. www.acquisition.gov
5. www.sba.gov
6. NAVSUP Small Business Coordination Review (SBCR) application
7. Increasing Opportunities for Small Businesses through Small Business Set-asides under the Simplified Acquisition Threshold – ASN(RDA), Aug 2012

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
October 2016	Updated paragraph 4.1 to add note about DD2579 significant changes.
February 2016	Added requirement to complete the DD2579 electronically.
December 2015	Removed the requirement for the OSB review of acquisitions exceeding $3,500 in Policy section and paragraph 3.1.
November 2015	Corrected para 2.0 and 3.1 to read $3,500 vice $3,000.
August 2015 Rev 1	Added link to Policy Alert 12-084 to the Policy and Responsibility sections and a link to the related ASN(RDA) memo to the Toolbox section which is all related to the submission between $3,500 - $10,000 requirement.
August 2015	Updated the thresholds for submission between $3,500 - $10,000 and included instruction for DD2579 submission through NAVSUP SBC application.
January 2015	Content formatted and reorganized and added link to DPAP

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

	Product and Service Code (PSC) Selection Tool.
May 2014	Last version created in old format. Latest update under this topic was Policy regarding activity-specific forms for task orders.

1. PURPOSE

The purpose of this document is to establish SPAWAR Claimancy-wide policies and procedures for incorporating the appropriate solicitation and contract language for requirements that involve software/computer software development (as defined below) performed by SPAWAR contractors and subcontractors, regardless of tier. This policy applies even if the contract awarded will not contain a separate line item for noncommercial software deliverable, such as where the software will be developed or delivered embedded in a hardware item or developed or delivered under a services contract. Other RFP/Contract language requirements for other aspects of software development are beyond the scope of this document. A waiver for this policy may be granted by the ASN(RD&A) Chief Engineer (see the end of Section 4.4).

The intent of the Software Process Improvement Initiative (SPII) is to provide SPAWAR acquisition managers with improved visibility into offerors' and contractors' software development processes to ensure there are well documented, effective, and include continuous process improvement practices during contract performance.

For related guidance, see CMPG Software Process Improvement Initiative (SPII).

2. POLICY

2.1 Definitions

1. "Solicitation" – includes solicitations issued under SF18s (**1**), SF33s (**3**), SF1442s (**4**), SF1447s (**5**), SF1449s (**6**), or Option Form (OF) 308 (**8**)
2. "Contract" – includes contracts awarded under SF26s (**2**), SF33s (**3**), SF1442s (**4**), SF1447s (**5**), SF1449s (**6**), OF307s (**7**), OF347s (**9**), or DD1155s (**10**).
3. "Computer software development" or "software development" means, as applicable, developing or delivering new source code, modifying existing source code, coding computer instructions and data definitions, building databases schema, and performing other activities needed to implement the design of a noncommercial computer software product. This definition recognizes that even small changes to software code can result in significant changes to software system behavior and quality, and, consequently, that it is necessary for developers to define and follow disciplined and appropriate processes.
4. "Computer software" or "software" means noncommercial computer software and noncommercial computer software documentation as it is defined in DFARS 252.227-7013 (**16**), and as such includes any noncommercial firmware that is to be developed or modified as programmable logic.

2.2 Where SPII Applies Regardless of contract type (i.e. fixed-price or cost-type)

a. Solicitations and contracts for services or services under which the contractor will develop or deliver software for an end item under the contract. If the application of the software involves integration in unprecedented ways, or involves the development of so-called "glue" code used to integrate the software, then SPII policy applies to the code to be written – not to the commercial item or unmodified legacy software.
b. Solicitations and contracts for the design and development of vehicles, weapons, or weapon systems, or components or parts thereof, under which the contractor will develop software for an end item under the contract.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

c. Solicitations and contracts for the production, maintenance or repair of vehicles, weapons, or weapon systems, or components or parts thereof, under which the contractor will develop software for an end item under the contract.
d. Solicitations and contracts for the maintenance and sustainment of computer software under which the contractor will develop software for an end item under the contract
e. Procurements for computer software wherein the software is modified to meet Government needs such that the software no longer meets the definition of "commercial item" as set forth in FAR 2.101 (**11**).
f. SBIR Phase II, SBIR Phase III, or other Small Business solicitations and contracts under which the contractor will develop software for an end item under the contract
g. Efforts that could be fairly characterized as software enhancement, software integration, software maintenance, or software modification for other purposes - so long as the contract work meets the definition of "software development" as defined by this document
h. Procurements that require sustainment of fielded software systems (to include corrective, adaptive, and perfective maintenance). See note below and the Software Development Plan (SDP) section under Procedures.

> Note: The Software Development Plans (SDPs) associated with these acquisitions need to cover only those IEEE/EIA Std 12207 processes and activities that are associated with the expected work content (such as the Maintenance process and the Problem Resolution Process). If any major enhancements are to be made to such systems, then the SDP must cover all processes that are applicable to such efforts.

2.3 Where SPII Does Not Apply

a. Solicitations and contracts for supplies, services, facilities or utilities under which no software development will be performed by the contractor for any end item under the contract. SPII is not required on previously developed computer software that will be delivered to the Government without modification (i.e. unmodified commercial off-the-shelf (COTS) software).
b. Solicitations and contracts for the production, maintenance, or repair of vehicles, weapons, or weapon systems, or components or parts thereof, under which no software development will be performed by the contractor for any end item under the contract
c. Solicitations and contracts for the post-Milestone C installation of software systems under which no software development will be performed by the contractor for any end item under the contract
d. Solicitations and contracts to acquire "software maintenance" as defined by DFARS 208.7401 (**15**), from the original manufacturer of commercial computer software, or its authorized representative
e. Solicitations and contracts for commercial computer software that do not require the contractor to modify the commercial computer software so that it no longer meets the definition of "commercial item" as set forth in FAR 2.101 (**11**)
f. Task orders under Level of Effort contracts, where the task order(s) do not require the development or delivery of computer software

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

g. Procurements of commercial computer software products, which will be acquired under the same licenses customarily provided to the public consistent with DFARS 227.7202 (**17**)
h. Small Business Innovation Research (SBIR) Phase I solicitations and contracts, since the dollar value should not exceed $150,000
i. FAR Part 13 (**12**) simplified acquisition procurements
j. FAR Part 14 (**13**) sealed bidding procurements

2.4 Software Development Plan (SDP)

The SPII policy language specifies the required characteristics and content of the SDP. The language describing the SDP contents may be placed into a Data Item Description (DID) for the SDP or, alternatively, may be included elsewhere in the solicitation or contract at the discretion of the SPAWAR acquisition manager. SPAWAR acquisition managers, as appropriate, may require supplemental information from the contractor about its proposed software development approach. There is no requirement that the specific IEEE/EIA Std 12207 documents need to be created, just that their information content must be provided in some format, as appropriate, for the proposed work effort. The way these are packaged can be tailored by the Government or by the Offerors, based on their organizational practices and based on the work effort. However, all information relating to the software development processes, activities, tasks, techniques, and tools to be used on an effort must be described.

3. RESPONSIBILITIES

3.1 Contract Specialist

- For competitive procurements: (1) incorporates the requirements outlined by this document into the Source Selection Plan (SSP) and (2) incorporates solicitation provisions L-709 “Draft Software Development Plan” and M-709 “Software Development Evaluation Factors for Award.”
- For sole source procurements, incorporate the provision at L-709 into the solicitation such that the contractor will develop and deliver an SDP in accordance with this policy.

3.2 PM / Technical Code

Defines, develops, and implements the following minimum set of core metrics specific to their program (includes all programs of record with any software, regardless of ACAT category) (DoN Software Measurement Policy for Software Intensive Systems (**18**)): - MDA approves metrics

- Software Size
- Cost/Schedule (WBS focus on software)
- Software Quality
- Software Organization

3.3 Prime Contractor

Ensures that computer software developed or delivered under an affected SPAWAR contract follows SPII policy (includes work performed by subcontractors).

4. PROCEDURE

4.1 SOW / SOO Technical Approach

Contract Specialist includes a “Technical Approach” section describing the Government’s expectations in the SOW/SOO. It is recommended that these expectations be based on the characteristics of the system to be developed and not mandated by any specific approach, but rather define the criteria with which

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

proposed approaches will be evaluated. In some cases, however, specific approaches may be required based on the Government's needs and the system to be acquired.

4.2 Software Engineering Approach

Within the "Technical Approach" section, there shall be a subsection titled "Software Engineering Approach", containing at a minimum the following language:

"Software Engineering

The contractor shall define a software development approach appropriate for the computer software effort to be performed under this solicitation. This approach shall be documented in a Software Development Plan (SDP) (CDRL A00x). The contractor shall follow this SDP for all computer software to be developed or maintained under this effort.

The SDP shall define the offeror's proposed life cycle model and the processes used as a part of that model. In this context, the term "life cycle model" is as defined in IEEE/EIA Std. 12207.0. The SDP shall describe the overall life cycle and shall include primary, supporting, and organizational processes based on the work content of this solicitation. In accordance with the framework defined in IEEE/EIA Std. 12207.0, the SDP shall define the processes, the activities to be performed as a part of the processes, the tasks which support the activities, and the techniques and tools to be used to perform the tasks. Because IEEE/EIA Std. 12207 does not prescribe how to accomplish the task, the offeror must provide this detailed information so the Government can assess whether the offeror's approach is viable.
The SDP shall contain the information defined by IEEE/EIA Std. 12207.1, section 5.2.1 (generic content) and the Plans or Procedures in Table 1 of IEEE/EIA Std. 12207.1. In all cases, the level of detail shall be sufficient to define all software development processes, activities, and tasks to be conducted. Information provided must include, as a minimum, specific standard, methods, tools, action, strategies, and responsibilities associated with development and qualification."

4.3 Software Development Plan (SDP)

The SDP must be written with sufficient detail to serve as the full guidance for the developers, to include both the prime contractor and any subcontractors. As such, they must include descriptions down to the level of 12207 tasks, as well as the way that these tasks are performed (techniques and tools). Separate lower-level contractor plans and instructions, such as Software Standards and Procedures Manuals (SSPMs), will not be permitted if they contain substantive guidance regarding how the software effort will be conducted, unless they are handled as an extension of the SDP and are under Government review and approval. This level of detail is important for the government to be able to effectively assess the proposed approaches, and to be able to monitor and track progress after award.

For the SDP content, the SPII policy refers to Table 1 (Information Item Matrix) of IEEE/EIA 12207.1 which lists a set of documentation items associated with a software development effort. This list includes eighteen Plans and nine Procedures which, taken as a whole, cover the software development life cycle. The information content of these plans and procedures must be included in the SDP wherever relevant to the work effort being procured.

- Sections 5.2 and 5.3 of IEEE/EIA 12207.1 define the generic content expectations for these Plans and Procedures. All topics listed in these

sections are required, but SPAWAR acquisition managers may annotate some topics as "not applicable" based on the work to be performed. Likewise, in preparing proposals, offerors may decide that certain topics are not applicable. In such cases, they must submit as a part of their proposals a rationale for why these topics are not applicable.

- Table 1 of 12207.1 describes two additional items defined as 'Descriptions" that address the development process. These are Software Development Standards Description and the Software Engineering Methods/Procedures/Tools Description. Even though these are not specifically mentioned in the SPII policy, the information content of these are closely associated with the planning process and so should also be included because they document the "specific standards, methods, tools, actions, strategies…associated with development and qualification."
- Section 6.5 of 12207.1 describes the content of a Development Process Plan, which is the plan that is the most similar to the SDP. Section 6.5 requires that the Plan include information concerning the thirteen activities associated with software development processes. All of these activities must be addressed within the SDP, but is a specific activity is not relevant to a software effort (that is, will not be applied), and then the activity may be annotated as "not applicable." Such exclusions must be justifiable. In addition, if the Government has a particular interest in requiring that certain activities be performed in a specific way, using certain techniques and/or tools, then these may be defined as a part of this language. It is extremely important, in all cases to include information concerning the 12207 Improvement Process.

4.4 Rationale

Offerors are required to submit, as a part of their proposal package, a rationale that validates the proposed approach in the context of the system to be developed and maps the elements of their approach to the CMMI ® framework. This rationale will assist in source selection by providing the Government with the reasoning used by the offerors to define the specific processes chosen. The Government will use this information to assist in evaluating the proposal but does not need to perform a formal analysis to verify the completeness and accuracy of the offeror's mapping.

4.5 CDRL

The software development process shall be designated as a CDRL, with initial delivery after contract award and periodic updates to be delivered subsequent to process improvement reviews. The SDP shall be subject to Government approval.

4.6 Data Item Description (DID)

The language describing the SDP contents may be placed into a Data Item Description (DID). The SDP should be modeled after the IEEE/EIA Std. 12207 standard. The Government should allow offerors to select their preferred format for this document. The content of the SDP should:

1. Document all processes applicable to the system to be acquired, including the Primary, Supporting, and Organizational life cycle processes as defined by IEEE/EIA Std. 12207 as appropriate;
2. Contain the content defined by all information items listed in Table 1 of IEEE/EIA Std. 12207.1, as appropriate for the system and be consistent with the processes proposed by developers. If any information item is not relevant to either the system or to the proposed process, that item need not be required;

3. Adhere to the characteristics defined in section 4.2.3 of IEEE/EIA Std. 12207, as appropriate; and
4. Contain information at a detail sufficient to allow the use of the SDP as the full guidance for the developers. In accordance with section 6.5.3a of IEEE/EIA Std. 12207.1, it should contain, "specific standards, methods, tools, actions, reuse strategy, and responsibility associated with the development and qualifications of all requirements, including safety and security."
5. DID No. DI-IPSC-81427A (**20**) provides the format and content preparation instructions for the data product resulting from specific task requirements delineated in the contract.

4.7 Source Selection Procedures

Source selection procedures shall be followed in accordance with FAR Part 15 (**14**), when requesting offerors to respond to clarifications, or to resubmit their SDPs, (i.e. request for Final Proposal Revisions (FPRs). The SDP is the key document for any software development activity: it will be used as one factor in performing source selection, and will form the basis for the SDP to be used during contract execution.

Requiring the SDP facilitates proposal evaluation and aids in the transition of the software approach into contract. The SDP may be formatted as desired by the offeror, but must contain the information described by the SPII policy (which may be placed into a DID). The SDP is not page limited, but must be concise, to-the-point, and appropriate to the planned software effort, since it is to be used as direction to the developers.

4.8 SDP Delivery and Periodic Reevaluation

After contract award, the SDP becomes a CDRL subject to Government approval. Final delivery of the SDP shall take place as soon after award as feasible, but no later than commencement of software activity. After the SDP CDRL has been submitted and approved, the Government will use the SDP for monitoring progress and providing indications of emerging risks and problems. As a formal CDRL, the SDP will be placed under configuration control, with all changes subject to Government approval.

The SDP should be reevaluated at least once every six months. This reevaluation should be performed in accordance with the Contractor's continuous process improvement defined within the SDP, and should be conducted to ensure that the applied processes are effective and documented. A contract modification shall be executed to incorporate any change to the SDP that subsequently would cause a change to the general scope of work.

4.9 Program Metrics

Final approval of the appropriate display and rules for rolling up the Program's measurement assessment into a senior display mechanism will be in compliance with Probability of Program Success (PoPs); and/or

- As a part of the source selection process, evaluate the Software Development Plan (SDP) and Software Development Plan Rationale [collectively designated as "Factor x" in provision M-709], relying on the standards of IEEE/EIA Std. 12207 to verify that the processes are appropriate to the software to be developed, are consistent with best practices, and are equivalent to at least CMMI ® capability Level 3; and
- Ensure that the Statement of Work/Statement of Objectives, and CDRLs contain the required language and characteristics

4.10 Waivers to the SPII Policy

The ASN (RD&A) Chief Engineer, or designee, is authorized to waive the requirement to comply with the SPII policy language. Coordinate with **SPAWAR Code 2.3A** for such waivers before they are submitted to the Chief Engineer to be considered.

5. APPROVALS

- **ASN(RD&A)**, or designee, approves SPII waivers.
- **MDA** approves program metrics.

6. TOOLBOX

6.1 Templates

1. SF18 – Request for Quotations
2. SF26 – Award/Contract
3. SF33 – Solicitation Offer and Award
4. SF1442 – Solicitation, Offer and Award (Construction, Alteration or Repair)
5. SF1447 – Solicitation/Contract
6. SF1449 – Solicitation/Contract/Order for Commercial Items
7. Option Form (OF) 307 – Contract Award
8. Option Form (OF) 308 – Solicitation and Offer (Negotiated Acquisition)
9. Option Form (OF) 347 – Order for Supplies and Services
10. DD1155 – Purchase Order Form

6.2 Policy and Regulation

1. FAR 2.101 Definitions
2. FAR Part 13 Simplified Acquisition Procedures
3. FAR Part 14 Sealed Bidding
4. FAR Part 15 Contracting by Negotiation
5. DFARS 208.7401 Enterprise Software Agreements (Definitions)
6. DFARS 252.227-7013 – Rights in Technical Data – Noncommercial Items
7. DFARS 227.7202 – Commercial Computer Software and Commercial Computer Software Documentation
8. Navy Software Measurement Policy - July 2008
9. Navy Policy for Software Intensive Systems – Sep 2008
10. DID No. DI-IPSC-81427A – SPAWAR Software Development Plan

6.3 Other Resources

1. Guidebook for Acquisition of Naval Software Intensive Systems – Sep 2008
2. SPII Contract Language – ASN(RD&A), Nov 2006
3. Overview of IEEE/EIA Std. 12207-1997
4. SPII Guidance for Use of Software Process Improvement Contract Language – ASN(RD&A), Jul 2007

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
April 2016	Content formatted and reorganized; links updated.
September 2010	Last version created in old format. No change notes available.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

OFFICE OF THE UNDER SECRETARY OF DEFENSE
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

ACQUISmON,
TECHNOLOGY,
ANO LOGISTICS

APR 0 1 2016

MEMORANDUM FOR COMMANDER, UNITED STATES SPECIAL OPERATIONS COMMAND (ATIN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES TRANSPORTATION COMMAND (ATTN: ACQUISITION EXECUTIVE)
ASSISTANT SECRETARY OF THE ARMY (ACQUISITION, LOGISTICS AND TECHNOLOGY)
ASSISTANT SECRETARY OF THE NAVY (RESEARCH, DEVELOPMENT AND ACQUISITION)
ASSISTANT SECRETARY OF THE AIR FORCE (ACQUISITION)
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Department of Defense Source Selection Procedures

This memorandum issues the new Department of Defense Source Selection Procedures (SSP) and rescinds the SSP issued on March 4, 2011, with exceptions noted below. This document expands the discussion of both Tradeoff and Lowest Price Technically Acceptable source selection procedures consistent with Better Buying Power initiatives, modifies evaluation methodologies, updates statutory and regulatory references, and includes best practices obtained through peer reviews.

Procedures are posted at http://www.acq.osd.mil/dpap/dars/dfars/html/current/215_3.htm and are effective as of the date of this memo. Solicitations with a Source Selection Plan approved by the Source Selection Authority prior to May 1, 2016 may continue to use the procedures dated March 4, 2011.

Questions may be directed to Ms. Sara Higgins, at 703-614-1255 or sara.a.higgins2.civ @mail.mil.

Claire M. Grady
Director, Defense Procurement
and Acquisition Policy

SOURCE SELECTION PROCEDURES

DEPARTMENT OF DEFENSE

Defense Federal Acquisition Regulation Supplement
Procedures, Guidance and Information
Subpart 215.3--Source Selection

March 31, 2016

Intentionally Left Blank

TABLE OF CONTENTS

1 PURPOSE, ROLES, AND RESPONSIBILITIES 1

1.1 PURPOSE 1
1.2 APPLICABILITY AND WAIVERS 1
1.3 BEST VALUE CONTINUUM 2
1.4 SOURCE SELECTION TEAM ROLES AND RESPONSIBILITIES 5

2 PRE-SOLICITATION ACTIVITIES 17

2.1 CONDUCT ACQUISITION PLANNING 17
2.2 DEVELOP A SOURCE SELECTION PLAN (SSP) 18
2.3 DEVELOP THE REQUEST FOR PROPOSALS 20
2.4 RELEASE THE REQUEST FOR PROPOSALS 22

3 EVALUATION AND DECISION PROCESS 23

3.1 EVALUATION ACTIVITIES 23
3.2 DOCUMENTATION OF INITIAL EVALUATION RESULTS 30
3.3 AWARD WITHOUT DISCUSSIONS 31
3.4 COMPETITIVE RANGE DECISION DOCUMENT 32
3.5 DISCUSSION PROCESS 32
3.6 FINAL PROPOSAL REVISIONS 33
3.7 DOCUMENTATION OF FINAL EVALUATION RESULTS 33
3.8 CONDUCT AND DOCUMENT THE COMPARATIVE ANALYSIS 34
3.9 BEST VALUE DECISION 34
3.10 SOURCE SELECTION DECISION DOCUMENT 35
3.11 DEBRIEFINGS 36
3.12 INTEGRATING PROPOSAL INTO THE CONTRACT 36

4 DOCUMENTATION REQUIREMENTS 37

4.1 MINIMUM REQUIREMENTS 37
4.2 ELECTRONIC SOURCE SELECTION 37

5 DEFINITIONS 38

LIST OF TABLES AND FIGURES

Table 1. Source Selection Process Considerations 3
Figure 1: Typical SST Structure for Solicitations ≥ $100M 6
Table 2A. Technical Rating Method 25
Table 2B. Technical Risk Rating Method 25
Table 3. Combined Technical/Risk Rating Method 26
Table 4. Past Performance Relevancy Rating Method 27
Table 5. Performance Confidence Assessments Rating Method 29
Table 6. Small Business Rating Method 30
Figure B-1: Subjective Tradeoff Scenario B-2
Figure B-2: VATEP Tradeoff Scenario B-3
Figure B-3: VATEP Adjustment Example B-6
Figure B-4: Value Adjusted Total Evaluated Price Steps B-7
Table C-1. Technical Acceptable/Unacceptable Rating Method C-2
Table C-2. Past Performance Acceptable/Unacceptable Rating Method C-3

LIST OF APPENDICES

APPENDIX A. DEBRIEFING GUIDE

APPENDIX B TRADEOFF SOURCE SELECTION PROCESS: SUBJECTIVE TRADEOFF AND VALUE ADJUSTED TOTAL EVALUATED PRICE (VATEP) TRADEOFF

APPENDIX C LOWEST PRICE TECHNICALLY ACCEPTABLE (LPTA) SOURCE SELECTION PROCESS

1 Purpose, Roles, and Responsibilities

1.1 Purpose

This document provides the Department of Defense (DoD) procedures for conducting competitively negotiated source selections and outlines a common set of principles and procedures for conducting such acquisitions in accordance with applicable statutes and regulations. The objective of these procedures is to ensure the Department's source selection process delivers quality and timely products and services to the Warfighter and the Nation at the best value to the taxpayer. Source selections should be structured and conducted to communicate the Government's requirements and objectives in clear, meaningful ways to encourage Industry to propose the best possible array of solutions, allow the Government to make meaningful differentiations amongst proposals, and ensure that the award represents the best value to the Warfighter and the Nation.

1.2 Applicability and Waivers

These procedures are applicable to all acquisitions conducted as part of a major system acquisition program, as defined in Federal Acquisition Regulation (FAR) 2.101, and all competitively negotiated FAR part 15 acquisitions with an estimated value greater than $10 million. To facilitate uniformity in the source selection process for both Government and Industry, ensure consistent ratings methodology and terminology within the Department, and increase efficiency in workforce training, the following policies supplement existing statute and regulations, unless waived in accordance with paragraph 1.2.4:

- For acquisitions with a total estimated value greater than or equal to $100 million (including options and/or planned orders), the Agency head shall appoint, in writing, an individual other than the Procuring Contracting Officer (PCO) as the Source Selection Authority (SSA); and the SSA shall establish a Source Selection Advisory Council (SSAC) (see paragraph 1.4.1.1 and 1.4.3.1.2);
- Source Selection Team (SST) Roles and Responsibilities shall be as described in paragraph 1.4;
- Organizations shall comply with requirements associated with the use of nongovernment Advisors as described in paragraph 1.4.6.2;
- Organizations shall use Rating Methods, Factors, and Descriptions presented in paragraph 3.1 and Appendix C depending on the type of source selection contemplated and shall consider risk whenever a technical factor is used;
- SSTs shall develop, maintain, and retain documentation required by Section 4.

As guidance, this document also consolidates a number of best practices and notes collected from preaward peer reviews, component reviews, and Program Executive Officer (PEO)/Program Manager (PM) focus group reviews.

1.2.1 These procedures are applicable to all competitively negotiated procurements meeting the requirements in paragraph 1.2, except those using:

- Federal Acquisition Regulation (FAR) subpart 8.4, Federal Supply Schedules;
- FAR part 12, Acquisition of Commercial Items, only if FAR part 12 is used solely in conjunction with part 13, Simplified Acquisition Procedures, or part 14, Sealed Bidding; and not used with FAR subpart 15.3, Source Selection (see paragraph 1.2.2);
- FAR part 13, Simplified Acquisition Procedures;
- FAR part 14, Sealed Bidding;
- FAR subpart 16.505(b)(1), Orders under multiple award contracts--Fair Opportunity (see also paragraph 1.2.3);
- FAR subpart 35.016, Broad Agency Announcements;
- FAR subpart 36.6, Architect-Engineer services; and
- 15 United States Code (U.S.C.), Section 638, to solicit and award Small Business Innovative Research, Small Business Technology Transfer Research and Small Business Technology Transfer acquisitions.

1.2.2 If FAR subpart 12.6, Streamlined Procedures for Evaluation and Solicitation for Commercial Items, is used in conjunction with FAR part 15, Contracting by Negotiation, source selection procedures, and not FAR part 13, Simplified Acquisition Procedures, this document shall apply for actions greater than $10 million.

1.2.3 Agencies shall consider the use of these procedures for orders under multiple-award (Fair Opportunity) greater than $10 million.

1.2.4 Waivers. For solicitations valued at $1 billion or more, waivers to provisions required by paragraph 1.2 of this document may only be approved with the express, written permission of the Director, Defense Procurement and Acquisition Policy (DPAP). Waivers for solicitations valued below $1 billion must be approved by the Senior Procurement Executive (SPE). The SPE may set lower internal dollar thresholds for use of these procedures as appropriate.

1.2.5 For all competitively negotiated acquisitions other than those in paragraph 1.2.1, contracting officers should refer to the procedures in Section 3 and the appendices herein for guidance in structuring a solicitation.

1.2.6 Compliance with applicable laws, FAR part 15, Defense Federal Acquisition Regulation Supplement (DFARS) part 215, and the companion resource Procedures, Guidance and Information (PGI) is required.

1.3 Best Value Continuum

In the best value continuum described in FAR 15.101, an agency can obtain best value in negotiated acquisitions by using any one or a combination of source selection approaches. This document describes source selection processes and some techniques that may be used to design

competitive acquisition strategies suitable for the specific circumstances of the acquisition, including: Value Adjusted Total Evaluated Price (VATEP) tradeoff source selection process with monetized adjustments included in the evaluated price for specific enhanced characteristics; tradeoff source selection process with subjective tradeoffs; and lowest price technically acceptable (LPTA) source selection process. These are not the only source selection processes available on the best value continuum. SSTs should carefully consider and use the approach that is most appropriate for their acquisition.

At one end of the continuum, LPTA is appropriate where: requirements are well defined; risk of unsuccessful contract performance is minimal; and there is no value, need, or willingness to pay for higher performance. Under LPTA all factors other than cost or price are evaluated on an "acceptable" or "unacceptable" basis. The tradeoff source selection process spans the entire remainder of the continuum.

Prior to determining the type of source selection appropriate for an acquisition, the Program Manager (PM) or Requirements Owner (RO), as applicable, in consultation with the contracting officer, must consider all aspects of the requirement. The team must ensure the aspects of a potential solution that will influence the Government's source selection are reflected in evaluation criteria in clear, concise, assessable terms. When developing source selection criteria, consider hybrid approaches, applying subjective and objective criteria as appropriate to evaluate elements of the proposal. Unless otherwise specifically required, these procedures may be tailored as appropriate to the particular procurement/acquisition to maximize competition and the efficiency and effectiveness of the competitive process, while ensuring the award can successfully withstand scrutiny. This will help avoid unnecessarily protracted source selections and provide the clearest method of determining which proposal is the most advantageous to the Government.

Table 1 illustrates how factors may drive the appropriate type of source selection and evaluation criteria selected. Care should be taken in determining the number of factors/subfactors to avoid adding unnecessary complexity and confusion to the source selection. Criteria should be tailored to balance objectivity and/or subjectivity in the evaluation with outcome and to emphasize areas of differentiation, particularly in source selections that utilize best value trade-offs.

Table 1. Source Selection Process Considerations

	Subjective Technical Factor(s) Required	Objective/ Measurable Technical Factor(s) Required	Performance Risk Evaluation Required	Lowest Eval. Cost/Price = Best Value	Monetized Requirements	Best Value Tradeoff
Subjective Tradeoff	Yes	Possible	Yes	Possible	Possible	Yes
VATEP Tradeoff	Possible	Yes (See para. B.2)	Yes	Possible	Yes	Yes
LPTA	No	Yes (Acceptable/ Unacceptable See Table C-1)	Evaluated with Technical Factor for acceptability only (See para. 2.3.4.2.1)	Yes	No	No

1.3.1 Tradeoff Source Selection (see FAR 15.101-1).

1.3.1.1 General Description. This process permits tradeoffs among cost or price and non-cost or price evaluation factors and allows the Government to accept other than the lowest priced proposal or other than the highest technically rated proposal to obtain objective (versus threshold) performance, lower risk, or innovative and technologically superior solutions. The application of this process, as well as general source selection principles, is discussed in the body of this document.

1.3.1.2 Within any tradeoff source selection process, the SST should give careful consideration to the number of requirements that must be evaluated. Generally, there are some requirements that are far more important to the Government than others. Source selections can be simplified when only those requirements that are critical to the user are subjectively evaluated by the SST and the rest of the requirements are evaluated on an acceptable/unacceptable basis, for example through a compliance matrix or other go/no go criteria.

1.3.1.3 Subjective Tradeoff. In instances where it is not in the Government's best interest to place a quantifiable value on higher proposed performance of technical capabilities or performance above established thresholds, the PCO, after consultation with the PM (if assigned), must clearly state in the Request for Proposal (RFP)/solicitation how the proposals will be subjectively evaluated using relative importance (see Appendix B). When assigning subjective value in evaluating proposals, it becomes even more critical for the SST to carefully document the proposed enhanced performance and the corresponding benefit/impact to the Government.

1.3.1.4 VATEP Tradeoff. In a tradeoff source selection, a total evaluated price is determined for each offeror. The Source Selection Authority (SSA) must then determine if a higher rated technical offer is "worth" the additional cost to the Government. In VATEP the "value" placed on better performance is identified and quantified in the RFP. This provides the offeror information to determine if the additional cost of offering better performance will put the offeror in a better position in the source selection. This also provides the SST the ability to assign a monetary value, or "monetize," the higher rated technical attributes, thus taking some of the subjectivity out of the best value evaluation. When using this method, the SST should ask the RO: What is the Government willing to pay for higher quality performance between threshold (minimum) and objective (maximum) criteria? The solicitation specifies the value for each parameter that provides additional value to the Government (see Appendix B).

1.3.2 LPTA Source Selection Process (see FAR 15.101-2).

1.3.2.1 General Description. LPTA is the appropriate source selection process to apply when the product or service to be acquired has well-defined requirements, minimal risk of unsuccessful contract performance, price has a dominant role in

source selection and there is no value, need or interest to pay for higher performance. "Well-defined requirements" means that the technical requirements and "technical acceptability" standards are clearly understood by the Government and can be clearly articulated to Industry in the solicitation. Under LPTA, there is no evaluation benefit to an offeror for a proposal to exceed a minimum requirement; proposals are evaluated simply as either "acceptable" or "unacceptable." Thus, there is no tangible benefit to an offeror to propose a higher priced technical approach that exceeds any minimum requirements. The LPTA process is appropriate when best value is expected to result from selection of the technically acceptable proposal with the lowest total evaluated price.

1.3.2.2 Application. The application of LPTA is discussed in Appendix C. In addition, the general principles outlined in this document also apply to LPTA (see Preface to Appendix C).

For LPTA, offerors will submit their lowest price based on its technical approach to meet minimum requirements. At the other end of the continuum, the Government may award to other than the lowest priced proposal using tradeoffs, and offerors must clearly understand the importance of evaluation factors in relation to each other and the value the Government is placing on non-cost or price factors.

1.3.3 Selecting the Source Selection Process. The PM or RO in conjunction with the contracting officer must consider a variety of factors when selecting the appropriate source selection process and structuring the source selection criteria to provide for a successful source selection, including, but not limited to:

- Is the requirement well defined and well understood by Industry?
- What aspects of the proposed solution are most important to successful performance/outcomes?
- What areas of performance are considered low/high risk?
- What aspects of the proposed solutions can be evaluated against a minimum standard to determine acceptability?
- In what areas are enhancements or performance above a minimum standard likely to have a substantial benefit to the Government and how is that best assessed/measured?
- How significant is cost/price relative to potential enhancements/above minimum performance in performance?
- What is the level of risk and what are the primary drivers of the risk of successful performance?

1.4 Source Selection Team Roles and Responsibilities

Source selection is accomplished by a team that is tailored to the specific acquisition. Teams for larger, more complex source selections generally consist of the SSA, PCO (if different from the SSA), Source Selection Advisory Council (SSAC), Source Selection Evaluation Board (SSEB), Advisors, Cost or Pricing Experts, Legal Counsel, Small Business Professionals/Specialists, and

other subject-matter experts. SST members may include personnel from other Departmental sources such as headquarters or joint service members. Key members of the SST—such as the SSA, SSAC Chairperson, SSEB Chairperson, functional leads, and the PCO— should have source selection experience in high dollar, complex acquisitions. All members of the team shall be designated early in the source selection process, and agencies shall provide the needed training to execute that specific source selection. See Figure 1 for an illustration of the roles and responsibilities defined in this section.

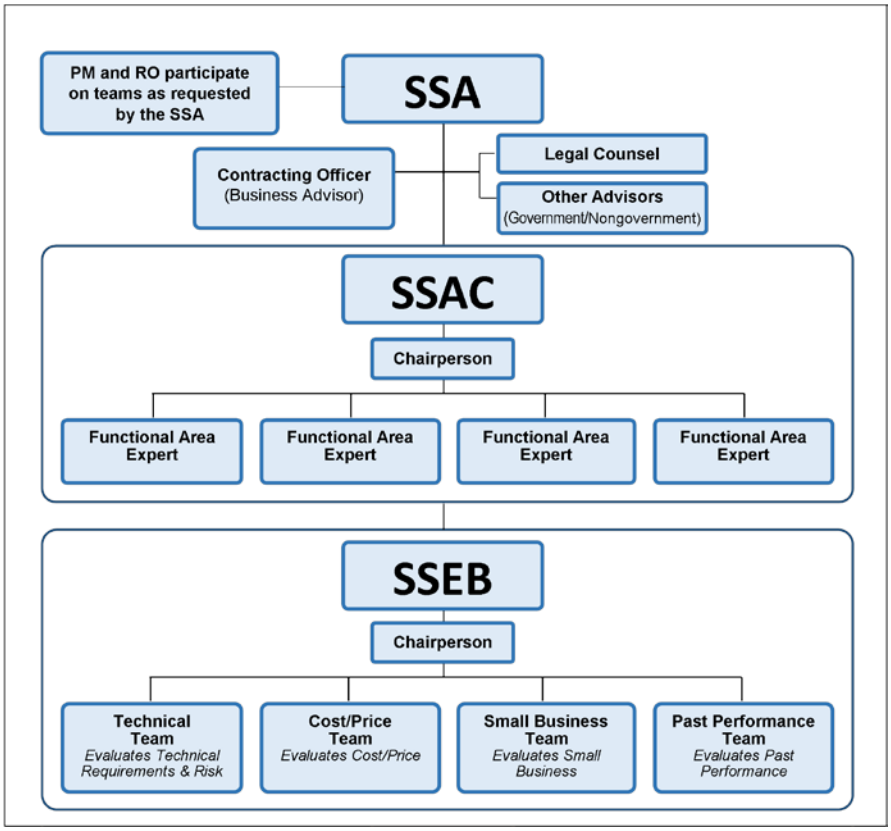


Figure 1: Typical SST Structure for Solicitations ≥ $100M

1.4.1 SSA.

1.4.1.1 SSA Appointment. The SSA is the individual designated to make the best value decision. The appointment of the individual to serve as the SSA shall be commensurate with the complexity and dollar value of the acquisition. For acquisitions with a total estimated value of $100 million or more, the Agency head shall appoint, in writing, an individual other than the PCO as the SSA. For all other acquisitions, the PCO may serve as the SSA in accordance with FAR 15.303(a) unless the Agency head or designee appoints another individual.

1.4.1.2 SSA Responsibilities. In addition to responsibilities listed in FAR 15.303(b) and DFARS 215.303(b)(2), the SSA shall:

1.4.1.2.1 Be responsible for the proper and efficient conduct of the source selection process in accordance with this document and all applicable laws and regulations.

1.4.1.2.2 Appoint the chairperson for the SSEB and, when used, the SSAC.

1.4.1.2.3 Ensure that personnel appointed to the SST are knowledgeable of policy and procedures for properly and efficiently conducting the source selection. Ensure the SST members have the requisite acquisition experience, skills, and training necessary to execute the source selection, and ensure the highest level of team membership continuity for the duration of the selection process.

1.4.1.2.4 For major system, service, or automated information systems acquisitions, ensure no senior leader is assigned to or performs dual leadership roles in the source selection in accordance with DFARS 203.170(a).

1.4.1.2.5 Ensure that realistic source selection schedules are established and source selection events are conducted efficiently and effectively in meeting overall program schedules. The schedules should support proper and full compliance with source selection procedures outlined in this document and the SSA-approved SSP for the acquisition.

1.4.1.2.6 Ensure all involved in the source selection are briefed and knowledgeable of applicable portions of 41 U.S.C. § 2102 - Prohibitions on Disclosing and Obtaining Procurement Information; FAR 3.104 regarding unauthorized disclosure of contractor bid and proposal information and source selection information; and 5 Code of Federal Regulations Part 2635, Standards of Ethical Conduct for Employees of the Executive Branch, regarding applicable standards of conduct (including procedures to prevent the improper disclosure of information). To confirm statutory and regulatory compliance, ensure all persons receiving source selection information sign a Non-disclosure Agreement and a Conflict of Interest statement. Ensure Conflict of Interest Statements (from both Government members/advisors and nongovernment team advisors) are appropriately reviewed and actual or potential conflict of interest issues are resolved prior to granting access to any source selection information.

1.4.1.2.7 If the solicitation states the Government intends to award without discussions and it is later determined that discussions are necessary, review and approve the PCO's written rationale (see FAR 15.306(a)(3)). If discussions will be conducted, review and approve the PCO's written determination of the competitive range or elimination of an offeror previously determined to be in the competitive range (see paragraph 3.4).

1.4.1.2.8 Select the source whose proposal offers the best value to the Government in accordance with evaluation criteria and basis for award stated in the solicitation.

1.4.1.2.9 Document the rationale in the Source Selection Decision Document (SSDD) (as detailed in paragraph 3.10).

1.4.2 PCO.

1.4.2.1 PCO Selection. The PCO will serve as the primary business advisor and principal guidance source for the entire source selection. Agencies have discretion in the selection of the individual to serve as the PCO. However, the PCO, as the principal guidance source, should have prior experience in the source selection process.

1.4.2.2 PCO Responsibilities. In addition to responsibilities listed in FAR 15.303(c), the PCO shall:

1.4.2.2.1 Manage all business aspects of the acquisition and work with the SSEB Chair to ensure the evaluation is conducted in accordance with the evaluation criteria specified in the solicitation. When an SSA and SSAC Chair are appointed, advise and assist them in the execution of responsibilities outlined in paragraphs 1.4.1.2 and 1.4.3.3.1

1.4.2.2.2 Ensure that required approvals are obtained and the appropriate notification clause is included in the solicitation before nongovernment personnel are allowed to provide source selection support (e.g., FAR 7.503 and 37.205).

1.4.2.2.3 In accordance with FAR 3.104 and DFARS 203.104, ensure that procedures exist to safeguard source selection information and contractor bid or proposal information (FAR 15.207). Approve appropriate access to source selection information and contractor bid or proposal information after consulting Legal Counsel before and after contract award.

1.4.2.2.4 Maintain, as a minimum, the documents and source selection evaluation records as detailed in Section 4 of this document.

1.4.2.2.5 Release the final solicitation only after obtaining all required approvals, including the SSA approval of the SSP.

1.4.2.2.6 Serve as the single point of contact for all solicitation-related inquiries from actual or prospective offerors.

1.4.2.2.7 After receipt of proposals, control exchanges with offerors in accordance with FAR 15.306.

1.4.2.2.8 For acquisitions with an estimated value of $100 million or more, per DFARS 215.306(c)(1), contracting officers should conduct discussions; however, discussions are highly encouraged. If the solicitation states the Government intends to award without discussions, determine whether discussions are necessary after reviewing proposal evaluation results. If discussions are determined to be necessary, document the rationale and submit it to the SSA for review and approval.

1.4.2.2.9 Prior to conducting discussions, determine the competitive range, document the basis for excluding any offeror from the competitive range, and submit it to the SSA for review and approval. Written notice of this decision shall be provided to the unsuccessful offeror(s) in accordance with FAR 15.503(a).

1.4.2.2.10 Conduct and document debriefings in accordance with Appendix A of this document and FAR 15.505 or 15.506, as applicable.

1.4.3 SSAC.

1.4.3.1 Establishment and Role of SSAC.

1.4.3.1.1 The SSA establishes an SSAC to gain access to functional area expertise to provide the support the SSA requires throughout the source selection process.

1.4.3.1.2 The SSA shall establish an SSAC for acquisitions with a total estimated value of $100 million or more unless a waiver is approved. An SSAC is optional, but strongly encouraged, for special interest acquisitions with a total estimated value of less than $100 million.

1.4.3.1.3 The primary role of the SSAC is to provide a written comparative analysis of offers and recommendation to the SSA. When an SSAC is established, it will provide oversight to the SSEB.

1.4.3.1.4 The SSA may convene the SSAC at any stage in the evaluation process as needed.

1.4.3.2 SSAC Composition.

1.4.3.2.1 The SSAC is comprised of an SSAC Chairperson and SSAC Members.

1.4.3.2.2 SSAC Members should represent the specific functional areas from which the SSA may require expertise.

1.4.3.3 SSAC Responsibilities.

1.4.3.3.1 SSAC Chairperson shall:

1.4.3.3.1.1 Appoint SSAC members, subject to SSA approval. Use of nongovernment personnel as voting members of the SSAC is prohibited. (FAR 7.503(c)(12)(ii)).

1.4.3.3.1.2 Consolidate the advice and recommendations from the SSAC into a written comparative analysis and recommendation for use by the SSA in making the best value source selection decision. Ensure that minority opinions within the SSAC are documented and included within the comparative analysis.

1.4.3.3.2 The SSAC members shall:

1.4.3.3.2.1 Review the evaluation results of the SSEB to ensure the evaluation process follows the evaluation criteria and the ratings are appropriately and consistently applied.

1.4.3.3.2.2 Using the SSEB ratings, as well as their own expertise, perform a comparative analysis of the proposals against one another to assess which proposal represents the best value as defined in the RFP.

1.4.4 SSEB.

1.4.4.1 SSEB Composition. The SSEB is comprised of a Chairperson and Evaluators (also known as SSEB members). As shown in Figure 1 and discussed below, SSEB members are frequently organized into functional teams corresponding to specific evaluation criteria (e.g., Technical Team, Cost/Price Team, Past Performance Team, Small Business Team). In those instances, a Functional Team Lead may be utilized to consolidate the evaluation findings of the team and serve as the primary team representative to the SSEB Chair.

1.4.4.1.1 Technical (or other Non-Cost/Price) Team.

1.4.4.1.1.1 Technical Advisors may assist the SST by identifying technological risks and capabilities and developing technical evaluation factors.

1.4.4.1.1.2 Technical Team members shall:

1.4.4.1.1.2.1 Advise the SSA, PCO, SSAC, and SSEB, as required, related to technical and risk matters in the source selection process.

1.4.4.1.1.2.2 Coordinate with SSEB members (especially cost/pricing experts) to ensure consistency between the technical portion of the proposal and proposed cost/prices.

1.4.4.1.1.2.3 Assist with the technical portion of the evaluation process.

1.4.4.1.2 Cost/Price Team.

1.4.4.1.2.1 Pursuant to FAR 15.404-1, the Contracting Officer is responsible for evaluating the reasonableness of offered prices. However, cost or pricing expertise is a critical component in the source selection process, especially for high dollar, complex acquisitions.

1.4.4.1.2.2 Cost/pricing team members shall:

1.4.4.1.2.2.1 Advise the SSA, PCO, SSAC, and SSEB, as required, on matters related to the cost or pricing aspects of the source selection process.

1.4.4.1.2.2.2 Coordinate with SSEB members (especially technical evaluators) to ensure consistency between the proposed costs/prices and other portions of the proposal.

1.4.4.1.2.2.3 Consider materiality and risk to the Government when making decisions on the level of information requested.

1.4.4.1.2.2.4 Use external Government resources (e.g., DCAA, DCMA) to perform cost modeling, track status or perform subcontractor and interdivisional assist audits, troubleshoot audit issues, augment technical evaluations, provide rate recommendations, etc., as appropriate. If a full audit is not required, ensure that the scope of the audit and the format of the audit findings are tailored to address significant cost risk presented in the proposal.

1.4.4.1.2.2.5 Participate as a non-voting member in the SSAC meetings, as requested.

1.4.4.1.3 Small Business Team.

1.4.4.1.3.1 Small Business Advisors may assist the SST by providing organizational small business goals, identifying market capabilities, and developing small business participation evaluation factors.

1.4.4.1.3.2 Small Business team members shall:

1.4.4.1.3.2.1 Advise the SSA, PCO, SSAC, and SSEB, as required, related to small business matters in the source selection process.

1.4.4.1.3.2.2 Assist with the small business portion of the evaluation process.

1.4.4.1.4 Past Performance Team.

1.4.4.1.4.1 Past Performance Advisors may assist the SST by compiling past performance information as delineated in paragraph 3.1.3.2 and developing past performance evaluation factors, as appropriate.

1.4.4.1.4.2 Past Performance Team members shall:

1.4.4.1.4.2.1 Advise the SSA, PCO, SSAC, and SSEB, as required, related to past performance matters in the source selection process.

1.4.4.1.4.2.2 Assist with the past performance portion of the evaluation process.

1.4.4.2 Use of nongovernment personnel as voting members of the SSEB is prohibited (see FAR 7.503(c)(12)(ii)).

1.4.4.3 Government personnel assigned to the SSEB shall consider this duty as their primary responsibility. Their source selection assignment shall take priority over other work assignments. Supervisors are responsible for ensuring that other work assignments do not adversely impact the source selection process.

1.4.4.4 SSEB Responsibilities.

1.4.4.4.1 SSEB Chairperson shall:

1.4.4.4.1.1 Be responsible for the overall management of the SSEB and act as the SSEB's interface to the SSAC (if utilized) and the SSA.

1.4.4.4.1.2 Establish functional evaluation teams, as appropriate, to support an efficient source selection evaluation. Appoint chairpersons and members to the functional evaluation teams, subject to approval of the SSA.

1.4.4.4.1.3 Ensure the skills of the personnel, the available resources, and the time assigned are commensurate with the complexity of the acquisition.

1.4.4.4.1.4 Ensure members of the SSEB are trained and knowledgeable on how an evaluation is conducted prior to reviewing any proposals.

1.4.4.4.1.5 Ensure the evaluation process follows the evaluation criteria and ratings are applied consistently.

1.4.4.4.1.5.1.1 Provide consolidated evaluation results in an SSEB Report to the SSA and/or the SSAC if the SSAC is designated as the interface between the SSEB and SSA.

1.4.4.4.1.6 Support any post-source-selection activities such as debriefings and postaward reviews/meetings, as required.

1.4.4.4.2 The SSEB members shall:

1.4.4.4.2.1 Conduct a comprehensive review and evaluation of proposals based solely on the evaluation criteria outlined in the RFP.

1.4.4.4.2.2 Assist the SSEB Chairperson in documenting the SSEB evaluation results.

1.4.4.4.2.3 Support any post-source-selection activities, such as debriefings and postaward reviews/meetings, as required.

1.4.4.4.3 Neither the SSEB Chairperson nor the SSEB members shall perform comparative analysis of proposals or make source selection recommendations unless requested by the SSA.

1.4.5 Legal Counsel.

1.4.5.1 Legal Counsel is an integral part of the source selection process and is crucial in reviewing documentation for legal sufficiency as well as providing legal advice throughout the source selection process.

1.4.5.2 Legal Counsel shall:

1.4.5.2.1 Advise the SSA, PCO, SSAC, and SSEB, as required, on matters related to the legal aspects of the source selection process.

1.4.5.2.2 In accordance with Agency procedures, review the RFP prior to issuance and review source selection documents to ensure consistency with law, policy, and regulations.

1.4.5.2.3 Participate as a non-voting member in the SSAC meetings.

1.4.5.2.4 In accordance with Agency procedures, review the proposed contract prior to award, and upon request, assist the PCO during discussions with the offerors and debriefing the unsuccessful offerors.

1.4.6 Other Advisors.

1.4.6.1 Government Advisors. Consideration should be given to the use of Government advisors to assist the SSA, SSAC, and SSEB, as appropriate. These advisors can provide expertise within specific functional areas. Government advisors may also be used to provide assistance to the SSEB as subject-matter experts, even when an SSAC is used.

1.4.6.2 Nongovernment Advisors. The SSA may authorize the use of nongovernment personnel as advisors.

1.4.6.2.1 Requirements for use of nongovernment advisors. All nongovernment advisors shall sign the non-disclosure agreement required to be signed by all Government employees who are participating in the source selection, even if the nongovernment advisors are employed by a contractor with a contract that contains a company-level non-disclosure agreement. They shall also submit documentation to the PCO indicating their personal stock holdings for a conflicts of interest review in consultation with the legal advisor prior to being allowed access to source selection information. The PCO shall include the results of this review in the contract file. The actual documents, which may contain Personally Identifiable Information, shall be retained by Legal Counsel. In addition, the PCO must ensure that before the nongovernment advisor is given access to proprietary or source selection information, that: 1) that the offerors have entered into their own non-disclosure agreement with the non-Government advisor, or with the company employing the nongovernment advisor (see FAR 9.505-4(b)), and 2) the Government has received the consent of the offerors to provide access to its proprietary information to the nongovernment advisor or the company which employs the nongovernment advisor. If nongovernment advisors are contemplated, it is a best practice to list in the RFP (and Draft RFP) the organizations that will be providing source selection support so that potential issues may be identified and resolved early in the source selection process.

1.4.6.2.2 Limitations on use of nongovernment advisors. Nongovernment advisors may assist in and provide input regarding the evaluation, but they may not determine ratings or rankings of offerors' proposals. Use of nongovernment personnel as voting members of the SSEB or SSAC (if convened) is prohibited. (FAR 7.503(c)(12)(ii)). Disclosure of past performance information to nongovernment personnel is strictly prohibited (see "Guidance for the Contractor Performance Assessment Reporting System (CPARS)"). Accordingly, nongovernment advisors shall not participate in the review and evaluation of past performance information (see FAR 42.1503(d)).

1.4.6.2.3 The use of nongovernment advisors, other than Federally Funded Research and Development Centers, shall be supported by a written determination based on FAR 37.203(d)(1) and 37.204(b).

1.4.7 Program Manager

For acquisitions where a PM is assigned, the PM provides a key leadership role in the source selection process and shall:

1.4.7.1 Ensure the technical requirements, consistent with the cognizant requirements document, are approved and stable, establish technical specifications, and develop a Statement of Work (SOW), Statement of Objectives (SOO), or Performance Work Statement (PWS). In conjunction with the RO, ensure an Independent Government Cost Estimate is developed before release of the final RFP.

1.4.7.2 Allocates the necessary resources including personnel, funding and facilities to support the source selection process.

1.4.7.3 Assists in the establishment of the SST to include serving as an advisor or member of the SSAC and/or the SSEB as needed.

1.4.7.4 Assists in the development of the evaluation criteria consistent with the technical requirements/risk.

1.4.7.5 During acquisition planning and development of the source selection methodology, identify areas where tailoring the source selection process would be beneficial to fully support program objectives. Coordinate tailoring recommendations and requests for waivers with the SSA and PCO to implement any changes to the process (see paragraph 1.2.4).

1.4.7.6 Support any post-source-selection activities such as debriefings and postaward reviews/meetings, as required.

1.4.8 Requirements Owner (RO)

The RO is generally the generator of the acquisition requirement based on the need to satisfy a capability or performance gap. The outcome and subsequent cost, schedule, and performance of the resulting product or service is completely dependent on the accuracy and specificity of the requirement. The RO shall:

1.4.8.1 Establish robust support, review, training on requirements development, and requirements validation procedures to ensure Government requirements are clear, concise, and descriptive in outlining the mission need and desired outcome.

1.4.8.2 Ensure that requirements documents are stable, reviewed, and validated by the appropriate authority outlined in Service and DoD Agency requirement validation procedures.

1.4.8.3 Assist with selecting a tradeoff methodology; identify whether specific, measurable above-minimum performance parameters exist for the acquisition; and

determine a commensurate monetary value which can be assigned to parameters for evaluation purposes.

1.4.8.4 Assist the PM (when assigned), the SSA, PCO, and SST with identifying the resources required to obtain a product or service that will meet Government performance standards and requirements.

2 Pre-Solicitation Activities

2.1 Conduct Acquisition Planning

2.1.1 Acquisition Planning. Appropriate acquisition planning is paramount for a successful source selection. FAR subpart 7.1 and DFARS subpart 207.1 address policies related to acquisition planning and development of written Acquisition Plans.

2.1.1.1 Requirements. The RO is responsible for ensuring funded requirements are effectively addressed within the requirements documents, and must convey these requirements to the PM (when assigned) for inclusion in the Acquisition Plan.

2.1.1.2 Risk Assessment. The RO, or PM (when assigned), in conjunction with the acquisition team members and stakeholders, shall conduct the risk analysis in accordance with FAR 7.105(a)(7) necessary to support the acquisition planning process. This assessment is critical in developing source selection criteria and evaluation factors.

2.1.1.3 Peer Reviews. Preaward peer reviews shall be conducted in accordance with DFARS 201.170 and PGI 201.170. Procurement values shall include all options and planned orders. The reviews shall be advisory in nature and conducted in a manner that preserves the authority, judgment, and discretion of the PM, PCO, and senior officials of the acquiring organization. As much as possible, these reviews should be combined with component-level reviews to promote efficiency. The acquisition team must build these review requirements into their acquisition planning milestones. Peer Review documents should be marked, "Source Selection Information – See FAR 2.101 and 3.104."

2.1.2 Market Research. Conducting market research is a responsibility shared by the PM, RO, and PCO, with assistance from the Small Business Professional/Specialist and other acquisition team members. Market research is essential to identifying capabilities within the market to satisfy the agency's needs and is key in developing source selection criteria that will ultimately determine whether commercial items or services, small businesses, or other public/private sectors of Industry can meet the Government's needs. Market research significantly influences the requirements document, is central to designing an acquisition strategy, and identifies candidate evaluation criteria, which influence the overall source selection process. Thorough and complete market research is the foundation of an effective source selection process. See FAR 10.001 and DFARS 210.001 for requirements and benefits of conducting and documenting market research. Early Industry involvement is essential in market research and is vital to the source selection process. Exchanging information on upcoming acquisitions improves Industry understanding of Government requirements and Government understanding of Industry capabilities (see FAR 15.201).

2.1.2.1 Presolicitation Notices. A "sources sought" synopsis or Request for Information published in the Federal Business Opportunities (https://www.fbo.gov/)

may be used as a market research tool to determine the availability and adequacy of potential business sources prior to determining the method of acquisition.

2.1.2.2 Industry Engagement/Industry Days. Industry engagement, under the guidance of the PCO, is essential to a successful competitive acquisition. In a memorandum dated February 2, 2011, "Myth-Busting: Addressing Misconceptions to Improve Communication with Industry during the Acquisition Process," the Administrator for Federal Procurement Policy in the Office of Management and Budget directed, in part, that agencies to remove unnecessary barriers to communication with Industry. Meaningful communications with Industry should begin early during the development of the contract requirements and the acquisition strategy. This helps ensure the Government has realistic requirements and is aware of Industry best practices, new technologies, innovative alternatives and potential capabilities while building specifications, statements of work, and/or performance work statements. To ensure the best possible proposals from Industry and the best possible outcome for the Government, the SST should provide opportunities for meaningful interaction with Industry, including one-on-one meetings with individual firms.

A vital tool in collecting information and feedback important to framing the Department's acquisition strategy is the use of Industry days (e.g., presolicitation conferences, pre-proposal conferences). An Industry day is highly recommended, and in many cases, there should be more than one as the acquisition strategy formulation evolves and evaluation criteria are developed.

2.1.2.3 Draft Request for Proposals (RFP). A draft RFP is an important tool to seek input from Industry on the Department requirement and ensure greater understanding on both sides of the acquisition. Use of one or more draft RFPs is highly recommended, and the issuance of multiple draft RFPs for Industry comment should be considered, depending on the complexity of the acquisition. The specific content of a draft RFP ultimately will be determined by the PM and PCO and should be coordinated with Legal Counsel prior to release to Industry in accordance with agency procedures. While the use of a draft RFP will not reduce the length of time Industry needs to build and submit proposals, it will positively impact the level of competition, volume of bidders' questions, number of RFP amendments, and quality of the RFP, proposals, and resultant contract.

2.2 **Develop a Source Selection Plan (SSP)**

A written SSP is required for all competitive acquisitions that use these source selection procedures. In accordance with DFARS 215.303(b)(2), the SSA shall approve the SSP before the final solicitation is issued. At a minimum, the SSP shall include:

2.2.1 Background and Objectives. Include a brief description of the requirement, a summary of the objectives, and any reference to applicable guidance.

2.2.2 Acquisition Strategy. Provide a synopsis of the planned acquisition approach to include a description of how the specific acquisition being competed fits into the entire program.

2.2.3 Source Selection Team. Describe the organizational structure and identify the various roles and responsibilities of the source selection team, such as the SSA, Advisors, SSAC, SSEB, the PCO, and functional teams (e.g., Technical, Cost/Price, Small Business, and Past Performance). List members and advisors by name, position and title, organization, company affiliation (if applicable), and functional area.

2.2.4 Communications. Describe the process and controls for communication with Industry as well as internal Government team communication, to include the use of email, during the source selection. Outline the security measures that will be utilized to ensure that "source selection information" is marked "Source Selection Information – See FAR 2.101 and 3.104" and the network(s) on which such information is stored or shared is protected from staff members or support contractors outside the SST (see FAR 2.101 and FAR 3.104).

2.2.5 Evaluation Factors and Subfactors. Include evaluation criteria within the SSP document or attach the relevant and most current portions of the solicitation (e.g., Section L (Instructions, Conditions, and Notices to Offerors) and Section M (Evaluation Factors for Award)) to preclude inconsistencies between the SSP and the solicitation.

2.2.6 Documentation. Identify the types of documents that will be prepared during the course of the source selection, to include at a minimum, an SSEB Report covering the initial evaluation, updated as necessary following responses to discussions; a final SSEB Report after receipt of Final Proposal Revisions; an SSAC Report, if there is an SSAC, which reflects the SSAC's consideration of the final SSEB Report and makes the SSAC's recommendation to the SSA; and the SSDD, which reflects the SSA's independent judgment in accordance with FAR 15.308. The SSDD shall document the rationale for any tradeoffs made or relied upon by the SSA, including benefits associated with additional costs, and for any business judgments.

2.2.7 Schedule of Events. List the major acquisition activities and projected completion dates. Include key events such as peer reviews, Industry Days, and draft RFPs (see paragraph 2.1) as significant source selection activities.

2.2.8 Nongovernment Advisors. Address the use of nongovernment advisors and compliance with requirements of paragraph 1.4.6.2.

2.2.9 Securing Source Selection Materials. Detail the plan for securing all source selection materials throughout the evaluation process.

2.3 **Develop the Request for Proposals**

A well-written RFP is absolutely critical to the success of the source selection. The SST shall ensure consistency between the requirements documents, SSP, and RFP. The acquisition team must ensure a clear linkage between the requirements and evaluation factors to maximize the accuracy and clarity of the RFP.

2.3.1 Evaluation Factors/Subfactors. Evaluation factors and subfactors represent those specific characteristics that are tied to significant RFP requirements and objectives having an impact on the source selection decision and which are expected to be discriminators or are required by statute/regulation. They are the uniform baseline against which each offeror's proposal is evaluated, allowing the Government to make a best value determination.

2.3.2 Evaluation Factor/Subfactor Weighting. The evaluation of factors and subfactors may be quantitative, qualitative, or a combination of both. However, numerical or percentage weighting of the relative importance of evaluation factors and subfactors shall not be used. [NOTE: Numerical or percentage weighting of the relative importance of evaluation factors and subfactors is different than assigning quantifiable or monetized value tradeoffs in evaluating an offeror's proposal as addressed in Appendix B.]

2.3.3 The solicitation may prescribe minimum "go/no go" or "pass/fail" gates as criteria that an offeror's proposal must meet before advancing in the proposal evaluation process.

2.3.4 Evaluation Factor/Subfactor Documentation. The evaluation factors and subfactors shall be set forth in the solicitation in enough depth to communicate how requirements will be evaluated. The evaluation factors and subfactors shall be the primary determinant of the detailed information requested in the solicitation's instructions to offerors. If subfactors are used, they are to be evaluated separately. All source selections shall evaluate cost or price and the quality of the product or service.

2.3.4.1 Cost or Price. The Government shall evaluate the cost or price of the supplies or services being acquired (see FAR 15.305(a)(1) and 15.404-1(a)(1)). See paragraph 3.1.1 for more information.

2.3.4.2 Quality of Product or Service. In accordance with FAR 15.304(c)(2), the quality of product or service shall be addressed in every source selection through consideration of one or more non-cost evaluation factors such as past performance, compliance with solicitation requirements, technical excellence, management capability, personnel qualifications, and prior experience.

NOTE: The term "technical," as used below and throughout the document, refers to non-cost factors other than past performance. More than one technical factor can be used and titled to match the specific evaluation criteria appropriate for the RFP. Unless stated otherwise in this document, the ratings in Table 2A and Table 2B or

Table 3 shall be used for all quality of product or service factors other than past performance, regardless of the technical factor title.

2.3.4.2.1 Technical. The purpose of the technical factor(s) is to assess the offeror's proposed approach, as detailed in its proposal, to satisfy the Government's requirements. There are many aspects which may affect an offeror's ability to meet the solicitation requirements. Examples include technical approach, risk, management approach, personnel qualifications, facilities, and others. The evaluation of risk is related to the technical assessment. Consistent with USD(AT&L) Better Buying Power initiatives and dependent on the best value method selected, coordinate with the RO to provide offerors the monetary value of performance or capabilities above threshold requirements in the RFP whenever possible when deemed to be in the best interest of the Government.

The technical factor may be divided into subfactors that represent the specific areas that are significant enough to be discriminators and to have an impact on the source selection decision. When subfactors are used, establish the minimum number necessary for the evaluation of proposals.

Technical Risk. Risk assesses the degree to which the offeror's proposed technical approach for the requirements of the solicitation may cause disruption of schedule, increased costs, degradation of performance, the need for increased Government oversight, or increased likelihood of unsuccessful contract performance. All evaluations that include a technical evaluation factor shall also consider risk, separately or in conjunction with technical factors, with the exception of LPTA where the technical proposal is evaluated only for acceptability based on stated criteria. Risk can be evaluated in one of two ways:

- As a separate risk rating assigned at the technical factor or subfactor level (see paragraph 3.1.2.1).

- As one aspect of the technical evaluation, inherent in the technical evaluation factor or subfactor ratings (see paragraph 3.1.2.2).

2.3.4.2.2 Past Performance. The past performance evaluation factor assesses the degree of confidence the Government has in an offeror's ability to supply products and services that meet users' needs, based on a demonstrated record of performance. Unless waived by the PCO, after consultation with the SSA and PM (if a PM is assigned), a past performance evaluation is required in accordance with FAR 15.304(c)(3). A past performance evaluation may be accomplished for acquisitions below these thresholds at the discretion of the SSA. Past performance need not be evaluated if the PCO documents the reason past performance is not an appropriate evaluation factor for the acquisition (FAR 15.304(c)(3)(iii)). With appropriate parameters to assess past performance recency and relevancy, ratings of "acceptable" or "unacceptable" may be used

(see Appendix C, Table C-2) if past performance is not a discriminating factor in the source selection.

2.3.4.2.3 Small Business Participation. Where required by FAR 15.304(c)(4) and DFARS 215.304(c)(i), the SSEB shall evaluate the extent of participation of small business concerns. This may be accomplished by one of the following:

- Establishing a separate Small Business Participation evaluation factor, or
- Establishing a Small Business Participation subfactor under the technical factor, or
- Considering Small Business Participation within the evaluation of one of the technical subfactors.

With appropriate parameters to measure the extent of small business participation, Small Business participation may be evaluated using an "acceptable" or unacceptable" rating (see Table 6).

2.3.5 Relative Importance of Factors. If using the tradeoff source selection process, all factors and significant subfactors that will affect contract award and their relative importance shall be stated clearly in the solicitation (see FAR 15.304(d)). The solicitation shall state, at a minimum, whether all evaluation factors other than cost or price, when combined, are (1) significantly more important than cost or price; (2) approximately equal to cost or price; or (3) significantly less important than cost or price (see FAR 15.304(e)).

2.4 Release the Request for Proposals

As stated in paragraph 2.1.2.3, use of draft RFPs is highly recommended. Prior to release of the final RFP, a thorough, consolidated review by a multi-disciplined team is highly recommended for solicitations below the threshold for formal peer reviews required by DFARS 201.170.

3 Evaluation and Decision Process

3.1 Evaluation Activities

The SSEB shall conduct an in-depth review of each proposal against the factors and subfactors established in the solicitation, and assign evaluation ratings (see FAR 15.305). The standardized rating tables and rating definitions detailed in this document are required to be used for adjectival ratings. For any technical factors and factors/subfactors evaluated on other than an "acceptable/unacceptable" basis, including risk, the ratings in this section shall be utilized. When any factors/subfactors are not discriminating factors in the source selection and evaluated on an "acceptable/unacceptable" basis, the ratings set forth in Appendix C, Table C-1 shall be utilized.

3.1.1 Cost or Price Evaluation. Cost or price to the Government shall be evaluated in every source selection. However, no adjectival ratings shall be utilized for evaluating cost or price. The level of detail of analysis required will vary among acquisitions depending on the complexity and circumstances of the acquisition, including the degree of competition, the phase of the program, the type of product/services to be acquired, and the contract type. In order to enable offerors to make informed decisions about how best to propose, every solicitation will provide an adequate description of the cost or price evaluation. In all source selections, the analysis must include a determination, by the PCO, of whether the proposed cost or price is fair and reasonable (FAR 15.305(a)(1)).

3.1.1.1 All offers with separately priced line items or subline items shall be analyzed to determine if the prices are unbalanced (FAR 15.404-1(g)). Offers may be rejected if the PCO determines the lack of balance poses an unacceptable risk to the Government. Prices determined to be unbalanced shall be thoroughly documented during the evaluation process for inclusion in the SSDD.

3.1.1.2 When contracting on a cost-reimbursement basis, evaluations shall include a cost realism analysis to determine what the Government should realistically expect to pay for the proposed effort and to evaluate the offeror's understanding of the work and ability to perform the contract. The resultant probable cost shall be used for purposes of evaluation to determine the best value (FAR 15.305(a)(1), 15.404-1(c)(1), and 15.404-1(d)(2)).

3.1.1.3 When contracting on a firm-fixed-price or fixed-price with economic price adjustment basis, comparison of the proposed prices will usually satisfy the requirement to perform a price analysis since competition normally establishes price reasonableness, and a cost analysis need not be performed (see FAR 15.305(a)(1)).

3.1.1.4 Cost realism analyses may be used on competitive fixed-price incentive contracts or, in exceptional cases, on other competitive fixed-price type contracts, to assess the offeror's understanding of the requirement. Results of these analyses may be used in cost risk assessments, performance risk assessments and responsibility determinations; they may not be used to establish a Most Probable Cost. Thus, only

the offered price on these fixed-price contracts may be used to make a value adjustment when using VATEP (see FAR 15.404-1(d)(3) and Appendix B, paragraph B.4.2).

3.1.1.5 When FAR 52.222-46, Evaluation of Compensation for Professional Employees (February 1993), is included in the contract, the Government shall evaluate whether an awardee understands the contract requirements and has proposed a compensation plan appropriate for those requirements.

3.1.1.6 Additional guidance on cost or price evaluation may be found at FAR 15.4. Current Department initiatives may be found at the DPAP website (http://www.acq.osd.mil/dpap/DP/docs/Defense_Pricing_trifold11.13.pdf).

3.1.2 Technical Rating Evaluation Processes (See Appendix C for LPTA). The technical rating reflects the degree to which the proposed approach meets or does not meet the threshold performance or capability requirements. Evaluations shall be in accordance with the criteria established in the solicitation (see paragraph 2.3.1). The relative strengths, deficiencies, significant weaknesses, and risks identified as the result of the proposal evaluation shall be documented in the contract file. The solicitation shall include a notice to inform offerors that performance or capabilities proposed above mandatory minimums may be incorporated into the contract particularly if the VATEP source selection process will be used (see FAR 15.306(d)(4) and paragraph 3.12).

As referenced in paragraph 2.3.4.2.1, one of two distinct methodologies can be used to evaluate the technical approach and related risk. Methodology 1, outlined at paragraph 3.1.2.1, provides separate technical and risk ratings. Methodology 2, outlined at paragraph 3.1.2.2, includes risk associated with the technical approach in a single rating.

3.1.2.1 Methodology 1: Separate Technical/Risk Rating Process.

3.1.2.1.1 Technical Rating. The offeror's technical solution will be rated separately from the risk associated with its technical approach. The technical rating evaluates the quality of the offeror's technical solution for meeting the Government's requirement. The risk rating considers the risk associated with the technical approach to meeting the requirement. Unless a waiver is granted, technical evaluations shall utilize the ratings listed in Table 2A and Table 2B.

Table 2A. Technical Rating Method

Color Rating	Adjectival Rating	Description
Blue	Outstanding	Proposal indicates an exceptional approach and understanding of the requirements and contains multiple strengths.
Purple	Good	Proposal indicates a thorough approach and understanding of the requirements and contains at least one strength.
Green	Acceptable	Proposal indicates an adequate approach and understanding of the requirements.
Yellow	Marginal	Proposal has not demonstrated an adequate approach and understanding of the requirements.
Red	Unacceptable	Proposal does not meet requirements of the solicitation and, thus, contains one or more deficiencies and is unawardable.

3.1.2.1.2 Technical Risk Rating. Assessment of technical risk, which is manifested by the identification of weakness(es), considers potential for disruption of schedule, increased costs, degradation of performance, the need for increased Government oversight, and/or the likelihood of unsuccessful contract performance. Technical risk shall be rated using the ratings listed in Table 2B. For firm-fixed-price contracts, the reference to increased cost may be removed from the risk rating descriptions.

Table 2B. Technical Risk Rating Method

Adjectival Rating	Description
Low	Proposal may contain weakness(es) which have little potential to cause disruption of schedule, increased cost or degradation of performance. Normal contractor effort and normal Government monitoring will likely be able to overcome any difficulties.
Moderate	Proposal contains a significant weakness or combination of weaknesses which may potentially cause disruption of schedule, increased cost or degradation of performance. Special contractor emphasis and close Government monitoring will likely be able to overcome difficulties.
High	Proposal contains a significant weakness or combination of weaknesses which is likely to cause significant disruption of schedule, increased cost or degradation of performance. Is unlikely to overcome any difficulties, even with special contractor emphasis and close Government monitoring.
Unacceptable	Proposal contains a material failure or a combination of significant weaknesses that increases the risk of unsuccessful performance to an unacceptable level.

3.1.2.2 Methodology 2: Combined Technical/Risk Rating. The combined technical/risk rating includes consideration of risk in conjunction with the strengths, weaknesses, significant weaknesses, uncertainties, and deficiencies in determining technical ratings. Unless a waiver is granted, combined technical/risk evaluations shall utilize the combined technical/risk ratings listed in Table 3 and the risk descriptions set forth in Table 2B.

Table 3. Combined Technical/Risk Rating Method

Color Rating	Adjectival Rating	Description
Blue	Outstanding	Proposal indicates an exceptional approach and understanding of the requirements and contains multiple strengths, and risk of unsuccessful performance is low.
Purple	Good	Proposal indicates a thorough approach and understanding of the requirements and contains at least one strength, and risk of unsuccessful performance is low to moderate.
Green	Acceptable	Proposal meets requirements and indicates an adequate approach and understanding of the requirements, and risk of unsuccessful performance is no worse than moderate.
Yellow	Marginal	Proposal has not demonstrated an adequate approach and understanding of the requirements, and/or risk of unsuccessful performance is high.
Red	Unacceptable	Proposal does not meet requirements of the solicitation, and thus, contains one or more deficiencies, and/or risk of unsuccessful performance is unacceptable. Proposal is unawardable.

3.1.3 Past Performance Evaluation (See Appendix C for LPTA). The past performance evaluation results in an assessment of the offeror's probability of meeting the solicitation requirements. Past performance need not be evaluated if the contracting officer, with the PM's concurrence if a PM is assigned, documents the reason it is not an appropriate evaluation factor in accordance with FAR 15.304(c)(3)(iii). The past performance evaluation considers each offeror's demonstrated recent and relevant record of performance in supplying products and services that meet the contract's requirements. In accordance with FAR 15.305(a)(2), the currency and relevance of the information, source of the information, context of the data, and general trends in contractor's performance shall be considered. These are combined to establish one performance confidence assessment rating for each offeror.

3.1.3.1 There are three aspects to the past performance evaluation: recency, relevancy (including context of data), and quality (including general trends in contractor performance and source of information).

3.1.3.1.1 Recency. The first is to evaluate the recency of the offeror's past performance. Recency is generally expressed as a time period during which past performance references are considered relevant, and is critical to establishing the relevancy of past performance information. With appropriate parameters to assess past performance recency, descriptions and ratings of "acceptable" or "unacceptable" provided in Appendix C, Table C-2, may be used if past performance is not a discriminating factor in the source selection.

3.1.3.1.2 Relevance. The second is to determine how relevant a recent effort accomplished by the offeror is to the effort to be acquired through the source selection. The criteria to establish what prior performance is recent and relevant shall be unique to each source selection and shall be stated in the solicitation. In establishing what is relevant for the acquisition, consideration should be given to those aspects of an offeror's history of contract (or subcontract) performance that would provide the most context and give the greatest ability to measure whether the offeror will successfully satisfy the current requirement. Common aspects of relevancy include, but are not limited to, the following: similarity of product/service/support, complexity, dollar value, contract type, use of key personnel (for services), and extent of subcontracting/teaming.

There are four levels of relevancy as shown in Table 4. When source selections require a greater level of discrimination within the past performance evaluation, the SST shall use all four of the relevancy ratings identified below. However, for those source selections requiring less discrimination in the past performance evaluation and with appropriate parameters to assess past performance relevancy, descriptions and ratings of "acceptable" or "unacceptable" provided in Appendix C, Table C-2, may be used. The SSP shall clearly identify the treatment of relevancy within the past performance evaluation. With respect to relevancy, past performance of greater relevancy will typically be a stronger predictor of future success and have more influence on the past performance confidence assessment than past performance of lesser relevance.

Table 4. Past Performance Relevancy Rating Method

Adjectival Rating	Description
Very Relevant	Present/past performance effort involved essentially the same scope and magnitude of effort and complexities this solicitation requires.
Relevant	Present/past performance effort involved similar scope and magnitude of effort and complexities this solicitation requires.
Somewhat Relevant	Present/past performance effort involved some of the scope and magnitude of effort and complexities this solicitation requires.
Not Relevant	Present/past performance effort involved little or none of the scope and magnitude of effort and complexities this solicitation requires.

3.1.3.1.3 Quality of Products or Services. The third aspect of the past performance evaluation is to establish the overall quality of the offeror's past

performance (see FAR 15.304(c)(2)). The past performance evaluation conducted in support of a current source selection does not establish, create, or change the existing record and history of the offeror's past performance on past contracts; rather, the past performance evaluation process gathers information from customers on how well the offeror performed those past contracts. Requirements for considering history of small business utilization are outlined at FAR 15.304(c)(3)(ii) and DFARS 215.305(a)(2). The Past Performance Evaluation Team will review all past performance information collected and determine the quality of the offeror's performance, general trends, and usefulness of the information and incorporate these into the performance confidence assessment (see paragraph 3.1.3.3). A separate quality assessment rating is not required; rather, the past performance confidence assessment rating is based on the offeror's overall record of recency, relevancy, and quality of performance.

3.1.3.2 Sources of Past Performance Information for evaluation are as follows:

- Past performance information may be provided by the offeror, as solicited;

- Past performance information may be obtained from questionnaires tailored to the circumstances of the acquisition; and

- Past performance information may be obtained from any other sources available to the Government, to include, but not limited to, the Past Performance Information Retrieval System (PPIRS), Federal Awardee Performance and Integrity Information System (FAPIIS), Electronic Subcontract Reporting System (eSRS), or other databases; the Defense Contract Management Agency; and interviews with Program Managers, Contracting Officers, and Fee Determining Officials.

3.1.3.3 Performance Confidence Assessment. When source selections require a greater level of discrimination with the past performance evaluation, the SSEB shall use all confidence ratings identified in Table 5. For those source selections requiring less discrimination in the past performance evaluation, the past performance evaluation team may use, as a minimum, "Satisfactory," "Limited," "No," and "Neutral" confidence ratings. The Table 5 ratings may also be used for evaluation of a technical factor or subfactor for "Corporate Experience" that also evaluates past experience.

In the case of offerors for which there is no information on past contract performance or where past contract performance information is not available, the offeror may not be evaluated favorably or unfavorably on the factor of past contract performance (see FAR 15.305(a)(2)(iv).) In this case, the offeror's past performance is unknown and assigned a performance confidence rating of "neutral." Although the SSEB may not rate an offeror that lacks recent, relevant past performance favorably or unfavorably with regard to past performance, the SSAC may recommend and the SSA may determine, that a "Substantial Confidence" or "Satisfactory Confidence" past

performance rating is worth more than a "Neutral Confidence" past performance rating in a best value tradeoff as long as the determination is consistent with stated solicitation criteria.

Table 5. Performance Confidence Assessments Rating Method

Adjectival Rating	Description
Substantial Confidence	Based on the offeror's recent/relevant performance record, the Government has a high expectation that the offeror will successfully perform the required effort.
Satisfactory Confidence	Based on the offeror's recent/relevant performance record, the Government has a reasonable expectation that the offeror will successfully perform the required effort.
Neutral Confidence	No recent/relevant performance record is available or the offeror's performance record is so sparse that no meaningful confidence assessment rating can be reasonably assigned. The offeror may not be evaluated favorably or unfavorably on the factor of past performance.
Limited Confidence	Based on the offeror's recent/relevant performance record, the Government has a low expectation that the offeror will successfully perform the required effort.
No Confidence	Based on the offeror's recent/relevant performance record, the Government has no expectation that the offeror will be able to successfully perform the required effort.

3.1.4 Small Business Evaluation (See Appendix C for LPTA). The SSEB shall evaluate the extent of participation of small business concerns (see paragraph 2.3.4.2.3 for evaluation methodologies). The small business participation objectives or requirements shall be clearly stated in the solicitation and, when possible, should state percentage goals for work to be performed by small businesses with applicable breakdown of goals for various categories of small business concerns (e.g., small business, small disadvantaged business, historically underutilized business zone small business, etc.). The ratings utilized for the small business evaluation will be dependent on the small business evaluation methodology utilized.

3.1.4.1 When evaluating small business participation as a stand-alone evaluation factor or a subfactor under the technical factor, there are two rating options as follows:

3.1.4.1.1 Use the descriptions and "acceptable" and "unacceptable" ratings in Table 6.

3.1.4.1.2 Utilize all ratings outlined in Table 6.

Table 6. Small Business Rating Method

Color Rating	Adjectival Rating	Description
Blue	Outstanding	Proposal indicates an exceptional approach and understanding of the small business objectives.
Purple	Good	Proposal indicates a thorough approach and understanding of the small business objectives.
Green	Acceptable	Proposal indicates an adequate approach and understanding of small business objectives.
Yellow	Marginal	Proposal has not demonstrated an adequate approach and understanding of the small business objectives.
Red	Unacceptable	Proposal does not meet small business objectives.

3.1.4.2 When small business participation is not evaluated as a stand-alone evaluation factor or subfactor but instead is considered within the evaluation of one of the technical subfactors, a separate small business rating is not applied. However, small business participation shall be considered in determining the appropriate technical rating to be applied. References to the term "requirements" in the technical ratings description at Table 2A or Table 3 shall equate to small business requirements, often reflected in the RFP as small business objectives.

3.1.5 Solicitation errors, ambiguities, or changes. If at any time during the course of evaluation or discussions the Government becomes aware of an error, ambiguity, or change in the evaluation criteria or requirements, the PCO shall consult with Legal Counsel and the SSA concerning whether it is necessary or appropriate to amend the RFP or resolicit. NOTE: It is almost always necessary to amend the RFP if there is an error or ambiguity that is causing offers to vary widely either in terms of price or technical matters. Cancellation of a solicitation requires a reasoned assessment that the Government's needs have changed to such a substantial degree that additional offeror(s) would participate in the competition if the Government issues a new solicitation for its actual (changed) needs.

3.2 Documentation of Initial Evaluation Results

3.2.1 SSEB Initial Evaluation. Following the initial round of evaluations, the SSEB Chairperson will consolidate the inputs from each of the evaluation teams into an SSEB report for presentation to the SSA. The PCO and the SSEB Chairperson shall ensure that proposals are evaluated solely against the criteria contained in the solicitation and no comparative analysis of proposals was conducted by SSEB members unless clearly stated in the SSP or otherwise directed by the SSA. All evaluation records and narratives shall be reviewed by the PCO, Legal Counsel, and the SSEB Chairperson for completeness and compliance with the solicitation. In the event that the SSEB members are not able to

come to a consensus opinion on the evaluation of a particular proposal, the SSEB Chairperson will document the basis of any disagreement and raise it to the SSAC Chairperson, or if no SSAC, to the SSA to resolve.

When an SSAC has been established, it will review the results of the SSEB to see if additional areas of evaluation by the SSEB are required. It will also review any areas where SSEB members could not agree to try to assist the SSEB in coming to a consensus opinion. If the SSAC cannot resolve the issue, it will raise it to the level of the SSA to resolve.

3.2.2 SSA Discussion Decision. Based upon review of the initial evaluation results, the SSA will decide to either (1) approve award without discussions, or (2) enter into the discussion process.

3.2.3 Discussion Considerations. In accordance with DFARS 215.306, Exchange with Offerors after Receipt of Proposals, discussions should be conducted for all acquisitions with an estimated value of $100 million or more. Award without discussions on complex, large procurements is discouraged and seldom in the Government's best interest.

3.3 Award without Discussions

3.3.1 Applicable Clauses. In appropriate circumstances subject to SSA review and approval, the PCO may decide to award to the offeror whose proposal is determined by the SSA to be the best value on the basis of the initial proposals received without conducting discussions. Limited circumstances would include situations where there is no reasonable expectation that the offer(s) and their expected value to the Government would be improved through discussions. To award without discussions, the RFP must contain the mandatory solicitation provision at FAR 52.212-1 if using FAR part 12, or FAR 52.215-1 ***without Alternate I***, if using FAR part 15, which among other requirements, notifies offerors that the Government intends to evaluate proposals and award a contract without discussions. However, if the RFP includes FAR 52.215-1 with Alternate I, the Government must conduct discussions.

3.3.2 Clarifications. If award will be made without discussions, offerors may be given the opportunity to clarify certain aspects of the proposal or resolve minor or clerical errors (see FAR 15.306(a)(1) and (2)). Clarifications shall be documented on, and conducted via transmittal of, Evaluation Notices (EN) to the applicable offeror. Each EN shall clearly indicate that the type of exchange being conducted is "Clarification." Offerors are not given an opportunity to respond to any identified weaknesses or deficiencies or revise their proposals. Instead, the SSA makes a best value decision based upon the evaluations of the initial proposal as submitted. Cautionary Note: The PCO should consult with Legal Counsel when preparing ENs during the clarification process to ensure the SST does not give the appearance of entering into "Discussions" unintentionally.

3.3.3 Documentation Required Prior to Contract Award. If the SSA chooses to award without discussions, then the SSEB shall document its final evaluation results in an SSEB report (see paragraph 3.7), the SSAC, if used, shall document its comparative analysis in an SSAC report (see paragraph 3.8), and the SSA shall prepare the source selection decision document (see paragraph 3.10). Once the source selection decision document is signed and all other preaward requirements have been met (e.g., announcement of contract awards in accordance with FAR 5.303), the PCO may award the contract.

3.4 Competitive Range Decision Document

A competitive range decision document shall be prepared whenever the PCO establishes, and the SSA approves, a competitive range (see paragraph 3.5.3). The competitive range decision document shall be updated and re-approved by the SSA if an offeror is eliminated from the competitive range prior to making the source selection decision.

3.5 Discussion Process

3.5.1 Objective. The primary objective of discussions is to maximize the Government's ability to obtain best value, based on the requirement and the evaluation factors set forth in the solicitation.

3.5.2 Offeror Communications. After the decision to conduct discussions has been made and prior to the establishment of the competitive range, the PCO may enter into limited "communications" with offerors only as described in FAR 15.306(b). Communications shall be documented on, and conducted via transmittal of, ENs to the applicable offeror. Each EN shall clearly indicate that the type of exchange being conducted is "Communications."

3.5.3 Competitive Range. If discussions are to be conducted, the PCO shall, in consultation with the PM and with the approval of the SSA, establish the competitive range based on the ratings of each proposal against all evaluation criteria, unless the range is further reduced for purposes of efficiency (see FAR 15.306(c)). The criteria used for establishing the competitive range and a written analysis explaining what will be discussed with each offeror shall be documented in a competitive range decision document (see paragraph 3.4). If, during discussions, the PCO decides that an offeror's proposal should no longer be included in the competitive range, the PCO shall obtain SSA approval to eliminate the proposal from consideration for award and update the competitive range decision document. Written notice of this decision shall be provided to unsuccessful offerors in accordance with FAR 15.503.

3.5.4 Content and Documentation. Discussions are tailored to each offeror's proposal and must be conducted by the PCO with every offeror within the competitive range. The scope and extent of discussions are a matter of PCO judgment. While the Government is not required to expound on every item that must be addressed by the offeror to improve its submission, the PCO must conduct and document meaningful discussions. At a minimum, during discussions, the SSEB through the PCO shall indicate to, or discuss

with, each offeror in the competitive range the following: (a) any adverse past performance information to which the offeror has not yet had an opportunity to respond and (b) any deficiencies or significant weaknesses that have been identified during the evaluation. Discussions shall be documented on, and conducted via transmittal of, ENs to the applicable offeror. Each EN shall clearly indicate that the type of exchange being conducted is "Discussions." ENs are prepared by the SSEB and reviewed by the PCO, PM and Legal Counsel. Any EN addressing a proposal deficiency or weakness shall clearly indicate that a deficiency or weakness exists. The PCO is encouraged to discuss other aspects of the offeror's proposal that could, in the opinion of the PCO, be altered or explained to enhance materially the proposal's potential for award, such as weaknesses, excesses, and price. However, the PCO is not required to discuss every area where the proposal could be improved as outlined at FAR 15.306(d) and (e). The PCO is responsible for documenting the disposition and evaluation of each EN.

3.5.5 Best Practices. Though not mandatory, it is a best practice to discuss proposal weaknesses with prospective offerors. It is also a best practice for the PCO to require offerors to submit written proposal changes resulting from discussions before requesting Final Proposal Revisions (FPR) to ensure the offeror understands the EN, the SST understands the offeror's response, and the FPR is a request for pricing updates only.

3.5.6 Conclusion. Discussions are concluded once the PCO has documented the disposition of all ENs that were issued during the course of discussions/negotiations.

3.6 Final Proposal Revisions

3.6.1 Once the decision is made to conclude discussions, each offeror still within the competitive range shall be given an opportunity to submit an FPR by a common cutoff date and time, as established by the PCO (See FAR 15.307(b)). When the PCO is not the SSA, the PCO shall obtain the SSA's written concurrence prior to releasing the FPR request to indicate discussions are closed and there are no further changes to the competitive range. The FPR request shall advise offerors that the FPRs shall be in writing and the Government intends to make award without obtaining further revisions (see FAR 15.307(b)).

3.6.2 After receipt of the FPRs, the SSEB shall complete evaluation of the FPRs. The evaluation criteria from the solicitation shall continue to be the basis for evaluation.

3.7 Documentation of Final Evaluation Results

3.7.1 The SSEB shall prepare documentation of the final evaluation results. The format should be a written narrative report structured consistently with the evaluation criteria. The record of evaluation results shall be in sufficient detail to serve as a clear and concise record of the evaluation analysis and shall be included in the contract file. A decision briefing may be utilized to summarize the narrative report. Additional documentation of the SSEB proceedings may be maintained in accordance with Agency/Service

supplements. The results of the evaluation shall be presented to the SSAC (when used) and to the SSA.

3.7.2 In the event that there is significant disagreement among the SSEB members regarding the evaluation results that should be presented to the SSAC (when used) and the SSA, a minority opinion(s) shall also be presented at the decision briefing providing the SSA with sufficient information to fully consider the minority view(s).

3.8 Conduct and Document the Comparative Analysis

3.8.1 The SSAC, if utilized, shall review the evaluation and findings of the SSEB to ensure their accuracy, consistency, and supportability in accordance with the evaluation criteria and shall provide advice, analysis, briefings, and consultation as requested by the SSA. The SSAC shall provide a written comparative analysis of proposals and an award recommendation in an SSAC report for the SSA's consideration. An SSAC report shall not be prepared for an LPTA source selection (see Appendix C).

3.8.2 In the event that there is significant disagreement among the SSAC members regarding the award recommendation, the minority opinion(s) shall be documented and presented to the SSA as part of the comparative analysis.

3.8.3 If an SSAC is not utilized, the SSEB should not conduct a comparative analysis of the proposals or make an award recommendation unless specifically requested by the SSA or required by the SSP.

3.9 Best Value Decision

3.9.1 The SSA's decision regarding which proposal is most advantageous to the Government shall be based on a comparative assessment of proposals against all source selection criteria in the solicitation. Recommendations, minority opinions presented to the SSA, as well as reports and analyses prepared by the SSEB and SSAC (if used) shall be considered by the SSA. The source selection decision shall represent the SSA's independent judgment and provide a rational basis for the award.

The SSA performs this assessment by comparing the strengths, weaknesses, and the cost/price of the competing proposals to determine which proposal represents the best value to the Government. The analysis must be consistent with the evaluation factors and process described in the RFP. Beyond this, the SSA has broad discretion in making the source selection decision. The SSA shall not merely rely on the adjectival ratings alone. To determine which proposal provides the best value, the SSA must understand and analyze the differences between competing proposals. The SSA is not bound by the evaluation findings of the SSEB or the recommendations of the SSAC as long as the SSA has a rational basis for the differing opinion.

3.9.2 There are three possible outcomes of the SSA's comparative analysis:

- The proposal with the lowest total evaluated price is superior in terms of non-cost factors;
- There are no meaningful distinctions between the non-cost portions of the proposals;
- The proposal with the lowest total evaluated price is not superior in terms of non-cost factors.

In the first two outcomes, the decision is fairly clear that the award should be made to the lowest evaluated priced offeror. However, in the case of the third outcome, the decision is not as clear. The SSA must consider whether or not the benefits of the non-cost strengths in a higher rated proposal warrant the additional price premium. This tradeoff analysis among competing proposals requires a great deal of subjectivity and judgment in determining which proposal is most advantageous to the Government.

The tradeoff process allows for selection of the lowest price acceptable offer or a higher priced offer as providing the best value. If a higher priced offer is selected, there must be rationale as to why payment of a higher price is justified by the beneficial positive aspects of the proposal in the non-cost factors. If a superior technical proposal is not selected, there must be rationale for its non-selection.

3.9.3 The SSA shall document in the SSDD the supporting rationale for the award decision and shall include the rationale for any business judgments and tradeoffs made or relied on by the SSA, including benefits to the Government associated with additional costs. The documentation need not quantify the dollar value of the tradeoffs that led to the decision. However, the SSDD should contain a detailed narrative explanation of all facts and supporting rationale relevant to the source selection decision. All tradeoffs shall have justifications clearly stating the benefits or advantages the Government anticipates, the qualitative or quantitative value of those benefits or advantages to the Government (depending on the type of source selection process used), and why it is in the Government’s best interests to expend additional funds to obtain those benefits or advantages.

Where the SSA determines the non-cost benefits offered by a higher priced, technically superior proposal are not worth the price premium, an explicit justification must be documented.

3.10 Source Selection Decision Document

3.10.1 An SSDD shall be prepared for all source selections. The SSDD shall reflect the SSA's independent, integrated, comparative assessment and decision; shall include the rationale for any business judgments and tradeoffs made or relied on by the SSA (e.g., including benefits associated with additional costs); shall state why the benefit is in the Government’s best interest; and shall be included in the contract file. The SSDD shall be the single summary document supporting selection of the best value proposal consistent with the stated evaluation criteria. The SSDD shall clearly explain the decision and document the reasoning used by the SSA to reach the decision consistent with FAR

15.308. The SSA shall engage the PCO and Legal Counsel in review of the SSDD to ensure that the SSDD clearly captures the judgment of the SSA in determining which proposal represents the best value to the Government consistent with the RFP.

3.10.2 The SSDD is fully releasable to the Government Accountability Office (GAO) and others authorized to receive proprietary and source selection information in accordance with a GAO protective order issued by the GAO during a protest. A redacted version of the SSDD which removes all proprietary and source selection material can be provided at the debriefing to anyone not authorized to receive the proprietary/protected material (e.g., an unsuccessful offeror). The need to redact such information is not a sufficient reason to refrain from preparing a properly written SSDD. The release of information and all redacted documents should be coordinated with Legal Counsel.

3.11 Debriefings

The PCO shall ensure offerors are debriefed, if requested, in accordance with FAR 15.505 and FAR 15.506, as applicable. The PCO shall document the debriefing(s) provided to offeror(s). Whenever practicable, debriefings should be conducted in person. The PM and/or RO and Legal Counsel should participate in debriefings to offerors. At the request of the PCO, other members of the SST shall attend. The PCO is encouraged to use the debriefing guide provided in Appendix A.

3.12 Integrating Proposal into the Contract

The contracting officer shall incorporate beneficial aspects of the awardee's proposal into the contract, particularly those above threshold (minimum) attributes for which the offeror was selected under VATEP.

4 Documentation Requirements

4.1 Minimum Requirements

At a minimum, the following documents must be maintained in the permanent contract file:

4.1.1 The SSP, written in accordance with paragraph 2.2, and any revisions thereto.

4.1.2 Nondisclosure and conflict of interest statements.

4.1.3 The draft RFP (paragraph 2.1.2.3), along with all comments received and Government responses thereto, if a draft RFP is issued.

4.1.4 The RFP, developed in accordance with paragraph 2.3, any amendments thereto, and FPR request.

4.1.5 Past performance information (e.g., questionnaires, interviews, CPARS reports) (paragraph 3.1.3).

4.1.6 Offeror proposals, including all revisions, annotated with the date of receipt.

4.1.7 Competitive range decision documentation (paragraph 3.4).

4.1.8 ENs, EN disposition, and Government evaluation thereof (paragraphs 3.3.2, 3.5.2, and 3.5.4).

4.1.9 SSEB initial and final Report (paragraphs 3.2.1 and 3.7).

4.1.10 SSAC report (comparative analysis and award recommendation(s) provided to the SSA, if an SSAC was utilized. See paragraph 3.8).

4.1.11 SSDD (paragraph 3.10).

4.1.12 Debriefing documents. (paragraph 3.11 and Appendix A)

4.1.13 Award documentation (e.g., determination to award without discussions, responsibility determination, SSA concurrence to release FPR request).

4.1.14 All correspondence with offerors that occurred during source selection.

4.2 Electronic Source Selection

In those instances when an electronic system for source selection documentation is used, the SST needs to consider how documentation will be handled prior to the start of the source selection and include this process in the SSP. For example, some electronic systems do not permit any documentation, once finalized by an evaluator, to be deleted from the system, even if the evaluator realizes later that he/she changes his/her opinion, or if a higher level evaluator, SSEB Chairperson, SSAC or SSA ultimately overrules the evaluator's opinion. In such instances, a process should be created for documenting the basis for these changes made to an evaluator's finalized document and included in the SSP.

5 Definitions

Affordability Caps are the approved cost constraints for major systems acquisitions determined by the resources a DoD component can allocate, which provide a threshold for procurement and sustainment costs that cannot be exceeded. For other procurements, this is the approved funding allocated for a given acquisition.

Best Value means the expected outcome of an acquisition that, in the Government's estimation, provides the greatest overall benefit in response to the requirement. See FAR 2.101.

Clarifications are limited exchanges between the Government and offerors that may occur when award without discussion is contemplated. See FAR 15.306(a)(1).

Communications are exchanges, between the Government and offerors, after receipt of proposals, leading to establishment of the competitive range. See FAR 15.306(b).

Competitive Range - See FAR 15.306(c).

Deficiency is a material failure of a proposal to meet a Government requirement or a combination of significant weaknesses in a proposal that increases the risk of unsuccessful contract performance to an unacceptable level. See FAR 15.001.

Discussions are exchanges (i.e., negotiations) in a competitive environment that are undertaken with the intent of allowing the offeror to revise its proposal. Discussions take place after establishment of the competitive range. See FAR 15.306(d).

Evaluation Notice (EN) is the PCO's written notification to the offeror for purposes of clarifications, communications, or discussions.

Excesses are elements of the proposal that have exceeded mandatory minimums (in ways that are not integral to the design) whose removal and corresponding price decrease may make an offeror's proposal more competitive. See FAR 15.306(d)(4).

Lowest Price Technically Acceptable (LPTA) is a process used in competitive negotiated contracting where the best value is expected to result from selection of the technically acceptable proposal with the lowest evaluated price. See FAR 15.101-2.

Objective (or objective (maximum) as used in this document) is the value of an attribute that is applicable when a higher level of performance delivers significant increased operational effect, or decreased operational risk, if it can be delivered below the affordability cap. The objective value is the desired operational goal that is achievable but may be at a higher risk in cost, schedule, and technology.

Performance Confidence Assessment is an evaluation of the likelihood (or Government's confidence) that the offeror will successfully perform the solicitation's requirements; the evaluation is based upon past performance information.

Recency, as it pertains to past performance information, is a measure of the time that has elapsed since the past performance reference occurred. Recency is generally expressed as a time period during which past performance references are considered relevant.

Relevancy, as it pertains to past performance information, is a measure of the extent of similarity between the service/support effort, complexity, dollar value, contract type, and subcontract/teaming or other comparable attributes of past performance examples and the solicitation requirements; and a measure of the likelihood that the past performance is an indicator of future performance.

Requirements Documents are all aspects of the RFP that convey the needs of the Government to offerors, including the SOO, SOW, PWS, technical requirement documents, and system requirement documents.

Requirements Owner is the entity (for example, a program management office or other organizational entity) responsible for providing requirements documents within the RFP that communicate those requirements to offerors.

Risk, as it pertains to source selection, is the potential for unsuccessful contract performance. The consideration of risk assesses the degree to which an offeror's proposed approach to achieving the technical factor or subfactor may involve risk of disruption of schedule, increased cost or degradation of performance, the need for increased Government oversight, and the likelihood of unsuccessful contract performance. (For firm-fixed-price contracts, the reference to increased cost may be removed from the risk definition.)

Significant Weakness in the proposal is a flaw that appreciably increases the risk of unsuccessful contract performance. See FAR 15.001.

Source Selection Advisory Council (SSAC) is a group of individuals, appointed as needed by the SSA, that provides counsel during the source selection process, prepares the comparative analysis of the SSEB's final evaluation results, and makes an award recommendation to the SSA.

Source Selection Authority (SSA) is the official designated to make the source selection decision.

Source Selection Decision Document (SSDD) is the document that reflects the SSA's independent, integrated, comparative assessment and decision.

Source Selection Evaluation Board (SSEB) is a group of individuals representing the various functional disciplines relevant to the acquisition that is responsible for evaluating proposals against the solicitation criteria.

Source Selection Information is information prepared for use by an agency for the purpose of evaluating a bid or proposal to enter into an agency procurement contract, if that information has

not been previously made available to the public or disclosed publicly. See FAR 2.101 for a listing of source selection information.

Source Selection Plan (SSP) is a plan that describes how the source selection will be organized, how proposals will be evaluated and analyzed, and how source(s) will be selected.

Source Selection Team (SST) is a team that is tailored to the specific acquisition, tasked with carrying out a source selection. Composition of the team generally consists of the SSA, PCO (if different from the SSA), SSAC, SSEB, Advisors, Cost or Price Experts, Legal Counsel, Small Business Professionals/Specialists, and other subject-matter experts.

Strength is an aspect of an offeror's proposal that has merit or exceeds specified performance or capability requirements in a way that will be advantageous to the Government during contract performance.

Subjective Tradeoff is a source selection process used when it may be in the best interest of the Government to consider award to other than the lowest priced offeror or other than the highest technically rated offeror but it is not possible to place a quantifiable value on proposed performance or capabilities above threshold (minimum) requirements (see paragraph 1.3.1.3).

Threshold (or Threshold (minimum) as used in this document) is the minimum acceptable value of an attribute that is considered achievable within the available cost, schedule, and technology at low-to-moderate risk. Performance below the threshold value is not operationally effective or suitable or may not provide an improvement over current capabilities. (See also "mandatory minimums" in FAR 15.306(d)(4).)

Value Adjusted Total Evaluated Price (VATEP) is a tradeoff source selection process where the offeror's total proposed price may be adjusted based on the "value" placed on better performance as identified in the solicitation. The SSA must then determine if a higher rated technical offer is "worth" the additional cost to the Government.

Weakness means a flaw in the proposal that increases the risk of unsuccessful contract performance. See FAR 15.001.

Debriefing Guide

Appendix A

Table of Contents

A.1	Purpose of Debriefing	A-1
A.2	Requirements	A-1
A.3	Notification of Debriefing	A-1
A.4	Debriefing Location	A-1
A.5	Debriefing Attendees	A-2
A.6	Preparing for the Debriefing	A-2
A.7	Outline for the Debriefing	A-2
A.8	Conducting the Debriefing	A-3
A.9	Sample Offeror Questions That May Be Used for “Dry Run”	A-4

A.1 Purpose of Debriefing

The PCO should chair any debriefing session upon receipt of an offeror's timely, written request (see FAR 15.503, 15.505, and 15.506). The debriefing serves to assure offerors that the Government properly evaluated their proposals and made the award determination in accordance with the RFP. Since each offeror puts considerable resources into preparing and submitting a proposal, fairness dictates that the PCO promptly debrief offerors and explain why a proposal was excluded from the competitive range or was successful or unsuccessful. Timely and thorough debriefings increase competition, encourage offerors to continue to invest resources in the Government marketplace, and enhance the Government's relationship and credibility with Industry. The debriefing also provides feedback to offerors to assist in improving future proposal submissions. An effective debriefing often deters a protest by demonstrating that the Government conducted a thorough, fair evaluation and made a sound decision according to the established source selection methodology. Debriefings may be done orally, in writing, or by any other method acceptable by the contracting officer.

A.2 Requirements

See FAR 15.505, Preaward debriefing of offerors, and FAR 15.506, Postaward debriefing of offerors, for requirements relative to debriefings. Also reference FAR 3.104-4, Disclosure, protection, and marking of contractor bid or proposal information and source selection information.

A.3 Notification of Debriefing

If the debriefing is to be performed face to face, the PCO should inform the offeror of the scheduled debriefing date by electronic means with immediate acknowledgment requested. The PCO should follow up with written notification to the offeror. If the offeror requests a later date, the PCO should require the offeror to acknowledge in writing that it was offered an earlier date, but requested the later date instead.

A.4 Debriefing Location

The PCO is responsible for selecting the location of the debriefing. The location should provide a professional and non-distracting environment. Debriefings are normally held at Government facilities, however, they may be held at any facility that is mutually acceptable to all parties involved. Although face-to-face debriefings are frequently used, the PCO may also conduct a debriefing by telephone, in writing, or by electronic means. It may be burdensome for an offeror to attend in person and the needs of the offeror should be afforded due consideration. Likewise, if some of the Government personnel are located at an installation other than where the debriefing will be conducted, they may participate by telephone or videoconference.

A.5 Debriefing Attendees

A.5.1 Government Personnel. The PCO should chair and control the debriefing and select the Government attendees. It is extremely important to ensure appropriate Government personnel attend so that a meaningful debriefing is achieved. The PCO's Legal Counsel shall participate in preparation for the debriefing and also should attend the debriefing. Legal Counsel shall attend the debriefing when the offeror's Legal Counsel will attend the debriefing. In the event there are indicators that a protest is likely, inform Legal Counsel. However, the PCO should not deny a debriefing because a protest is threatened or has already been filed.

A.5.2 Debriefed Offeror Personnel. The PCO should ask the offeror to identify in advance all of the firm's individuals by name and position who will attend the debriefing. It is recommended not to restrict the number of personnel the debriefed offeror may bring unless there are space limitations. It is desirable for a senior official, who was not part of the offeror's proposal team, to attend the debriefing as an objective participant.

A.6 Preparing for the Debriefing

The PCO should ensure that documents relevant to the source selection have been thoroughly reviewed by the debriefing team and are readily available to the Government during the debrief. A best practice is to have those documents available, during the debriefing, in a separate Government caucus room.

The PCO should conduct a "dry run" prior to the actual debrief. Role-playing is a vital part of the dry run. Teams are encouraged to simulate interactions with disappointed or disgruntled offerors and practice addressing questions on contentious issues. The PCO should develop a set of anticipated questions that offerors might ask at the debriefing (See paragraph A.9 for sample questions). In anticipating possible questions, it is often useful to review questions asked during the discussion phase (if held) of the competition. Also, the PCO should ask each offeror scheduled for a debriefing to submit written questions in advance. The PCO should coordinate responses with Legal Counsel.

A poorly prepared debriefing is the surest way to lose the confidence of the offeror and increase the prospects of a protest. Because debriefings are time sensitive, preparation must begin before proposal evaluation is complete. The PCO should brief all Government personnel that will attend the debriefing on their roles, level of participation and expected demeanor during the debriefing.

A.7 Outline for the Debriefing

The following is a general outline for a typical debriefing. See FAR 15.505 (preaward) and FAR 15.506 (postaward) for specific requirements.

1. Introduction
2. Purpose of the Debriefing

3. Ground Rules and Agenda
4. Source Selection Process
5. Evaluation Factors/Subfactors
6. Evaluation Results for the Offeror's Proposal
7. Rationale for Eliminating Offeror from Competition (preaward debriefing only)/ Rationale for Award Decision Based on the SSA's Decision Document (postaward debriefing only)
8. Responses to Relevant Questions
9. The PCO's statement that the debrief has concluded.

A.8 Conducting the Debriefing

A.8.1 Roles. The PCO should chair any debriefing session held. The PCO may defer to others for specific portions of the debriefing but will control all exchanges. There are many different approaches that the PCO can take in leading the debriefing. One of the common approaches is for the PCO to conduct the entire debriefing presentation and defer to his/her team to answer questions as needed. Another approach is for the PCO to start the debriefing and then turn over portions of the presentation to experts in those areas, e.g. Technical Team Leader presents the technical evaluation portion of the presentation.

A.8.2 Questions. The PCO should advise offerors at the start that the Government believes the presentation will address any questions they may have. Additional questions may be answered during the debrief. The PCO should be open to discussion but not drawn into a debate. A Government caucus may be needed to address some questions. The Government should request that the questions be written for the caucus as needed.

The debriefing team should make every effort to answer all questions from the offeror on the same calendar day as the debriefing.

A.8.3 Information Not Appropriate for Disclosure.

A.8.3.1 The debriefing team shall not disclose *documentation that was not presented to/considered by the SSA*. The crux of any postaward debriefing is the SSA award decision and whether that decision is well supported and resulted from a source selection conducted in a thorough, fair, and sound manner consistent with the requirements and source selection methodology established in the RFP. The key of any preaward debrief is the offeror's elimination from the competitive range.

A.8.3.2 The debriefing team shall not discuss validity of requirements or prohibited information (see FAR 15.506(e)).

A.8.3.3 The debriefing team shall not provide names of individuals providing reference information about an offeror's past performance. In addition, the names of individuals on the SST, not participating in the debriefing, should not be disclosed. However, the name of the SSA may be revealed in postaward debriefings.

A.8.3.4 The debriefing team must not disclose any unit prices which are not freely releasable under the Freedom of Information Act.

A.8.4 Offeror Feedback. The PCO should allow the offeror an opportunity to provide feedback regarding the quality of the solicitation document, e.g., proposal instructions, the appropriateness of discussions, and the source selection process itself.

A.8.5 Debriefing Documentation. The debriefing slides, the offeror's request for debriefing (if any), previously submitted questions, any handouts, a list of written questions/answers, and any other relevant documents, must be included in the contract file.

A.9 Sample Offeror Questions That May Be Used for "Dry Run"

As referenced in paragraph A.6, teams are encouraged to have a dry run prior to the actual debrief. The following is a list of sample questions the team should be prepared to address during the debriefing. Answers should be tailored to the unique circumstances of each acquisition and should, where possible, be tied directly to language within the RFP (particularly Sections L and M). The "notes" below are provided as points for consideration and are not intended to be responses.

Topic Area 1: The Government's evaluation of the significant weaknesses or deficiencies in the proposal.

a) Please explain the basis for the strengths, weaknesses, or deficiencies in our proposal for each evaluation factor and subfactor.

   NOTE: Typically this is done as part of the debriefing presentation; however, the debriefing team may not disclose detailed information regarding the strengths, weaknesses and/or deficiencies in other proposals. Such a disclosure could amount to a point-by-point comparison of proposals, prohibited per FAR 15.506(e), and/or could involve disclosure of protected/privileged information.

b) Did you discuss all weaknesses, significant weaknesses, and deficiencies?

   NOTE: If discussions were held, all significant weaknesses and deficiencies, at a minimum, should have been addressed and documented. The FAR does not require discussion of all weaknesses, although it is considered a best practice.

c) Were there any solicitation requirements that we failed to address? If so, what were they?

   NOTE: If discussions were held, these matters should have been addressed and documented.

d) How is the evaluation consistent with Sections L and M of the solicitation?

e) Were any deficiencies identified by the Government during discussions not adequately addressed in our response to your ENs? If so, how did the evaluation of the deficiencies change during the evaluation of our FPR?

f) Were there any specific considerations that precluded us from being selected as the awardee? If so, what were those considerations?

   NOTE: If discussions were held, these matters should have been addressed.

g) What, if anything, did the Government require in Sections L and M of the solicitation that was missing from our proposal?

h) Please explain how past performance was evaluated. What was our rating? How was that rating applied to the source selection process?

i) Was experience evaluated? If so, what was our rating and how was that information used in the source selection process?

j) Please explain the procedure for the evaluation of risk. What risks were identified in our proposal? How did they impact the rating of our proposal?

Topic Area 2: The overall evaluated cost or price (including unit prices) and technical rating, if applicable, of the successful offeror and the debriefed offeror, and past performance information on the debriefed offeror; and the overall ranking of all offerors, when any ranking was developed by the agency during the source selection. FAR 15.506(e): the debriefing shall not include point-by-point comparisons of the debriefed offeror's proposal with those of other offerors. Moreover, the debriefing shall not reveal any information prohibited from disclosure by FAR 24.202 or exempt from release under the Freedom of Information Act.

a) Please provide the evaluated cost or price and technical, management, and past performance ratings for our proposal and all other offerors.

   NOTE: Information on the overall evaluated cost or price and technical ratings is not provided for all offerors but only for the successful offeror and the offeror being debriefed.

b) Please provide the overall ranking for all offerors.

   NOTE: Generally an overall ranking is not developed. However, if an overall ranking was developed during the source selection process, this shall be provided during the debriefing. The name of every offeror shall be redacted except for the offeror being debriefed and the successful offeror(s).

c) In what areas was our proposal considered "overpriced"?

d) Were we compliant with all technical requirements?

e) For source selections using VATEP, how was the adjustment percentage/dollar value determined? How was it applied? If only a portion of the adjustment was applied (because an incremental approach was proposed), how was the amount to be applied determined?

NOTE: If discussions were held, these matters should have been addressed.

f) In the risk portion of the technical/management area, what criteria did the Government use to determine the final evaluation ratings? How was this risk reflected in the other areas of the evaluation?

g) Was there anything not required by the solicitation that we could have offered that might have made us more competitive for the award?

NOTE: An answer to this question would be conjecture, which is not appropriate.

h) Were our responses to ENs adequate? If not, how could we have improved our responses? How were our responses to ENs on past performance evaluated?

Topic Area 3: A summary of the rationale for award.

a) Please explain in detail the methodology used to determine which proposal offered the greatest overall value to the Government, especially with respect to any comparisons/tradeoffs made between technical factors and costs proposed.

b) Please provide a copy of the SSDD.

NOTE: If the SSDD is to be released to offerors, it should be redacted and appropriate coordination with Legal Counsel should be obtained.

Topic Area 4: Reasonable responses to relevant questions about whether source selection procedures contained in the solicitation, applicable regulations, and other applicable authorities were followed.

NOTE: Answers to questions relative to source selection procedures should reference the solicitation language.

a) Please describe the evaluation process used for this procurement.

b) How important was cost in the source selection decision relative to past performance and technical considerations?

c) If the costs were “normalized” please explain how the normalization was conducted.

d) Was a cost realism analysis used? If so, please describe the process used.

e) What was the basis for not selecting us?

f) Did the Government make a cost/technical tradeoff?

g) In order of importance, which evaluation criteria were the most critical to the determination of our overall rating?

h) What were the most critical evaluation criteria in the evaluation of proposals?

i) If subjective tradeoffs were made in VATEP Step 3, what was the relative importance of those subjective tradeoffs and what factors/subfactors were considered in that subjective tradeoff since VATEP can include a combination of objective criteria ("acceptable/unacceptable" or go/no go gates), subjectively evaluated criteria, and valued criteria subject to price adjustment?

j) Please identify any information not contained in our proposal that was used by the evaluators in assessing our offer.

Topic Area 5: Other potential questions. **Do not respond substantively to these questions.**

Recommended Response: This is not an appropriate topic for a debriefing, and we will not be addressing it.

a) Who was on the Source Selection Advisory Committee?

NOTE: In order to prevent offerors from contacting individuals after the debriefing and to avoid creating tension in ongoing working relationships on existing Government contracts, do not disclose the names of individual evaluators or members of the SST (e.g., the SSEB, SSAC). However, those people in attendance at the debriefing should be introduced.

b) Did the SSA and the SSAC (if applicable) fully accept the recommendations of their respective staffs (SSAC or SSEB)? If not, why not? Did either reach any independent determinations? If so, what independent determinations were made?

NOTE: The debriefing team should avoid any discussions of internal SSEB/SSAC deliberations. Ultimately, the only decision that counts is that of the SSA, which by definition, was made independently.

c) Were there any common areas of weaknesses or deficiencies in the proposals in the competitive range?

NOTE: The debriefing team shall avoid point-by-point comparisons of proposals. In addition, providing detailed information regarding the strengths, weaknesses or deficiencies of other proposals may disclose protected/privileged information (see FAR 15.506(e)).

Topic Area 6: Cautionary Areas That an Unsuccessful Offeror May Raise During a Debriefing.

a) What management structure did the agency consider as optimal for performing the contract? How did our proposal rate against this standard?

NOTE: The Government does not have any preconceived ideas regarding how to meet the RFP requirements.

b) Please identify any and all evaluation factors, subfactors, and elements not identified in the solicitation that were used to evaluate the proposals.

NOTE: There should *never* be any evaluation factors, subfactors and/or elements not identified in the solicitation that were used to evaluate proposals.

Tradeoff
Source Selection Process: Subjective Tradeoff and Value Adjusted Total Evaluated Price (VATEP) Tradeoff

---

Appendix B

Table of Contents

B.1	Subjective Tradeoff	B-1
B.2	Value Adjusted Total Evaluated Price Tradeoff	B-1
B.3	Understanding and Capturing the Requirements	B-2
B.4	Evaluating Proposals	B-4

Preface

In a tradeoff source selection, the relative importance of cost or price may vary in relation to other evaluation factors as communicated by the Government to potential offerors in the solicitation per FAR 15.304(d) and (e). However, offerors still do not know the boundaries of how much more the Government may be willing to pay if an offeror exceeds a mandatory minimum. The methodologies described in this appendix are the Subjective Tradeoff and Value Adjusted Total Evaluated Price (VATEP) Tradeoff techniques. These tradeoff processes are distinguished from Low Price Technically Acceptable source selections by permitting the SSA to consider award to other than the lowest evaluated priced offeror or other than the highest technically rated offer. Tradeoffs are improved *by identifying in advance and stating in the solicitation* the Government "value" placed on above-threshold performance or capabilities.

B.1 Subjective Tradeoff

The subjective tradeoff process identifies in the RFP all evaluation factors and significant subfactors that will affect contract award by clearly stating their *relative* importance in the solicitation (FAR 15.204-5(c)). The general approach for evaluating past performance information shall be described where the solicitation states, at a minimum, whether all evaluation factors other than cost or price, when combined, are significantly more important than cost or price; approximately equal in importance to cost or price; or significantly less important than cost or price.

B.2 Value Adjusted Total Evaluated Price Tradeoff

The VATEP technique monetizes different levels of performance that may correspond to the traditional requirements process of defining both threshold (minimum) and objective (maximum) performance and capabilities. It identifies in the RFP the percentage price increase (or dollar amount) the Government is willing to pay for measureable levels of performance between threshold (minimum) and objective (maximum) criteria (e.g., Probability of Hit, specific operational ranges, etc.). This amount is based on the value to the Government for above-minimum performance or capabilities. Value and cost are completely separate concepts that VATEP links in the RFP to inform industry decisions on what to offer to gain a competitive advantage. As described herein, VATEP is merely a structured technique for *objectivizing* how some (or all) of the requirements would be treated in the tradeoff process and then communicating that to offerors via the RFP.

VATEP may be appropriate when the RO wishes to optimally balance price and performance/capability above threshold (minimum) requirements to maximize the achievement of program objectives. One of the benefits of this process is that offerors may be more likely to propose innovative solutions which provide higher performance/capability if it is clear to Industry what value the end user places on exceeding the threshold (minimum) performance/capability and how that will influence the evaluated cost/price.

B.3 Understanding and Capturing the Requirements

Defining the value of higher performance/capability is the RO's responsibility. During this part of the process, it is very important for the RO to define, and the SST to understand, which above threshold (minimum) capability requirements are truly of substantial benefit and how they are valued relative to each other and in absolute terms. Clearly understanding the relative importance and prioritization of requirements will determine if above-threshold performance/capability for a particular requirement warrants a potentially higher price during proposal evaluation. This decision should consider a number of matters, to include operational benefits, risk, and affordability.

Concurrently, the impact on affordability must be considered. The RO, on behalf of the user/warfighter, and in conjunction with the PM, PCO and SST, should determine the affordability limits on pursuing any above-threshold requirements prior to the source selection evaluation factors being finalized in the solicitation. The number of above-threshold requirements pursued should be limited to ensure the Department only includes in the source selection criteria the capabilities on which it places high value. An affordability cap may be established by the RO above which an offeror may not be eligible for award. This information should be provided to prospective offerors as early as possible in the solicitation process.

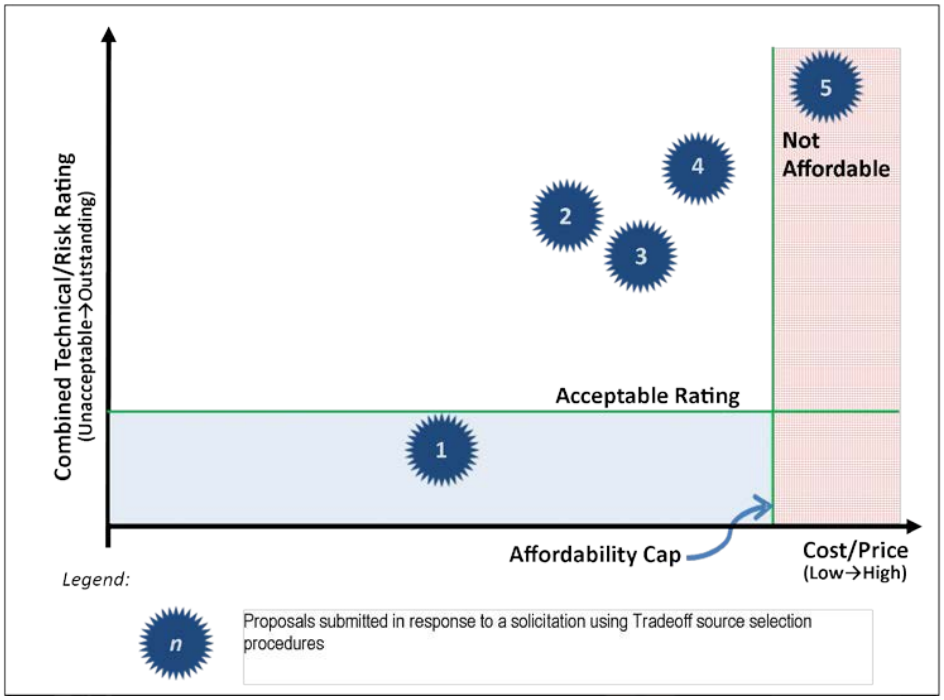


Figure B-1: Subjective Tradeoff Scenario

Figure B-1 illustrates how several proposal evaluations could plot on a best value continuum where the RFP evaluation criteria include best value tradeoffs of cost/price for superior technical performance. The green horizontal line shows the threshold (minimum) requirement (i.e., meets mandatory minimums) with an "acceptable" combined technical/risk rating; however, any non-cost/price factor could be plotted. The government communicates the value it places on above

threshold (minimum) performance or capabilities by establishment of the relative order of importance of evaluation factors as well as the structure of evaluation factors and subfactors (e.g., designation of how strengths can be earned to obtain higher ratings).

In a subjective tradeoff source selection process, proposal one is rated as having the lowest price but has a combined technical/risk rating below "acceptable." Proposal two has the second lowest price and has a combined technical/risk rating above "acceptable." Proposal three plots at a higher price with a lower combined technical/risk rating than proposal two. Proposal four has the highest combined technical/risk rating but the highest price of those proposals below the affordability cap. Proposal five has the best technical/risk rating but is also above the affordability cap and therefore will not be considered for award, if the source selection criteria eliminate such proposals. In assessing the evaluation of proposals and the analysis of each proposal's technical rating and proposed evaluated price or cost, the SSA must consider and weigh the cost and risk of accepting one proposal over another. This analysis must be meticulously and fully documented in the Source Selection Decision Document. In this case, the SSA must make and document a subjective judgment about the chosen best value offeror.

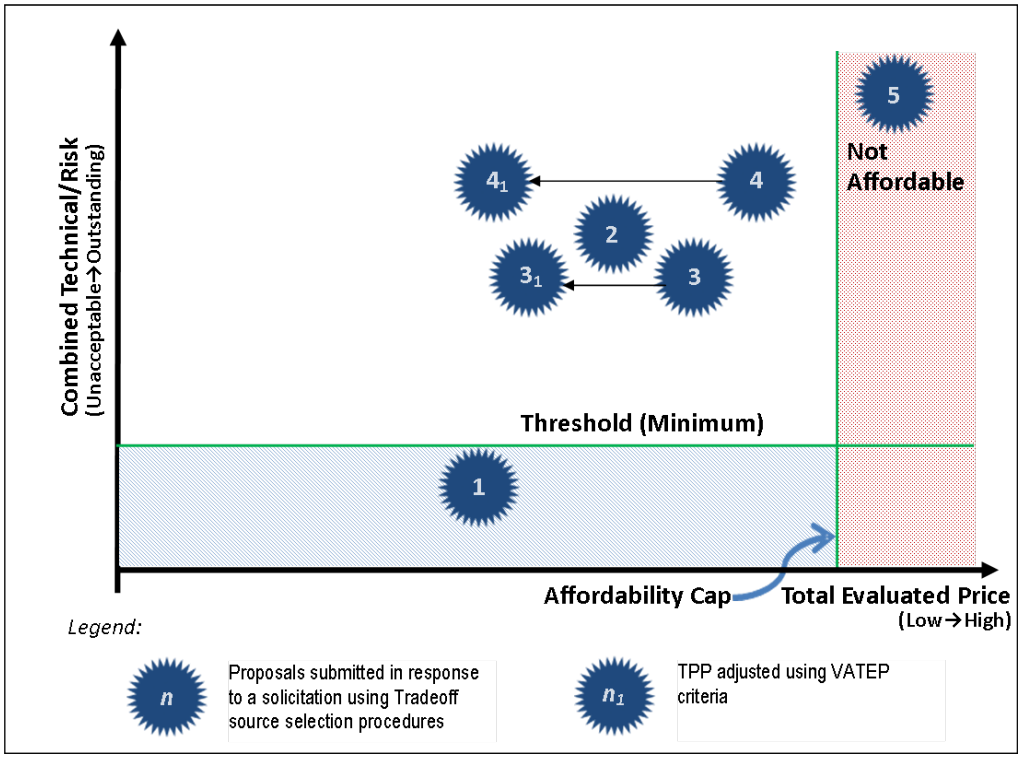


Figure B-2: VATEP Tradeoff Scenario

In a tradeoff source selection process using objective criteria (e.g., VATEP), it is imperative that the solicitation identifies explicitly how the objective criteria will be evaluated relative to all other criteria. Using the same scenario as Figure B-1, Figure B-2 presents adjustments made using objective criteria to adjust the Total Proposed Price (TPP) to arrive at the Total Evaluated Price (TEP). In this scenario, the solicitation explicitly states that the competitive range will be limited to offers that are below the affordability cap and rated acceptable (or better) for technical/risk criteria and other non-cost/price factors. Further, the solicitation provides that a

valued requirement (technical measure) of 10% - 50% above threshold (minimum) requirements will be the discriminator between offers in the competitive range and that up to a 40% adjustment will be made to the TPP based on the offeror's evaluated ability to meet above threshold (minimum) criteria. Thus, Proposals One and Five will not be included in the competitive range because proposal one has a combined technical/risk rating below "acceptable," and proposal five is above the affordability cap. Proposal Two has the second lowest price and has a combined technical/risk rating above "acceptable" but did not submit an offer above threshold (minimum) for the valued requirement, and thus, no credit was received for evaluation purposes. When an adjustment is made to Proposal Three (3_1) for proposed performance above threshold (minimum), the TEP results in a price lower than Proposal Two. Similarly, when an adjustment is made to Proposal Four (4_1) for even greater capability above threshold, the TEP for Proposal Four is lower than the price for all other proposals in the competitive range. Proposal Four is the successful offeror with contract award at the offeror's TPP. While this analysis must also be fully documented in the Source Selection Decision Document, the SSA is not relying on subjective judgment about the chosen best value offeror.

B.3.1 Effectively Conveying the Value of Requirements in the Request for Proposals

Threshold (minimum) performance/capability requirements are identified in the specification, statement of work, or performance work statement. Offerors must propose to meet all threshold (minimum) requirements of the RFP to be eligible for award. For each requirement where an offeror can earn evaluation credit for performance between the threshold (minimum) and objective (maximum) levels or capabilities, the solicitation must identify the value the Government places on the performance level or capability above the threshold (minimum) requirement.

The RFP must advise offerors that the specification, Statement of Work, or performance work statement in the ultimately awarded contract document will reflect all above-minimum performance levels or capabilities for which evaluation credit was given in the source selection process. For each requirement where an offeror can earn evaluation credit for performance between the threshold (minimum) and objective (maximum) levels or capabilities, the solicitation should identify, as much as possible, the price percentage difference (or dollar value) the Government places on the performance level or capability above the threshold (minimum) requirement. The RFP should also clearly state that requirements where a monetized or defined value cannot be assigned will be evaluated based on the relative importance to other factors.

B.4 Evaluating Proposals

B.4.1 Subjective Tradeoff Procedures

B.4.1.1 Step 1: Establish the Competitive Range.

The Government evaluates each proposal in accordance with paragraphs 3.1 through 3.2 of this procedure and establishes a competitive range, unless award without discussions is contemplated.

B.4.1.2 Step 2: Evaluate proposals within the competitive range. If a technically acceptable above-minimum performance level or capability is proposed, the offeror's proposal will be rated accordingly, complying with the methodology specified in the solicitation which establishes the relative importance the Government places on identified above-minimum performance or criteria.

B.4.1.3 Step 3: Award the Contract. Award to the offeror whose proposal represents the best value to the Government based on the evaluation criteria set forth in the solicitation. See paragraph 3.9.

B.4.2 VATEP Procedures. The steps for the VATEP methodology described below are diagramed in Figure B-3.

B.4.2.1 Step 1: Determine Acceptability of a Proposal. The Government evaluates each proposal in accordance with paragraphs 3.1 through 3.2 of this procedure and establishes a competitive range, unless award without discussions is contemplated. Additional evaluation credit is not relevant during Step 1.

B.4.2.2 Step 2: Determine if Above-Threshold (Minimum) Criteria Are Met and Adjust the TPP. Proposals are then evaluated to determine if the specified above-threshold (minimum) criteria ("valued requirements") are met, from a technical standpoint, and are below the affordability cap. If a technically acceptable above-minimum performance level or capability is proposed for a valued requirement, the offeror's TPP will be adjusted, for evaluation purposes only, in accordance with the methodology specified in the solicitation to quantify the importance the Government places on identified above-minimum performance or criteria. [**NOTE:** The Most Probable Cost is used for proposals where a cost reimbursement contract is contemplated.]

Example: The solicitation states that an offeror's price will be reduced by up to $20 for proposing to achieve a single Government specified valued requirement, or above threshold (minimum). During Step 2 of the source selection process, the SST adjusts each proposal TPP to derive the TEP by subtracting up to $20 for the valued requirement the proposal is deemed to satisfy. The adjustment is for evaluation purposes only and does not affect the offeror's proposed pricing. If the offeror is successful, the contract will be awarded at the prices proposed. If an offeror does not propose to meet any of the valued requirements, the TPP for that offer is unchanged. In this example, three proposals are received as follows:

- Offeror A Proposal: TPP=$1,000; at least an "acceptable" rating for all minimum requirements; deemed to satisfy the single valued requirement.

- Offeror B Proposal: TPP=$990; at least an "acceptable" rating for all minimum requirements; proposes only the minimum performance requirements.

- Offeror C Proposal: TPP=$950; “unacceptable" for one minimum RFP requirement and not among the most highly rated offerors; proposes to achieve the single valued requirement. *Offeror C is eliminated in Step 1*.

At the conclusion of Step 1, Offeror A has a higher TPP than Offeror B. However, in Step 2, the TPP for Offeror A is adjusted by subtracting $20 for proposing a compliant, technically acceptable solution to the single valued above-minimum performance criteria. Therefore, at the end of Step 2, Offeror A has a TEP of $980 and Offeror B has a TEP of $990. [**NOTE:** if the offeror proposes performance or a capability in excess of threshold (minimum) but less than objective (maximum) valued requirement, then only a portion of the specified amount would be subtracted from the offeror’s TPP. This should be explained in the RFP.]

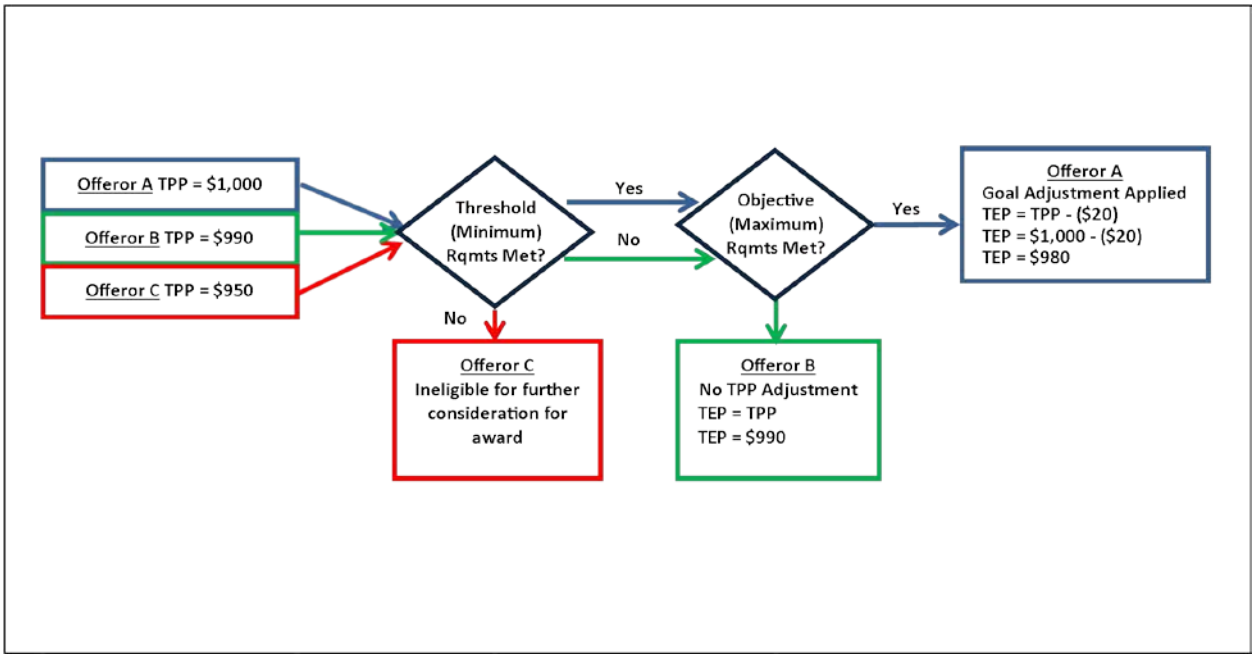


Figure B-3: VATEP Adjustment Example

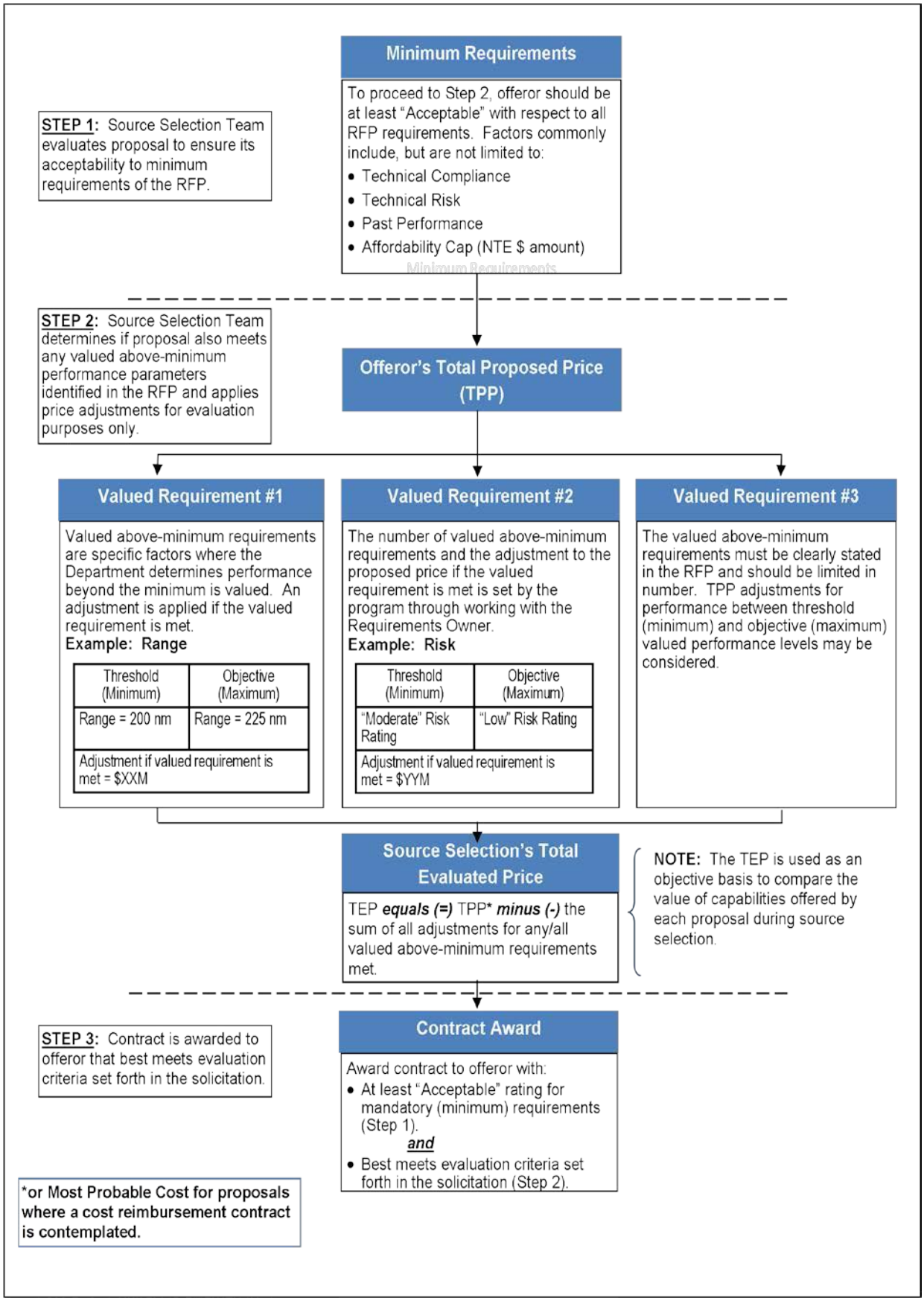


Figure B-4: Value Adjusted Total Evaluated Price Steps

B.4.2.3 Step 3: Award Contract. Award to the offeror whose proposal represents the best value to the Government based on the evaluation criteria set forth in the solicitation. See paragraph 3.9.

Lowest Price Technically Acceptable Source Selection Process

Appendix C

Table of Contents

C.1	Introduction	C-1
C.2	Evaluation Factors and Subfactors	C-1
C.3	Sources of Past Performance Information for Evaluation	C-3
C.4	Small Business Participation	C-4
C.5	Price	C-4
C.6	Best Value Decision and Documentation	C-4

Preface

When using the LPTA source selection process, Sections 1 through 5 of this document applies, with the following exceptions, which do not apply:

Para.	Description
3.1.2	Technical Rating Evaluation Processes
3.1.3	Past Performance Evaluation (if the PCO documents the file in accordance with FAR 15.304(c)(3)(iii))
3.1.4	Small Business Evaluation (unless a requirement for technical acceptability as described in C.4)
3.8	A comparative analysis of proposals shall not be conducted for LPTA (see FAR 15.101-2(b)(1)).

Requirements for evaluation factors/subfactors, the evaluation process, and the best value decision are established below.

C.1 Introduction

The LPTA process is appropriate when best value is expected to result from selection of the technically acceptable proposal with the lowest evaluated price. LPTAs may be used in situations where the Government would not place any value on a product or service exceeding the Government's threshold technical or performance requirements and these requirements can be objectively defined in measurable terms. Such situations include acquisitions of commercial or non-complex services or supplies which are clearly and objectively defined. When LPTA is used, the solicitation and the Source Selection Plan must clearly describe the minimum requirements that will be used to determine the acceptability of the proposal. LPTA should not be used when the SSA will be required to make a judgment as to the desirability of one offeror's proposal versus a competing proposal. Well-defined standards of performance and quality of services must be available to support the use of LPTA. When standards of performance and quality are subjective, or the Government places value on higher quality or performance, another approach should be used. The LPTA process does not permit tradeoffs among price and non-price factors (see FAR 15.101-2).

C.2 Evaluation Factors and Subfactors

Evaluation factors and subfactors represent those specific characteristics that are tied to significant RFP requirements. They are the uniform baseline against which each offeror's proposal is evaluated allowing the Government to make a determination of acceptability. The evaluation factors and subfactors shall be set forth in the solicitation in enough depth to communicate what will be evaluated. The evaluation factors and subfactors shall be the primary determinant of the detailed information requested in the solicitation's instructions to offerors. If subfactors are used, they are to be evaluated separately. The SSEB will establish the factors and subfactors to be evaluated on an "acceptable" or "unacceptable" basis. These factors and subfactors will identify the minimum requirements that are key to successful contract performance. All LPTAs shall evaluate cost/price and the acceptability of the product or services.

C.2.1 Acceptability of product or service. The acceptability of product or service shall be addressed in every LPTA source selection through consideration of one or more non-price evaluation factors/subfactors. For LPTAs, this is done through the establishment of requirements to be evaluated on an "acceptable" or "unacceptable" basis. Proposals are evaluated for acceptability, but not ranked using the non-price factors/subfactors. In order to be considered awardable, there must be an "acceptable" rating in every non-price factor/subfactor. LPTA non-price factors/subfactors may include the following:

C.2.1.1 Technical. The term "technical," as used herein, refers to non-price factors other than past performance. More than one "technical" factor can be used and titled to match the specific evaluation criteria appropriate for the RFP. The purpose of the technical factor is to assess whether the offeror's proposal will satisfy the Government's minimum requirements. Some of the aspects affecting an offeror's ability to meet the solicitation requirements may include technical approach, key personnel and qualifications, facilities, and others. Once the minimum requirements are established, the team shall evaluate the offeror's proposal against these requirements to determine whether the proposal is acceptable or unacceptable, using the ratings and descriptions outlined in Table C-1.

Table C-1. Technical Acceptable/Unacceptable Rating Method

Adjectival Rating	Description
Acceptable	Proposal meets the requirements of the solicitation.
Unacceptable	Proposal does not meet the requirements of the solicitation.

C.2.1.2 Past Performance. The past performance evaluation is an assessment of the offeror's probability of meeting the minimum past performance solicitation requirements. This assessment is based on the offeror's record of relevant and recent past performance information that pertain to the products and/or services outlined in the solicitation requirements.

Past performance shall be used as an evaluation factor within the LPTA process, unless waived by the PCO in accordance with FAR 15.304(c)(3)(iii). It shall be evaluated in accordance with FAR 15.305 and DFARS 215.305. However, the comparative assessment in FAR 15.305(a)(2)(i) does not apply. Therefore, past performance will be rated on an "acceptable" or "unacceptable" basis using the ratings in Table C-2.

Past performance should be initially evaluated to determine whether the offeror's present/past performance is recent, and relevant or not relevant to the effort to be acquired. The criteria to establish what is recent and relevant shall be unique to each LPTA source selection. Therefore, the solicitation shall establish the criteria for recency and relevancy in relation to the specific requirement being procured. In establishing what is relevant for the acquisition, consideration should be given to what aspects of an offeror's contract performance history would give the most confidence that the offeror will satisfy the requirements of the contract that is

contemplated to be awarded as a result of the evaluation of proposals in the current procurement.

Second, the past performance evaluation should determine how well the offeror performed on the prior contracts. The past performance evaluation performed in support of a current source selection does not establish, create, or change the existing record and history of the offeror's past performance on past contracts; rather, the past performance evaluation process gathers information from customers on how well the offeror performed those past contracts.

NOTE: In the case of an offeror without a record of relevant past performance or for whom information on past performance is not available or so sparse that no meaningful past performance rating can be reasonably assigned, the offeror may not be evaluated favorably or unfavorably on past performance (see FAR 15.305 (a)(2)(iv)). Therefore, the offeror shall be determined to have unknown (or "neutral") past performance. In the context of acceptability/unacceptability, a neutral rating shall be considered "acceptable."

Table C-2. Past Performance Acceptable/Unacceptable Rating Method

Adjectival Rating	Description
Acceptable	Based on the offeror's performance record, the Government has a reasonable expectation that the offeror will successfully perform the required effort, or the offeror's performance record is unknown. (See note above)
Unacceptable	Based on the offeror's performance record, the Government does not have a reasonable expectation that the offeror will be able to successfully perform the required effort.

C.3 Sources of Past Performance Information for Evaluation

Sources are as follows:

- Past performance information may be provided by the offeror, as solicited.
- Past performance information may be obtained from questionnaires tailored to the circumstances of the acquisition.
- Past performance information may be obtained from established systems such as the Past Performance Information Retrieval System (PPIRS), Federal Awardee Performance and Integrity Information System (FAPIIS), Electronic Subcontract Reporting System (eSRS), or other databases; and may be obtained from other sources available to the Government, such as the Defense Contract Management Agency; and interviews with Program Managers, Contracting Officers, Fee Determining Officials.

The past performance evaluation team will review this past performance information and determine the quality and usefulness as it applies to performance confidence assessment. See FAR 15.101-2(b)(1) for treatment of past performance relative to small business.

C.4 Small Business Participation

In LPTAs, small business participation is not required to be part of the evaluation in accordance with DFARS 215.304(c)(i). However, in the event that it is an appropriate evaluation factor, it should be considered one of the "technical" factors/subfactors, and the Rating Method in Table C-1 shall be used (see FAR 15.101-2(b)(1)).

C.5 Price

The LPTA procedure is applied to known, firm requirements, usually readily available in the commercial marketplace where a fair and reasonable price determination is based on adequate price competition. Therefore, price analysis will normally be used to determine the reasonableness of total evaluated price to support the selection of the lowest priced, technically acceptable offeror. Although in exceptional cases when the determination of fair and reasonable price requires additional information, the PCO may conduct analysis to support the determination of whether the proposed price is fair and reasonable. Regardless of the specific evaluation methodology, in order to enable offerors to make informed decisions on how best to propose, every solicitation will provide an adequate description of the cost or price evaluation in accordance with paragraph 3.1.1 of this document.

C.6 Best Value Decision and Documentation

C.6.1 With the approval of the SSA, the Contracting Officer may establish a competitive range and conduct discussions with all of the most highly rated proposals, unless the range is further reduced for purposes of efficiency pursuant to FAR 15.306(c)(2). At the conclusion of discussions, each offeror still in the competitive range shall be given an opportunity to submit a final proposal revision.

C.6.2 The SSA shall ensure the proposals are evaluated for acceptability but not ranked using the non-cost/price factors.

C.6.3 The SSA shall select the source whose proposal offers the lowest evaluated price and for which all non-price factors are rated as Acceptable in accordance with established criteria in the solicitation. Both the solicitation and the Source Selection Plan must clearly describe the minimum requirements that will be used to determine the acceptability of the proposal. The characteristics will be expressed in terms of performance objectives, measures, and standards that map to the Statement of Work or other requirements documents.

C.6.4 The SSA shall document the supporting rationale in the SSDD. The SSDD shall be the single summary document supporting selection of the best value proposal consistent with the stated criteria in the solicitation.

1. PURPOSE

The purpose of this document is to provide guidance for accomplishing Stop-Work Order/Government Delay of Work for the SPAWAR claimancy.

Stop Work Orders are designed to handle delays of contractor performance required by, or caused by the Government, and provide a means to settle contractor claims based on Government-caused delays.

Related guidance is available under CMPG 5.3.1.6 Stop Work Orders.

2. POLICY

The policy requirements and procedures for a Stop Work Order are contained in FAR Subpart 42.13.

Stop-work orders may be used, when appropriate, in any negotiated fixed-price or cost-reimbursement supply, research and development, or service contract if work stoppage may be required for reasons such as advancement in the state-of-the-art, production or engineering breakthroughs, realignment of programs, or in the face of a protest.

Generally, a stop-work order will be issued only if it is advisable to suspend work pending a decision by the Government and a supplemental agreement providing for the suspension is not feasible. Issuance of a stop-work order shall be approved at a level higher than the contracting officer. Stop-work orders shall not be used in place of a termination notice after a decision to terminate has been made.

SPAWAR policy is that Contracting Officers prepare a letter or modification to stop work as soon as practicable. The effective date of the letter or modification is the trigger that starts the clock ticking on the time period, as specified in the contract, or expressed in the clause at FAR 52.242-15. FAR 42.1303 discusses what to include in a stop work order and what to do as soon as feasible after its issuance.

3. RESPONSIBILITIES

The **Contracting Officer** determines when a Stop Work Order is needed, develops the Stop Work Order Package, and submits it to one level above the Contracting Officer for signature approval.
Approval Authority - One level above the Contracting Officer; reviews and approves Stop Work Orders.

4. PROCEDURE

1. **Contracting Officer** determines a stop work order is necessary.
2. **Contracting Officer** prepares a letter or modification to stop work as soon as practicable. A best practice is to prepare either a letter or modification, not both.
3. **Contracting Officer** develops the Stop Work Order Package contents outlined below and submits to one level above the Contracting Officer:
    a. **Brief Sheet** (1 page)
        i. Paragraph 1: Issue
        ii. Paragraph 2: Background
        iii. Paragraph 3: Discussion of Impact
        iv. Paragraph 4: Recommendation

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

   b. **Back-up Information** discussed in the Brief Sheet (i.e. Correspondence from the contractor or the contracting office, documentation on technological advancement, etc.)
   c. A **one-line statement** as to how the 90-day period will be tracked (i.e. electronic tickler file, calendar alerts, etc.)
   d. If the recommendation is to Stop Work, include a **Letter or Modification** ready for signature (see Toolbox).
4. **Approval Authority** reviews Stop Work Order Package; provides feedback or signature approval.
5. **Contracting Officer** may modify, cancel, or extend Stop Work Orders using templates provided in Toolbox.

5. APPROVALS

Issuance and cancellation of a Stop Work Order to be approved at a level above the Contracting Officer (FAR 42.1303(b)).

6. TOOLBOX

1. Sample Full Contract Level Stop Work Letter
2. Sample Partial (CLIN/Task) Stop Work Letter
3. Sample Stop Work Order Modification
4. Sample Stop Work Order Cancellation Mod
5. Sample Stop Work Order Extension Mod

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
September 2015 Rev1	Minor edits and policy section reworded as per the FAR.
September 2015	Content formatted and reorganized; links updated.
April 2011	Last version created in old format. Recent updates were not noted.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

SUBCONTRACTING PLAN

1. PURPOSE

The purpose of this document is to provide policy and guidance for promoting subcontracting opportunities and administering subcontracting plans for small business (SB), small disadvantaged business (SDB), women-owned small business (WOSB), historically underutilized business zone (HUBZone)business, veteran owned small business (VOSB), and service disabled veteran owned small business (SDVOSB) concerns within the SPAWAR claimancy.

2. POLICY

a. The term "small business", as used in this document, shall include small, small disadvantaged, historically underutilized business zone (HUBZone), women-owned small businesses (WOSB), veteran owned small businesses (VOSB) and service disabled veteran owned small business (SDVOSB) unless otherwise noted.
b. SPAWAR policy is to provide maximum practicable opportunities in its acquisitions to small business concerns. Such concerns shall also have the maximum practicable opportunity to participate as subcontractors in the contracts awarded by SPAWAR.

3. RESPONSIBILITIES

a. The prime contractor is responsible for submission of an acceptable subcontracting plan prior to award of the contract or modification unless the acquisition is exempt (FAR 19.702(b) concerning exempt conditions).
b. The Contracting Officer shall ensure that the subcontracting plan is requested, evaluated and approved prior to award of contract, and that an acceptable plan is incorporated into and made a material part of the contract. (FAR 19.705-5(a)(5)).
c. In determining the acceptability of a proposed subcontracting plan, the Contracting Officer/Contract Specialist should obtain advice and recommendations from the SPAWAR Office of Small Business Program (OSBP) and the_Small Business Administration's (SBA) Procurement Center Representative (PCR) (FAR 19.705-4(d)(7)).
d. After a contract or modification containing a subcontracting plan is awarded, the Contracting Officer who approved the plan shall send a copy of the awarded document to the Area Director, Office of Government Contracting, in the SBA area office where the contract will be performed (FAR 19.705-6(a)).

4. DEFINITIONS

a. A "Commercial plan" means a subcontracting plan (including goals) that covers the offeror's fiscal year and that applies to the entire production of commercial items sold by either the entire company or a portion thereof (e.g., division, plant, or product line).

b. "Comprehensive plan". Under P.L. 101-189 "Test Program for Negotiation of Comprehensive Small Business Plans", DoD contracting activities specifically designated by the Department of Defense Small Business Programs Office negotiate and administer plant, division or company-wide subcontracting plans with selected firms. These plans contain the 11 elements of FAR clause 52.219-9, and pertain to the company's overall subcontracting goals. It is not necessary to have an individual plan if a comprehensive plan has been approved. (DFARS 219.702) Further details concerning the test program can be seen at http://www.acq.osd.mil/osbp/programs/csp/index.html. .

c. An "Individual contract plan" is a subcontracting plan that covers the entire contract period (including option periods), applies to the specific contract, and has goals based on the offeror's planned subcontracting in support of the specific contract (indirect costs may be prorated if they are incurred for joint or common purposes).

d. A "Master plan" contains all the elements of an individual plan except goals, and may be incorporated into an individual plan provided the master plan has been approved. The effective time for a Master Plan is three years after approval.

5. PROCEDURES

NOTE: In general, the procedures listed below concerning review and approval for subcontracting plans do not apply in the case of comprehensive subcontracting plans. Comprehensive plans are pre-approved, and require only that the Contracting Officer obtain a copy of the plan, confirm approval with the cognizant designated contracting activity, and incorporate the plan into the contract. The Contracting Officer should include the following statement in the solicitation: If the Offeror is a participant in the Department of Defense (DoD) Comprehensive Subcontracting Test Program specified in DFARS 219.7, the Offeror shall provide a copy of the approved comprehensive plan AND describe how small business participation on this contract will contribute to its overall comprehensive subcontract goals. The description shall provide the extent of small business participation for this procurement with percentage and dollar amounts for specific small business socio-economic categories. The OSBP will evaluate the submission to determine how it will contribute to the overall goals.

Subcontracting plans are not required (FAR 19.702(b)):

1. From small business concerns;
2. For personal services contracts;
3. For contracts or contract modifications that will be performed entirely outside of the United States and its outlying areas; or

4. For modifications to contracts within the general scope of the contract that do not contain the clause at 52.219-8, Utilization of Small Business Concerns (or equivalent prior clauses; *e.g.,* contracts awarded before the enactment of Public Law 95-507).

a) Contracting Officer or Contract Specialist

(1) Evaluate acquisition package to determine if the procurement requires a subcontracting plan. (FAR 19.705-2).

(2) Review FAR 19.708, DFARS 219.708, and the SPAWAR clause book to ensure appropriate small business related provisions and clauses are included in solicitation.

(3) When to obtain Subcontracting Plans. In accordance with FAR 19.705-2(d) the subcontracting plan may be obtained any time prior to award. In deciding whether to request submission from all offerors with the initial offer, from only those within the competitive range, or only from the apparent successful offeror, consideration must be given to the burden placed on offerors and contracting personnel.

(4) The Contracting Officer/Contracts Specialist shall work with the SPAWAR OSBP to establish subcontracting goals for each of the following categories:

Small Business	To be determined on a case by case basis (Note 6)
Small Disadvantaged Business (Includes 8(a) awards)	5% (DFARS 219.705-4) (Note 1,2,5,6)
Woman Owned Small Business	5% (Note 1,5,6)
HubZone Small Business	3% (Note 1,5,6)
Service Disabled Veteran Owned Small Business	3% (Note 1,3,5,6)
Veteran Owned Small Business	To be determined on a case by case basis (Note 1,4,6)

Note 1: NMCARS 5219.704(a)(1) (DFARS 219.704) Each separate goal should be realistic, justifiable and positive (i.e. greater than zero.)
Note 2: DFARS 219.705-4(d) a minimum SDB goal of 5% shall be established. A lesser goal must be approved one level above the Contracting Officer. Goals for Small Disadvantaged Business concerns include 8(a).
Note 3: Public Law 106-50
Note 4: VOSB will have its own separate percentage goal FAR19.704(a)(1). The goal will be no less than the SDVOSB goal.
Note 5: Minimum DoD Small Business Program Goals
Note 6: Contractor proposed goals less than the solicitation goals need to be explained by the contractor within the subcontracting plan. If the justification is not included in the plan or provided, either the PCO or Specialist will request the supporting rationale from the contractor for not meeting the goal.

(5) For the potential winning proposal(s) perform an independent analysis of the subcontracting plan as required by FAR 19.705 and DFARS 219.7, using the

Subcontracting Plan Review Checklist. If a plan has been requested with initial proposals, any item that is not reasonable shall be challenged, and results addressed in the prenegotiation business clearance. Individual goals shall be established for small business, SDB, WOSB, HUBZone small business, VOSB and SDVOSB. Document the proposed subcontracting plan elements using the Subcontracting Plan Review Checklist, which is then maintained in the contract file. Challenge any subcontracting plan that does not contain positive goals (i.e. greater than zero) DFARS 219.705-4(d). When evaluating proposed subcontracting plans, contracting officers should obtain advice and recommendations from the cognizant CAO, and shall do so for any subcontracting plan that does not contain positive goals. The CAO should be specifically requested to review the factors used by the prime contractor to develop the zero goal, the past performance of the offeror on similar requirements, and the current procedures used by the offeror to maximize opportunities for small business, VOSB, SDVOSB, HUBZone small business, SDB, and WOSB concerns to participate in its subcontracting program. The contracting officer shall consider the CAO's findings, including any recommendations, prior to approval of the subcontracting plan. The contract file shall be documented to reflect the review and the contracting officer's final decision relative to an acceptable goal. If the contracting officer determines that a subcontracting plan containing a zero goal is appropriate, the determination shall be approved at a level above the contracting officer and placed in the contract file NMCARS 5219.705-4(d) (DFARS 219.705-4). The Contracting Officer/Contract Specialist shall forward a signed copy of the subcontracting plan check list of the apparent successful offeror to the OSBP along with the subcontract plan that will be incorporated into the contract, solicitation Section L Small Business Subcontracting Goals and all applicable documentation required for review of the plan (sample in Toolbox below). The OSBP will review the subcontract plan and subcontracting plan check list, sign, then forward to the SBA PCR for review and signature. If the apparent successful offeror is under the Comprehensive Subcontracting test program, the OSBP will review and return the signed document to the Contracting Officer. The subcontract review check list or subcontract plan will NOT be forwarded to the SBA PCR.

(6) If deficiencies are noted in the subcontracting plan, the Contracting Officer/Contract Specialist will either negotiate those elements of the plan with the offeror or request a revised plan. If revised, plan will then be returned to the OSBP for review and comments as outlined in the OSBP section below. Once OSBP comments are obtained, the Contract Specialist will forward the plan with all comments, etc. to the Contracting Officer.

(7) SSC PAC Site Specific Procedures: If ACO comments were obtained; provide one courtesy informational copy when submitting the plan for SSC PAC OSBP review.

b) OSBP

(1) OSBP shall review the subcontracting plan, and make comments concerning deficiencies, recommend changes, or recommend approval of the plan as submitted.

(2) The OSBP will notify the SBA PCR of the opportunity to review the proposed contract (including the plan and supporting documentation)(FAR 19.705-5(a)(3)). In practice, the OSBP at each SPAWAR activity has developed a working relationship and understanding with their respective SBA PCR concerning what type contracts/subcontracting plans requires review. The OSBP will notify the SBA PCR of the opportunity to review the proposed contract (including the plan and supporting documentation). Sufficient time should be given to the SBA PCR to determine if the document will be reviewed but review shall not delay contract award.

The OSBP will return the subcontracting plan to the Contract Specialist as either acceptable or unacceptable. Evaluation for adjectival ratings will not affect acceptability or unacceptability of the subcontract plan.

c) Contracting Officer

(1) The Contracting Officer will review and approve the subcontracting plan if the plan is found to be acceptable. If the plan is not acceptable, the plan will be returned to the Contract Specialist with recommendations. During the course of the contract's period of performance, the Contracting Officer is responsible for enforcing good faith compliance in accordance with FAR 19.705. In negotiated acquisitions, each solicitation of offers to perform a contract or contract modification that individually is expected to exceed the dollar thresholds established in FAR Part 19.702(a)(1) and that has subcontracting possibilities, shall require the apparently successful offeror to submit an acceptable subcontracting plan. If the apparently successful offeror fails to negotiate a subcontracting plan acceptable to the contracting officer within the time limit prescribed by the contracting officer, the offeror will be ineligible for award.

(2) The Contracting Officer will ensure that an acceptable plan is incorporated into and made a material part of the contract (FAR 19.705-5(a)(5). A contract may have no more than one plan (FAR 19.705-2(e)).

(3) The Contracting Officer will ensure that post-award distribution of the awarded contract or contract modification and approved subcontracting plan is made IAW FAR 19.705-6, Postaward Responsibilities of the Contracting Officer, and that proof of the distribution is retained in the contracting file.

6. Tool Box

a) Subcontracting Plan Review Checklist - Provides a roadmap of how to assess the subcontracting plan and make recommendations to the Small Business Office

(Note the following six non-critical out of date parts in the linked DoD controlled checklist: 1) the phrase "(includes Historically Black Colleges and Universities and Minority Institutions)" on page 1 paragraph 1(c) is no longer applicable; 2) the dollar amount of **$650,000** as depicted on page 1 paragraph 8 is now **$700,000**; 3) the reference to "SF 294 and/or SF 295" on page 1 paragraph 9 has been replaced with the Individual Subcontracting Report (ISR) and the Summary Subcontract Report (SSR) respectively (filed electronically); 4) SADBU in the review area of page 1 is now OSBP; 5) the goal for HBCU/MI page 2 lines 1 and 6 is no longer applicable; and 6) the phrase "(includes HBCU/MI)" page 2 line 4 is no longer applicable)

(FYI - Subcontracting Plans for DARPA awarded BAAs, do not need to be reviewed by the SSC-SD OSBP. The review can be done solely by the cognizant DCMC. Once DCMC has completed their review, please provide one courtesy informational copy of the plan and evaluation to the OSBP.)

b) Small Business Subcontracting Section L and M Sample

1. PURPOSE

The primary purposes of publicizing contract actions are to improve small business access to acquisition information and to enhance competition by identifying subcontracting opportunities. The purpose of this document is to provide Claimancy-wide policy and procedures for publicizing contract actions through SPAWAR's E-Commerce Central (ECC) website, which automatically populates the Government-wide Point of Entry (GPE), Federal Business Opportunities (FedBizOps).

Synopses publicize contract opportunities and award information for Government contracts. Sharing this information increases competition, broadens industry participation in meeting Government requirements, and assists small business concerns in obtaining contracts and subcontracts.

Related guidance is available under CMPG 2.1.1 Develop Synopsis and 4.2.3 Release Award.

2. POLICY

The SPAWAR Claimancy complies with the GPE publication requirement by publicizing synopses of applicable contract actions via the ECC web site, which automatically forwards data to the GPE. There are three broad categories of synopses: Presolicitation notices; Special situations; and Synopses of contract awards.

2.1 Pre-Award Synopses/Pre-Solicitation Notices

Pursuant to FAR 5.101(a)(1) agencies must make notices of proposed contract actions expected to exceed $25,000 by synopsizing in the GPE, except as noted in FAR 5.202. In addition, written solicitations for contract actions and simplified acquisition actions between *$15,000* and $25,000 must be displayed in a public place. See FAR 5.101(a)(2) and (b) and DFARS 205.502 for additional information. *Note that a Justification & Approval (J&As) will normally be prepared after synopsis to ensure that the sole source justification may be supported before entering negotiations see Justification & Approval (J&As) SCPPM for further information.*

2.1.1 PROPOSED CONTRACT ACTIONS

Proposed contract actions must be synopsized in the GPE before issuing any resulting solicitation *or according to SeaPort-e portal requirements (Advance Notice – see SeaPort-e Task Orders SCPPM).* Proposed contractual actions include:

- Contract actions over $25,000;
- Modification to an existing contract for additional supplies or services (i.e., new procurement mod) over $25,000; and
- Contract actions in any amount for which a synopsis would be advantageous to the Government (FAR 5.201(b)).

2.1.2 BROAD AGENCY ANNOUNCEMENTS (BAAS)

BAAs are announced through the GPE (see FAR 35.016 (c)). However, synopses of proposed contract actions based upon proposals received under BAAs is not required (FAR 35.016(f)). See Broad Agency Announcements SCPPM.

2.2 Special Situations

Defined in FAR 5.205, Special Situations generally fall under the Sources Sought procurement type, with the exception of Special Notices.

- R&D advance notices;
- Federally Funded Research and Development Centers (FFRDCs);
- Special notices;
- Architect-engineering services;
- Efforts to locate commercial sources under OMB Circular A-76; and

- Section 8(a) competitive acquisitions.

2.3 Synopsis of Contract Award

A synopsis is required for SPAWAR contract awards greater than $25,000 subject to the World Trade Organization Government Procurement Agreement or a Free Trade Agreement (see FAR Subpart 25.4) *which will likely result in the award of any subcontract; a copy of the transmittal shall be placed in the contract file* pursuant to FAR 5.301(a), except as noted in FAR 5.301(b), FAR 5.301(a)(1) and FAR 5.301(a)(2).

2.3.1 Award Actions Exceeding *$7M*

CHINFO notification and award synopsis are required; both shall be documented in the contract file (see FAR 5.303*;* DFARS 205.303(i); and Contract Award Announcements (CHINFO) SCPPM*). **Please note:** Notifying CHINFO does not serve as the award synopsis.*

2.3.2 Award Synopsis Exceptions (i.e., when not required)

- Awards under Blanket Purchase Agreements, Delivery Orders, or Task orders, and Federal Supply Schedule (FSS) orders or if the requirement meets any of the exceptions of FAR 5.301(b) (1)-(8);
- Contract actions between $25,000 and $100,000, posted on E-Commerce Central with electronic receipt of proposals.

2.4 DON Communication with Industry

When communications take place between the Department of Defense and current and potential suppliers, it is important that DON Officials protect sensitive, non-public information (Navy Clarifying Guidance for Communication with Industry).

a. DON Officials are instructed to first determine that the proposed communication with industry is necessary or beneficial to the conduct of official DON business.
b. If it is, the DON Official must determine the most appropriate manner of conducting the communication to ensure openness and fair and equal treatment. Such communications may be in the form of an industry day, where the DON opens a communication line directly with industry— with the Government's objectives and best interest in mind.
c. DON officials are advised to request assistance from their counsel when conducting communications with industry.

3. Responsibilities

3.1 The PCO and the Contract Specialist

Prepare and issue synopses, promptly respond to requests for additional information and properly file synopses in the official contract file.

3.2 PMW / Technical Code

Although not responsible for issuing synopses, the technical code assists in defining acquisition requirements and related information in the synopsis.

4. Procedure

Publicizing and response times are calculated based on the date the notice appears on the GPE. Timeframes for synopsizing proposed contractual actions are described in FAR 5.203 and summarized below.

1. Draft Presolicitation Notice; ensure appropriate review/approval before posting to ECC.

   a. The Security Office shall review a draft presolicitation notice ONLY if contractor access to classified information is necessary and a DD 254 has not been executed. This includes special situation synopses where contractor access to classified information will be required.
   b. The Small Business Office shall review a draft presolicitation notice ONLY if a DD 2579 (Small Business Coordination Record) has not been executed, or the synopsis does not reflect the small business representative's recommendation.
2. Publish a notification of contract action at least *15 days before issuance of a solicitation*. For acquisitions of commercial items, the contracting officer may establish a shorter period for issuance of the solicitation or use the combined synopsis and solicitation procedure in FAR 12.603.
3. Allow *at least 30 days response time* for receipt of bids or proposals:
   a. From the date of issuance of a solicitation expected to exceed SAT (exception: commercial item acquisitions). Allow *at least 45 days response time* for Research and Development (R&D) actions expected to exceed SAT.
   b. From proper notice of intent to contract for architect-engineering services or before issuance of an order under a basic ordering agreement or similar agreement.

5. Approvals

5.1 SSC LANT

The PCO shall review and approve all synopses. The PCO's forwarding of the synopsis to the GPE constitutes approval.

5.2 SSC PAC

After PCO approval, the contract specialist shall post the synopsis to the GPE.

6. Toolbox

1. e-Commerce Central (ECC) – SPAWAR website
2. FedBizOps – GPE automatically populated by e-Commerce Central
3. OMB Circular A-76
4. Navy Clarifying Guidance for Communication with Industry – May 2011
5. SCPPM Contract Award Announcements (CHINFO)
6. Small Business Coordination Record (DD Form 2579)
7. *Justification & Approval (J&As)*
8. *Better Buying Power 3.0*

7. Change History

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
June 2016	Revised to new SCPPM format. Thresholds and content updated, and reorganized. SCPPM references updated.
July 2014	Last version created in old format; CHINFO notice was last update.

1. PURPOSE

The purpose of this document is to provide the policy and guidance for the preparation and issuance of Technical Direction Letters (TDLs) for the SPAWAR claimancy.

A TDL is a written document issued to the contractor that clarifies, defines, or provides technical instructions within the statement of work. Examples include clarifications, time/place of performance, and order of preference in performing tasks within the scope of the contract's statement of work (SOW).

Related guidance is available under CMPG 5.2.3.3.1 Technical Direction Letters (TDLs).

2. POLICY

It is the policy of the SPAWAR Claimancy to issue Technical Direction Letters (TDLs) that provide specific information relating to the tasks contained in the Statement of Work, when necessary. It should be noted that TDLs should be used only in accordance with the terms and conditions of the contract.

2.1 What does a TDL include?

A. TDL shall include, but is not limited to the following:
   1. Date of issuance of Technical Direction
   2. Applicable contract number
   3. Technical direction identification number
   4. Technical direction description
   5. Estimated cost
   6. Estimated level of effort by labor category
   7. Signature of the PCO/COR

2.2 Who has the authority to issue a TDL?

A. The COR prepares the TDL in writing, the negotiator reviews it, and the contracting officer signs it or the COR may sign it if such authority has been delegated to the COR.

2.3 When is it/is it not appropriate to issue a TDL?

A. Generally, a TDL is issued to provide technical direction not contained in the SOW in order to complete a given task.
   1. A TDL should be issued for new work, and will **not** be used as a substitute for a task/delivery order, or for a modification to the scope of work.
   2. A TDL should be issued for additional/changed work, for which additional funding may be required.
   3. If there is any conflict between the TDL and the contract, the contract shall take precedence.

3. RESPONSIBILITIES

3.1 The Procurement Contracting Officer (PCO)

A. Ultimately responsible for the content of the TDL, but may delegate approval authority to the COR.
B. Ensuring that SPAWAR Clause 5252.242-9202, Technical Direction (Cost Type Contracts), is included in the solicitation and contract.

3.2 The Contracting Officers Representative (COR) is responsible for:

A. Writing the TDL.
B. Assigning a technical direction identification number (e.g., TDL 01).
C. Forwarding (electronically if possible) to the contract negotiator.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3.3 The Contract Negotiator shall:

A. Review the TDL to determine if the proposed technical direction is within the scope of the (SOW) and is not in conflict with the terms and conditions of the of the basic contract.
B. Prepare the TDL on official command letterhead for the contracting officer's signature or the COR for signature if such authority has been delegated.
   1. Where the COR has not been delegated such authority, the Contract Negotiator shall prepare the TDL or the TD (Task Description Form) and issue it to the contractor.

4. PROCEDURE

4.1 General Procedures

A. Funds can be placed on contract via modification at any time of the contract performance period.
B. Program manager (PM)/Technical Code (TC) will define a need.
C. PM/TC will draft a TDL.
D. PCO will review/approve TDL.
E. Should a modification be issued to add funds to the contract, the TDL can be revised to reflect the increase in funding.
F. All TDLs and TDL revisions shall be issued in writing. However, oral technical directions may be given by the COR only in emergency circumstances, and shall be reflected in writing by the COR within two (2) working days of their issuance.
G. A copy of the original letter shall be filed in the official contract file.

5. APPROVALS

5.1 PCO

A. The PCO is responsible for the review and approval of the TDL, but may delegate the authority for such review and approval to the COR.

6. TOOLBOX

6.1 SPAWAR

A. TDL SAMPLE MEMO (HQ)

7. CHANGE HISTORY

Date	Description of Changes
June 2016	Revised to new SCPPM format and links updated.
February 2012	Last version created in old format

Updated material is highlighted by *purple text* and an Alert/New icon.

1. PURPOSE

The purpose of this document is to provide notification policies and procedures within the SPAWAR Claimancy, when a contract termination (by default or cause) is in progress.

Related guidance can be located in CMPG Section 5.2.5 Terminations.

2. POLICY

In a commercial acquisition, default by the Contractor (or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance), is termination for **CAUSE** [FAR 12.403(c)]

In non-commercial acquisitions, termination for **DEFAULT** is generally the exercise of the Government's contractual right to completely or partially terminate a contract because of the contractor's actual or anticipated failure to perform its contractual obligations [FAR 49.4].

These terms are not interchangeable.

This policy only applies to terminations by cause, default, or subsequent withdrawal or a conversion of a termination for default to a termination for convenience; it does not apply to any other terminations for convenience.

3. RESPONSIBILITIES

3.1 PM/Technical Code/COR

Prepared information for entry in the Federal Awardee Performance and Integrity Information System (FAPIIS) module of Contractor Performance Assessment Reporting System (CPARS) and address any termination decisions in the annual CPARS rating in accordance with FAR 42.1503(b)(2)(vi) (see CPARS SCPPM).

3.2 Contract Specialist/PCO

All contracting activities within the SPAWAR Claimancy shall, *prior to issuance of a show cause or cure notice to the DoN AIO, immediately inform SPAWAR HQ 2.0 and* prior to issuance of the termination notice, immediately inform SPAWAR HQ 2.0 to obtain approval.

4. PROCEDURE

After this approval is granted:

4.1 Within 3 days

1. Within **three (3) working days** after the contracting officer issues a final termination for cause or default notice (or makes a subsequent withdrawal or a conversion of a termination for default to a termination for convenience), data must be reported via the FAPIIS module of CPARS in accordance with FAR 42.1503(h).

4.2 Within 5 calendar days

1. Notification shall be provided to ASN (RD&A) within **five (5) calendar days** after issuing the termination for cause, or termination for default.
2. If the termination status changes (i.e. from termination for default to termination for convenience) likewise, the notification shall be provided to ASN (RD&A) within five (5) calendar days after the effective date of the change, (see Toolbox Ref 1).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4.3 Complete the SPAWAR Termination Report

1. Complete the form "SPAWAR Termination Report" and send via e-mail to: RDAJ&As@navy.mil, with a copy to HQ_CONTRACTS_POLICY@NAVY.MIL (see Toolbox Ref 4).
2. The subject line shall be formatted as "T4D: (insert contract number)".

4.4 Additional Requirements for Small Business contracts

1. FAR 49.402-3 (e)(4) requires that if the contractor is a **small business firm**, the contracting officer shall immediately provide a copy of any cure notice or show cause notice to the contracting office's small business specialist and the Small Business Administration Regional Office nearest the contractor.
2. *NMCARS 5209.406-3 requires any Contracting Officer issuing a show cause or cure notice to submit a copy of the issuance to the DoN Acquisition Integrity Office (AIO) within five days by email at aio@navy.mil with the subject "PGI 209.406-3 - Poor Performance Referral." Prior to routing the copy of the issuance to the DoN AIO, the Contracting Officer must provide SPAWAR HQ 2.0 a copy of the show cause or cure notice.*
3. The contracting officer should, whenever practicable, consult with the small business specialist before proceeding with a default termination (also see FAR 49.402-4).

5. APPROVALS

5.1 SPAWAR HQ 2.0

All contracting activities within the SPAWAR Claimancy shall, prior to issuance of the termination notice, immediately inform SPAWAR HQ 2.0 to obtain approval.

6. TOOLBOX

6.1 Federal

(1) Federal Awardee Performance and Integrity Information System (FAPIIS)

6.2 Navy

(1) *DASN(AP) Memorandum of 31 October 2012, Termination for Default Reporting in FAR Subpart 42.1503*
(2) DASN (AP) Memorandum of 30 November 2010, Class Deviation – Congressional Notification on Significant Contract Terminations
(3) DASN (AP) Memorandum of 08August 2008, Change 08-3 NMCARS - Termination Notification
(4) DASN (AP) Contact: RDAJ&As@navy.mil
(5) Performance Assessment Report (PAR)

6.3 SPAWAR

(1) CMPG 5.2.5 Terminations
(2) SPAWAR Termination Report
(3) SPAWAR HQ 2.0 Contact: hq_contracts_policy@navy.mil

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
June 2016	Content formatted and reorganized to new SCPPM format
March 2012	Last version created in old format

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide notification policies and procedures within the SPAWAR Claimancy, when a Truthful Cost or Pricing Data (TCPD) waiver is contemplated.

Related Guidance can be found in CMPG sections 1.2.3 Develop D&F and 3.2.2 Analyze Cost/Price.

2. POLICY

The TCPD Act, formerly known as the Truth in Negotiations Act (TINA), was codified by 10 U.S.C. 2306a. It gave the Government informational parity with contractors and subcontractors during negotiations so that the Government avoids excessive prices. It requires certification by the contractor that the costs submitted in response to a proposal are current, accurate, and complete (i.e. "Cost and Pricing Data"). It also gave the Government the right to examine a contractor's records and to pursue remedies in defective pricing, including a downward adjustment in contract price. FAR 2.101 defines "Cost and Pricing Data", in part, as data requiring certification in accordance with FAR 15.406-2; data must be factual, not judgmental and verifiable.

2.1 Data Requirements

Cost and Pricing Data is required for all acquisitions exceeding $750,000, EXCEPT:

1. When exercising an option at the price established at contract award or initial negotiation [FAR 15.403-2(a)];
2. For proposals used solely for overrun funding or interim billing adjustments [FAR 15.403-2(b)];
3. For acquisitions at or below the simplified acquisition threshold [FAR 15.403-1(a)];
4. For acquisitions with the Canadian Commercial Corporation and its subcontractors [Waived by DoD IAW DFARS 215.403-1(4)(C)];
5. [Waived by DoD IAW DFARS 215.403-1(4)(D)] For nonprofit organizations (including educational institutions) on cost-reimbursement-no-fee contracts. The contracting officer shall, however, require:
   a. Submission of information other than cost or pricing data to the extent necessary to determine price reasonableness and cost realism; and
   b. Cost and pricing data from subcontractors that are not nonprofit organizations when the subcontractor's proposal exceeds $750,000
6. If one of the following exceptions applies [FAR 15.403-1, Prohibition on Obtaining Cost or Pricing Data]:
   a. When the contracting officer determines that prices agreed upon are based on adequate price competition (see standards set by FAR 15.403-1(c)(1));
   b. When the contracting officer determines that the prices agreed upon are based on prices set by law or regulation (see standards set by FAR 15.403-1(c)(2));
   c. When a commercial item is being acquired (see standards set by FAR 15.403-1(c)(3)).
      i. If this exception applies, there are additional reporting requirements for a commercial contract, subcontract, or modification valued at $15 million or more. See DFARS 215.403-1(3)(A) and (B), and NMCARS 5215.403-1(c)(3)(B) for further guidance;
   d. When modifying a contract or subcontract for commercial items (see standards set by FAR 15.403-1(c)(3)); or
   e. When a waiver has been granted.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

3. RESPONSIBILITIES

3.1 Program Manager (PM)/Technical Code

The PM/Technical Code shall utilize this document as well as the guidance and procedures set forth at PGI 215.403-1(c)(4)(A), write the D&F for an exceptional case TCPD waiver and submit the document to the assigned contract specialist/negotiator for review. The PGI reference also provides guidance for waivers on unpriced supplies or services, or partial waivers.

3.2 Contract Specialist/PCO

A. The Contract Specialist/PCO shall review the D&F and provide any necessary comments/feedback.

B. ***Important Reminder***: Because this is a waiver, when creating the Contract Action Report (CAR), ensure that the FPDS-NG field titled "Cost or Pricing Data" is populated with the selection of "Not Obtained – Waived".

C. Conversely, for those acquisitions that meet any of the exceptions mentioned earlier, (or that have been waived by DoD), the appropriate selection is "No".

D. Report all waivers valued at $15 million or more (contract, subcontract, or modification), to SPAWARSYSCOM Code 2.3.1. The report shall include:
   1. Contract number, including modification number, if applicable, and program name
   2. Contractor name
   3. Contracting activity
   4. Total dollar amount waived
   5. Brief description of why the item(s) could not be obtained without the waiver
   6. Brief description of the specific steps taken to ensure price reasonableness
   7. Brief description of the demonstrated benefits of granting the waiver
   8. Award Date
   9. Contracting Officer's name
   10. Contracting Officer's phone number

3.3 SPAWARSYSCOM Code 2.3.1

SPAWARSYSCOM Code 2.3.1 is tasked to submit an annual report to DASN (AP) by October 31st of each year.

4. PROCEDURE

4.1 Waiver Requirements

A. The Head of the Contracting Activity (HCA) may, without power of delegation, waive the requirement for submission of cost or pricing data in exceptional cases. If this is done, the contractor or higher-tier subcontractor to whom the waiver relates shall be considered as having been required to provide cost or pricing data. Consequently, award of any lower-tier subcontract expected to exceed $750,000 requires the submission of cost or pricing data unless:
   1. An exception otherwise applies to the subcontractor; or
   2. The waiver specifically includes that subcontract and the rationale supporting the waiver for that subcontract.

B. The waiver shall be documented as a Determination and Findings (D&F). The standards for such waivers have been clearly delineated by the Office of the Under Secretary of Defense (Acquisition, Technology & Logistics), via their "Waivers Under the Truth in Negotiations Act" memorandum. Accordingly, the following standards for TCPD waivers shall be met and documented in the D&F [DFARS 215.403-1(c)(4)]:

1. The property or services cannot reasonably be obtained under the contract, subcontract, or modification, as the case may be, without the grant of the exception or waiver;
2. The price can be determined to be fair and reasonable without the submission of certified cost and pricing data or the application of cost accounting standards, as the case may be; and
3. There are demonstrated benefits to granting the exception or waiver.

C. The SCPPM document Determination and Findings duplicates the policies set forth here.

5. APPROVALS

A. As previously stated the Head of the Contracting Activity (HCA) has approval authority to waive the requirement for submission of cost or pricing. This authority cannot be delegated.

B. Submit exceptional case Truth in Negotiations (TINA) waivers that exceed $100 million via DASN(AP) for coordination prior to approval by email at RDAJ&As@navy.mil with the subject "DFARS 215.403-1(c)(4)(A), -Exceptional TINA Case Waivers."

6. TOOLBOX

6.1 Federal

A. FAR 2.101 "Definitions of Words and Terms"
B. FAR 15.403-1 "Prohibition on obtaining certified cost or pricing data"
C. FAR 15.403-2 "Obtaining Certified Cost or Pricing Data"
D. FAR 15.406-2 "Documentation"
E. 10 U.S.C. 2306a "Cost or Pricing Data: Truth in Negotiations"

6.2 DoD

A. DFARS 215.403-1 "Obtaining Certified Cost or Pricing Data"
B. DFARS PGI 215.403-1 "Obtaining Certified Cost or Pricing Data"

6.3 Navy

A. NMCARS 5215.403-1 "Obtaining Certified Cost or Pricing Data"

6.4 SPAWAR

A. CMPG 1.2.3 Develop D&F
B. CMPG 3.2.2 Analyze Cost/Price
C. Determination and Findings

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
May 2016	SCPPM title changed and content reorganized and reformatted to new version and links updated.
January 2011	Last version created in old format as Truth in Negotiations Act (TINA) SCPPM.

1. PURPOSE

The purpose of this document is to provide SPAWAR policy for the travel of contractor personnel. This document will cover both CONUS and OCONUS Contractor Personnel Travel.

Related guidance is available under CMPG Special Topic > Special Considerations > 2.0 Foreign Items > 2.3 Contractor Personnel Authorized to Accompany U.S. Forces Deployed Outside the U.S.

2. POLICY

2.1 Domestic Travel: Contract actions requiring travel shall comply with the prescriptions set forth in FAR 31.205-46(a)(1), which defines the allocability of contractor incurred travel costs.

2.2 Foreign Travel: Contract actions which require performance of work in a foreign country by contractor personnel, other than host country personnel (i.e., host country nationals or personnel who ordinarily reside in the host country), or require delivery of items to a Unified Combatant Command designated operational area, that the contract shall include required DFARS clauses and any applicable host country and designated operational area performance considerations.

2.3 Contract Personnel: Contractor Personnel authorized to accompany the U. S. Armed Forces may include U.S. citizens, U.S. legal aliens, and third country nationals. They may be employees of external support, systems support or designated operational area support contractors.

3. RESPONSIBILITIES

3.1 CONUS (Continental United States) Travel

Contractor domestic travel is a common occurrence among task orders issued within the DoD. Domestic travel is primarily regulated by contractor rules; however proposed travel costs should be assessed and negotiated by the Contracting Officer. Contracting Officers should review task order requirements to ensure travel is a necessary component of successfully performing a task order, and that the proposed travel volume/trip locations are consistent with the task order requirements. Contracting Officers may also view GSA Per Diem Rates to establish a fair and reasonable price determination.

A. In accordance with FAR 31.205-46(a)(1): Costs incurred by contractor personnel on official company business are allowable, subject to the limitations contained in this subsection. Costs for transportation may be based on mileage rates, actual costs incurred, or on a combination thereof, provided the method used results in a reasonable charge. Costs for lodging, meals, and incidental expenses may be based on per diem, actual expenses, or a combination thereof, provided the method used results in a reasonable charge.

B. Per Diem rates are prescribed annually by the General Services Administration (GSA) and may be queried through the DoD Defense Travel website.

3.2 OCONUS (Outside of the Continental United States) Travel

Contractor foreign travel is subject to numerous regulations depending on location of travel, and requires detailed preparations and administrative actions of the Contracting Officer assigned to the specific task order. The DPAP Areas of Responsibility Website defines the specific region where travel may occur. (NORTHCOM, SOUTHCOM, AFRICOM, CENTCOM, PACOM, and EUCOM respectively).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Contracting officers should refer to the areas of responsibility to establish the level of administrative support necessary to ensure compliance with OCONUS travel regulations. All Continental United States (CONUS) awarded contracts to be performed in theater will use the DoD Contracting Officer Representative Tracking Tool (CORT Tool). Prior to the contract award, compliance tracking shall also be incorporated into the TBC/CAD Checklist.

4. PROCEDURE

4.1 Pre-Award

A. Contracting Officers shall refer to the checklist outlined in *DFARS PGI 225.370* to verify that the requiring party has considered all aspects of Contractor OCONUS travel when building its requirements package.

1. Some preparations to consider (but are not limited to) are: *Theater Business Clearance (TBC)* documentation, Status of Forces Agreements (SOFA) and related clauses for travel to countries where bilateral agreements exist, DD Form 93s (as applicable), and a Letter of Authorization.

   a. Special Note: Federal Register Vol. 76, No. 121 made a final rule that updated the nomenclature associated with the letter of authorization required for the contractor to process through a deployment center or travel to, from, or within a designated operational area. (Ref: *DFARS 225.3*).

   b. The letter must use the formal title "Synchronized Predeployment and Operational Tracker (SPOT)-generated letter of authorization" (Ref. DFARS 252.225-7040).

2. The complete checklist is defined within *DFARS PGI 225.370*.

4.2 Administrative Actions

4.2.1 Synchronized Pre-deployment and Operational Tracker (SPOT):

A. The Contracting Officer is responsible for informing the contractor of the Government Official designated to receive the DD Form 93.

B. Contracting Officers are responsible for approving LOA's in SPOT. This is considered contract maintenance. Contracting Officers may also delegate authority to approve LOA's to CORs. This must be delineated in the COR Nomination Letter for the contract. Periodically, Contracting Officers should review the work of the individual appointed to maintain SPOT.

C. Federal Register Vol. 76, No. 12 issuance mentioned above in the Pre-Award Section also impacted post-award administration through DFARS 242.302(a) (S-72) that requires DoD contract administrators, when the contract incorporates the clause at DFARS 252.225-7040, to ensure implementation of, and maintain surveillance over, contractor compliance with the SPOT business rules.

D. SPOT Training information is available by viewing the *OSD-LMR SPOT page or by emailing the SPOT-ES Training Registrar dodhra.beau-alex.dmdc.mbx.spot-es.training@mail.mil.*

4.2.2 CLASS DEVIATION:

A. Effective January 26, 2012, contracts with an estimated value of more than $100,000 that are being, or will be, performed in the U.S. Central

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Command theater of operations are subject to Class Deviation 2012-O0005 which includes two new clauses.

5. APPROVALS

A. The CENTCOM Joint Theater Support Contracting Command (C-JTSCC or C3) is the designated approval authority for exercising TBC for Iraq, Afghanistan, Kuwait and Pakistan.

B. Contract Specialists should refer to the CENTCOM Website on a regular basis to ensure up-to-date requirements are followed when OCONUS contractor travel is anticipated on a task order. Because OCONUS efforts/requirements are constantly evolving, the CENTCOM website is periodically to adapt to the current situation.

6. TOOLBOX

6.1 Federal

A. FAR 31.205-46, "Travel Costs"
B. Federal Register Vol. 76, No. 121

6.2 DoD

A. Areas of Responsibility
B. CENTCOM Joint Theater Support Contracting Command (C-JTSCC or C3)
C. CENTCOM
D. Class Deviation 2012-O0005, "Prohibition on Contracting with the Enemy and Access to Contractor and Subcontractor Records in the U.S. Central Command Theater of Operations"
E. DD Form 93, "Record of Emergency Data"
F. DFARS 225.3, "Contracts Performed Outside the United States"
G. DFARS 252.225-7040, "Contractor Personnel Supporting U.S. Armed Forces Deployed Outside the United States"
H. DFARS PGI 225.370, "Contracts requiring performance or delivery in a foreign country"
I. Defense Contingency COR Handbook, Version 2 (DRAFT of June 2012)
J. DoD Contracting Officer Representative Tracking Tool (CORT Tool)
K. DoD Defense Travel website
L. Life Support for Contractors in Afghanistan DPAP Memorandum of April 26, 2012
M. OSD-LMR SPOT
N. OSD Memo of Feb 17, 2012 on Contingency Competition Goals and Competition Reviews of Certain Omnibus Contracts (On the establishment of contingency goals for Operation Enduring Freedom (OEF))
O. OSD Memo of Feb 17, 2012 on Procurement Support of Theater Security Cooperation Efforts (links to a new Podcast, pamphlet, and brochure of key guidance)
P. OSD Memo of January 27, 2012 on Data Capture in Support Contingency Planning/Class Deviation 2012-O0005
Q. Notification of Retroactive Billing for Medical Services Provided by Non-Fixed Medical Facilities in the USCENTCOM AOR, December 20, 2011 DPAP Memo
R. Post 2011 Iraq – Contracting and Contractor Related Guidance/Information, Dec 2011 Memo
S. Synchronized Pre-deployment and Operational Tracker (SPOT)
T. Theater Business Clearance (TBC)

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

6.3 Navy

A. DoN Memo of Dec 16, 2011 – TBC/CAD Updates

7. CHANGE HISTORY

Date	Description of Changes
June 2016	Updated to new format, updated links, removed references to removed DFARS 225.74 and DFARS PGI 225.74
June 2012	Last version created in previous format

Updated material is highlighted by *purple text* and an Alert/New icon.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide the SPAWAR claimancy policy and guidance regarding uncompensated overtime proposed by contractors and subsequently included in contracts.

Uncompensated overtime (effort) is defined as hours provided by exempt (salaried) personnel in excess of 40 hours per week without compensation for such excess work.

Related guidance is available under CMPG 3.2.1.2 Uncompensated Overtime, 5.2.3.3.2 Uncompensated Overtime, and Special Topic Clauses.

2. POLICY

A. The use of uncompensated overtime is discouraged by the Government (see FAR 37.115); however, offerors who include uncompensated effort in their proposals must meet the requirements specified in the SPAWAR claimancy provision L-331 entitled "Uncompensated Overtime and Professional Employees".

3. RESPONSIBILITIES

3.1 Procuring Contracting Officer (PCO) / Contract Specialist

A. Ensure that any proposed uncompensated overtime is evaluated in accordance with FAR/DFARS policy.
B. Ensure that the use of uncompensated overtime does not degrade the level of technical expertise required to fulfill the Government's requirements.
C. Ensure that the COR's designation letter includes the responsibility of tracking uncompensated overtime by reviewing invoices.
D. Request that DCAA reviews the offeror's account practices used to estimate uncompensated overtime.
E. Take appropriate action when proposed uncompensated overtime is not provided during contract performance (i.e. factfind, make determination, review voucher/invoice/progress payment for a possible deduction).

3.2 Contracting Officer Representative (COR)

A. Track uncompensated overtime by reviewing invoices and advise the PCO accordingly. CORs should have this responsibility in their designation letters.

3.3 Defense Contract Audit Agency (DCAA)

A. Review the offeror's accounting practices used to estimate uncompensated overtime to ensure consistency with the offeror's cost accounting practices used to accumulate and report uncompensated overtime hours.

3.4 Contracting Agency

A. Ensure that the Contracting officer is made aware of proposed uncompensated overtime at the time of proposal receipt/evaluation.

4. PROCEDURE

4.1 Complete the following Requirements Checklist

A. Include Clauses and Requirements
   1. FAR 52.237-10
   2. L-331 Uncompensated Overtime and Professional Employees
   3. M-307 Evaluation Criteria and Basis For Award (Best Value)
   4. M-308 Uncompensated Overtime Evaluation
   5. Include a requirement for the contractor to provide a monthly report of the number of hours of uncompensated overtime worked the previous

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

month (this can be done by including a Contracts Data Requirement List [CDRL] or within the Statement of Work [SOW]).

B. Past Performance
   1. Evaluate Contractor's Record of Past Performance in the area of Uncompensated Overtime as it relates to historical data (i.e. If they've requested in the past - How much and under which circumstances did they use it?)

C. Proposal Receipt
   1. Review proposal for any uncompensated overtime proposed by contractor

D. Pre-Award Review
   1. Consider the reasonableness of the proposed staff-hour rates
   2. What does history (past performance) show that the job can be performed for?
   3. Is this an indication of high turnover on the employer's part? Can the company force its employees to work extra hours?

E. Post Award Review
   1. Monitor the contractor's actual rates compared to the proposed rates
   2. Check with the COR to certify that the uncompensated hours are provided

4.2 Review recommended Business Practices

A. Mark the front of the file (electronic or hardcopy) of any contract that contains uncompensated overtime with the words "UNCOMPENSATED OVERTIME". For electronic versions, the index sheet or checklist in PD2 would be appropriate.

B. If your activity has a contract administration plan, include information regarding uncompensated overtime for all reimbursement cost type contracts (e.g., cost, T&M/LH, etc).

C. Require the Ordering Officer to track the number of hours of uncompensated overtime actually worked and to provide a report to the PCO on a quarterly basis, this will act as a check and balance to that which is submitted by the contractor and COR.

5. APPROVALS

5.1 Contracting Officer

A. The use of uncompensated overtime should be discussed in the Business Clearance and approved or disapproved by the contracting officer.

6. TOOLBOX

6.1 FAR:

A. FAR 37.115
B. FAR 52.237-10

6.2 SPAWAR:

A. L-331 Uncompensated Overtime and Professional Employees
B. M-307 Evaluation Criteria and Basis For Award (Best Value)
C. M-308 Uncompensated Overtime Evaluation
D. CMPG 3.2.1.2 Uncompensated Overtime
E. CMPG 5.2.3.3.2 Uncompensated Overtime
F. CMPG Special Topic Clauses

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
April 2016	SCPPM reorganized and reformatted to version 2, links updated.
April 2010	Last version created in old format

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide policy and guidance for the preparation of undefinitized contract actions (UCAs) for the SPAWAR Claimancy.

A **UCA** is a contract action or order that begins performance without agreed upon contract terms, specifications, or price. A **Letter Contract** is the contractual instrument that authorizes the contractor to begin immediately manufacturing supplies or performing services. The Business Clearance Memorandum (BCM) authorizes the award of a Letter Contract.

For related guidance, see CMPG section Undefinitized Contract Actions.

2. POLICY

Subject to the exceptions described in DFARS 217.7402 and the limitations set forth in DFARS 217.7404, DoD policy is that UCAs shall be used only when:

a. The negotiation of a definitive contract action is not possible in sufficient time to meet the Government's requirements; and
b. The Government's interest demands that the contractor be given a binding commitment so that contract performance can begin immediately. The Letter Contract shall be as complete and definite as practicable.

Note: When an agreement has been reached with the contractor and there is a short period of time allotted to award (i.e., production or performance must begin before scheduled award), a pre-contract cost letter may be issued IAW the Pre-contract (Anticipatory Costs) SCPPM.

The use of a Letter Contract as a form of UCA is emphasized. A Letter Contract pursuant to FAR 16.603 may be used only after the HCA or a designee determines in writing that no other contract is suitable. Letter Contracts shall not:

a. Exceed funds available at Letter Contract execution;
b. Circumvent required competition described in FAR Part 6;
c. Be amended to satisfy a new requirement unless that requirement is inseparable from the existing Letter Contract. Any such amendment is subject to the same requirements and limitations as a new Letter Contract.
d. Obligate more than 50% of the not-to-exceed (NTE) price before terms are definitized (i.e., the undetermined is determined). However, if the contractor submits a qualifying proposal, limitation on obligations before definitization may be increased to no more than 75% (DFARS 217.7404-4).

In accordance with DFARS 217.7404-3, the Letter Contract shall contain a definitization schedule. The Definitization Schedule is accomplished by inclusion of the clause at DFARS 252.217-7027.

- Submission of a qualifying proposal in accordance with the definitization schedule is a material element of the contract. If that proposal is untimely, the contracting officer may suspend or reduce progress payments or take other appropriate action.
- If the contractor submits a qualifying proposal before 50% of the NTE has been obligated by the Government, then the limitation on obligations before definitization may be increased to no more than 75%.

The Contract Review Board approves UCA documentation prior to the issuance of a Letter Contract IAW FAR 16.603-3. The issuance of a Letter Contract does not excuse the requirement for a BCM following the Business Clearance Memorandum SCPPM. The Business Clearance should be as detailed as possible; it includes the same information as a definitized contract award, with the exception of Section V Pre-Negotiation Cost Analysis. If there is a Justification & Approval (J&A) involved,

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

concurrence of Letter Contract is based on approval or condition of approval of the J&A by the approving official.

The DD Form 1547 and risk assessment rationale shall be documented in the contract file.

UCAs and Un-priced Change Orders (within scope modifications) with an estimated value above $5 million shall be reported to SPAWAR 2.3A, and will be submitted semi-annually (DFARS 217.7405 and DFARS Subpart 243.2).

3. RESPONSIBILITIES

3.1 Program Manager (PM) / Requiring Organization

Defines requirements for performance or production; documents the need for award prior to settlement of terms in a Statement of Urgency.

3.2 Contracting Officer / Negotiator

Recommends UCA as the appropriate contract type; develops the Letter Contract; develops the BCM.

3.3 Head of the Contracting Activity (HCA)

Approves all UCAs, and any mid-performance changes to the scope of a UCA; determines in writing that no other contract type is suitable.

3.4 Contract Review Board (CRB)

Reviews UCA documentation prior to the issuance of a Letter Contract.

3.5 SPAWAR 2.3A

Collects reports for UCAs and un-priced change orders over $5M.

4. PROCEDURE

4.1 Awarding a UCA / Letter Contract

1. **Requiring Organization** develops the Statement of Urgency supporting the need to establish a Letter Contract/UCA.
2. **Contracting Officer** determines a Letter Contract is appropriate for the UCA.
3. **Contracting Officer** requests HCA approval before entering into an UCA. The request for approval must fully explain the need to begin performance before definitization, including the adverse impact on agency requirements resulting from delays in beginning performance (DFARS 217.7404-1; DFARS PGI 217.7404-1).
4. **HCA** determines in writing that no other contract type is suitable.
5. **Contracting Officer** develops the Letter Contract, which includes:
    a. Definitization Schedule that plans BCM approval before definitization and provides for definitization before:
        i. 180 days after issuance of the action (this date may be extended up to 180 days after the contractor submits a qualifying proposal); or
        ii. The date when obligated funds equal more than 50% of the NTE price.
    b. Contract Clauses Include clauses for the type of definitive contract contemplated and any additional clauses know to be appropriate for it. Your letter contract must include the following:
        i. FAR 52.216-23, Execution and Commencement of Work (may be omitted from letter contracts awarded on SF26),
        ii. FAR 52.216-24, Limitation of Government Liability (with dollar amounts reflecting the estimated amount necessary to cover the contractor's requirements for funds before definitization),

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

iii. FAR 52.216-26, Payments of Allowable Costs Before Definitization (if a cost-reimbursement definitive contract is contemplated – not applicable to conversion, alteration, or repair of ships), and
iv. DFARS 252.217-7027, Contract Definitization (in lieu of FAR 52.216-25)

c. Assigned Priority Rating if appropriate under FAR 11.604.

6. **HCA** reviews Letter Contract
7. **Contracting Officer** develops the BCM for Letter Contract award authorization requesting approval to issue a Letter Contract to Company XYZ, stating the NTE dollar amount. , to include:
   I. BCM Cover Page;
   II. Urgency Impact Statement – why a Letter Contract is required;
   III. How the contractor/firm was selected for award (e.g., competitive bids or proposals, or approved Justification and Approval);
   IV. Responsibility Determination IAW FAR Subpart 9.1 for the proposed awardee;
   V. The basis for established NTE dollar amount(s) in the Letter Contract (address the contractor's cost proposal); and
   VI. Definitization Schedule, including how it was established (i.e., the relationship between dollars and schedule).
8. **CRB** reviews the following UCA documentation prior to issuance of the Letter Contract:
   a. HCA written determination that no other contract type is suitable;
   b. Statement of Urgency from the requiring organization;
   c. Funding Document; and
   d. BCM for Letter Contract Award Authorization.

Special Situations

A. Funds are not available: the **Negotiator** informs the contractor and requiring organization that no work is to be done until funds are available.
B. Failure to reach agreement on price or fee (DFARS 252.217-7027):
   a. Contractor proceeds with work; and
   b. Contracting Officer may, with the approval of the HCA, determine a reasonable price and fee in accordance with FAR Subpart 15.4 and FAR Part 31, subject to appeal as provided in the Disputes clause.

9. Profit/Fee. Follow the procedures at PGI 215.404-70 for the use of DD Form 1547 *via the Navy Profit Weighted Guidelines Application* as a required approach to profit analysis.
   a. For cost reimbursement contracts, apply the low-end contract risk factor (Block 24 of DD Form 1547) to the actual cost of performance prior to definitization.
   b. If a substantial portion of the costs have been incurred prior to definitization, the Contracting Officer may assign that value as low as 0%, regardless of contract type.

4.2 Modifications

1. **Contracting Officer** requests HCA approval before modifying the scope of a UCA when performance has already begun. The request should show that modification is consistent with good business practices and in the best interests of the Government (DFARS 217.7404-1; DFARS PGI 217.7404-1).

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

4.3 Reporting

1. **Contracting Officer** reports UCAs and Un-priced Change Orders with an estimated value above $5 million semi-annually to SPAWAR 2.3.*1 via HQ_Contracts_Policy@navy.mil*. The report includes the following information:
   a. Contract Number (with Task/Delivery Order number as appropriate);
   b. Date UCA awarded and reason;
   c. Amount Obligated (% of NTE);
   d. Date of Scheduled Definitization;
   e. Number of Days Past Definitization Date;
   f. Date of Definitization Modification;
   g. Date Qualifying Proposal Received; and
   h. Comments (if applicable).
2. **SPAWAR 2.3.*1*** *consolidates inputs and submits information to be part of DON's Consolidated UCA Management Report due to DPAP biannually by Oct 31 and Apr 30.*

5. APPROVALS

See Head of the Contracting Activity (HCA) section under Responsibilities.

6. TOOLBOX

1. Sample Letter for Letter Contracts
2. Sample Determination Memo
3. DD Form 1547
4. Pre-contract (Anticipatory Costs)
5. Business Clearance Memorandum

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
June 2016	Content formatted and reorganized; links updated; added BCM SCPPM link, SPAWAR 2.3A Reporting information, and Weighted Guidelines Application link.
June 2012	Last version created in old format. Recent updates were not noted.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to provide guidance for processing unsolicited proposals submitted to the SPAWAR claimancy.

Related guidance is available under CMPG section 2.2.5 Review of Unsolicited Proposals.

2. POLICY

2.1 General - Unsolicited proposals include unique or innovative methods or approaches, originating outside the Government, which can potentially assist Government agencies towards mission accomplishment. Proposals should be scrutinized to ensure that they do not merely respond to a known SPAWAR requirement that is suitable to be competed.

2.2 Regulatory Guidance - Federal Acquisition Regulation (FAR) Part 15.6 sets forth policies and procedures concerning the submission, receipt, evaluation and acceptance or rejection of unsolicited proposal.

2.3 Definition - FAR 2.101 defines an unsolicited proposal as a written proposal for a new or innovative idea that is submitted to an agency on the initiative of the offeror for the purpose of obtaining a contract with the Government, and that is not in response to a request for proposals, Broad Agency Announcement, Small Business Innovation Research topic, Small Business Technology Transfer Research topic, Program Research and Development Announcement, or any other Government-initiated solicitation or program.

An unsolicited proposal may be accepted by SPAWAR if it:

- Demonstrates a unique and innovative concept or demonstrates a unique capability of the submitter;
- Offers a concept or services not otherwise available to the Government; and,
- Does not resemble the substance of a pending competitive action.

3. RESPONSIBILITIES

3.1 Procuring Contracting Officer (PCO) has the overall responsibility for safeguarding the proposal and ensuring that the required disposition documents are submitted.

3.2 Program Director/Program Manager/Department Head/Program Manager Warfare (PMW)/Technical Code (or other appropriate official) is responsible for conducting technical evaluations of the unsolicited proposal in accordance with the procedures set forth below.

3.3 For **SSC Pacific,** the Contracts Division is the point of contact for unsolicited proposals. The Business Support Office is responsible for receiving, distributing and maintaining a distribution log of all unsolicited proposals.

4. PROCEDURE

4.1. SPAWAR HQ and SSC Atlantic - The *Policy Office* will serve as the point of contact for unsolicited proposals and be responsible for providing preliminary guidance to potential offerors in accordance with FAR 15.604. The Contracting Officer will acknowledge receipt of the proposal and forward it to the cognizant technical code for technical review and recommendation regarding acceptance of the proposal. The Contracting Officer will advise the contractor of the proposal's acceptance or rejection. If the proposal is to be accepted the Contracting Officer shall be responsible for coordination and award of the contract. Unsolicited proposals determined to be invalid/or ones which the government does not wish to accept, will be returned to the submitter with an explanation of the reason for

Note: All SCPPM documents are periodically updated, and the latest version is availablehere for download.

rejection provided. If the proposal was submitted by a small business, the Contracting Officer will provide a copy of the notice of rejection to the Small Business Office.

4.2. SSC Pacific Supply & Contracts Department - All unsolicited proposals submitted to SSC Pacific, regardless of dollar value or form of receipt (i.e., hand carried, personal mail, or by official mail), must be delivered immediately to the Supply & Contracts Department, Code 220, 53560 Hull Street, Bldg A-33, Room 2069A, San Diego, CA 92152-5001. The Supply & Contracts Department will provide the initial routing to the Contracting Officer in all cases and shall attach or imprint on each unsolicited proposal, circulated for evaluation, the legend required by FAR 15.609(d), unless the offeror clearly states in writing that no restrictions are imposed on the disclosure or use of the data contained in the proposal.

4.3. Contracting Officer - The Contracting Officer will serve as the point of contact for unsolicited proposals responsible for providing preliminary guidance to potential offerors in accordance with FAR 15.604 and for coordinating comprehensive evaluations. In addition the contracting officer will acknowledge receipt of the proposal and forward the technical portions of the proposal with a memorandum to the cognizant department for technical evaluation (Enclosure (1)). Based on the evaluation, the Contracting Officer will prepare a signed notice to advise the contractor of the proposal's acceptance or rejection. Unsolicited proposals determined to be invalid will be returned to the submitter. If the proposal was submitted by a small business, the Contracting Officer will provide a copy of the notice to the Small Business Office. The Contracting Officer will maintain a file of all unsolicited proposals received and a log showing the status of all unsolicited proposals in process (for future reference).

4.4. Program Director/Program Manager/Department Head/Program Manager Warfare (PMW)/Technical Code (Or other appropriate official) will conduct technical evaluations of the unsolicited proposal received from the Contracting Officer, determine acceptability, and return the completed evaluation to the Contracting Officer. An initial review will be made to determine whether the proposal is valid as within the mission of SPAWAR, substantially meeting the requirements of FAR 15.605 for proposal content (i.e., contains sufficient technical and cost information to permit meaningful evaluation) and approved by a responsible official or person authorized to obligate the offeror contractually. If the proposal is not valid, the proposal and the evaluation statement should be returned to the Contracting Officer. If the proposal is valid, a further comprehensive evaluation of technical and cost considerations will then be made to determine if procurement is desirable. If the proposal is undesirable, the proposal shall be returned with the evaluation to the Contracting Officer. If the proposal is desirable, a procurement package, which includes the proposal, should be prepared. In accordance with FAR 15.607, a Justification and Approval (J&A) in support of the proposal is required to adhere to non-competitive requirements. For additional information see the J&A SCPPM.

5. APPROVALS

Approvals are set forth in FAR Part 15.6.

6. TOOLBOX

1. Sample Forwarding Memorandum
2. Sample Acknowledgement Letter
3. Sample Rejection Letter
4. Sample Acceptance Letter

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
April 2016	Content converted to the new SCPPM format and updated to reflect the e-Commerce proposal receipt process.
April 2006	Last version created in old format. Latest updates under this topic were approval authorities and reporting requirements.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

1. PURPOSE

The purpose of this document is to convey the SPAWAR policy and procedures for the inclusion and exercise of options under FAR Subpart 17.2.

Related guidance is available under CMPG section 5.3.1.2 Exercising Options.

2. POLICY

Pursuant to FAR 17.2, DFARS 217.2, and NMCARS 5217.2 prior to including option provisions in solicitations and contracts, contracting officers must determine in writing the quantities or the term under option, the notification period for exercising the option, and any limitation on option price.

The Chief of Contracting shall approve contracts exceeding 5 years. Please refer to the 1.2.2.2 Service Contract Term Waiver for period of performance (PoP) standards for services and the waiver process for extending beyond standard PoP **(**NMCARS 5217.204(e)).

Recent policy changes to be considered for inclusion at option exercise:

A. **5252.237-9603** *Required Information Assurance and Personnel Security Requirements for Accessing Government Information Systems and Nonpublic Information* (SPAWAR Component Clause) - Include in new solicitations and existing contracts (at option exercise) or earlier, if mutually agreed upon (SPAWAR Policy Alert Policy Alert 11-112).

B. Include the **SPAWAR MSR CDRL** to count contractors, track and monitor GFP and identify the required Contractor Staffing Plan in all service contracts and task orders. See 1.2.9.2.3_Contractor_Reporting_Requirements SCPPM for details. SPAWAR 2.0 is responsible for informing SPAWAR 8.1 when a contract includes this CDRL requirement. SPAWAR 8.1 notifies SPAWAR 2.0 when a contractor is late submitting the monthly report or has submitted a report which is not in the prescribed format.

C. **52.203-16** *Preventing Personal Conflicts of Interest* is applicable to all task or delivery orders awarded, regardless of when the parent contract was awarded. See OCI SCPPM for details.

D. Contracting officers shall modify, on a bilateral basis, in accordance with FAR 1.108(d)(3), existing task- or delivery-order contracts to include the FAR clause for future orders. If a contractor refuses to accept such a modification, the contractor will not be eligible to receive further orders under such contract.

3. RESPONSIBILITIES

3.1 Contracting Officer - (1) Determines and documents that an option exercise is in accordance with the terms of the contract and is in the Government's best interest and (2) includes options in solicitations and contracts.

3.2 SPAWAR 2.0 - (1) Approves contract term length waivers and (2) approves early option exercise for IDIQ contracts.

3.3 SPAWAR 2.3.1 - Collects and reviews IDIQ early option exercise documentation and rationale.

4. PROCEDURES

4.1 Use of Options

Regulation: **FAR 17.2** | **DFARS 217.2** | **NMCARS 5217.2**

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

Prior to including option provisions in solicitations and contracts, contracting officers must justify in writing that inclusion of option(s) is/are in the Government's interest with a discussion of the quantities or the term under option, the notification period for exercising the option, and any limitation on option price.

4.2 Option to Extend Services

If you have included FAR 52.217-8, Option to Extend Services, in your solicitation, you must include the Option period (not to exceed 6 months) and evaluate the costs prior to award of the contract. The Contracting Officer must properly evaluate all option prices, including any periods anticipated to be covered by FAR 52.217-8, in order to exercise at the amount specified in the contract. If the prices were not evaluated prior to award, then you must follow Bridge Contract Procedures pursuant to NMCARS 5206-303-1 (S-90). For additional information, see DASN(AP) Memo Feb 2013. If your requirement is to extend services on a Task Order, refer to the Multiple Award Contracts (MAC) Procedures SCPPM or the Seaport-e Task Orders SCPPM.

4.3 Site specific procedures regarding the justification and documentation required in paragraph 3.1 above. Note: The Business Clearance is the preferred method of documentation.

A. **SPAWAR HQ**: Document the inclusion of options in the Business Clearance. See Business_Clearance_Memorandum SCPPM.
B. **SSC-LANT**: Documentation should be included in Section 3 of the Contract Plan in the Contract Review Board. (See SSC-LANT Sample Contract Plan in Toolbox.)
C. **SSC-PAC**: The justification should be included in Section 5 of the Contract Plan.

4.4 Option Exercise

Regulation: FAR 17.207 | DFARS 217.207 | DFARS PGI 217.202

4.4.1 GENERAL

A. Before exercising an option, the Contracting Officer shall make **a written determination for the contract file**. This documentation is discussed in the Determination and Findings.
B. Preliminary **notification to the Contractor** of intent to exercise an Option is recommended at least 60 days prior to the Option performance start date or 30 days prior to issuance of unilateral modification or lead time as otherwise agreed to in the contract.

4.4.2 FFP SPARE PARTS

Prior to exercising an option for firm-fixed-price contracts containing spare parts, the contracting officer shall perform a cost or price analysis of the proposed spare parts. The contracting officer shall use an appropriate sampling technique or request field pricing assistance, and document the contract file with the results of the cost or price analysis (DFARS PGI 217.207).

4.4.3 EARLY OPTION EXERCISE ON IDIQ CONTRACTS

Provide the approved AP (if applicable), the basic contract and the proposed contract modification including early exercise rationale to SPAWAR Contracts Policy 2.3.1 at HQ_CONTRACTS_POLICY@navy.mil. SPAWAR 2.0 approval is required prior to issuing the exercise of option modification. This does not include task orders with options under SeaPort-e or any task orders with options issued under an IDIQ contract vehicle or GSA Federal Supply vehicle.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.

5. APPROVALS

Contract Type	Approval Authority
IDIQ Early Option Exercise	SPAWAR 2.3.1; SPAWAR 2.0
PoP Exceeds 5 years*	SPAWAR 2.0
All	Contracting Officer

6. TOOLBOX

6.1 General

1. Option Exercise Checklist
2. Model Determination & Findings to exercise the contract option
3. Memo to exercise option
4. Sample Language for Modification
5. Director of Defense Pricing memorandum 'Cost and Price Analysis of Spare Parts Required Before Exercising an Option; (S. Assad, 12/15/11
6. 1.2.2.2 Service Contract Term Waiver
7. 1.2.9.2.3_Contractor_Reporting_Requirements
8. OCI
9. *Multiple Award Contracts (MAC) Procedures*
10. *Seaport-e Task Orders*
11. Business_Clearance_Memorandum
12. Determination and Findings
13. *Use of FAR Clause 52.217-8, Option to Extend Services – DASN(AP), Feb 2013*

6.2 SSC LANT

14. Inclusion and Evaluation of Option Memorandum for the file (Supply Contract)
15. Inclusion and Evaluation of Option Memorandum for the file (Indefinite Delivery Supply Contract)
16. Inclusion and Evaluation of Option Memorandum for the file (Service Contract)
17. SSC-LANT Sample Contract Plan

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New icon.

Date	Description of Changes
April 2015	Updated format and reorganized content. Updated SCPPM references and added content regarding FAR 52.217-8, Option to Extend Services.
February 2012	Last version created in old format; recent updates were not noted.

Note: All SCPPM documents are periodically updated, and the latest version is available here for download.