# AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

| 1. CONTRACT ID CODE | PAGE OF PAGES |
|---|---|
| | 1 1 |

| 2. AMENDMENT/MODIFICATION NO. | 3. EFFECTIVE DATE | 4. REQUISITION/PURCHASE REQ. NO. | 5. PROJECT NO. *(If applicable)* |
|---|---|---|---|
| P A01 | See Block 16C | | |

| 6. ISSUED BY | CODE | 7. ADMINISTERED BY *(If other than Item 6)* | CODE |
|---|---|---|---|
| GSA/FSS/SBGWACC (6FG)<br>1500 E. Bannister Road<br>KC, MO 64131 | | | |

| 8. NAME AND ADDRESS OF CONTRACTOR *(No., street, county, State and ZIP Code)* | (✓) | 9A. AMENDMENT OF SOLICITATION NO. |
|---|---|---|
| VISION TECHNOLOGIES, INC<br>530 J MCCORMICK DRIVE<br>GLEN BURNIE, MD 21061 | X | 9B. DATE *(SEE ITEM 11)*<br>10A. MODIFICATION OF CONTRACT/ORDER NO.<br>GS-06F-0535Z<br>10B. DATED *(SEE ITEM 13)*<br>12/18/06 |
| CODE / FACILITY CODE | | |

## 11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*

## 13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACT/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

| | |
|---|---|
| (4) | A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MDE IN THE CONTRACT ORDER NO. IN ITEM 10A. |
| X | B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying offices, appropriation date, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b). |
| | C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: |
| | D. OTHER *(Specify type of modification and authority)* |

**E. IMPORTANT:** Contractor ☒ is not, ☐ is required to sign this document and return _____ copies to the issuing

14. DESCRIPTION OF AMENDMENT/MODIFICATION *(Organized by UCF section heading, including solicitation/contract subject matter where feasible.)*

ADMINISTRATIVE MODIFICATION TO CORRECT CONTRACT NUMBER. THE CORRECT CONTRACT NUMBER SHOULD BE:

GS-06F-0535Z

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

Except as provided herein, all terms and conditions of this document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

| 15A. NAME AND TITLE OF SIGNER *(Type or print)* | | 16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)* | |
|---|---|---|---|
| | | JANNA BABCOCK, Contracting Officer | |
| 15B. CONTRACTOR/OFFEROR<br>*(Signature of person authorized to sign)* | 15C. DATE SIGNED | 16B. UNITED STATES OF AMERICA<br>BY Janna L Babcock<br>*(Signature of Contracting Officer)* | 16C DATE SIGNED<br>12/21/06 |

| SOLICITATION, OFFER AND AWARD | 1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) | RATING | PAGE 1 OF PAGES 116 |
|---|---|---|---|

| 2. CONTRACT NUMBER | 3. SOLICITATION NUMBER | 4. TYPE OF SOLICITATION | 5. DATE ISSUED | 6. REQUISITION/PURCHASE NUMBER |
|---|---|---|---|---|
| GS-06F-07-MJ23 | 6FG2005MTV00001 | ☐ SEALED BID (IFB) ☒ NEGOTIATED (RFP) | 03/31/2005 | N/A |

| 7. ISSUED BY | CODE | 8. ADDRESS OFFER TO *(If other than Item 7)* |
|---|---|---|
| U.S. General Services Administration<br>Federal Supply Service, Small Business GWAC Center (6FG)<br>1500 E. Bannister Rd.<br>Kansas City, MO 64131 | | Same as block 7 |

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".

## SOLICITATION

9. Sealed offers in original and See Section L copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in 1500 E. Bannister Rd, Room 1150, Kansas City, MO until 1:00 PM *(Hour)* local time 06/03/2005 *(Date)*

CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.

| 10. FOR INFORMATION CALL: | A. NAME | B. TELEPHONE *(NO COLLECT CALLS)* AREA CODE | NUMBER | EXT. | C. E-MAIL ADDRESS |
|---|---|---|---|---|---|
| | James O. Van Hooser | 816 | 823-5313 | | james.vanhooser@gsa.gov |

11. TABLE OF CONTENTS

| (X) | SEC. | DESCRIPTION | PAGE(S) | (X) | SEC. | DESCRIPTION | PAGE(S) |
|---|---|---|---|---|---|---|---|
| | | PART I - THE SCHEDULE | | | | PART II - CONTRACT CLAUSES | |
| X | A | SOLICITATION/CONTRACT FORM | A1 | X | I | CONTRACT CLAUSES | I1-I9 |
| X | B | SUPPLIES OR SERVICES AND PRICES/COSTS | B1-B26 | | | PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH. | |
| X | C | DESCRIPTION/SPECS./WORK STATEMENT | C1-C21 | X | J | LIST OF ATTACHMENTS | J1 |
| X | D | PACKAGING AND MARKING | D1-D2 | | | PART IV - REPRESENTATIONS AND INSTRUCTIONS | |
| X | E | INSPECTION AND ACCEPTANCE | E1 | X | K | REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS | K1-K2 |
| X | F | DELIVERIES OR PERFORMANCE | F1-F2 | | | | |
| X | G | CONTRACT ADMINISTRATION DATA | G1-G17 | X | L | INSTRS., CONDS., AND NOTICES TO OFFERORS | L1-L16 |
| X | H | SPECIAL CONTRACT REQUIREMENTS | H1-H15 | X | M | EVALUATION FACTORS FOR AWARD | M1-M3 |

## OFFER *(Must be fully completed by offeror)*

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within See Section L.3 calendar days *(60 calendar days unless a different period is inserted by the offeror)* from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

| 13. DISCOUNT FOR PROMPT PAYMENT | 10 CALENDAR DAYS (%) | 20 CALENDAR DAYS (%) | 30 CALENDAR DAYS (%) | CALENDAR DAYS (%) |
|---|---|---|---|---|
| | | | | |

| 14. ACKNOWLEDGMENT OF AMENDMENTS *(The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated)*: | AMENDMENT NO. | DATE | AMENDMENT NO. | DATE |
|---|---|---|---|---|
| | | | | |

| 15A. NAME AND ADDRESS OF OFFEROR | CODE | FACILITY | 16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER *(Type or print)* |
|---|---|---|---|
| Vision Technologies, Inc.<br>530 J McCormick Drive<br>Glen Burnie, MD 21061 | | | John L. Shetrone, Jr. |

| 15B. TELEPHONE NUMBER AREA CODE | NUMBER | EXT. | 15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE. | 17. SIGNATURE | 18. OFFER DATE |
|---|---|---|---|---|---|
| 410 | 424-2183 | 222 | ☐ | | July 14, 2005 |

## AWARD *(To be completed by Government)*

| 19. ACCEPTED AS TO ITEMS NUMBERED | 20. AMOUNT | 21. ACCOUNTING AND APPROPRIATION |
|---|---|---|
| FA1 & FA2 | IDIQ | To be cited & Obligated on orders |

| 22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: | 23. SUBMIT INVOICES TO ADDRESS SHOWN IN *(4 copies unless otherwise* | ITEM |
|---|---|---|
| ☐ 10 U.S.C. 2304(c) ( ) ☒ ~~41~~ 15 U.S.C. ~~253(c)~~ 657f | | |

| 24. ADMINISTERED BY *(If other than Item 7)* | CODE | 25. PAYMENT WILL BE MADE BY | CODE |
|---|---|---|---|
| | | Same as #21 | |

| 26. NAME OF CONTRACTING OFFICER *(Type or print)* | 27. UNITED STATES OF AMERICA *(Signature of Contracting Officer)* | 28. AWARD DATE |
|---|---|---|
| Janna L. Babcock | Janna L Babcock | 12/18/06 |

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

# SECTION B

# SUPPLIES OR SERVICES AND PRICES/COST

## B.1 General

This contract is titled the Veterans Technology Services Governmentwide Acquisition Contract (VETS GWAC or VETS) and is available for use by both Federal Civilian Agencies and the Department of Defense by virtue of the GSA's Executive Agent Designation from the Office of Management and Budget. It has a base period of five years and one five-year option for a total of ten contract years (actual calendar dates will be set beginning with the date of the notice to proceed).

VETS GWAC consists of a number of indefinite-delivery, indefinite-quantity (ID/IQ) contracts designed to provide Federal Government information technology (IT) services and solutions primarily consisting of IT services.

The contracts are solution-based. VETS GWAC contractors are free to propose the best solution to the specific task order requirement provided each order consists principally of IT services. Unless excepted (see FAR 16.505(b)(2)), each task order will be competed under the fair opportunity competitive procedures. The Fair Opportunity competitive procedures will maintain an ongoing competitive environment throughout the life of the contracts.

## B.2 CONTRACT MINIMUM/MAXIMUM

The minimum guaranteed amount for each award will be $2,500. Orders beyond the minimum will be determined by user needs and the results of fair opportunity competitions. The exercise of the option period does not re-establish the contract minimum.

The Government has no obligation to issue task orders to the Contractor beyond the minimum amount specified above. While the awarded contractors will receive the minimum, it is intended that the contractors will compete for that amount under the contract's fair opportunity procedures. If at the end of the base period of the contract, a contractor has not been awarded a task order(s) of at least $2,500 in total value, the program office may direct awards to meet the contractual obligation pursuant to FAR 16.505(2)(iv).

The maximum cumulative dollar amount that may potentially be awarded, to all contractors combined, is $5 Billion.

## B.3 WORK ESTIMATES (HOURS AND ODCS) & ROLES

This is a new Government Wide Acquisition Contract (GWAC) program of the General Services Administration (GSA), Federal Supply Service (FSS), Small Business GWAC Center. There is no relevant historical sales trend that may be utilized to project with

reasonable certainty, with any degree of reasonable accuracy, the nature or volume of work likely under these Contracts. GSA does not have projects designated/earmarked for this Contract program and they are not guaranteed to be forthcoming. The different Federal Government entities/potential clients of these Contracts will make their own decisions on the benefits of utilizing VETS GWAC (SB) contracts for IT requirements. Furthermore, the Multiple Award Indefinite-Delivery Indefinite-Quantity (MAIDIQ) contracts awarded under this GWAC are subject to Fair Opportunity procedures emphasizing competition among firms in the selected Functional Areas (FAs). At this time, the breakdown of fixed-price, time & materials, labor hour, and cost reimbursement order distribution is unknown. Also unknown is the location of work and the breakdown of Government site and Contractor site work. Additionally, there is uncertainty regarding the amount of supplies, travel, incidental construction and other direct costs that will be required, although market research reveals that they will be necessary in some cases. Furthermore, requirements may range from simple to highly complex.

The Government will be obligated to Contract holders only for services, items and quantities specified, approved and definitized in a valid Order issued under an awarded Contract, or, in the event of no Order issuance, for the minimum guarantee established in Section B and elaborated upon in Section H.

## B.4 SUPPLIES/SERVICES AND PRICES/COSTS

Task orders awarded under this contract may be issued as Fixed-Price (FP), Time and Materials (T&M) or Labor-Hour (L-H), plus Incentive arrangements coupled to the previous types, as defined in FAR Part 16. The prices/costs will be applied to individual task order types as follows:

### B.4.1 Fully Loaded Ceiling Rates

Fully loaded hourly ceiling rates are used for Time & Material and Labor-Hour task orders. These price schedules contain the loaded hourly rates for work performed at any location within CONUS. “Fully loaded hourly ceiling rate” is defined as the direct hourly labor rate that include wages, overhead, general and administrative expenses, profit, fringe benefits, direct tax/labor/payroll burden and contract access fee. The loaded hourly ceiling rates set forth in this schedule are fully burdened, not-to-exceed, ceiling prices. The contractor may, at its discretion, propose lower loaded hourly ceiling rates on a task-by-task order basis (and this result is typical). Contractors shall post their ceiling rates at their individual VETS GWAC Web Sites.

### B.4.2 Adjustments to Contract Ceiling Rates

The fully loaded ceiling rates set forth in the price schedules apply to contract years 1 through 5. For contract years 6 through 10, Option Period One (1), the fully loaded ceiling rates will be adjusted in accordance with Section B.9 of this contract. Any

adjustments to ceiling rates will be enacted by contract modification and will become effective on the date shown in the modification.

### B.4.3 Adjustments to Task Order Hourly Rates

Labor-hour (L-H) and time-and-materials (T&M): Task order loaded (loaded pursuant to the specific terms for T&M and L-H loading discussed in this Section B) hourly rates may be adjusted, if specified in the task order Statement of Work (SOW), for each of the option years by applying no more than the same adjustment factor to the task order rates as was applied to the loaded contract ceiling hourly rates. The specific escalation shall be fully definitized in the applicable order, else escalation is not permitted. If an order does not specifically provide for such adjustment, no such adjustment is permitted (order level escalation is not automatic, shall not be presumed, and doesn't inhere from the Contract to task orders) – the parties to the order may not write it in after the fact.

Fixed Price (FP) tasks:

Fixed price task orders and their option periods, if any, shall be fully definitized and pre-priced. Unless the Order definitizes an Economic Price Adjustment (EPA) or escalation, none applies (Contract level EPA or escalation doesn't apply to task orders).

*Economic Price Adjustment when Escalation of Order Prices Isn't Applied* - if a task order contains option periods, the task order shall be pre-priced for every period. Such pricing may be pre-priced for each of the option years and coupled with an order specific EPA if order specific EPA terms are fully definitized in the applicable order, else order specific EPA is not permitted. If an order does not specifically provide definitized EPA, no order specific EPA is permitted (order specific EPA is not automatic and shall not be presumed) – the parties to the order may not write it in after the fact.

*Escalation of Order Prices when an Economic Price Adjustment Isn't Applied* - if a task order contains option periods, the task order shall be pre-priced for every period. Such pricing may be pre-priced for each of the option years by applying no more than the same adjustment factor to the loaded hourly rates negotiated for the task as was applied to the loaded contract ceiling hourly rates in B.7. Such adjustments shall be fully definitized in the applicable order, else escalation isn't permitted. If an order does not specifically provide definitized escalation, no escalation is permitted (escalation is not automatic and shall not be presumed) – the parties to the order may not write it in after the fact.

### B.4.4 Ceiling Handling Rates for FP, T&M and L-H Task Orders

As determined at basic contract award, the contractor has a set of ceiling handling rates to cover allowable indirect charges (but not direct labor burden) and allowable profit for four "classes" of items including:

1. Supplies (this includes equipment, software and other tangible items (shall be fully definitized up front in each order))
2. Travel (it is permitted to set up a budgetary line item for this in an order with FP, T&M, and L-H terms, and for the controls of the FTR, JTR and JFTR [applicable travel regulations are to be identified in the order] to govern reimbursement)
3. Incidental Construction (shall be fully definitized up front in each order)
4. Other Direct Costs (this includes materially skill categories (shall be fully definitized up front in each order))

As used here, a handling rate is the administrative handling fee inclusive of the Contract Access Fee applied to the base cost of those four classes. The base cost of materially different skill categories includes direct labor burden. The appropriate handling rate is quoted/proposed (often with a reduction to the original ceiling rate as the contractor competes for task orders) as a burden to base costs so that the product of the base cost and handling rate equals item price inclusive of the Contract Access Fee. In effect with the exception of the travel class, the supplies, incidental construction and other direct costs classes are to be turned into fixed price items for every task order, regardless of the terms for other work in the task order (even if the task order is T&M or L-H, the portions for classes 1, 3 and 4 shall be fixed price – without exception). Even though item classes 1, 3 and 4 turn into fixed price items under task orders, contractors shall identify/show a thorough breakout of their base cost and the applied handling rate for each of the four item classes proposed/quoted in response to fair opportunity task order competition.

During fair opportunity competition for FP, T&M or L-H task orders, contractors may apply handling rates not exceeding their ceiling handling rates in this contract.

Ceiling handling rates are to include profit/fee as follows:

(1) Profit/fee is not allowable for travel, shall not be in those rates, and shall never be applied to travel.

(2) Fee/profit is allowable for the other classes besides travel. Handling Rates for classes 1, 3 and 4 shall be inclusive of fee/profit. No separate application of fee/profit to any of the four classes is permitted – it, like indirect charges, is bounded by the single ceiling handling rate for each class.

The ceiling handling rates do not serve as a mechanical measure of the multipliers to be quoted or proposed at the order level. All order handling rates must be lower than or equal to the ceiling handling rates (work scope specifics and competition will influence the handling rates a contractor chooses to quote or propose for a task order opportunity.)

**EACH OFFEROR SHALL PROPOSE CEILING HANDLING RATES IN THE PRICING SCHEDULES FOR LINE ITEMS 100 THROUGH 103 FOR ALL PERIODS OF THE FAS APPLIED FOR. FAILURE TO PROPOSE ON ALL CEILING HANDLING RATES FOR ALL PERIODS OF THE FAS APPLIED FOR**

**SHALL RESULT IN DISQUALIFICATION OF THE OFFER IN THE FA(S) IN WHICH THE OMISSION OCCURS.**

The ceiling handling rates shall be proposed as a simple percentage limited to two (2) decimal places. Example:

| Clin | Category | Est. Cost | **Ceiling Handling Rate** | TOTAL |
|---|---|---|---|---|
| 101 | Travel | $50,000 | **5.50%** | $52,750 |

The ceiling handling rates shall apply uniformly regardless of actual utilization (i.e., even if only $100 of the estimate amounts is ordered, the ceiling multiplier shall be the same.)

All line items shall be separately orderable. Pricing for all line items must stand-alone and not be dependent upon the ordering of any other line items, except as otherwise identified in the contract.

The ceiling handling rates apply to a prime Contractors' subcontractor support at any tier.

### B.4.5 Application of the Service Contract Act (SCA)

The vast majority of labor categories identified in this solicitation are professional IT positions and thus exempt from the SCA. In accordance with Title 29 of the Code of Federal Regulations, Labor Standards for Federal Service Contract, the General Services Administration (GSA) considers the Service Contract Act (SCA) to not apply to this contract based upon its principal purpose.

### B.4.6 Information Technology Task Orders Involving Some Construction Work

In accordance with FAR 22.402(b) and Section C.8 of this contract, the Davis-Bacon Act may not apply to certain non-construction contracts where some minor construction occurs incidental to the rest of the task order. Specifically, if the construction work is incidental to furnishing IT services and is so merged with the IT portion of the contract that the construction is not capable of being segregated as a separate contractual requirement, it may not be subject to Davis-Bacon.

When minor construction is required as an integral part of a task order, the Ordering Contracting Officer (OCO) is required to document the Task Order file that the construction portion of the task order is 1) within scope, 2) subject or not subject to the Davis Bacon Act, and 3) fairly and reasonably priced and the basis therefore.

Should the Davis-Bacon Act apply to the construction portion of a Task Order, it is the responsibility of the Ordering Contracting Officer (OCO) to address any previous union agreements and obtain the applicable Wage Rate Determinations from the Department of Labor. Construction contracting is a contracting specialization in the Government, and ordinarily requires highly specific requirements, specifications, plans, terms and conditions. OCO’s are cautioned to only include construction up to the defined limits and with proper attention to detail.

There is additional coverage on construction in Section C.

## B.5 RESERVED

## B.6 FULLY LOADED HOURLY CEILING RATES

The labor pricing schedules that follow call for hourly ceiling rates, which are the maximum fully loaded hourly rates to be proposed for work for entities authorized in GSA Order ADM 4800.2E (found in Section J).

When formulating each hourly ceiling rate, the CAF shall be applied last.

The Government will neither pay a premium/differential for overtime (work in excess of 40 hours in a week), nor for work during irregular hours, weekends or holidays.

The ceiling rates do not serve as a mechanical measure of the rates to be quoted or proposed at the order level. All order rates must be lower than or equal to the ceiling rates (work scope specifics and competition will influence the rates a contractor chooses to quote or propose for a task order opportunity.)

**EACH OFFEROR SHALL PROPOSE CEILING PRICES IN THE PRICING SCHEDULES FOR ALL LABOR CATEGORIES AND ALL PERIODS OF THE FAS APPLIED FOR. FAILURE TO PROPOSE PRICING FOR ALL LABOR CATEGORIES AND ALL PERIODS OF THE FAS APPLIED FOR SHALL RESULT IN DISQUALIFICATION OF THE OFFER IN THE FA(S) IN WHICH THE OMISSION OCCURS.**

The hourly ceiling price proposed shall apply uniformly regardless of actual utilization (i.e., even if only 5 hours of the estimated hours are ordered, the hourly ceiling rate shall be the same.)

All line items shall be separately orderable. Pricing for all line items must stand-alone and not be dependent upon the ordering of any other line items.

The labor categories and ceiling rates apply to a prime Contractors' subcontractor support at any tier.

The attached labor category descriptions are stated in terms of minimum qualifications/responsibilities and do not attempt to delineate the universe of responsibilities associated with a labor category by the commercial market. Contractors shall not be allowed to divert work from pre-defined labor categories to other labor categories based on a restrictive or hyper technical reading of labor category descriptions.

The following numbered notes apply to all pricing tables:

1. Minor (incidental) construction work subject to the Davis-Bacon Act that is ordered under this contract pursuant to the acceptable use terms established for its inclusion shall not exceed 10% of cumulative earned order value at any time during the life of this contract

2. The price evaluation case will be made on 100% of the extended item totals. This methodology doesn't constitute a promised level of business or alter the minimum guarantee

3. In no event will the Government agree to an individual item price or rate that is unreasonable, even if the arithmetic is satisfactory in the price evaluation case

## B.7 CONTRACT LINE ITEMS - FUNTIONAL AREA ONE (1) - SYSTEMS OPERATIONS AND MAINTENANCE

**Fully Loaded Hourly Rate - To be used for Time & Material and Labor Hour Task Orders**

**THE HOURLY RATES ARE A NOT TO EXCEED CEILING**

**BASE PERIOD - YEARS ONE (1) AND TWO (2) COMBINED**

| CLIN | Skill Category | A Est. Hours ON-SITE | B Est. Hours OFF-SITE | C ON-SITE Fully Loaded Hourly Rate | D OFF-SITE Fully Loaded Hourly Rates | [(A*C) + (B*D)] TOTAL |
|---|---|---|---|---|---|---|
| 1. | Applications Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 2. | Applications Systems Analyst/Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 3. | Business Process Consultant | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 4. | Business Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 5. | Business Systems Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 6. | Call Center | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 7. | Chief Information Security Officer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 8. | Client/Server Database Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 9. | Client/Server Network Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 10. | Communication Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 11. | Communications Facility Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 12. | Communications Installer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 13. | Communications Transmission Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 14. | Consultant | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 15. | Curriculum Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 16. | Data Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 17. | Data Communication Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 18. | Data Security Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 19. | Data Warehousing Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 20. | Data Warehousing Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 21. | Data Warehousing Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 22. | Data/Configuration Management Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 23. | Database Analyst/ Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 24. | Database Manager/Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 25. | Disaster Recovery Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 26. | Disaster Recovery Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 27. | E-Business Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 28. | Electronic Data Interchange (EDI) Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 29. | Electronic Mail Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 30. | Engineering Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 31. | ERP Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 32. | ERP Business/Architectural Expert | 4,160 | 2080 | $_____ | $_____ | $_____ |

| | | | | | | |
|---|---|---|---|---|---|---|
| 33. | Geographic Information Systems Analyst/ Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 34. | Geographic Information Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 35. | Graphics Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 36. | Groupware Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 37. | Hardware Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 38. | Help Desk Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 39. | Help Desk Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 40. | Help Desk Support Service Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 41. | Information Assurance Development Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 42. | Information Assurance Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 43. | Information Assurance Network Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 44. | Information Assurance Systems/Network Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 45. | Information Center Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 46. | Information Security Business Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 47. | Information Systems Administration and Planning Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 48. | Information Systems Training Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 49. | Instructional Technologist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 50. | IT Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 51. | LAN Support Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 52. | LAN/WAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 53. | LAN/WAN Integrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 54. | LAN/WAN/MAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 55. | Modeling and Simulation Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 56. | Network Control Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 57. | Network Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 58. | Network Planning Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 59. | Network Systems Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 60. | Network Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 61. | Network/Hardware Support Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 62. | Operations Manager - Data Communications | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 63. | Operations Manager - Voice Communications | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 64. | Operations Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 65. | Operations/Technical Support Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 66. | Operations/Technical Support Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 67. | Ops/network LAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 68. | Project Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 69. | Project Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 70. | Publications Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |

| | | | | | | |
|---|---|---|---|---|---|---|
| 71. | Quality Assurance Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 72. | Scientific Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 73. | Security Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 74. | Site Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 75. | Software Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 76. | Software Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 77. | Software Systems Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 78. | Strategic Planner | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 79. | Systems Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 80. | Systems Analysis and Programming Director | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 81. | Systems Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 82. | Systems Management Technologist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 83. | Technical Editor | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 84. | Technical Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 85. | Technical Writer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 86. | Telecommunications Analyst/Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 87. | Telecommunications Engineer/Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 88. | Telecommunications Manager - Multiple Incumbents | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 89. | Telecommunications Network Help Desk | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 90. | Telecommunications Programmer/Systems Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 91. | Telecommunications Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 92. | Telecommunications/Communications Integration Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 93. | Test Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 94. | Voice Communications Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 95. | Voice Communications Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 96. | Web Content Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 97. | Web Designer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 98. | Web Security Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 99. | Web Software Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |

| **CLIN** | **Category** | **Est. Cost** | **Ceiling Handling Rate** | **TOTAL** |
|---|---|---|---|---|
| 100. | Supplies | $1,000,000 | _____ % | $_____ |
| 101. | Travel | $50,000 | _____ % | $_____ |
| 102. | Incidental Construction | $500,000 | _____ % | $_____ |
| 103. | Other Direct Costs | $100,000 | _____ % | $_____ |

**TOTAL EVALUATED PRICE YEARS ONE (1) AND TWO (2) COMBINED (ALL CLINS) $_____**

## BASE PERIOD - YEARS THREE (3) AND FOUR (4) COMBINED

| CLIN | Skill Category | A<br>Est. Hours ON-SITE | B<br>Est. Hours OFF-SITE | C<br>ON-SITE Fully Loaded Hourly Rate | D<br>OFF-SITE Fully Loaded Hourly Rates | [(A*C) + (B*D)]<br>TOTAL |
|---|---|---|---|---|---|---|
| 1. | Applications Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 2. | Applications Systems Analyst/Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 3. | Business Process Consultant | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 4. | Business Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 5. | Business Systems Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 6. | Call Center | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 7. | Chief Information Security Officer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 8. | Client/Server Database Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 9. | Client/Server Network Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 10. | Communication Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 11. | Communications Facility Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 12. | Communications Installer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 13. | Communications Transmission Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 14. | Consultant | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 15. | Curriculum Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 16. | Data Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 17. | Data Communication Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 18. | Data Security Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 19. | Data Warehousing Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 20. | Data Warehousing Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 21. | Data Warehousing Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 22. | Data/Configuration Management Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 23. | Database Analyst/ Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 24. | Database Manager/Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 25. | Disaster Recovery Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 26. | Disaster Recovery Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 27. | E-Business Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 28. | Electronic Data Interchange (EDI) Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 29. | Electronic Mail Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 30. | Engineering Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 31. | ERP Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 32. | ERP Business/Architectural Expert | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 33. | Geographic Information Systems Analyst/ Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 34. | Geographic Information Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 35. | Graphics Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |

| | | | | | | |
|---|---|---|---|---|---|---|
| 36. | Groupware Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 37. | Hardware Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 38. | Help Desk Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 39. | Help Desk Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 40. | Help Desk Support Service Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 41. | Information Assurance Development Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 42. | Information Assurance Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 43. | Information Assurance Network Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 44. | Information Assurance Systems/Network Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 45. | Information Center Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 46. | Information Security Business Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 47. | Information Systems Administration and Planning Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 48. | Information Systems Training Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 49. | Instructional Technologist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 50. | IT Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 51. | LAN Support Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 52. | LAN/WAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 53. | LAN/WAN Integrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 54. | LAN/WAN/MAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 55. | Modeling and Simulation Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 56. | Network Control Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 57. | Network Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 58. | Network Planning Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 59. | Network Systems Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 60. | Network Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 61. | Network/Hardware Support Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 62. | Operations Manager - Data Communications | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 63. | Operations Manager - Voice Communications | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 64. | Operations Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 65. | Operations/Technical Support Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 66. | Operations/Technical Support Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 67. | Ops/network LAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 68. | Project Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 69. | Project Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 70. | Publications Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 71. | Quality Assurance Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 72. | Scientific Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 73. | Security Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 74. | Site Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |

| | | | | | | |
|---|---|---|---|---|---|---|
| 75. | Software Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 76. | Software Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 77. | Software Systems Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 78. | Strategic Planner | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 79. | Systems Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 80. | Systems Analysis and Programming Director | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 81. | Systems Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 82. | Systems Management Technologist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 83. | Technical Editor | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 84. | Technical Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 85. | Technical Writer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 86. | Telecommunications Analyst/Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 87. | Telecommunications Engineer/Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 88. | Telecommunications Manager - Multiple Incumbents | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 89. | Telecommunications Network Help Desk | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 90. | Telecommunications Programmer/Systems Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 91. | Telecommunications Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 92. | Telecommunications/Communications Integration Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 93. | Test Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 94. | Voice Communications Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 95. | Voice Communications Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 96. | Web Content Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 97. | Web Designer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 98. | Web Security Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 99. | Web Software Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |

| **CLIN** | **Category** | **Est. Cost** | **Ceiling Handling Rate** | **TOTAL** |
|---|---|---|---|---|
| 100. | Supplies | $1,000,000 | _____ % | $_____ |
| 101. | Travel | $50,000 | _____ % | $_____ |
| 102. | Incidental Construction | $500,000 | _____ % | $_____ |
| 103. | Other Direct Costs | $100,000 | _____ % | $_____ |

**TOTAL EVALUATED PRICE YEARS THREE (3) AND FOUR (4) COMBINED (ALL CLINS) $_____**

## BASE PERIOD - YEAR (5)

| CLIN | Skill Category | A Est. Hours ON-SITE | B Est. Hours OFF-SITE | C ON-SITE Fully Loaded Hourly Rate | D OFF-SITE Fully Loaded Hourly Rates | [(A*C) + (B*D)] TOTAL |
|---|---|---|---|---|---|---|
| 1. | Applications Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 2. | Applications Systems Analyst/Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 3. | Business Process Consultant | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 4. | Business Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 5. | Business Systems Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 6. | Call Center | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 7. | Chief Information Security Officer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 8. | Client/Server Database Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 9. | Client/Server Network Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 10. | Communication Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 11. | Communications Facility Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 12. | Communications Installer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 13. | Communications Transmission Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 14. | Consultant | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 15. | Curriculum Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 16. | Data Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 17. | Data Communication Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 18. | Data Security Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 19. | Data Warehousing Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 20. | Data Warehousing Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 21. | Data Warehousing Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 22. | Data/Configuration Management Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 23. | Database Analyst/ Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 24. | Database Manager/Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 25. | Disaster Recovery Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 26. | Disaster Recovery Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 27. | E-Business Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 28. | Electronic Data Interchange (EDI) Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 29. | Electronic Mail Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 30. | Engineering Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 31. | ERP Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 32. | ERP Business/Architectural Expert | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 33. | Geographic Information Systems Analyst/ Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 34. | Geographic Information Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 35. | Graphics Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |

| | | | | | | |
|---|---|---|---|---|---|---|
| 36. | Groupware Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 37. | Hardware Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 38. | Help Desk Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 39. | Help Desk Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 40. | Help Desk Support Service Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 41. | Information Assurance Development Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 42. | Information Assurance Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 43. | Information Assurance Network Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 44. | Information Assurance Systems/Network Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 45. | Information Center Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 46. | Information Security Business Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 47. | Information Systems Administration and Planning Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 48. | Information Systems Training Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 49. | Instructional Technologist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 50. | IT Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 51. | LAN Support Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 52. | LAN/WAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 53. | LAN/WAN Integrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 54. | LAN/WAN/MAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 55. | Modeling and Simulation Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 56. | Network Control Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 57. | Network Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 58. | Network Planning Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 59. | Network Systems Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 60. | Network Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 61. | Network/Hardware Support Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 62. | Operations Manager - Data Communications | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 63. | Operations Manager - Voice Communications | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 64. | Operations Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 65. | Operations/Technical Support Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 66. | Operations/Technical Support Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 67. | Ops/network LAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 68. | Project Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 69. | Project Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 70. | Publications Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 71. | Quality Assurance Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 72. | Scientific Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 73. | Security Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 74. | Site Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |

| | | | | | | |
|---|---|---|---|---|---|---|
| 75. | Software Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 76. | Software Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 77. | Software Systems Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 78. | Strategic Planner | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 79. | Systems Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 80. | Systems Analysis and Programming Director | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 81. | Systems Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 82. | Systems Management Technologist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 83. | Technical Editor | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 84. | Technical Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 85. | Technical Writer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 86. | Telecommunications Analyst/Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 87. | Telecommunications Engineer/Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 88. | Telecommunications Manager - Multiple Incumbents | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 89. | Telecommunications Network Help Desk | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 90. | Telecommunications Programmer/Systems Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 91. | Telecommunications Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 92. | Telecommunications/Communications Integration Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 93. | Test Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 94. | Voice Communications Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 95. | Voice Communications Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 96. | Web Content Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 97. | Web Designer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 98. | Web Security Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 99. | Web Software Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |

| **CLIN** | **Category** | **Est. Cost** | **Ceiling Handling Rate** | **TOTAL** |
|---|---|---|---|---|
| 100. | Supplies | $500,000 | _____ % | $_____ |
| 101. | Travel | $25,000 | _____ % | $_____ |
| 102. | Incidental Construction | $250,000 | _____ % | $_____ |
| 103. | Other Direct Costs | $50,000 | _____ % | $_____ |

**TOTAL EVALUATED PRICE YEAR FIVE (5) (ALL CLINS) $_____**

## B.8 CONTRACT LINE ITEMS - FUNTIONAL AREA TWO (2) – INFORMATION SYSTEMS ENGINEERING

**Fully Loaded Hourly Rate - To be used for Time & Material and Labor Hour Task Orders**

**THE HOURLY RATES ARE A NOT TO EXCEED CEILING**

**BASE PERIOD - YEARS ONE (1) AND TWO (2) COMBINED**

| CLIN | Skill Category | A Est. Hours ON-SITE | B Est. Hours OFF-SITE | C ON-SITE Fully Loaded Hourly Rate | D OFF-SITE Fully Loaded Hourly Rates | [(A*C) + (B*D)] TOTAL |
|---|---|---|---|---|---|---|
| 1. | Applications Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 2. | Applications Systems Analyst/Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 3. | Business Process Consultant | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 4. | Business Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 5. | Business Systems Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 6. | Call Center | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 7. | Chief Information Security Officer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 8. | Client/Server Database Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 9. | Client/Server Network Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 10. | Communication Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 11. | Communications Facility Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 12. | Communications Installer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 13. | Communications Transmission Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 14. | Consultant | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 15. | Curriculum Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 16. | Data Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 17. | Data Communication Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 18. | Data Security Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 19. | Data Warehousing Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 20. | Data Warehousing Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 21. | Data Warehousing Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 22. | Data/Configuration Management Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 23. | Database Analyst/ Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 24. | Database Manager/Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 25. | Disaster Recovery Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 26. | Disaster Recovery Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 27. | E-Business Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 28. | Electronic Data Interchange (EDI) Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 29. | Electronic Mail Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 30. | Engineering Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 31. | ERP Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 32. | ERP Business/Architectural Expert | 4,160 | 2080 | $_____ | $_____ | $_____ |

| | | | | | | |
|---|---|---|---|---|---|---|
| 33. | Geographic Information Systems Analyst/ Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 34. | Geographic Information Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 35. | Graphics Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 36. | Groupware Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 37. | Hardware Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 38. | Help Desk Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 39. | Help Desk Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 40. | Help Desk Support Service Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 41. | Information Assurance Development Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 42. | Information Assurance Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 43. | Information Assurance Network Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 44. | Information Assurance Systems/Network Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 45. | Information Center Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 46. | Information Security Business Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 47. | Information Systems Administration and Planning Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 48. | Information Systems Training Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 49. | Instructional Technologist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 50. | IT Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 51. | LAN Support Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 52. | LAN/WAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 53. | LAN/WAN Integrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 54. | LAN/WAN/MAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 55. | Modeling and Simulation Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 56. | Network Control Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 57. | Network Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 58. | Network Planning Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 59. | Network Systems Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 60. | Network Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 61. | Network/Hardware Support Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 62. | Operations Manager - Data Communications | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 63. | Operations Manager - Voice Communications | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 64. | Operations Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 65. | Operations/Technical Support Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 66. | Operations/Technical Support Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 67. | Ops/network LAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 68. | Project Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 69. | Project Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 70. | Publications Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |

| | | | | | | |
|---|---|---|---|---|---|---|
| 71. | Quality Assurance Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 72. | Scientific Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 73. | Security Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 74. | Site Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 75. | Software Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 76. | Software Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 77. | Software Systems Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 78. | Strategic Planner | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 79. | Systems Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 80. | Systems Analysis and Programming Director | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 81. | Systems Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 82. | Systems Management Technologist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 83. | Technical Editor | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 84. | Technical Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 85. | Technical Writer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 86. | Telecommunications Analyst/Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 87. | Telecommunications Engineer/Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 88. | Telecommunications Manager - Multiple Incumbents | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 89. | Telecommunications Network Help Desk | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 90. | Telecommunications Programmer/Systems Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 91. | Telecommunications Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 92. | Telecommunications/Communications Integration Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 93. | Test Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 94. | Voice Communications Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 95. | Voice Communications Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 96. | Web Content Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 97. | Web Designer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 98. | Web Security Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 99. | Web Software Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |

| **CLIN** | **Category** | **Est. Cost** | **Ceiling Handling Rate** | **TOTAL** |
|---|---|---|---|---|
| 100. | Supplies | $1,000,000 | _____ % | $_____ |
| 101. | Travel | $50,000 | _____ % | $_____ |
| 102. | Incidental Construction | $500,000 | _____ % | $_____ |
| 103. | Other Direct Costs | $100,000 | _____ % | $_____ |

**TOTAL EVALUATED PRICE YEARS ONE (1) AND TWO (2) COMBINED (ALL CLINS) $_____**

## BASE PERIOD - YEARS THREE (3) AND FOUR (4) COMBINED

| CLIN | Skill Category | A<br>Est. Hours ON-SITE | B<br>Est. Hours OFF-SITE | C<br>ON-SITE Fully Loaded Hourly Rate | D<br>OFF-SITE Fully Loaded Hourly Rates | [(A*C) + (B*D)]<br>TOTAL |
|---|---|---|---|---|---|---|
| 1. | Applications Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 2. | Applications Systems Analyst/Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 3. | Business Process Consultant | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 4. | Business Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 5. | Business Systems Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 6. | Call Center | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 7. | Chief Information Security Officer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 8. | Client/Server Database Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 9. | Client/Server Network Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 10. | Communication Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 11. | Communications Facility Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 12. | Communications Installer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 13. | Communications Transmission Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 14. | Consultant | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 15. | Curriculum Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 16. | Data Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 17. | Data Communication Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 18. | Data Security Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 19. | Data Warehousing Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 20. | Data Warehousing Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 21. | Data Warehousing Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 22. | Data/Configuration Management Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 23. | Database Analyst/ Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 24. | Database Manager/Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 25. | Disaster Recovery Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 26. | Disaster Recovery Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 27. | E-Business Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 28. | Electronic Data Interchange (EDI) Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 29. | Electronic Mail Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 30. | Engineering Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 31. | ERP Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 32. | ERP Business/Architectural Expert | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 33. | Geographic Information Systems Analyst/ Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 34. | Geographic Information Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 35. | Graphics Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |

| | | | | | | |
|---|---|---|---|---|---|---|
| 36. | Groupware Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 37. | Hardware Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 38. | Help Desk Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 39. | Help Desk Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 40. | Help Desk Support Service Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 41. | Information Assurance Development Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 42. | Information Assurance Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 43. | Information Assurance Network Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 44. | Information Assurance Systems/Network Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 45. | Information Center Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 46. | Information Security Business Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 47. | Information Systems Administration and Planning Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 48. | Information Systems Training Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 49. | Instructional Technologist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 50. | IT Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 51. | LAN Support Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 52. | LAN/WAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 53. | LAN/WAN Integrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 54. | LAN/WAN/MAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 55. | Modeling and Simulation Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 56. | Network Control Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 57. | Network Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 58. | Network Planning Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 59. | Network Systems Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 60. | Network Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 61. | Network/Hardware Support Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 62. | Operations Manager - Data Communications | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 63. | Operations Manager - Voice Communications | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 64. | Operations Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 65. | Operations/Technical Support Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 66. | Operations/Technical Support Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 67. | Ops/network LAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 68. | Project Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 69. | Project Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 70. | Publications Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 71. | Quality Assurance Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 72. | Scientific Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 73. | Security Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 74. | Site Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |

| | | | | | | |
|---|---|---|---|---|---|---|
| 75. | Software Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 76. | Software Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 77. | Software Systems Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 78. | Strategic Planner | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 79. | Systems Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 80. | Systems Analysis and Programming Director | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 81. | Systems Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 82. | Systems Management Technologist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 83. | Technical Editor | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 84. | Technical Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 85. | Technical Writer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 86. | Telecommunications Analyst/Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 87. | Telecommunications Engineer/Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 88. | Telecommunications Manager - Multiple Incumbents | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 89. | Telecommunications Network Help Desk | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 90. | Telecommunications Programmer/Systems Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 91. | Telecommunications Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 92. | Telecommunications/Communications Integration Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 93. | Test Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 94. | Voice Communications Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 95. | Voice Communications Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 96. | Web Content Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 97. | Web Designer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 98. | Web Security Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 99. | Web Software Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |

| **CLIN** | **Category** | **Est. Cost** | **Ceiling Handling Rate** | **TOTAL** |
|---|---|---|---|---|
| 100. | Supplies | $1,000,000 | _____ % | $_____ |
| 101. | Travel | $50,000 | _____ % | $_____ |
| 102. | Incidental Construction | $500,000 | _____ % | $_____ |
| 103. | Other Direct Costs | $100,000 | _____ % | $_____ |

**TOTAL EVALUATED PRICE YEARS THREE (3) AND FOUR (4) COMBINED (ALL CLINS) $_____**

## BASE PERIOD - YEAR (5)

| CLIN | Skill Category | A<br>Est. Hours ON-SITE | B<br>Est. Hours OFF-SITE | C<br>ON-SITE Fully Loaded Hourly Rate | D<br>OFF-SITE Fully Loaded Hourly Rates | [(A*C) + (B*D)]<br>TOTAL |
|---|---|---|---|---|---|---|
| 1. | Applications Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 2. | Applications Systems Analyst/Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 3. | Business Process Consultant | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 4. | Business Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 5. | Business Systems Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 6. | Call Center | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 7. | Chief Information Security Officer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 8. | Client/Server Database Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 9. | Client/Server Network Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 10. | Communication Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 11. | Communications Facility Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 12. | Communications Installer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 13. | Communications Transmission Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 14. | Consultant | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 15. | Curriculum Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 16. | Data Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 17. | Data Communication Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 18. | Data Security Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 19. | Data Warehousing Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 20. | Data Warehousing Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 21. | Data Warehousing Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 22. | Data/Configuration Management Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 23. | Database Analyst/ Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 24. | Database Manager/Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 25. | Disaster Recovery Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 26. | Disaster Recovery Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 27. | E-Business Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 28. | Electronic Data Interchange (EDI) Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 29. | Electronic Mail Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 30. | Engineering Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 31. | ERP Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 32. | ERP Business/Architectural Expert | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 33. | Geographic Information Systems Analyst/ Programmer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 34. | Geographic Information Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 35. | Graphics Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |

| | | | | | | |
|---|---|---|---|---|---|---|
| 36. | Groupware Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 37. | Hardware Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 38. | Help Desk Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 39. | Help Desk Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 40. | Help Desk Support Service Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 41. | Information Assurance Development Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 42. | Information Assurance Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 43. | Information Assurance Network Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 44. | Information Assurance Systems/Network Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 45. | Information Center Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 46. | Information Security Business Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 47. | Information Systems Administration and Planning Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 48. | Information Systems Training Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 49. | Instructional Technologist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 50. | IT Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 51. | LAN Support Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 52. | LAN/WAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 53. | LAN/WAN Integrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 54. | LAN/WAN/MAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 55. | Modeling and Simulation Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 56. | Network Control Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 57. | Network Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 58. | Network Planning Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 59. | Network Systems Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 60. | Network Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 61. | Network/Hardware Support Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 62. | Operations Manager - Data Communications | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 63. | Operations Manager - Voice Communications | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 64. | Operations Systems Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 65. | Operations/Technical Support Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 66. | Operations/Technical Support Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 67. | Ops/network LAN Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 68. | Project Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 69. | Project Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 70. | Publications Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 71. | Quality Assurance Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 72. | Scientific Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 73. | Security Coordinator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 74. | Site Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |

| | | | | | | |
|---|---|---|---|---|---|---|
| 75. | Software Architect | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 76. | Software Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 77. | Software Systems Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 78. | Strategic Planner | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 79. | Systems Administrator | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 80. | Systems Analysis and Programming Director | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 81. | Systems Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 82. | Systems Management Technologist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 83. | Technical Editor | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 84. | Technical Subject Matter Specialist | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 85. | Technical Writer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 86. | Telecommunications Analyst/Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 87. | Telecommunications Engineer/Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 88. | Telecommunications Manager - Multiple Incumbents | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 89. | Telecommunications Network Help Desk | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 90. | Telecommunications Programmer/Systems Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 91. | Telecommunications Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 92. | Telecommunications/Communications Integration Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 93. | Test Engineer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 94. | Voice Communications Manager | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 95. | Voice Communications Technician | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 96. | Web Content Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 97. | Web Designer | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 98. | Web Security Analyst | 4,160 | 2080 | $_____ | $_____ | $_____ |
| 99. | Web Software Developer | 4,160 | 2080 | $_____ | $_____ | $_____ |

| **CLIN** | **Category** | **Est. Cost** | **Ceiling Handling Rate** | **TOTAL** |
|---|---|---|---|---|
| 100. | Supplies | $500,000 | _____ % | $_____ |
| 101. | Travel | $25,000 | _____ % | $_____ |
| 102. | Incidental Construction | $250,000 | _____ % | $_____ |
| 103. | Other Direct Costs | $50,000 | _____ % | $_____ |

**TOTAL EVALUATED PRICE YEAR FIVE (5) (ALL CLINS) $_____**

## B.9 OPTION PERIOD ONE (1) – YEARS SIX (6) THROUGH TEN (10)

Pricing for Option Period One (1) will be evaluated using the ceiling rates and ceiling multipliers designated in Year Five (5) of the pricing tables for the base period. The base period Year Five rates and multipliers will be extrapolated out to years six through ten automatically by the Government for proposal evaluation purposes.

The actual ceiling rates and ceiling multipliers for Option Period One (1) will be determined by escalating the proposed Year Five (5) ceiling rates and ceiling multipliers utilizing the latest methodology and basis for the Bureau of Labor Statistics' (BLS) Employment Cost Index (ECI). The ECI for "Professional, Specialty, and Technical Occupations" will be controlling. A simple "percentage" method will be used.

The Government does not intend to perform redeterminations or apply escalated rates retroactively. The escalation will not apply to orders already awarded (in place) unless they specifically definitize its inclusion.

### B.9.1 Frequency of Adjustment

The contract adjustment will be calculated three months prior to Option Period One using the latest EDI information available at that time (providing GSA a three month window to prepare the escalation documentation) and implemented at the beginning of year six (Option Period One – if exercised). The Government intends to use the average of the five previous full years of ECI data to make a one time contract escalation. This escalation will be applied one time to years six through ten ceiling rates and ceiling multipliers – to remain fixed thereafter.

### B.9.2 Materially Unbalanced Offers

Offerors shall offer pricing on all items correctly and price each item as specified. The Government will reject a mathematically unbalanced offer if the offer is also materially unbalanced. A mathematically unbalanced offer is an offer containing lump sum or unit price items that do not include reasonable labor, equipment, and material costs plus a reasonable proportionate share of the Offeror's overhead costs, other indirect costs, and anticipated profit. An offer is materially unbalanced when the Government determines that an award to the Offeror submitting a mathematically unbalanced offer will not result in the lowest ultimate cost to the Government and/or not fair to other Offeror's whose pricing is balanced.

The Government will pay particularly close attention to the Year Five (5) ceiling rates and ceiling multipliers being proposed by Offerors. These rates and multipliers will be used for extrapolating the Option Period One pricing for evaluation purposes. If the Government detects any unbalanced pricing in Year Five of the base period and/or "gaming" in order to have more favorable evaluated pricing for the Option Period, those offers will be rejected.

## B.10 FOREIGN AREA TRAVEL/WORK

The U.S. State Department sets per diem rate maximums for foreign areas. For more information refer to "http://www.state.gov/m/a/als/prdm/" and to "http://www.state.gov/m/a/als/prdm/2005/42801.htm". The handling rate for travel applies to all travel, be it domestic, non-contiguous or foreign.

The U.S. State Department establishes Allowances and Benefits for U.S. Government Civilians working in foreign areas (http://www.state.gov/m/a/als/4311.htm). The hardship differential allowance is specifically incorporated into the contract (http://www.state.gov/m/a/als/qtrpt/2005/) and (http://www.state.gov/m/a/als/qtrpt/2005/42178.htm). The hardship differential is the maximum increase permitted to pre-established professional service line items for work in the applicable foreign area. The per diem allowance has been addressed above. The other allowances are not allowable under this contract.

Work is not authorized in areas the State Department has warned Americans not to travel to or to areas the U.S. State Department has issued Danger Pay differentials for. For existing orders - if there is a change in area status (e.g., the U.S. State Department warns Americans not to travel there or issues a Danger Pay differential for the area), then the ordering contracting officer shall determine if it is, or isn't, in the Government's best interest for that work to continue and document their findings in the written order record. U.S. State Department evacuation orders shall be abided by.

# SECTION C

# STATEMENT OF WORK

## C.1 GENERAL/BACKGROUND

Government-wide Acquisition Contracts or GWACs are indefinite delivery/indefinite quantity (IDIQ) contracts for various information technology (IT) resources negotiated, awarded and administered by one particular agency but available to other Federal agencies for purchases. Each GWAC is operated by an executive agent, such as the General Services Administration, designated by the Office of Management and Budget (OMB) pursuant to section 5112(e) of the Clinger-Cohen Act. In accordance with Section 5112(e) of the Information Technology Management Reform Act (ITMRA), 40 U.S.C. § 1412(e), "the Director [of the Office of Management and Budget] may designate one or more heads of Executive agencies as executive agents for Government-wide acquisitions of information technology." GWACs are not subject to the requirements and limitations of the Economy Act, 31 U.S.C. § 1535.

GWACs are valuable tools for the acquisition of information technology services and supplies, but the Ordering Contracting Officer (OCO) must ensure that: (1) the GWAC is not used to circumvent applicable agency policies or regulations; (2) the ordering agency properly administers all contract terms and conditions and adheres to Federal Acquisition Regulations and policy; (3) agency requirements are within the scope of the master GWAC contract; and (4) subsequent task orders are within the scope of the contract.

## C.2 OBJECTIVE

The objective of this solicitation and the resulting VETS GWAC is to provide civilian agencies and the Department of Defense (DoD) the ability to obtain a broad range of Comprehensive IT support services in a timely and cost-effective manner under a multiple award contract. VETS GWAC is a Multiple Award Indefinite Delivery, Indefinite Quantity (MA/IDIQ) contract providing a wide range of information technology support services, while providing the greatest amount of flexibility possible to efficiently and effectively support agency daily operations, protection of infrastructure, the fight against terrorism, and the development and marketing of emerging technologies. The VETS GWAC is accessible to civilian agencies and DoD and is designed to achieve innovative solutions and best value products and services to support Federal Agencies worldwide.

## C.3 SCOPE

VETS GWAC is a Multiple Award/Indefinite Delivery Indefinite Quantity (MA/IDIQ) to provide worldwide Information Technology (IT) solutions to client agencies. VETS GWAC is designed to provide the greatest amount of flexibility possible to efficiently and effectively support the federal government's needs in its daily operations, its protection of infrastructure, the fight against terrorism and the development and marketing of emerging technologies. To this end, VETS GWAC was created to fulfill the Information

Technology (IT) requirements of GSA and other Federal Agencies. Work may be performed at headquarters and/or field offices located throughout the world, as specified in each task order, to provide a variety of IT support services, including new and emerging technologies which will evolve over the life of VETS GWAC. The scope of work under this contract is defined as within the North American Industrial Classification System (NAICS) codes defined in C.9 of this statement of work. The Government shall order services under this contract by means of task orders with specifically defined scopes, deliverable products, and schedules. The contract types covered under VETS GWAC will be Fixed Price (FPI, FPAF), and Time & Material (T&M) and Labor Hour (LH).

## C.4 TASK ORDERS

The work description is intended to outline the general requirements of contractors awarded VETS GWAC contracts. Specific details of work assignments, deliverables, documentation, training, applicable government/departmental/industry standards, etc., will be provided in individual task orders, preferably performance based. The anticipated services require a diversity of skills suitable to a multitude of information technology environments in support of a variety of IT support areas. The contractor shall perform work under this contract only as directed in task orders issued by authorized COs. The Contractor shall ensure adequate resources are dedicated to satisfy the requirements of work assignments including, but not limited to, furnishing the necessary personnel, material, services, and facilities, as required. In addition, inherent in providing these goods and services, the Contractor shall provide the supervision and management effort necessary for efficient and effective administration and control of work performed under VETS GWAC.

## C.5 SECURITY CLEARANCES

Performance of this contract may require access to varying levels of secured information and/or areas. This will be determined on individual task orders. As such, contractor personnel must have a current clearance appropriate to the level of security identified in the task order.

## C.6 TRAVEL

Contractor travel may be required for this contract in performance of an individual task order and will be reimbursed to the Contractor in accordance with the Federal Travel Regulations, Joint Travel Regulations, and Joint Federal Travel Regulations.

## C.7 HARDWARE, SOFTWARE, AND/OR LICENSING

Integral to the services necessary in performing task orders in the designated functional areas, acquisition of hardware/software and/or licensing of software from 3rd party sources may also be required of the Contractor. Under any of these functional areas, a task order may be used to acquire hardware/software that is integral to the services being provided. Purchase of hardware/software or licenses of software from 3rd party sources in support of task orders in any functional area shall not impact the

determination of the appropriate functional area classification of the task order. Functional area classification shall be determined solely upon the preponderance of services provided. The types of hardware/software envisioned would include, but are not limited to, such items as: network devices, switches, routers, bridges, hubs, protocol translators, modems, cabling, wiring closet hardware, wireless access devices, voice and data integration products, Defense Message System (DMS) peripherals, Internet and electronic commerce access gateways, IT infrastructure hardware/software utilities, CASE tools (e.g., Oracle Case, ER-WIN, Predict, System Architect, Knowledgeware, Frontier Super TCP, Netscape, Web Browser), models, database management systems, personal computers, workstations, servers, printers, application software products, compact disk/read only memory (CD/ROM), digital libraries, imaging and optical character recognition equipment, commercial off-the-shelf (COTS) items, general supplies, etc. Technological refreshment/enhancements of hardware/software as well as special access considerations for IT resources may be required by individual task orders.

## C.8 INFORMATION TECHNOLOGY TASK ORDERS INVOLVING SOME CONTSTRUCTION WORK

In the event that alteration or minor construction of real property is required to achieve the primary purpose of a Task Order issued against the VETS GWAC contract, such alteration or minor construction shall be deemed within the scope of this contract.

The expressed purpose of the VETS GWAC contracts is to provide ordering agencies a wide range of information technology support services using the latest technology and systems. It is not the intent of the VETS GWAC contracts to do “minor construction” unrelated to Information Technology requirements. Minor construction is considered as acceptable work under the VETS GWAC contracts **only** when it is **incidental** to a larger Information Technology task order.

In any event, the “minor construction” portion of an Information Technology task order issued against this contract may not exceed any statutory, regulatory, or policy limitations imposed by the Ordering Agency applicable to construction. For example, if the Ordering Agency regulates and/or imposes thresholds for the use of O&M dollars for “minor construction” imbedded in Task Orders for other than construction, those same limitations will apply to task orders issued against the VETS GWAC contracts.

The Davis-Bacon Act requirements apply to construction work to be performed as part of Information Technology task orders under this contract if-

(1) The construction work is to be performed on a public building or public work;
(2) The contract contains specific requirements for a substantial amount of construction work exceeding the monetary threshold for application of the Davis-Bacon Act (the word "substantial" relates to the type and quantity of construction work to be performed and not merely to the total value of construction work as compared to the total value of the contract); and
(3) The construction work is physically or functionally separate from, and is capable of being performed on a segregated basis from, the other work required by the contract.

The Davis-Bacon Act requirements do not apply if-

(1) The construction work is incidental to the furnishing of supplies, equipment, or services (for example, the requirements do not apply to simple installation or alteration at a public building or public work that is incidental to furnishing supplies or equipment under a supply contract; however, if a substantial and segregable amount of construction, alteration, or repair is required, such as for installation of heavy generators or large refrigerator systems or for plant modification or rearrangement, the requirements of this subpart apply); or

(2) The construction work is so merged with non- construction work or so fragmented in terms of the locations or time spans in which it is to be performed, that it is not capable of being segregated as a separate contractual requirement.

Should the Davis-Bacon Act apply to the construction portion of a Task Order, it is the responsibility of the Ordering Contracting Officer (OCO) to obtain the applicable Wage Rate Determinations from the Department of Labor.

## C.9 ORDERING AGENCY STANDARDS

Each ordering agency/organizational component will specify the standards, which the Contractor shall follow in performance of a prospective task order. The Contractor shall be required to work according to the architectures, standards, guidelines, and procedures as stated in individual task orders, including, but not limited to, various standards as set forth in agency guidance.

## C.10 NORTH AMERICAN INDUSTRIAL CLASSIFICATION SYSTEM (NAICS) CODES

The following NAICS codes are applicable to the VETS GWAC.

**541512 Computer Systems Design Services**
541511 Custom Computer Programming Services
541513 Computer Facilities Management Services
541519 Other Computer Related Services
518210 Data Processing, Hosting, and Related Services
611420 Computer Training

All the above mentioned codes are applicable to both Functional Areas of the VETS GWAC (see C.1.9). This procurement is set-aside for small businesses. For the purposes of the VETS GWAC contract the primary NAICS Code is designated as 541512. The size standard for NAICS Code 541512 is $21.0 million.

## C.11 IT SUPPORT FUNCTIONAL AREAS

Separate and distinct contracts will be awarded in two (2) Functional Areas which will cover the full range of IT solutions. The Functional Areas, and examples of the types of tasks included, are listed below. Many types of tasks will overlap both Functional Areas and may be competed across both Functional Areas. Additional IT efforts, as required, can be obtained under this Statement of Work as long as the requirement fits within the scope of the designated NAICS Codes in C.9 and the Functional Areas specified herein.

## C.11.1 FUNCTIONAL AREA ONE (1) – SYSTEMS OPERATIONS AND MAINTENANCE

(1) Chief Knowledge Officer (CKO) Support
    i) Informatics
    ii) Knowledge Management
(2) Configuration Management and Licensing
(3) Database Design and Administration and Data Storage Management
    i) Database Design
(4) E-Business Planning and Support
(5) Electronic Commerce (EC) and Electronic Data Interchange Support
(6) Emerging Technologies
    i) IT Research and Development
    ii) Nanotechnology
(7) Independent Verification and Validation
(8) Information Architecture Analysis and Web Object Indexing
(9) Information Management Life Cycle Planning/Support
    i) Information Management Support
(10) Integration Support
(11) Internet System Architecture and Webmaster Support
    i) Website Development and Support
(12) Mainframe/Data Processing System Support
(13) Media/Training Center/Video Teleconferencing Support
(14) Network Support (including Interdepartmental Data Network (IDN), Local Area Networks (LAN), Wide Area Networks (WAN), Internet access, etc.)
    i) Connectivity and IT infrastructure Support (including Data Networks, Interdepartmental Data Network (IDN), Local Area Networks (LAN), Wide Area Networks (WAN), Storage Area Networks (SAN)
(15) Office Automation Support/Help Desk Support
(16) Performance Measures and Metrics Planning
(17) Seat Management
    i) Systems Operations
(18) Section 508 Compliance Assistance
(19) Supply Chain Management (Logistics)
(20) Systems Management Support
    i) Information Systems Support
(21) Technical Support
    i) Computer Center Technical Support
(22) Telemedicine
(23) Test and Evaluation Support
(24) Training, Training Development, and Training Center Support (including Computer Based Training)
    i) Distance Learning
    ii) Training Requirements Analysis and Planning
(25) Virtual Data Center
    i) Data Warehousing
(26) Anti-Virus Management Service
    i) Intrusion Detection and Prevention Service

ii) Virus Detection, Elimination, and Prevention
(27) Biometrics
i) Smart Card Technologies
(28) Computer Security Awareness, and Training
i) Computer Security Incident Response
ii) Computer Security Planning
iii) Security Policy Compliance
(29) Disaster Recovery, Continuity of Operations, and Contingency Planning
i) Critical Infrastructure Protection
ii) Hot-site and Cold-site Support Services
iii) Incident Response Service
iv) System Recovery Support Services
(30) Hardware and Software Maintenance and /or Licensing
i) Software/Hardware Maintenance and /or Licensing
(31) Independent Verification and Validation (Security)
i) Certification of Sensitive Systems
ii) Mainframe Automated Information Security Support
iii) Security for Small Systems, Telecommunications, and Client Service
(32) Managed E-Authentication Service
(33) Managed Firewall Service
(34) Privacy Data Protection
(35) Public Key Infrastructure (PKI)
i) Crypto Systems
ii) Digital Signature Technology
(36) Secure Managed Email Service (SMEMS)
(37) Security Certification and Accreditation
(38) Systems Vulnerability Analysis/Assessment and Risk Assessment
i) Quantitative Risk Analysis of Large Sensitive Systems
ii) Vulnerability Scanning Service

## C.11.2 FUNCTIONAL AREA TWO (2) – INFORMATION SYSTEMS ENGINEERING

(1) System and Software Design, Development, Engineering, and Integration
i) Software Development
ii) System Design Alternative Studies
iii) Software Distribution, Licensing, Maintenance
(2) Information Technology (IT) Strategic Planning, Program Assessment, and Studies
i) Feasibility Studies
ii) Information Technology (IT) Strategic Planning and Mission Need Analysis
iii) Information Technology Organizational Development
iv) Information Technology Program Analysis, Assessments and Studies
v) Information Technology Research and Development
(3) Automated Workflow System Development and Integration
(4) Business Process Reengineering (BPR)
i) Benchmarking/Operational Capability Demonstrations
ii) Change Management
(5) Chief Information Officer (CIO) Support
i) Enterprise Resource Systems Management

ii) Enterprise Resource Systems Planning
iii) Information Assurance Activities
iv) Information Operations
v) Inter/Intra-Agency Enterprise Resource Planning

(6) Global Information Systems
(7) Software Life Cycle Management (SLCM)
i) Cost Benefit Analysis, Cost Effectiveness Analysis
ii) Risk Analysis and Assessment
iii) Stakeholder Analysis
iv) Total Cost of Ownership Studies

(8) Software Engineering (SWE)
i) Software Quality Assurance

(9) Customer Relationship Management
(10) Information Technology Architecture (ITA) Support
(11) Infrastructure Quality Assurance
(12) Instructional Design, and Modeling & Simulation
(13) SCE/CMM/CMMI Analyses and Implementation Support
(14) Anti-Virus Management Service
i) Intrusion Detection and Prevention Service
ii) Virus Detection, Elimination, and Prevention

(15) Biometrics
i) Smart Card Technologies

(16) Computer Security Awareness, and Training
i) Computer Security Incident Response
ii) Computer Security Planning
iii) Security Policy Compliance

(17) Disaster Recovery, Continuity of Operations, and Contingency Planning
i) Critical Infrastructure Protection
ii) Hot-site and Cold-site Support Services
iii) Incident Response Service
iv) System Recovery Support Services

(18) Hardware and Software Maintenance and /or Licensing
i) Software/Hardware Maintenance and /or Licensing

(19) Independent Verification and Validation (Security)
i) Certification of Sensitive Systems
ii) Mainframe Automated Information Security Support
iii) Security for Small Systems, Telecommunications, and Client Service

(20) Managed E-Authentication Service
(21) Managed Firewall Service
(22) Privacy Data Protection
(23) Public Key Infrastructure (PKI)
i) Crypto Systems
ii) Digital Signature Technology

(24) Secure Managed Email Service (SMEMS)
(25) Security Certification and Accreditation
(26) Systems Vulnerability Analysis/Assessment and Risk Assessment
(i) Quantitative Risk Analysis of Large Sensitive Systems
(ii) Vulnerability Scanning Service

## C.12 INTEGRATED SOLUTIONS AND DESCRIPTIONS

The Government requires assistance with integrated solutions and services. This section addresses all things integrated at all organizational levels as well as describing the functional requirements and provides information that the Contractor may need to know in order to perform the tasks.

### C.12.1 FUNCTIONAL AREA ONE (1)

#### C.12.1.1 Chief Knowledge Officer (CKO) Support

The Chief Knowledge Officer is responsible for knowledge management within an organization. They are senior corporate executives with "knowledge" in their titles. In other words, we could assume that they had been appointed specifically to orchestrate a knowledge management program. They are all first incumbents in the role, most having been in office less than two years with their collective experiences.

C.12.1.1.1 Informatics

The study of information and the ways to handle it, especially by means of information technology (e.g. computers and other electronic devices). The study of the application of computer and statistical techniques to the management of information.

C.12.1.1.2 Knowledge Management

The use of computer technology to organize, manage, and distribute electronically all types of information, customized to meet the needs of a wide variety of users. The information is stored in a special database called a knowledge base and is used to enhance organizational performance. Capturing, organizing, and storing knowledge and experiences of individual workers and groups within an organization and making it available to others in the organization.

#### C.12.1.2 Configuration Management and Licensing

#### C.12.1.3 Database Design and Administration and Data Storage Management (C.11.1(3))

**Database Design -** The function of composing records, each containing fields together with a set of operations for searching sorting, recombining, and other functions. This includes determination of content, internal structure, and access strategy for a database, as well as defining security and integrity, and monitoring performance. A database is considered to be a collection of information organized in such a way that a computer program can quickly select desired pieces of data.

### C.12.1.4 E-Business Planning and Support

### C.12.1.5 Electronic Commerce (EC) and Electronic Data Interchange Support (C.11.1(5))

The Contractor shall provide resources to support, define, develop, and maintain electronic inter-organizational business networks. EC functions include, but are not limited to electronic exchange of requests for quotations, quotes, purchase orders, notices of award, electronic payments, document interchange, supporting databases, and other activities associated with the
procurement and payment process. Guidance on the use of EC in the procurement process can be found in the Federal Acquisition Regulation.

### C.12.1.6 Emerging Technologies

C.12.1.6.1 IT Research and Development
C.12.1.6.2 Nanotechnology

A field of science whose goal is to control individual atoms and molecules to create computer chips and other devices that is thousands of times smaller than current technologies permit.

### C.12.1.7 Independent Verification and Validation

The Contractor shall provide technical resources to define, develop, and conduct Independent Validation and Verification (IV&V) Tests to assess: 1) the capacity of BPR to improve system services and capabilities; 2) Software Life Cycle Management (SLCM) functions; 3) the support provided for electronic commerce; and 4) other IV&V as required or identified in TO. Validation tests shall be designed to ensure that the software developed fully addresses the requirements established to provide specific system operation functions and capabilities. Verification testing shall be designed to determine whether the software code is logically correct for the operation functions for which it was designed. It is expected that the operational areas listed above will be contracted as separate IV&V tasks.

### C.12.1.8 Information Architecture Analysis and Web Object Indexing

Analysis of the hardware and/or software, or a combination of hardware and software, of a system. The architecture of a system always defines its broad outlines, and may define precise mechanisms as well. Web Object Indexing is a website intended to enable a user to obtain other resources on the web. The web index may contain a search facility or may merely contain individual hyperlinks to the resources indexed.

### C.12.1.9 Information Management Life Cycle Planning/Support

C.12.1.9.1 Information Management Support

### C.12.1.10 Integration Support

Assistance in assembling diverse hardware and/or software components together to work as a system.

### C.12.1.11 Internet System Architecture and Webmaster Support

### C.12.1.12 Mainframe/Data Processing System Support

### C.12.1.13 Media/Training Center/Video Teleconferencing Support

The Contractor shall provide planning, analysis, troubleshooting, integration, acquisition, installation, operations, maintenance, training, documentation, and administration services for multi-media and education centers. The Contractor shall also maintain a centralized technical assistance service that supports problem resolution and distributes general multi-media and learning information.

### C.12.1.14 Network Support (including Interdepartmental Data Network (IDN), Local Area Networks (LAN), Wide Area Networks (WAN), Internet access, etc.)

The Contractor shall provide planning, analysis, troubleshooting, integration, acquisition, installation, operations, maintenance, training, documentation, and administration services for all types of data networks, including, but not limited to, enterprise systems, the Interdepartmental Data Network (IDN) “backbone”, Local Area Networks (LAN), Wide Area Networks (WAN), client-server, Internet access, and videoconferencing. The Contractor shall also maintain a centralized technical assistance service that supports problem resolution and distributes general network information.

C.12.1.14.1 Connectivity and IT infrastructure Support (including Data Networks, Interdepartmental Data Network (IDN), Local Area Networks (LAN), Wide Area Networks (WAN), Storage Area Networks (SAN)

### C.12.1.15 Office Automation Support/Help Desk Support

### C.12.1.16 Performance Measures and Metrics Planning

### C.12.1.17 Seat Management

The Contractor shall provide desktop computing as a service and the Government will purchase these services as a utility and will pay for them by the “seat.” The services include the entire suite of hardware, COTS software, connectivity, and support services required to deliver the support to the desktop.

### C.12.1.18 Section 508 Compliance Assistance

**Unless specifically exempted, all task orders issued under this contract shall comply with Section 508 of the Rehabilitation Act Amendments of 1998 to ensure**

**IT accessibility to disabled persons. For information see the web site at www.section508.gov**

### C.12.1.19 Supply Chain Management (Logistics)

The design and management of seamless, value-added processes across organizational boundaries to meet the real needs of the end customer. The development and integration of people and technological resources are critical to successful supply chain integration.

### C.12.1.20 Systems Management Support

C.12.1.20.1 Information Systems Support

### C.12.1.21 Technical Support

Computer Center Technical Support - The Contractor shall provide planning, analysis, troubleshooting, integration, acquisition, installation, operations, maintenance, training, documentation, and administration services for computer centers. The Contractor shall also maintain a centralized technical assistance service that supports problem resolution and distributes general computer center information.

### C.12.1.22 Telemedicine

### C.12.1.23 Test and Evaluation Support

### C.12.1.24 Training, Training Development, and Training Center Support (including Computer Based Training)

C.12.24.1 Distance Learning
C.12.24.2 Training Requirements Analysis and Planning

### C.12.1.25 Virtual Data Center

VDC provides a complete open-source, digital library system for the management, dissemination, exchange, and citation of virtual collections of quantitative data The VDC functionality provides everything necessary to maintain and disseminate an individual collection of research studies: including facilities for the storage, archiving, cataloging, translation, and dissemination of each collection. On-line analysis is provided, powered by the R Statistical environment. The system provides extensive support for distributed and federated collections including: location-independent naming of objects, distributed authentication and access control, federated metadata harvesting, remote repository caching, and distributed ”virtual” collections of remote objects.

Data Warehousing - The Contractor shall coordinate the collection of data designed to support management decision-making. Data warehouses contain a wide variety of data that present a coherent picture of business conditions at a single point in time. Development of a data warehouse includes development of systems to extract data

from operating systems plus installation of a warehouse database system that provides managers flexible access to the data. The term data warehousing generally refers to the combination of many different databases across an entire enterprise.

### C.12.1.26 Anti-Virus Management Service (AVMS)

Anti-Virus Management Service enables the detection and removal of system viruses. The service scans executable files, boot blocks and incoming traffic for malicious code. Anti-virus applications are constantly active in attempting to detect patterns, activities, and behaviors that may signal the presence of viruses. AVMS enables Agencies to procure anti-virus capabilities that protect their infrastructure.

#### C.12.1.26.1 Intrusion Detection and Prevention Service (IDPS)

Agency enterprise networks, like their commercial counterparts, continue to be challenged with increasing security risks. Intrusion Detection and Prevention Service (IDPS) will serve as a component of the Agency's security infrastructure by providing an extra layer of protection for its internal networks. IDPS is a security offering that helps reduce network service disruptions caused by malicious attacks.

#### C.12.1.26.2 Virus Detection, Elimination, and Prevention

The Contractor shall provide virus detection, elimination, and prevention support.

### C.12.1.27 Biometrics

The Contractor shall provide biometrics services including the reading of the measurable, biological characteristics of an individual in order to identify them to a computer or other electronic system. Biological characteristics normally measured include fingerprints, voice patterns, retinal and iris scans, faces, and even the chemical composition of an individual's perspiration. For the effective "two-factor" security authorization of an individual to a computer system, normally a biometric measure is used in conjunction with a token (such as a smartcard) or an item of knowledge (such as a password). Biometrics might include fingerprints, retina pattern, iris, hand geometry, vein patterns, voice password, or signature dynamics. Biometrics can be used with a smart card to authenticate the user. The user's biometric information is stored on a smart card, the card is placed in a reader, and a biometric scanner reads the information to match it against that on the card. This is a fast, accurate, and highly secure form of user authentication.

#### C.12.1.27.1 Smart Card Technologies

### C.12.1.28 Computer Security Awareness and Training

The Contractor shall provide computer security awareness and training.

#### C.12.1.28.1 Computer Security Incident Response

C.12.1.28.2 Computer Security Planning
C.12.1.28.3 Security Policy Compliance

### C.12.1.29 Disaster Recovery, Continuity of Operations, and Contingency Planning

The Contractor shall provide disaster recovery, continuity of operations, and contingency planning support, including those for software applications, which are processed on various computer platforms (e.g., personal computers, mainframes, and mini-computers.

C.12.1.29.1 Hot-site and Cold-site Support Services

Contractor will provide disaster recovery sites, computer systems, network resources and technical professional services to support disaster recovery test exercises and disaster recoveries within twelve (12) hours of a disaster declaration, or when Government personnel occupy the contractor's recovery facility, whichever is sooner.

Contractor personnel assigned to support the customer's recovery exercises and recovery events shall be U.S. citizens and shall be subjected to background investigations to determine suitability for employment, and receive computer security awareness training in accordance with the Computer Security Act of 1987.

C.12.1.29.2 Critical Infrastructure Protection
C.12.1.29.3 Incident Response Service (INRS)

In an effort to combat cyber attacks and crime, Agencies intend to implement Incident Response Service (INRS) as part of their security portfolio. This offering is one of the security tools that will help in responding to potential malicious attacks that can lead to service disruptions. INRS allows Agencies to complement their in-house security expertise, or obtain outside assistance with a greater depth and breadth of experience.

INRS is comprised of both proactive and reactive activities. Proactive services are designed to prevent incidents. They include onsite consulting, strategic planning, security audits, policy reviews, vulnerability assessments, security advisories, and training. Reactive services involve telephone and on-site support for responding to malicious events such as Denial of Services (DoS) attacks; virus, worm, and trojan horse infections; illegal inside activities, espionage, and compromise of sensitive internal agency databases. INRS provides an effective method of addressing these security intrusions, thereby ensuring operational continuity in case of attacks. In addition, INRS provides forensics services that can assist in apprehending and prosecuting offenders.

C.12.1.29.4 System Recovery Support Services

The Contractor shall provide personnel resources to ensure a system recovery capability that will support Government goals and objectives. As a minimum, the Contractor must provide the capability for hot-site/cold-site recovery of all critical software programs and sensitive Government information. The requirements for system recovery support services will be based on the analysis of strategic planning factors; the strengths and weaknesses of the system, as obtained through threat assessment and risk analyses; and cost and benefit trade-offs. System recovery support services include, but are not limited to the capability to:

### C.12.1.30 Hardware and Software Maintenance and/or Licensing

The Contractor shall provide for software/hardware maintenance and/or software licenses from 3rd party vendors in support of tasks falling within this functional area.

### C.12.1.31 Independent Verification and Validation (Security)

The Contractor shall provide technical resources to define, develop, and conduct Independent Validation and Verification (IV&V) Tests for Mainframe Automation Information Security; Certification of Sensitive Systems; and Security for Small Systems, Telecommunications, and Client Server. Validation testing shall be designed to ensure that the software developed fully addresses the requirements established to provide specific operation functions. Verification testing shall be designed to determine whether the software code is logically correct for the operation functions for which it was designed. It is expected that the operational areas listed above will be contracted as separate IV&V tasks.

C.12.1.31.1 Certification of Sensitive Systems

The Contractor shall provide support in the certification of sensitive systems.

C.12.1.31.2 Mainframe Automated Information Security Support

The Contractor shall provide operational and analytical support related to security for mainframe information assets.

C.12.1.31.3 Security for Small Systems, Telecommunications, and Client Service

The Contractor shall provide security for small systems, telecommunications, and client server support.

### C.12.1.32 Managed E-Authentication Service (MEAS)

Managed E-Authentication Service (MEAS) provides Agencies with electronic authentication services in order to seamlessly conduct electronic transactions and implement E-Government initiatives via the Internet. The service enables an individual person to remotely authenticate his or her identity to an Agency Information Technology (IT) system. The service shall connect to Agency networking environments including,

but not limited to Agency Demilitarized Zones (DMZs) and secure LANs. Managed E-Authentication Service consists of hardware and software components that provide for remote authentication of individual people over a network for the purpose of electronic government and commerce. The service provides for the electronic validation and verification of a user's identity and enables the use of electronic signatures over the Internet and other public networks.

### C.12.1.33 Managed Firewall Service

Agencies intend to implement Managed Firewall Service in order to secure their internal networks. Similarly to commercial enterprises, Agencies face increasing network security risks, which they seek to mitigate. This offering is one of the security tools that will help reduce service disruptions caused by malicious access. Managed Firewall Service will prevent unauthorized access to or from private networks, such as Local Area Networks (LANs).

### C.12.1.34 Privacy Data Protection

### C.12.1.35 Public Key Infrastructure (PKI)

A type of electronic signature that is generally considered the most reliable and secure. Digital signatures use public key infrastructure (PKI) to authenticate the sender and verify the information contained in the document. With the passage of the electronic signatures act, digital signatures are expected to become increasingly popular for exchanging information, conducting transactions and signing contracts over the Internet. The Contractor shall provide a set of policies, processes, server platforms, software, and workstations used to administer certificates and public-private key pairs, including the ability to issue, maintain, and revoke public key certificates. The architecture, organization, techniques, practices, and procedures that collectively support the implementation and operation of a certificate-based public key cryptographic system. The PKI consists of systems which collaborate to provide and implement the PCS and possibly other related services. The term generally used to describe the laws, policies, standards, and software that regulate or manipulate certificates and public and private keys. In practice, it is a system of digital certificates, certification authorities, and other registration authorities that verify and authenticate the validity of each party involved in an electronic transaction.

### C.12.1.36 Secure Managed Email Service (SMEMS)

Secure Managed Email Service (SMEMS) provides Agencies with a complete secure and fully managed email security solution. Email security solutions implemented at Agency gateways and desktops usually attempt to handle events that have already breached the network. Any delay in applying security updates to this infrastructure exposes the network to rapid outbreaks and dynamic threats. SMEMS offers an additional layer of protection by proactively scanning and monitoring email traffic at the contractor's security platform, before it enters the Agency's network. The service supports email security functions such as Anti-Virus Scanning, Anti-Spam Filtering, and Content Control. Security engines are continuously updated to maintain effectiveness

against threats and inappropriate material. SMEMS works in conjunction with existing Agency email systems, and is implemented without additional investment in hardware and software at Agency sites.

### C.12.1.37 Security Certification and Accreditation

### C.12.1.38 Systems Vulnerability Analysis/Assessment and Risk Assessment

C.12.1.38.1 Quantitative Risk Analysis of Large Sensitive Systems

The Contractor shall provide support in performing quantitative risk analyses of large sensitive systems, generally including the risk analysis package as an attachment to the system security plan.

C.12.1.38.2 Vulnerability Scanning Service (VSS)

Vulnerability Scanning Service (VSS) allows agencies to conduct effective and proactive assessments of critical networking environments, and correct vulnerabilities before they are exploited. This offering helps to guard Agency systems and network infrastructure against emerging threats.

## C.12.2 FUNCTIONAL AREA TWO (2)

### C.12.2.1 System and Software Design, Development, and Integration

C.12.2.1.1 Software Development

A set of activities that results in software products. Software development may include new development, modification, reuse, re-engineering, maintenance, or any other activities that result in software products. Providing for project management, planning, design, building and implementation of client specific applications, taking responsibility for achieving contractually specified results.

C.12.2.1.2 System Design Alternative Studies
C.12.2.1.3 Software Distribution, Licensing, Maintenance

The Contractor shall provide for software maintenance and/or software licenses from 3rd party vendors in support of tasks falling within this functional area

### C.12.2.2 Information Technology (IT) Strategic Planning, Program Assessment, and Studies

The Contractor shall provide resources to support in the development, analysis, and implementation of IT strategies, architectures, program planning and assessment, and risk, trade-off, requirements, alternatives, and feasibility studies that advance the goals and objectives of the Government.

C.12.2.2.1 Feasibility Studies

The Contractor shall provide resources to facilitate evaluation of a prospective project for the purpose of determining if the project should be undertaken. Feasibility studies normally consider the time, budget, and technology required for completion.

C.12.2.2.2 Information Technology (IT) Strategic Planning and Mission Need Analysis
C.12.2.2.3 Information Technology Organizational Development
C.12.2.2.4 Information Technology Program Analysis, Assessments and Studies
C.12.2.2.5 Information Technology Research and Development

The Contractor shall provide the resources to identify and research emerging technologies in the IT area. Based on this research, the Contractor shall develop and evaluate prototype solutions and present findings and recommendations to the Government for their consideration.

### C.12.2.3 Automated Workflow System Development and Integration

The defined series of tasks within an organization to produce a final outcome. Sophisticated workgroup computing applications allow you to define different workflows for different types of jobs. The workflow software ensures that the individuals responsible for the next task are notified and receive the data they need to execute their stage of the process.

### C.12.2.4 Business Process Reengineering

The Contractor shall provide resources to support in the development, analysis, and implementation of improvements in the flow of business, work, and program processes and tool utilization.

C.12.2.4.1 Benchmarking/Operational Capability Demonstrations
C.12.2.4.2 Change Management

### C.12.2.5 Chief Information Officer (CIO) Support

Typically, a CIO is involved with analyzing and reworking existing business processes, with identifying and developing the capability to use new tools, with reshaping the enterprise's physical infrastructure and network access, and with identifying and exploiting the enterprise's knowledge resources. Many CIOs head the enterprise's efforts to integrate the Internet and the World Wide Web into both its long-term strategy and its immediate business plans.

C.12.2.5.1 Enterprise Resource Planning Systems Development and Integration

An approach to organizational integration management that relies on integrated application software to provide data on all aspects of the enterprise, such as finance, inventory, human resources, sales, etcetera. The objective of an Enterprise Resource Planning Systems is to provide data, when as needed, to enable an entity to monitor and control its overall operation.

C.12.2.5.2 Enterprise Resource Systems Management
C.12.2.5.3 Enterprise Resource Systems Planning
C.12.2.5.4 Information Assurance Activities
C.12.2.5.5 Information Operations
C.12.2.5.6 Inter/Intra-Agency Enterprise Resource Planning

### C.12.2.6 Global Information Systems

### C.12.2.7 Software Life Cycle Management (SLCM)

The Contractor shall provide resources to support any or all phases and stages of SLCM, including planning, analysis, troubleshooting, integration, acquisition, installation, operation, maintenance, training, documentation, and administration. The Contractor may be responsible for obtaining and/or supporting the necessary software, hardware, firmware, resources, etc. required for a system project.

C.12.2.7.1 Cost Benefit Analysis, Cost Effectiveness Analysis
C.12.2.7.2 Risk Analysis and Assessment
C.12.2.7.3 Stakeholder Analysis
C.12.2.7.4 Total Cost of Ownership Studies

### C.12.2.8 Software Engineering

The Contractor shall provide software engineering support (including planning, analysis, design, evaluation, testing, quality assurance, and project management) in the application of computer equipment through computer programs, procedures, tools, and associated documentation.

C.12.2.8.1 Software Quality Assurance

### C.12.2.9 Customer Relationship Management

CRM entails all aspects of interaction a company has with its customer, whether it is sales or service related.

### C.12.2.10 Information Technology Architecture (ITA) Support

### C.12.2.11 Infrastructure Quality Assurance

### C.12.2.12 Instructional Design, and Modeling & Simulation

The Contractor shall provide instructional design, and modeling & simulation. Instructional Design is the systematic development of instructional specifications using learning and instructional theory to ensure the quality of instruction. It is the entire process of analysis of learning needs and goals and the development of a delivery system to meet those needs. It includes development of instructional materials and activities; and tryout and evaluation of all instruction and learner activities. Instructional Design is that branch of knowledge concerned with research and theory about instructional strategies and the process for developing and implementing those strategies. Instructional Design is the science of creating detailed specifications for the development, implementation, evaluation, and maintenance of situations that facilitate the learning of both large and small units of subject matter at all levels of complexity. Instructional Design can start at any point in the design process. Often a glimmer of an idea is developed to give the core of an instruction situation. By the time the entire process is done the designer looks back and she or he checks to see that all parts of the "science" have been taken into account. Then the entire process is written up as if it occurred in a systematic fashion.

### C.12.2.13 SCE/CMM/CMMI Analyses and Implementation Support

SOFTWARE CAPABILITY EVALUATION (SCE) -- It may be necessary on certain task orders to perform software capability evaluations (SCE). The Government may use the SCE (see 1.5.1 and 1.5.2) developed by the Software Engineering Institute (SEI) Carnegie Mellon University (CMU) www.sei.cmu.edu , Pittsburgh, PA, 15213, in evaluating the contractor's/subcontractor's task order proposal. The SCE level required will be specified in individual task orders.

CAPABILITY MATURITY MODEL (CMM) -- The Capability Maturity Model for Software (or SW-CMM) is used for judging the maturity of the software processes of an organization and for identifying the key practices that are required to increase the maturity of these processes.

CAPACITY MATURITY MODEL INTEGRATION (CMMI) -- The Capability Maturity Model Integration (CMMI) provides models for achieving product and process improvement. The output of the CMMI project is a suite of products, which provides an integrated approach across the enterprise for improving processes, while reducing the redundancy, complexity and cost resulting from the use of separate and multiple capability maturity models (CMMs). To improve the efficiency of model use and increase the return on investment, the CMMI project was created to provide a single integrated set of models.

### C.12.2.14 Anti-Virus Management Service (AVMS)

Reference Section C.12.1.26 for description.

### C.12.2.15 Biometrics

Reference Section C.12.1.27 for description.

### C.12.2.16 Computer Security Awareness and Training

Reference Section C.12.1.28 for description.

### C.12.2.17 Disaster Recovery, Continuity of Operations, and Contingency Planning

Reference Section C.12.1.29 for description.

### C.12.2.18 Hardware and Software Maintenance and/or Licensing

Reference Section C.12.1.30 for description.

### C.12.2.19 Independent Verification and Validation (Security)

Reference Section C.12.1.31 for description.

### C.12.2.20 Managed E-Authentication Service (MEAS)

Reference Section C.12.1.32 for description.

### C.12.2.21 Managed Firewall Service

Reference Section C.12.1.33 for description.

### C.12.2.22 Privacy Data Protection

Reference Section C.12.1.34 for description.

### C.12.2.23 Public Key Infrastructure

Reference Section C.12.1.35 for description.

### C.12.2.24 Secure Managed Email Service

Reference Section C.12.1.36 for description.

### C.12.2.25 Security Certification and Accreditation

Reference Section C.12.1.37 for description.

### C.12.2.26 Systems Vulnerability Analysis/Assessment and Risk Assessment

Reference Section C.12.1.38 for description.

## C.13 INFORMATION SYSTEM SECURITY (ISS)

The General Services Administration, other civilian Federal Agencies, the Department of Defense, federally recognized Native American tribes, and state and local

Government entities require assistance in developing ISS products, including implementation. ISS addresses the security of information and computing resources at all organizational levels. All security requirements were included in both Functional Area One (1) and Functional Area Two (2). The descriptions in Section C.11 describe the ISS functional requirements and cover the location, source, and contact for any other information that the Contractor may need to know in order to perform ISS tasks. This includes the results of any previous audits, reviews, studies, certifications, risk, and vulnerability analyses, etc. that address the computer security of a system(s). All work completed under this contract shall comply with the latest versions of all applicable agency ISS guidance (e.g., Office of Management and Budget (OMB) circulars, General Services Administration (GSA) issuances, Public Laws (PLs), American National Standards Institute (ANSI) standards, and National Institute of Standards and Technology (NIST) standards, including Federal Information Processing Standards (FIPS) publications. Also, individual task/delivery orders will reference applicable versions of standards or exceptions as necessary.

# SECTION D

# PACKAGING AND MARKING

## D.1 GENERAL

The requirements of this Section D apply when supplies are included in an order. The ordering Agency may include additional packaging and marking requirements, other than those enumerated in this section, on individual orders. **In the event of conflict between an order and this contract, the contract shall control.**

## D.2 PACKING, MARKING AND STORAGE OF EQUIPMENT

All packing, marking and storage expenses which are incidental to Contractor's shipping of the materials under this Contract shall be made at the contractor's expense (and not on a reimbursable basis).

## D.3 552.211-73 MARKING (FEB 1996)

(a) General requirements. Interior packages, if any, and exterior shipping containers shall be marked as specified elsewhere in the Contract. Additional marking requirements may be specified on Orders issued under this Contract. If not otherwise specified, interior packages and exterior-shipping containers shall be marked in accordance with the following standards:

(1) Deliveries to civilian activities. Supplies shall be marked in accordance with Federal Standard 123, edition in effect on the date of issuance of the solicitation.

(2) Deliveries to military activities. Supplies shall be marked in accordance with Military Standards 129, edition in effect on the date of issuance of the solicitation.

(b) Improperly marked material. When Government inspection and acceptance are at destination, and delivered supplies are not marked in accordance with contract requirements, the Government has the right, without prior notice to the Contractor, to perform the required marking, by contract or otherwise, and charge the Contractor therefor the reasonable actual cost of that performance. This right is not exclusive, and is in addition to other rights or remedies provided for in this contract.

## D.4 552.211-75 PRESERVATION, PACKAGING, AND PACKING (FEB 1996)

Unless otherwise specified, all items shall be preserved, packaged, and packed in accordance with normal commercial practices, as defined in the applicable commodity

specifications. Packaging and packing shall comply with the requirements of the Uniform Freight Classification and the National Motor Freight Classification (issue in effect at time of shipment) and each shipping container of each item in a shipment shall be of uniform size and content, except for residual quantities. Where special packing is specified in an order, but not specifically provided for by the contract, such packing details must be the subject of an agreement independently arrived at between the ordering agency and the Contractor.

## D.5 552-211-77 PACKING LIST (FEB 1996)

(a) A packing list or other suitable shipping document shall accompany each shipment and shall include:

(1) Name and address of the consignor;

(2) Name and complete address of the consignee;

(3) Government Order or requisition number

(4) Government bill of lading number covering the shipment (if any); and

(5) Description of the material shipped, including item number, quantity, number of containers, and packaging number (if any).

(b) When payment will be made by Government commercial credit card, in addition to the information in (a) above, the packing list or shipping document shall include:

(1) Cardholder name and telephone number and

(2) The term “Credit Card.”

## D.6 Equipment Removal

Unless otherwise specifically addressed in an Order issued hereunder, the Contractor shall be solely responsible for removing (at its expense, not on a reimbursable basis) within ninety (90) days after expiration or earlier termination of the applicable Task Order, all of its personal property (e.g., equipment, supplies, etc) which it has placed at Government premises during the course of performance for the applicable Order.

# SECTION E

# INSPECTION AND ACCEPTANCE

## E.1 GENERAL

The ordering Agency may include additional inspection and acceptance requirements, other than those enumerated in this section, such as: (1) higher level contract quality requirements, (2) specifically tailored acceptance testing procedures, and (3) quality assurance plans. . **In the event of conflict between an order and this contract, the contract shall control.**

Some orders may have work containing a combination of fixed-price (FP), time-and-materials (T&M), and labor-hour (LH) terms. The ordering Agency is responsible for identifying the applicable order type(s), which must be stated in the order.

## E.2 FAR 52.252-2 CONTRACT CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es): http://www.acqnet.gov/far/.

| CLAUSE | CLAUSE TITLE | DATE | FP | COST | TM/ LH |
|---|---|---|---|---|---|
| 52.246-2 | Inspection of Supplies—Fixed Price – Alternate I (July 1985). | AUG 1996 | x | | |
| 52.246-3 | Inspection of Supplies—Cost Reimbursement | MAY 2001 | | x | |
| 52.246-4 | Inspection of Services—Fixed Price | AUG 1996 | x | | |
| 52.246-5 | Inspection of Services—Cost Reimbursement | APR 1984 | | x | |
| 52.246-6 | Inspection—Time And Material And Labor-Hour | MAY 2001 | | | x |
| 52.246-12 | Inspection Of Construction | AUG 1996 | x | x | |
| 52.246-15 | Certificate Of Conformance | APR 1984 | x | x | |
| 52.246-16 | Responsibility of Supplies | APR 1984 | x | | |

# SECTION F

# DELIVERIES OR PERFORMANCE

## F.1 GENERAL

The Ordering Agency may include additional deliveries or performance requirements in orders, other than those enumerated in this section, such as (1) optional FAR clauses, (2) agency clauses, or (3) order specific clauses. **In the event of conflict between an order and this contract, the contract shall control.**

Some orders may have work containing a combination of fixed-price (FP), time-and-material (T&M), and labor-hour (LH) terms. The ordering Agency is responsible for identifying the applicable order type(s), which must be stated in the order.

Where alternate clauses and/or portions of clauses are listed, their FAR prescription for use controls their applicability in orders.

## F.2 FAR 52.252-2 CLAUSES INCORPORATED BY REFRENCE (FEB 1998)

This Contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer (CO) will make their full text available. The full text of a clause may be accessed electronically at http://www.acqnet.gov/far/.

| CLAUSE | CLAUSE TITLE | DATE | FP | COST | T&M/ LH |
|---|---|---|---|---|---|
| 52.242-15 | Stop-Work Order | AUG 1989 | x | x | |
| 52.242-15 | Stop-Work Order Alternate I | APR 1984 | | x | |
| 52.242-17 | Government Delay of Work | APR 1984 | x | | |
| 52.247-34 | F.O.B. Destination | NOV 1991 | x | x | x |
| 52.247-35 | F.O.B. Destination with Consignees Premises | APR 1984 | x | | |

## F.3 TERM OF CONTRACT AND ORDERS

The base term of this contract is five (5) years with one five-year option period. The total duration of this contract, including the exercise of any options, shall not exceed ten (10) years from the date of Contract Award.

Orders may only be issued during the contract's five year base period or the five year option period, if exercised. Those periods of time shall be called the "Contract Ordering Period" (COP). At all times each order's terms shall be consistent with its appropriation. For example, a severable task order may be issued for the balance of a fiscal year and then must be built with option periods contingent upon the availability of future year funds, whereas a non-severable task order may be issued for a period of time commensurate with the appropriation's terms (with or without options), but may not exceed the COP by more than 36 months. If an awardee's size status changes as a result of size status recertification at the contract option period such that the contract option isn't exercised, order performance may still be completed, and order option's may still be exercised. The Government will change the Federal Procurement Data System classification for the contract award such that the options are credited as work with a large business. The COP is the same as the order issue period referenced in FAR 52.216-18 in Section I of this contract.

# SECTION G

# CONTRACT ADMINISTRATION DATA

The Contractor shall provide all management, administrative, marketing, quotation, proposal, clerical and supervisory functions and actions required for effective and efficient Contract administration without direct cost to the Government.

## G.1 GENERAL

The following paragraphs shall be applicable to all Task Orders issued under this contract. Any additional requirements will be specified in individual Task Orders.

## G.2 AUTHORITY

### G.2.1 GSA PROCURING CONTRACTING OFFICER (PCO)

The right to issue contract modifications, change the terms and conditions of the basic contract, terminate the contract, exercise option renewals, and approve teaming arrangements and contract administration is reserved to the PCO unless otherwise delegated in writing to an Administrative Contracting Officer (ACO).

The Procuring Contracting Officer will provide to the contractor in writing the Government personnel to whom they have delegated responsibility and authority under the contract. These personnel are responsible for ensuring compliance with the terms of the contract, orders issued against the contract, and ensuring adherence to all appropriations law.

For this contract, the PCO is located at the following address:

General Services Administration
Federal Supply Service
Small Business GWAC Center
1500 E. Bannister Road
Kansas City, MO 64131

Additional responsibilities of the PCO include, but not limited to:

(1) Appointing Administrative Contracting Officers (ACO) as appropriate
(2) Issuing Ordering Contracting Officer (OCO) delegations of procurement authority and Notifying Industry Partners of delegations
(3) Granting contract waivers
(4) Reviewing sole source requirements
(5) Approving all Industry Partners Teaming Arrangements
(6) Managing a Past Performance Database

### G.2.2 GSA PROGRAM MANAGER (PM)

The GSA Program Manager (PM) will provide centralized technical oversight and management regarding VETS GWAC contracts to the Contractors, other GSA personnel, and their designated customers. The GSA Program Manager is the representative for the GSA Small Business GWAC Center. Unless specifically identified by GSA, this will be the PCO.

### G.2.3 ORDERING CONTRACTING OFFICER (OCO)

### G.2.3.1 APPOINTMENT OF THE OCO

The GSA Procuring Contracting Officer (PCO) will delegate OCO duties to Contracting Officers to assure orderly performance of Task Orders. This designation is processed through a Delegation of Contract Ordering Authority (DCOA) and must be requested by the ordering agency through the PCO. The general process for requesting a DCOA is to e:mail the PCO from a ".gov" or ".mil" e:mail account (ending in that nomenclature) requesting it and to provide a copy of the warrant for all parties desiring to be an OCO. Training will be scheduled and must be completed satisfactorily by the designated OCO(s). Upon completion of those prerequisites, a DOCA document will be issued for signature. Once returned and executed by the PCO, and then returned to the newly appointed OCO, the OCO may proceed to use the GWAC. All contracting officers must obtain a Delegation of Contract Ordering Authority from the GSA PCO to issue, modify, and terminate Task Orders under this contract prior to using it. The contractor shall direct all written inquiries, pertaining to specific Task Orders, of a technical or non-technical nature through the OCO. The PCO is available if an OCO is not responsive.

### G.2.4 OCO's REPRESENTATIVE

The Ordering Contracting Officer will appoint a Contracting Officer's Representative (OCO COR or OCO COTR) in writing for each Task Order. The OCO COR will receive all work called for by the Task Order for the Government and will represent the OCO in the technical phases of the work. The OCO COR will provide no supervisory or instructional assistance to Contractor personnel.

The OCO COR is not authorized to change any of the terms and conditions of the Contract or the Task Order. Changes in the scope of work of the Task Order will be made only by the OCO by properly executed modifications to the task order.

### G.3 SUPERVISION

The contractor shall provide supervision for all contractor personnel on Task Orders. The Government will have no direct supervision over contractor personnel. Government actions with respect to contractor personnel will conform to all applicable

policies, regulations, and law including the Federal Acquisition Regulation Part 37. Contractor employees working under this contract and resultant Task Orders must wear identification that clearly identifies them as contractor employees that identifies the company they represent.

**G.4 NOTIFICATION OF TASK ORDER CHANGE**

If in the Contractor's opinion, the OCO requests or indicates an expectation of effort which would justify or require an equitable adjustment to the applicable Task Order, the Contractor shall promptly notify the OCO for the Task Order in question in writing, pursuant to FAR 52.243-7 Notification of Changes, but take no other action on that request or effort until the OCO for the applicable Task Order has issued an appropriate contract administration action for the Task Order, or otherwise resolves the issue. Failure to follow the Notification of Changes procedure at the Task Order level shall be solely at the Contractor’s risk.

**G.5 RESERVED**

**G.6 TASK ORDER PRICING/COST**

All Task Orders issued against this contract shall be priced out/”costed” out consistent with the identified order terms (FP, T&M or LH and any incentives – or combination thereof – in accordance with the FAR). The Contractor shall not accept unpriced Task Orders.

**G.7 RESERVED**

**G.8 BILLING DISPUTES**

All billing disputes arising under or otherwise relating to this Contract or any Task Order issued hereunder shall be resolved pursuant to the procedure set-forth in FAR Clause 52.233-1 Disputes. The OCO for the applicable Task Order is the Contracting Officer for purposes of receiving and processing a claim, and rendering a final decision, as applicable.

For those disputed amounts for which the Contracting Officer issues a decision under the Contracts Disputes Act (CDA), the Government will withhold from a subsequent invoice an amount equivalent to the disputed amount. This type of dispute is a CDA contract dispute to be managed by the Contracting Officer.

**G.9 TASK ORDERS**

At a minimum, the following paragraphs shall be applicable to all Task Orders (TO) issued under this Contract. Additional requirements may be specified in each TO.

Any supplies and services to be furnished under this contract shall be ordered by issuance of written Task Orders. All Task Orders issued under this contract shall be issued in accordance with FAR 16.505 Ordering and the following:

(1) OCOs and contractors must develop a complete integrated understanding of the contract. Certain topics are repeated in various contract sections, often with unique content in each.
(2) All costs associated with preparation, presentation, submission and/or discussion of the Task Order proposals and quotations will be at the contractor's expense (at no direct cost to the government).
(3) No work shall be performed and no payment shall be made except as authorized by a Task Order.

(4) A Task Order is issued when the Government transmits the Task Order to the contractor.
(5) Orders will be within the scope of the contract, will be issued within the period of performance, will be within the maximum value of the contract and will follow the fair opportunity process.
(6) Orders will be placed with the contractor selected by the ordering Agency following established ordering procedures. Orders may be placed using any channel that provides fair opportunity. Such channels/systems as ITSS, GSA Preferred, E-Buy and a contractor provided e: mail account (that remains constant for the life of the GWAC, so it shouldn't in one person's name, but rather a general e: mail for the firm, perhaps one set up specifically for this purpose), and facsimile are viable. Contractors shall maintain their registrations and accounts in the various systems identified by GSA as "fair opportunity channels", and should diligently monitor them for opportunities. This applies to GSA E-Library too, although it is not a fair opportunity channel. The Government reserves the right to select a single fair opportunity channel after award if it deems it is in its best interest.
(7) Only an authorized and delegated OCO can issue an order under this contract.
(8) All costs associated with post issuance order administration (including applicable personnel cost allocations by TO) shall not be chargeable to the Government as a direct cost. The Contractor is responsible for determining the most appropriate method for inclusion of such costs in indirect pools based on its standard accounting practices.

## G.9.1 FAIR OPPORTUNITY PROCESS

(1) Authorized users (or GSA acting on their behalf) will use the fair opportunity process specified in FAR Subpart 16.505(b)(1) in selecting order contractors.
(2) Ordering Contracting Officers from the Agencies will develop and document the process according to FAR standards. OCOs should review and become very familiar with FAR 16.505.
(3) Competitive order contractor selection criteria will be established by the OCO.
(4) Tradeoff or low price - technically acceptable evaluations are authorized.

(5) Price is always a required evaluation factor for source selection based upon merit.
(6) Past performance is always a required evaluation factor for task orders estimated to be valued at over $100,000.00.
(7) The Government may require oral presentations.
(8) The Government may evaluate quotations and proposals without discussions.
(9) Formal evaluation plans or rating of quotes or offers is not required. However, the amount of acquisition planning, evaluation and documentation should be commensurate with the estimated value, inherent risk of performance and importance of the order. For example, the Agency's initial selection of which contractor to utilize should have substantially more planning and evaluation for a higher risk, higher valued order than on a lower risk, lower valued one.
(10) Use of any method (such as allocation or designation of any preferred contractor) that would result in fair consideration not being given to all FA contractors is prohibited.
(11) Use of a multi-phased approach when effort required to respond may be resource intensive is possible – the OCO should confer with the PCO on implementation. Generally, the best practice is to send out an initial notification to all FA based contractors stating a concise requirement synopsis with salient characteristics. Contractors will be afforded a short time in which to elect to "opt in" or "opt out" of receiving the formal RFQ or RFP. Failure to opt in constitutes opting out. Contractors opting in would be sent the formal RFQ or RFP.
(12) Formal RFQs or RFPs should afford offerors a reasonable period of time to respond to, taking into account the unique requirement circumstances – and the OCO will establish that time frame. Contractors <u>are not</u> required to quote or propose for task orders (this does not void the minimum revenue requirement). Time should be allotted to promote competition.
(13) When the Ordering Agency or GSA on the Agency's behalf, makes its decision, the OCO shall document in the order file the rationale for placement and price of each order (price analysis/a price reasonableness determination is always required for FP, T&M and LH work ***), including the basis for order contractor selection and the rationale for any tradeoffs among cost or price and non-cost considerations. Best evaluation practices and agency specific guidance should be followed. The order file shall also identify the basis for using any of the four exceptions to the fair opportunity process. If the OCO uses the logical follow-on exception, the rationale shall describe why the relationship between the initial order and the follow-on qualifies for the exception (the original competition must have been under the same GWAC.) It is the Agency's responsibility to produce and maintain the required documentation for each order regardless of the dollar value of the order.
(14) Following the order placement decision and the documentation of the decision, the ordering Agency or GSA on the Agency's behalf will place the order with the selected contractor.
(15) There must remain at least three active contracts in a FA for the FA to be utilized for Fair Opportunity Competition. If the number of qualified awardees in a FA falls below three, it will act as a stay to the utilization of those less than three

contracts for new order competition (but not for issued task orders or for those new orders issued under a bona-fide Fair Opportunity Exception) until such a time as three contract awards in the FA are in effect. The Government will make efforts to maintain the minimum level of three contract awardees per functional area through an open season (and may conduct an open season then without consideration of number of awardees remaining in the FA award pool when in it is in the Government's interest) at the option period, and from time to time, with the understanding that doing so remains at the Government's discretion and that the length of any open season acquisition cycle is a matter subject to many variables outside of the Government's control. No specific promises regarding open season timing, duration or outcomes are expressed or implied.

**G.9.2 EXCEPTIONS TO THE FAIR OPPORTUNITY PROCESS**

Orders may be issued on a sole-source basis whenever circumstances warrant the exercise of any exception set forth in FAR Subpart 16.505(b)(2). In accordance with FAR 15.505(b)(2) fair opportunity need not apply to orders that are under $2,500, and is excepted for service orders above $2,500 where the Contracting Officer determines that:

(1) The need for the services ordered is of such unusual urgency that providing such opportunity to all contractors would result in unacceptable delays in fulfilling that need.
(2) Only one contractor is capable of providing the services required at the level of quality required because the services ordered are unique or highly specialized.
(3) The order should be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to an order already issued on a competitive basis.
(4) It is necessary to place the order with a particular contractor to satisfy the minimum revenue guarantee (A PCO determination only.)

As with any decision under the fair opportunity process, OCO must document the use of any exception to the Fair Opportunity Process. Certain Agencies may place additional Agency requirements for use of an exception to the fair opportunity process. In all instances the Agency or the Agency conducting the fair opportunity process on behalf of another Agency, must fulfill the requiring Agency's additional requirements for use of an exception and the documentation required.

**G.9.3 ORDER CONDITIONS**

Funding for each Order shall be contained in the Order and not in the Contract. The contract minimum guarantee is intended to be met by Orders and not by an outright payment from the SBSDC. Issuance of a single Order or a series of Orders having a cumulative value equal to or greater than the minimum guarantee satisfies the minimum guarantee.

Services will be Ordered by issuance of written Orders on GSA Form 300, Standard Form 1449 or DD Form 1155. Other Agency specific forms may be considered for approval by the PCO on a case-by-case basis. Oral Orders are not authorized. Facsimile issuance of Orders is authorized and such Orders are considered to be properly issued when error free transmission is complete.

No work will be performed, no debt or obligation accrued and no payment will be made except as authorized by a bona-fide written Order signed by a duly warranted and delegated OCO. Contractors work AT RISK if they perform work under an order that is not bona-fide or is not signed by a duly warranted and delegated OCO – and should implement the necessary checks and balances within their organizations to ensure that doesn't occur.

A bona-fide Order will include all of the following elements as applicable, the lack of a single applicable element makes an Order defective. Non bona-fide Orders shall be brought to the immediate attention of the PCO and all Government personnel listed on the face of the Order for dispositioning:

- Date of Order
- GSA Contract number
- Government Order number
- Appropriation and accounting data
- Description of service(s) to be performed (preferably a performance based statement of work)
- Period(s) of performance, performance timeframe(s) and performance deadline(s)
- Place(s) of performance
- Price/risk arrangements (order terms, i.e. FP or T&M)
- Definitized order pricing
- Definitized ceilings, if any
- Signature of duly warranted and delegated OCO
- Billing/Invoice address
- Name of issuing Agency
- Name, signature and phone number of OCO
- Name of Client Agency (if different from issuing Agency)
- Name of Contractor

The Contractor shall be bound by the terms and conditions in the Contract and in Orders. Every effort shall be made to find the terms and conditions of an Order meaningful and in harmony with/as complementary to those of the Contract. In the event of a conflict between a term in an Order and in the Contract, the Contract shall control. Patent conflicts should be resolved during the RFQ/RFP process, else the risk inheres to the contractor.

Only the PCO is authorized to modify any Contract terms and conditions.

Any required change to an issued Order may only be made in writing by a duly warranted and delegated OCO with proper delegated authority.

## G.10 PROTESTS AND COMPLAINTS

No protest under FAR Subpart 33.1 is authorized in connection with the issuance or proposed issuance of an order under this contract, except for a protest on the grounds that the order increases the scope, period, or maximum value of the contract (10 U.S.C. 2304c(d) and 41 U.S.C. 253j(d)).

An order ombudsman has been appointed to review complaints from contractors and ensure they are afforded a fair opportunity to be considered, consistent with the procedures set forth above. The order ombudsman is a senior GSA official who is independent of the GSA Contracting Officer. The order ombudsman does not have the authority to overturn ordering decisions or to adjudicate formal contract disputes.

The Ombudsman will be responsible for the duties described at FAR 16.505(b)(5). The Ombudsman for GSA is:

Order Ombudsman
U.S. General Services Administration
Office of Acquisition Policy
1800 F Street, N.W.
Washington, DC 20405

## G.11 RESERVED

## G.12 INVOICE SUBMISSION

Proper invoices shall be submitted to the address designated in orders in accordance with the clauses in Section E and I.

Only original invoices shall be submitted. Invoices must be plainly marked with the heading "**Invoice**" or substantially similar. Invoices marked "**Statement**" or similar are not acceptable and will not be processed**.**

Invoices must contain the following or they will be rejected. Ordering agencies may specify additional mandatory invoice data elements:

- Description of line items, unit prices, quantities and extended prices conforming to their structure in the applicable Order
- Total invoice amount
- Prompt payment discount offered

- Name of the business concern and invoice date
- Government Order number
- GSA Contract number
- Government Project Number & Title
- Accounting Control Transaction (ACT) number (for GSA FTS Orders)
- Period of Performance covered
- Contractor Invoice Number
- Government Client name and address
- Name, title, phone number, and complete mailing address of the responsible Contractor official to whom payment is to be sent. The "remit to" address must correspond to the remittance address in the Contract
- Information necessary to enable the Government to make
- payment by wire transfer

Charges not specifically authorized in a bona-fide Order by the Government shall not be paid.

Copies of Contractor paid invoices and receipts shall be maintained by the Contractor for the life of the Contract, for three years thereafter, and made available to the Government at no direct cost to the Government upon request.

Invoices for final payment must be identified as such and submitted when Order requirements have all been completed and no further charges are to be incurred. A copy of the written client acceptance of completion must be attached to final invoices.

**G.13 RESERVED**
**G.14 RESERVED**

**G.15 CONTRACT/TASK ORDER CLOSEOUT**

The OCO will be responsible for closing out their orders. Notification that a closeout of a Task Order is completed must be provided to the PCO. Order closeout will be accomplished within the guidelines set forth in:

- FAR Part 4 Administrative Matters
- FAR Part 42 Contract Administration and Audit Services

The OCO will determine that the following conditions have been met:

(1) The contractor has completed provision of the required services, service has been terminated, and no additional deliverables will be provided.
(2) The contractor's final invoice has been submitted.
(3) The contractor has been paid and all billing dispute issues have been resolved.
(4) The Task Order is neither in litigation nor under appeal.
(5) The Task Order period has expired.

The contractor agrees to work in partnership with the contracting officer to closeout Task Orders as soon as possible after they are physically complete by using the "Quick Closeout" procedures described in FAR 42.708 as much as practical. Since this is primarily a services contract, it is anticipated that the costs under non-labor CLINS are to be an insignificant amount to the extent that will allow for the provisional rates established to be used as the basis to negotiate final costs on Non-Fixed-Price Task Orders issued under the contract. However, the OCO for each Task Order has the authority to require an audit of final indirect rates, as provided in FAR 52.232-7, when determined necessary to protect the Government's interest.

## G.16 REPORTING REQUIREMENTS

### G.16.1 RESERVED

### G.16.2 REGULAR CONTRACTOR REPORTING

#### G.16.2.1 CONTRACT STATUS REPORT

This report shall detail all financial, staffing and vacancies, training, marketing, and problems contract-wide by calendar quarter (January 1–March 31, April 1–June 30, July 1–September 30, and October 1–December 31). The contract status report shall reflect same dollar values reported on the Contractor Sales Reporting (see G.17). The report is due within 30 calendar days following the end of the reporting quarter to the Small Business GWAC Center via e-mail.

#### G.16.2.2 CONTRACTOR SALES REPORTING AND CONTRACT ACCESS FEE REMITTANCE (December 2004)

**(a) Sales Reporting**

The Contractor shall electronically report all sales under this contract. "Sales" means the dollar amount invoiced under the Task Order.

The contractor shall accurately report the dollar value, in U. S. dollars and rounded to the nearest whole dollar, by calendar quarter (January 1–March 31, April 1–June 30, July 1–September 30, and October 1–December 31).

Reports, including “zero” sales, shall be submitted electronically via an Internet website designated by the General Services Administration (GSA)’s Federal Supply Service.

The contractor shall convert the total value of sales made in foreign currency to U.S. dollars using the “Treasury Reporting Rates of Exchange” issued by the U.S. Department of Treasury, Financial Management Service. The contractor shall use the issue of the Treasury report in effect on the last day of the calendar quarter. The report is available from Financial Management Services, International Funds Branch, Telephone:202-874-7994, Internet: http://www.fms.treas.gov/intn.html.

The report is due within 30 calendar days following the end of the reporting quarter. The contractor shall continue to furnish quarterly reports, including “zero” sales, as follows:

- Final invoice submission for all fixed price, time-and-materials and labor hour orders
- Final closeout of all cost-reimbursement orders

Prior to using the reporting system, the contractor shall complete contract registration with the FSS Vendor Support Center (VSC). The VSC website address, as well as registration instructions and reporting procedures, will be provided within 60 days of contract award. FSS reserves the unilateral right to change such instruction from time to time, following notification to the contractor.

Reporting will be by contract at the Task Order level. Reports for multiple contracts shall not be consolidated.

Failure to submit required reports or the falsification of reports is sufficient cause for the Government to terminate the contract for default under the termination provisions of this contract.

**(b) Contract Access Fee Remittance**

The Contract Access Fee reimburses GSA’s Federal Supply Service for the costs of operating the GWAC program. The CAF represents a percentage of the total quarterly sales reported. The CAF is currently 3/4 % or .0075.

The CAF percentage is set at the discretion of GSA’s FSS. FSS has the unilateral right to change the percentage at any time, but not more than once per year. FSS will provide reasonable notice prior to the effective date of any change. FSS will post notice of the current CAF at http://vsc.gsa.gov and drilling down into the GWAC section, specifically http://gwac.gsa.gov, or successor website as appropriate.

The contractor shall remit the CAF to FSS in U.S. dollars within 30 calendar days after the end of the reporting quarter. Final CAF payment is due within 30 calendar days after physical completion of the last outstanding Task Order under the contract.

Instructions for remitting the CAF are contained in the Vendor Support Center website referenced above. If paying by check, each check shall be annotated with the corresponding contract number and reporting quarter.

Where multiple invoices and/or multiple Task Orders under this contract are involved, the CAF may be consolidated into one payment. CAF payments for multiple contracts or reporting quarters shall not be consolidated.

FSS will provide the Contractor with specific written instructions on remitting the CAF. FSS reserves the unilateral right to change such instructions from time to time, following notification to the Contractor.

Within 60 days of contract award, an FSS representative will provide the Contractor with specific written instructions on remitting the CAF. FSS reserves the unilateral right to change such instructions from time to time, following notification to the Contractor.

Failure to remit the full amount of the CAF within 30 calendar days after the end of the applicable reporting period constitutes a contract debt to the United States Government under the terms of FAR 32.6. The Government may exercise all rights under the Debt Collection Improvement Act of 1996, including withholding or setting off payments and interest on the debt (see FAR 52.232-17, Interest). The Contractor's failure to timely pay the CAF is sufficient cause for the Government to terminate the contract for default under the termination provisions of this contract.

## G.17 SUBCONTRACTING REPORT

In implementing the requirements set forth in FAR 52.219-14, Limitation on Subcontracting, contractors shall follow the subcontracting reporting process established for 8(a) certified firms at 13 CFR 124.510. Contractors shall maintain up-to-date records concerning subcontracting costs and shall submit the standardized report found in Section J semi-annually (using the contract year) no later than 30 calendar days after each six-month reporting period (RP). The first RP will begin on the effective date of the notice to proceed.

A separate report shall be completed for <u>each functional area</u>. The completed report shall be submitted to:

**Small Business GWAC Center**
**Attn: VETS GWAC Subcontract Report**
**1500 E. Bannister Road (6FG-C)**
**Kansas City, MO 64131**

Contract options for contractors not in full compliance with FAR 52.219-14 may not be exercised. Willful failure or refusal to furnish the required reports, or gross negligence in managing the subcontracting limitation, or falsification of reports CONSTITUTES SUFFICIENT CAUSE TO TERMINATE THE CONTRACTOR FOR DEFAULT.

## G.18 MEETINGS

### G.18.1 GWAC LEVEL MEETINGS

Quarterly GWAC Program Meetings (QPM) shall be necessary to market services, resolve problems, or to facilitate understanding of the requirements of the contract. The participants at these meetings shall include the Industry Partner Contract Manager, Small Business GWAC Center staff, and other representatives of the Government. The PCO and the Industry Partner shall schedule these meetings. All Industry Partner costs associated with the attendance at these meetings shall be at no direct cost to the Government. The Government may, at its option, hold QPRs in person, by teleconference or by webinar.

### G.18.2 TASK ORDER LEVEL MEETINGS

From time to time meetings should take place between the ordering agency OCO, OCO COTR and other agency representatives invited by the OCO and a contractor management representative. Such meetings are useful to address progress on the task(s), problems that have arisen over the past month, and other matters that are pertinent. The Government encourages open dialogue and communications between the parties. Scheduled meetings may be specified in RFQs or RFPs and resulting orders. Contractors are encouraged to participate in such meetings without direct cost to the Government.

## G.19 RESERVED

## G.20 CONTRACTOR CONTRACT MANAGER - A KEY PERSONNEL POSITION

Each Contract awardee shall designate a Contract Manager who is the single contractor point of contact with/for the PCO responsible for overall coordination of their Contract with the Government. This person --

- Organizes, directs, and coordinates planning and production of all Contract support activities

- Has excellent oral and written communication skills, with a demonstrated capability for dealing with, and may meet with, all levels of internal personnel and external representatives

- Formulates and reviews strategic plans, marketing plans, subcontracting, and deliverable items, determines Contract costs, and ensures conformity with Contract terms and conditions

- Explains policies, purposes, and goals of the Contractor's organization, and GSA's policies and procedures applicable to this Contract, to Contractor personnel

- Takes appropriate action as required to avoid personal services Orders

- Must be authorized to negotiate on behalf of and bind the Contractor to Orders

- Is the focal point of communications with/for the PCO

Key personnel must be assigned for the duration of the Contract barring circumstances outside the control of the Contractor (e.g., death, resignation, disability, etc.) or otherwise accepted by the Contracting Officer.

## G.21 CURRENT & PAST PERFORMANCE INFORMATION (IAW FAR 42.15)

It is the government's intent to collect performance evaluations for each Order. The requiring office will assess the Contractor's performance in areas such as quality, quantity and timeliness. Such ratings may have bearing on the Contractor's likelihood to receive future Orders.

It is incumbent upon the requiring OCO, or the OCO COR if directed by the OCO, to complete a performance record for each Order after completion of work, and at least annually for Orders having a performance period in excess of one year. Performance evaluations should be submitted to the PCO. Contractors should be cognizant of this requirement and exercise their right to contribute to the final performance record. Organizations of caliber will not only plan for good performance, but also be aware of their current performance as perceived by the Government, and take steps (i.e., requesting interim evaluations, holding meetings with the Government, performing required corrective action, etc.) to ensure performance is satisfactory throughout the life of each Order so that there will be no surprises at the completion of work.

Contractors are invited to document their performance under each Contract Order and submit it to the PCO. This standing invitation constitutes the Government's effort to afford an opportunity for Contractors to address adverse ratings before they are utilized in a future selection process. A file of all received performance records received by the PCO and any Contractor supplemental information received by the PCO will be maintained and made available to interested parties having a bona-fide need to know.

The Government may designate a web-based past performance system for this purpose.

## G.22 OBSERVANCE OF FEDERAL HOLIDAYS

(a) Government personnel observe the following holidays, also shown at www.opm.gov/fedhol.

New Year's Day
Martin Luther Kings, Jr.'s Birthday
President's Day
Memorial Day
Independence Day
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Christmas Day

Any other day designated by Federal statute, Executive Order or the President's proclamation.

(b) When any holiday falls on a Saturday, the preceding Friday is observed. When any holiday falls on a Sunday, the following Monday is observed. Observance of such days by Government personnel shall not, by itself, be cause for an equitable adjustment, except if specifically authorized in an Order.

(c) It is understood and agreed between the Government and the Contractor that observance of such days by Government personnel shall not otherwise be a reason for an additional period of performance, or entitlement to compensation.

## G. 23 EXIT STRATEGY/OFF RAMP AT THE OPTION PERIOD AND RE-CERTIFICATION

The contracts have an exit strategy built in at the option period. Contract holders must have amassed at least $500K in orders on their contract to be eligible for the option period. If the contract holder does not achieve at least $500K in orders during the base period, the Government simply will not exercise the option.

Prior to exercising the option period, the contractor will be required to re-certify business size status. The Government will use ORCA (discussed in Section K) as it did originally for the contract awards. If a previously awarded small business concern re-represents itself as other than small, the PCO is precluded from exercising the option.

If SBA issues an interim final rule, or final rule, requiring an alternate small business concern size recertification regime, GSA will follow it.

As stated in Section L, “The Section B price evaluation case does evaluate line items for Cost Reimbursement work given VETS GWAC’s business development posture. It is GSA’s requirement/minimum need that VETS GWAC is positioned to permit small business concerns to develop cost reimbursement credentials, rather than require them up front as a prerequisite for award. Accordingly, cost realism will be assessed in terms of the price case for cost line items established in Section B without Government adjustments resulting from a further realism analysis (but still subject to reasonableness analysis). No awardee will be permitted to compete for or perform cost reimbursement work until all required audits for such work are successfully completed. Certain awardees may already have those cost reimbursement audit credentials and, provided there are sufficient numbers of firms with audited and approved accounting systems and forward pricing rate agreements in the given FA to result in fair opportunity competition for cost reimbursement work (three such awardees at a minimum), they will be permitted to compete for and perform cost reimbursement work under VETS GWAC. GSA will pay for a single set of cost reimbursement related audits for awardees up to an ordinary level of effort by the auditing agency. Failure to complete the cost reimbursement audits within the time designated in Section G, or at a reasonable cost to GSA, will result in implementation of the exit strategy designated in Section G (this Section). Upon successful completion of audits required for Cost Reimbursement work, awardees will be given the notice to proceed with that aspect of work scope. The government is permitted a 60 calendar day window to issue that notice to proceed after it receives formal written notice of successful audit completion.” Accordingly, the time allotted for completion of necessary CR audits is one year from the Government’s notice to proceed with other than CR work scope. Failure to complete the audits will result in a permanent, contractor imposed, stay on CR work scope for the duration of the base period, and result in complete ineligibility for the option period for all work scope. As stated in Section L and above, the Government will only bear the expense for a single set of necessary audits up to an ordinary level of effort by the auditing agency. The Government will not pay for audit rework, so contractor’s are advised to be well prepared for those audits.

## G. 24 SUBCONTRACTORS

The Government has not pre-approved any subcontractors in making contract awards, and will only do so on a task order, by task order, basis – which falls upon the OCO to complete. Consistent with the terms of the Contract (see, for instance, the flow down requirement of FAR 52.222-11 & Government consent requirement and terms of 52.244-2), no Government (PCO or OCO) consent is required for subcontractors under Fixed-Price (FP) order terms for subcontractors that the contractor has provided a completed standard form 1413 on and deemed responsible pursuant to FAR 9.104-4 and the responsibility standards in FAR 9.1. THIS IS A SIGNIFICANT REASON FOR OCOs TO EMBRACE FP TASK ORDER TERMS! Contractors shall provide written evidence of that responsibility determination to the OCO upon request as a prerequisite to subcontractor inclusion in task order performance. Government consent is required of subcontractors under other than FP order terms, as is the information required in FAR 52.222-11 and 52.244-2 unless the contractor has an approved purchasing system; if a

contractor has an approved purchasing system pursuant to FAR 52.244-2, that preapproval requirement is considered met. Completed standard form 1413 and responsibility determinations may still be required in writing by OCO's as a prerequisite to subcontractor inclusion in task order performance.

## G. 25 END OF CONTRACT REPORTING

Summary reports are required of each Contract awardee at the end of their Contract. Those reports must include a list of all Orders issued to the contractor under the Contract and their associated: Government Order numbers, client agency names, total dollar values, periods of performance, subcontracting percentages and the CAF amounts paid to the Government.

# SECTION H
# SPECIAL CONTRACT REQUIREMENTS

## H.1 OVERALL CONTRACT MAXIMUM AMOUNT

There is a Program maximum (GWAC ceiling) of $5 billion competitively available to all contract holders over the life of all Contracts. As an Order is issued against a Contract, the value of Orders that can be issued under all Contracts decreases the GWAC ceiling available balance by an equal amount.

## H.2 OVERALL CONTRACT MINIMUM AMOUNT (GUARANTEE)

The GWAC ceiling IS NOT the minimum guarantee detailed in Sections B and G. The Contractor and Government agree that, given the totality of intent and consideration proposed by the parties evidenced by the facts and circumstances, and given that the minimum guarantee accurately represents to volume of work certain to be ordered, the minimum guarantee is adequate consideration to establish a binding indefinite-delivery, indefinite quantity Contract for the purpose intended by the solicitation. A request for payout of the minimum guarantee balance unmet through orders must be submitted in writing to the Procuring Contracting Officer (PCO) no more than 30 calendar days after the Contract Ordering Period detailed in Section F. Failure to submit the written demand to the PCO within that time period results in forfeiture of entitlement to any minimum guarantee balance unmet through orders.

## H.3 OPEN SEASONS

Contracts awarded under open-season authority detailed in Section G will share the GWAC ceiling remaining and their award shall not constitute a basis for Contractual adjustment for existing Contract holders. Solicitations and any resulting Contracts awarded under this authority will closely parallel the originals, and will not exceed their remaining duration. A successor GWAC, e.g. a 2nd generation GWAC for the same work scope, isn't constrained by the current GWAC's ceiling.

## H.4 ELECTRONIC ACCESS TO THE CONTRACT

Contractors are hereby advised that a conforming (up to date through all amendments, if any) copy of the contract including all modifications, and also including prices for the base period and option period, if exercised, shall be made available on the VETS website for public viewing. Awarded line item pricing is deemed to be public data.

## H.5 INDUSTRY PARTNER WEBPAGE

It is a material contract requirement that, for the life of their Contract(s), each Contractor shall design, deploy, operate, maintain, update and manage a 24x7 Section 508

compliant informational web page (or pages) with a static URL that can be linked to externally solely featuring this GWAC contract(s). The purpose of the webpage is for the Industry Partner to communicate with potential customers regarding the Industry Partner's ability to provide world-class information technology services under the GWAC. The webpage should demonstrate the functional capability associated with different products or business areas awarded under the GWAC. Each Contractor shall provide a prominent hyperlink to the aforementioned web page on their internet home page, after splash screen type introductions - if any, with no scroll down necessary to view the link. The webpage should be easily accessible from the Industry Partner's front page and intuitive for novice computer users. This webpage at minimum must include the following items:

(1) A conforming version of the contract;
(2) A list of all team members proposed and their capability/area of expertise;
(3) A description of the functional area services awarded under the GWAC
(4) A description of the Industry Partner's quality assurance program;
(5) GSA's Ordering Guide for the GWAC;
(6) Corporate points of contact
(7) A prominent link to the GSA Small Business GWAC Center GWAC website

The specific taxonomy and look/feel/aesthetics of the web content remains at the discretion of the Contractor. The web site content shall be deployed and operational within 30 calendar days of Contract award.

## H.6 PERFORMANCE-BASED SERVICES CONTRACTING (PBSC)

Pursuant to Federal Acquisition Regulation (FAR) Subpart 37.6, performance-based contracting techniques will be applied to Task Orders issued under this contract to the maximum extent practicable.

## H.7 PHASE OUT OF CONTRACT AND CONTINUITY OF TASK ORDER SERVICES

Phase out of contract and continuity of services will be individually addressed under each Task Order if applicable.

## H.8 SECURITY REQUIREMENTS

The Industry Partner shall comply with the Computer Security Act of 1987 and the Industrial Security Manual for Safeguarding Classified Information (DoD 5220.22-M).

The Industry Partner facility that processes personnel security clearances or data must possess Top Secret facility clearance. Individual task requests shall specify the level of security clearance that will be required for assigned Industry Partner personnel. The Industry Partner is responsible for providing properly cleared personnel, providing security briefings, and ensuring compliance by its employees with the Government or

Industry Partner security regulations. This includes the safekeeping, wearing, and visibility of an Industry Partner provided picture name badge, and any special agency badges. The Industry Partner shall ensure the return of all badges, and any other Government property, upon task completion, or when personnel depart a task permanently or for an extended period of time.

Industry Partner management and Task Order personnel shall have a clearance commensurate with the Task Orders they support. Clearances, primarily Top Secret, may require Special Background Investigations (SBI) leading to Sensitive Compartmented Information (SCI) access or Special Access Programs (SAP). The Industry Partner may be required to obtain agency-specific access, such as a Q clearance or clearance for restricted data. Other checks and investigations may be required to verify the Industry Partner employee's trustworthiness and suitability for the position. The Industry Partner shall cooperate with, and furnish information and completed forms to the Task Order client representative or GSA, when required, for the purpose of any special security checks or processing required by the agency, particularly for sensitive positions that require a National Agency Check (NAC), National Agency Check Investigation (NACI), credit check, police/FBI records check, or background investigation. Clearances and checks may be required at the start of Task Order work.

All clearances, checks, research, and associated activities shall be at Industry Partner expense, and shall not result in any direct cost to the Government.

## H.9 LIABILTY

### H.9.1 HOLD HARMLESS AND INDEMNIFICATION AGREEMENT

The Industry Partner shall save and hold harmless and indemnify the Government against any and all liability, claims, and costs of whatever kind and nature for injury to or death of any person or persons, and for loss, destruction, or damage to any property (including electronic storage areas), occurring in connection with or in any way incident to or arising out of the occupancy, use, service, operations, or performance of work under the terms of this contract, resulting in whole or in part from the willful, negligent, or careless acts, or misconduct or omissions of the Industry Partner, its subcontractors, or any employee, agent or representative of the Industry Partner or its subcontractors.

### H.9.2 Government Liability

The Government shall not be liable for any injury to the Contractor's personnel or damage to the Contractor's property unless such injury or damage is due to negligence or intentional misconduct on the part of the Government and is recoverable under the Federal Torts Claims Act, or pursuant to another Federal statutory authority.

## H.10 INSURANCE

**Insurance Schedule --**

This schedule is in connection with 52.228-5 and 552.228-70 found in Section I.

1. Workman's compensation insurance required by law of the State where performance is conducted.

2. Comprehensive bodily injury insurance with limits of not less than $500,000 for each occurrence.

3. Property Damage liability with a limit of not less than $100,000 for each occurrence.

4. Automotive bodily injury liability insurance with limits of not less than $200,000 for each person and $500,000 for each occurrence, and property damage liability insurance with a limit of not less than $50,000 for each occurrence.

Prior to the commencement of work hereunder, the Industry Partner shall furnish to the PCO and any OCO requesting it a certificate or written statement of the above required insurance. The policies evidencing required insurance shall contain an endorsement to the effect that any cancellation or any material change adversely affecting the interests of the Government shall not be effective (1) for such period as the laws of the State in which this contact is to be performed prescribe, or (2) until thirty (30) days after the insurer or the Industry Partner gives written notice to the Contracting Officer, whichever period is longer.

The Industry Partner agrees to insert the substance of this clause, including this paragraph, in subcontracts under this contract that require work on a Government installation. The subcontractor(s), will be obligated by the prime contractor, to provide and maintain the insurance required by the virtue of this contract. At least five (5) days before entry of each such subcontractor's personnel on a Government installation, the Industry Partner shall furnish (or ensure that there has been furnished) to the PCO and OCO, a current certificate of insurance, meeting the requirements of the above paragraphs.

## H.11 DEDUCTIBLES UNDER REQUIRED INSURANCE COVERAGE & COST

The following requirements also apply to this contract:

(a) The Industry Partner is required to present evidence of the amount of any deductibles in its insurance coverage.

(b) For any insurance required the Industry Partner's deductible is not allowable as a direct or indirect cost under this contract. The Government is not liable, and cannot be invoiced, for any losses up to the minimum amounts of coverage required in subsections (a) through (d) above. If the Industry Partner obtains an insurance policy with deductibles, the Industry Partner, and not the Government, is responsible for any deductible amount up to the minimum amounts of coverage stated.

(c) If the Industry Partner fails to follow all procedures stated in this subsection and in FAR 52.228-7(g), any amounts above the amount of the obtained insurance coverage which are not covered by insurance will not be reimbursable under the contract.

(d) The maximum reimbursement for insurance allowable is the Contract minimum guarantee.

## H.12 ORGANIZATIONAL CONFLICT OF INTEREST

The guidelines and procedures of FAR Subpart 9.5 will be used in identifying and resolving any issues of organizational conflict of interest.

In the event that Task Orders issued under this contract require the Industry Partner to gain access to proprietary information of other companies, the Industry Partner shall be required to execute agreements with those companies to protect the information from unauthorized use and to refrain from using it for any purpose other than for which it was furnished.

## H.13 CONFLICT OF INTEREST MITIGATION PLAN

In the event that a Task Order (TO) is issued to the Industry Partner that would require activity that would create a potential conflict of interest, the Industry Partner shall:

(a) Notify the PCO and OCO of a potential conflict, and;

(b) Recommend to the Government an alternate tasking approach which would avoid the potential conflict, or

(c) Present for approval a conflict of interest mitigation plan that will:

1. Describe in detail the TO requirement that creates the potential conflict of interest; and

2. Outline in detail the actions to be taken by the Industry Partner in the performance of the task to mitigate the conflict, division of subcontractor effort, and limited access to information, or other acceptable means.

(d) The Industry Partner shall not commence work on a TO related to a potential conflict of interest until specifically notified by the PCO and OCO to proceed.

(e) If the PCO and OCO determine that it is in the best interest of the Government to issue a TO, withstanding a conflict of interest, a request for waiver shall be submitted in accordance with FAR 9.503.

## H.14 LIMITED USE OF DATA INFORMATION

In the performance of services under this contract, the Industry Partner may be required to perform operations on, have access to, or handle data and information that contain classified, sensitive, proprietary, or privacy information or data. The Industry Partner shall be responsible for safeguarding the information and data while under the control of or available to the Industry Partner, and to prevent it from being compromised, altered, damaged, lost, or improperly disseminated. The CO may require Industry Partner personnel on a particular Task Order to sign "no conflict of interest" and "non-disclosure" statements as a requirement for assignment to a task. Industry Partner personnel who sign such statements shall be briefed on the meaning and restrictions associated with "conflict of interest" and "non-disclosure".

Industry Partner personnel shall not divulge or release privacy data or information developed or obtained in the performance of this contract, until made public or specifically authorized by the Government. Classified information will be handled in accordance with the provided DD254. The Industry Partner shall not use, disclose or reproduce third party companies' proprietary data, other than as authorized and required in the performance of this contract.

Data, information, or knowledge obtained as a result of working on a Task Order, may fall into special categories, many of which are indicated above, or may have special client sensitivity. Industry Partner employees working on a Task Order may not know the sensitivity of data, information, or situations observed, therefore, it is best to consider all information obtained on a task as sensitive. The Industry Partner shall ensure that task personnel receive special briefings as required by Government regulations and procedures, and include for all task personnel, briefings on the sensitivity of operations, data, and information on any task, and their responsibility for safeguarding and avoiding unauthorized dissemination of any information obtained as a result of performance on a Task Order.

The limitations noted in the preceding paragraphs do not apply to data or information that has been made public by the Government. Further, this provision does not preclude the use of any data independently acquired by the Industry Partner without such limitations, or prohibit an agreement, at no cost to the Government, between the Industry Partner and the data owner that provides for greater rights to the Industry Partner.

## H.15 RESTRICTED ACTIVITIES AND STANDARDS OF CONDUCT

The Industry Partner and its employees shall conduct business covered by this contract only during periods paid for by the Government and shall not conduct any other business on Government premises. The Industry Partner shall not use Government materials except for the express purpose of providing Government support under the contract. The Industry Partner shall not provide assistance to client personnel in developing client requirements except as directed in performance of task duties by the OCO and order statement of work. If requested by the client to provide such non-task related assistance, the Industry Partner shall immediately contact the OCO and PCO to preclude the possibility of conflicts of interest. If the Industry Partner is required to prepare or assist in the preparation of a SOW to be used in a competitive procurement, GSA or any customer will not consider the Industry Partner, its successor-in-interest, assignee, nor affiliates a prime source of supply for, nor allow it to be a subcontractor or consultant to the competitive procurement.

All Industry Partner personnel, and subcontractors who will be personally and substantially involved in the performance of any TO issued under this contract which requires the Industry Partner to act on behalf of, or provide advice with respect to any phase of an agency procurement, as defined in FAR 3.104-4, shall execute and submit an
"Employee/Contractor Non-Disclosure Agreement" Form. This is required prior to the commencement of any work on a Task Order and whenever replacement personnel are proposed under an ongoing TO.

## H.16 TRANSITION

The Industry Partner shall not recruit on Government premises or otherwise act to disrupt Government business.

The Industry Partner shall have management and administrative support in place to receive task requests within two weeks of contract award. Addresses, telephone numbers, and functional responsibilities shall be provided the PCO. There will be many initial data calls of awardees by the Government including a corporate profile, on-line system registrations, and other items that it will be mutually beneficial to complete.

## H.17 FACILITIES, SUPPLIES AND SERVICES

### H.17.1 GOVERNMENT-FURNISHED PROPERTY AND ITEMS

Government-furnished property and items (GFI/P) will be identified in individual Task Orders, as appropriate. ALL GFI/P is furnished "as is".

#### H.17.1.1 TRANSPORTATION OF GFI/P

The Contractor shall be responsible for transporting all GFI/P after pickup at the f.o.b. point in the specifications, where risk of loss transfers to the Contractor.

### H.17.1.2 VALIDATION OF GFI/P

The following procedures apply to the validation of GFI/P:

(a) Within five (5) working days of receipt of any GFI/P, the Industry Partner shall validate the accuracy of the materials and notify the Government of any discrepancies.

(b) Validation shall consist of the Industry Partner checking for physical and logical completeness and accuracy. Physical completeness and accuracy shall be determined when all materials defined as Government-furnished minimums are provided. Logical completeness and accuracy shall be determined when all materials defined as minimums and associated with a program, system, or work package are provided.

(c) GFI/P errors or discrepancies shall be consolidated and the Government notified in writing. Action to be taken by the Government on these identified problems will be determined by the OCO.

(d) The Industry Partner shall proceed with the requirements on the remaining materials pending Government resolution. The Government will respond with a resolution of the errors after receipt of the written report.

## H. 18 HANDLING OF GOVERNMENT-FURNISHED ITEMS

The Industry Partner shall protect from unauthorized disclosure any materials or information made available by the Government, or that the Industry Partner has access to by virtue of the provisions of this Contract, that the Government has not designated for public disclosure.

The material and information made available to the Contractor by the Government are the exclusive property of the Government. Any information or materials developed by the Contractor in performance of this Contract are also the exclusive property of the Government (unless specifically excepted by Section I clause selection). Upon completion or termination of this Contract, the Contractor shall turn over to the Government all materials (copies included) that were furnished to the Contractor by the Government and all materials that were developed by the Contractor in the performance of this Contract. A requirement to this effect shall be included in subcontracts at any tier. The Ordering Contracting Officer may direct alternate disposition of Government Furnished Items.

## H.19 INDUSTRY PARTNER SUPPLIED

In addition to the coverage in Section G, at the Contract level the Industry Partner shall furnish the following at no direct cost to the Government:

(a) Contract-related services are administrative and management functions necessary to support the contract, and the hardware, software, and communications systems necessary to interface effectively and efficiently with the GSA. These include,

but are not limited to: financial management, recruiting, interviewing, training, payroll preparation, travel arrangements, task proposal preparation, obtaining security clearances, contracting, and clerical support.
(b) Office and working space for contract-related services.
(c) Office equipment and related items necessary to perform contract-related services including: IT and network operations, printing, photocopying, communications, postage, express mail, paper and copying supplies, local and long distance telephone service, and other services, equipment and supplies required in support of this contract.

## H.20 REIMBURSABLE INDUSTRY PARTNER SUPPLIES, EQUIPMENT AND SERVICES

At the Task Order level and specifically in Cost Reimbursement, if the Government determines that it is unable to furnish equipment, materials, supplies, and services, which would otherwise be provided to the Industry Partner at no cost due to Task Order performance being at an on-site Government provided facility, or a high cost item at an off-site Industry Partner furnished facility, the Industry Partner (when authorized by a Task Order) shall obtain the necessary resources, subject to the following conditions:

(a) The resources shall be obtained from sources that are most advantageous to the Government, price and other factors considered
(b) The Industry Partner is authorized to acquire equipment, materials, supplies, and services for performance on a Task Order, and ultimate ownership by the Government (except services), if the expenditure has been authorized as a direct cost. All purchases shall be made in accordance with the Industry Partner's approved purchasing system.

## H.21 TRAVEL

All required travel must be specified in the order issued. The cost of transportation, lodging, subsistence and incidental expenses (per diem) incurred by Industry Partner personnel when requested to travel in the performance of an order shall comply with the limitations as set forth in FAR 31.205-46. Travel costs must be consistent with and limited to the approved Government travel regulations (Federal Travel Regulations (FTR) for civilian agency work, Joint Travel Regulations (JTR) for military agency work) or Joint Federal Travel Regulations. This is also addressed in Sections B & C.

## H.22 PRIOR APPROVAL OF TRAVEL

Before undertaking <u>any</u> travel to any Government site or any other site in performance of this Contract, the Industry Partner shall have this travel approved by, and coordinated with, the Government COR. The Industry Partner shall notify the Government COR prior to any anticipated travel. Notification shall include, at a minimum, the number of persons in the party, traveler name, destination, duration of stay, purpose, and estimated cost. The COR approval is for coordination purposes. Approval to expend funds for travel must be granted in writing through the Task Order.

## H.23 TRAVEL REIMBURSEMENT METHODOLOGY

Individual Task Order Requests (TOR) will include guidance as to whether travel expenses are to be fixed price or if they will be reimbursed in a specified not to exceed amount at Government rates. The number of trips, destinations, length of stay, and cost required for completion of travel will be capped by the travel regulations specified in each task order (the lastest rates at the time of travel apply) when the travel isn't set as a fixed price.

## H.24 TRAINING OF INDUSTRY PARTNER EMPLOYEES

Training of contractor personnel shall be performed by the Industry Partner at its own expense/at no direct cost to the Government.

## H.25 LIMITATION OF WARRANTY FOR GOVERNMENT FURNISHED SOFTWARE

In lieu of any other warranty expressed or implied herein, the Government warrants that any programming aids and software packages supplied for Industry Partner use as Government-furnished property shall be suitable for their intended use on the system(s) for which designed. In the case of programming aids and software packages acquired by the Government from a commercial source, such warranty is limited to that set forth in the contractual document covering the product(s). Should Government-furnished programming aids or software packages not be suitable for their intended use on the system(s) for which designed, except where such property is furnished "as is," the Industry Partner shall notify the CONTRACTING OFFICER REPRESENTATIVE and supply documentation regarding any defects and their effect on progress under this contract or resulting Task Order. The OCO will consider equitably adjusting the performance dates or Task Order value, or both, and any other contractual provision affected by the Government-furnished property in accordance with the procedures provided for in the "Changes" clause in Section I of this contract.

## H.26 INDUSTRY PARTNERS COMMITMENTS, WARRANTIES, AND REPRESENTATIONS

Any written commitments by the Industry Partner within the scope of this contract shall be binding and shall render the Industry Partner liable for damage to the Government under the terms of this contract. A written commitment by the Industry Partner shall be limited to the proposal submitted by the Industry Partner and to specific written modifications, further defined as including:

(1) Any warranty or representation made by the Industry Partner in a proposal as to software, systems performance, and other physical design or functioning characteristics of a component or system.

(2) Warranties or representations made by the Industry Partner concerning the characteristics of items, made in any literature, descriptions or specifications accompanying or referred to in a proposal.

Written modification, affirmation, or representation as to the above which is made by the Industry Partner in or during the course of negotiations, whether or not incorporated formally into the proposal.

## H.27 TECHNICAL REFRESHMENT

After contract award, the Procuring Contracting Officer (PCO) may, pursuant to the FAR Clause 52.243-1, Changes – Fixed Price, Alternate II or FAR Clause 52.243-3, Changes – Time and Materials or Labor Hours, order changes within the scope of the contract to benefit all industry partners, and not a single or subset of industry partners. These changes may be required to improve performance, or react to changes in technology.

(a) The Government may solicit, and the Industry Partner is encouraged to propose independently, improvements to the services, features, or other requirements of the Contract. These improvements may be proposed to save money, to improve performance, or for any other purpose which presents a service advantage to the Government. Those proposed service improvements that are acceptable to the PCO will be processed as modifications to the Contract.

(b) As a minimum, the following information shall be submitted by the Industry Partner with each proposal:

(1) A description of the difference between the existing Contract and the proposed change, and the comparative advantages and disadvantages of each;

(2) Itemized requirements of the Contract which must be changed if the proposal is adopted, and the proposed revision to the Contract for each such change;

(3) An estimate of the changes in performance and cost, if any, that will result from adoption of the proposal;

(4) An evaluation of the effects that the proposed changes would have on collateral costs to the Government, such as Government-furnished property costs, costs of related items, and costs of maintenance, operation, and conversion (including Government-premise equipment);

(5) Any effect on the Contract or TO completion time or delivery schedule shall be identified.

(a) The Government will not be liable for proposal preparation costs or any delay in acting upon any proposal submitted pursuant to this clause. The Industry Partner has the right to withdraw, in whole or in part, any proposal not accepted by the Government

within the period specified in the proposal. The decision of the PCO as to the acceptance of any such proposal under this Contract is final and not subject to the "Disputes" clause of this Contract.

(b) The PCO may accept any proposal submitted pursuant to this clause by giving the Industry Partner written notice thereof. Such changes are intended to benefit the entire industry partner pool, and not a single one, so only engage this process if you want your suggested improvement to be shared in that way, both as a discussion item and as a potential contract modification. This written notice will be given by issuance of a modification to the Contract or TO. Unless and until a modification is executed to incorporate a proposal under the Contract or TO, the Industry Partner shall remain obligated to perform in accordance with the requirements, terms, and conditions of the existing Contract or TO.

(c) If a proposal submitted pursuant to this clause is accepted and applied to this Contract or TO issued hereunder, the equitable adjustment increasing or decreasing the Contract or TO price shall be in accordance with the procedures of the "Changes" clause. The resulting Contract modification will state that it is made pursuant to this clause.

## H.28 ALTERNATE DISPUTE RESOLUTION

Alternative Dispute Resolution (ADR) procedure increases the opportunity for relatively inexpensive and expeditious resolution of issues in controversy. These procedures may be used by the Government any time that the Contracting Officer has authority to resolve the issue in controversy. If the Contractor submits a claim, the Contracting Officer may apply ADR procedures to all or part of the claim. Contractor claims must be certified in accordance with FAR 33.207. When ADR procedures are used after the issuance of a Contracting Officer's final decision, the time limitations or procedural requirements for filing an appeal of the Contracting Officer's final decision are not altered.

## H.29 AGENCY-SPECIFIC CLAUSES

Provisions and clauses that supplement the FAR, which are prescribed and included in authorized agency acquisition regulations and issued within an agency to satisfy the specific needs of the agency as a whole may be added at the Task Order level so long as they are not inconsistent with the terms of this contract and do not exceed its scope.

Provisions and clauses that supplement the FAR are described as follows:

(a) Prescribed and included in authorized agency acquisition regulations issued within an agency to satisfy the specific needs of the agency as a whole;
(b) Prescribed and included in a regulation issued by a sub organization of an agency to satisfy the needs of that particular sub organization; or

(c) Developed for use at a sub organizational level of an agency, not meant for repetitive use, but intended to meet the needs of an individual acquisition and, thus, impractical to include in either an agency or sub organization acquisition regulation.

## H.30 REHABILITATION ACT OF 1973

Goods and services delivered under this contract shall meet the applicable technical provisions of the Access Board found at 36 CFR 1194, parts B, C and D or provide equivalent facilitation and other requirements of the Rehabilitation Act of 1973 as applicable.

## H.31 SUPERVISION OF EMPLOYEES

The Contractor's employees and subcontractor's employees of any tier shall remain under the Contractor's direct supervision at all times. Although the Government will coordinate with the Contractor within the scope of the Contract, detailed day-to-day instruction and supervision for the Contractor's and subcontractor's employees shall remain the responsibility of the Contractor. This is not a personal services Contract. The contract and task orders do not establish privity of contract with subcontractors.

## H.32 DOCUMENTATION

The Contractor shall provide complete sets of operator, programmer, software system, utility, installation, and user manuals. The Contractor shall also provide other necessary documentation for all hardware and software delivered under this Contract in accordance with product line documentation standards,

All provided documentation shall be available either electronically or in hardcopy. Electronic documentation must be fully viewable via Adobe Acrobat Reader™, MS-Word™ or a furnished graphical user interface (with a full license to the GUI interface conveying to the Government) having intelligent search capabilities and must be easily printable from stand-alone and networked Hewlett Packard™ type printers.

It is desirable that documentation is available in both electronic and hardcopy formats.

**Hardware Documentation** shall include --

- System hardware manuals detailing specifications for system architecture, CPU, memory, and peripheral devices

- Interface manuals detailing all electrical and mechanical aspects of system interfaces, e.g. I/O channels, peripheral devices, and communication interface devices

**Software Documentation** shall include --

- Reference manuals detailing all elements and operations of all delivered language processors, text editors, I/O handlers, operating system, system generation, system architecture, software tools and utilities, configuration management, and performance measurement software
- Reference manuals detailing command language, communication software, input/output system, error handling, and diagnostic software
- Computer reference and system programmer manuals detailing every machine instruction and all programming considerations
- Problem determination and debugging guides
- A guide to writing device drivers
- Documentation of known problems and/or suspected system errors
- Introductory manuals for new users to the operating system and computer system environment
- An on-line introductory tutorial for new users

**Other Manuals**

The Contractor may include any other manuals and program information it considered useful.

## H.33 SPECIAL PERSONNEL SKILLS

Special personnel skills are those for which the expertise required or duties performed for task orders are within the contract scope, but are so specialized or rare that they are not explicitly defined in a skill category description. The PCO will determine whether circumstances warrant use of this special skill category. Based on price or cost analysis, the PCO will negotiate a fair and reasonable labor rate (market rate) with the Contractor for the special personnel skill on a task-by-task basis.

## H.34 OTHER DIRECT COSTS

Alliant is a "Solutions Contract." A solutions contract encompasses all aspects of IT from the analysis of hardware/software implementation to ongoing operational support of an IT solution. The Government may require the Contractor to purchase Other Direct Costs (ODC), e.g. hardware, software, and related supplies critical and related to the services being acquired under the TO. The ODCs, shall be specified in individual orders, either at time of award or subsequent contract modification. The ODCs shall be paid in accordance with the "Compensation" and "Payments" clauses of this contract. All terms and conditions of the Alliant contract shall be applicable to items proposed as ODCs on orders. All items proposed as ODCs shall be clearly labeled as such. If the Contractor initiates the purchase of ODCs within the scope of a TO tasking, the Contractor shall submit to the Government

OCO a request to initiate purchase of such ODCs. The request shall include the purpose, specific items, estimated cost, cost comparison, and rationale.

Inclusion of hardware/software acquisition on a Task Order is within the purview of the cognizant Government Contracting Officer. Any hardware/software included must be considered to be related to the solution being acquired under the Task Order.

The OCO determines using the policies and methods set forth in FAR Subparts 15.4 and 16.505(b) that the prices for such items are fair and reasonable. The cost of general purpose items required for the conduct of the Contractor's normal business operations will generally not be considered allowable ODC in the performance of this contract.

# SECTION I

# CONTRACT CLAUSES

## I.1 GENERAL

The Ordering Agency may include additional contract clauses in orders, other than those enumerated in this section, such as (1) optional FAR clauses, (2) agency clauses, (3) unmentioned FAR alternate clauses, and (4) order specific clauses.

Some orders may have work containing a combination of contract types, i.e., fixed-price (FP), time & materials (T&M), and labor-hour (LH) terms. The ordering Agency is responsible for identifying the applicable order type(s), which must be stated in the order.

VETS GWAC accommodates orders with the following terms: fixed-price (all in FAR 16.2), time-and-materials (per FAR 16.6), and labor-hour (per FAR 16.6). VETS GWAC will also allow requiring activities to choose among the incentive features found in FAR 16.4 that are tied to fixed-price, time-and-materials, and labor-hour terms. Incentive features must be fully expounded in RFQs or RFPs for order opportunities and resulting orders.

The clauses listed in the following table primarily consist of those listed in the FAR Matrix (at FAR 52.301) as “R”, meaning “Required” and those that are “A”, meaning “Required when applicable”. Clause applicability is determined by FAR prescription for use, which turns on the facts of the order. Where alternate clauses and/or portions of clauses are listed, FAR prescription for use controls their applicability in orders.

Although all clause selections are important, ordering contracting officers should pay special attention to the selection and identification of clauses beginning with “52.227” in order RFQs/RFPs as selection amongst highly significant mutually exclusive options is required. This discretion requires the highest standard of requirement recognition and deliberation by the ordering contracting officer. Ordering contracting officers will need to specifically identify the applicable clauses beginning with “52.227” in each RFQ/RFP. The convention adopted in this contract for order competition regarding clauses beginning with “52.227” is that those clauses listed in RFQs/RFPs for orders apply, while those that are not cited, don’t apply. A failure to mention any clauses beginning with “52.227” in an RFQ/RFP renders that RFQ/RFP defective until that matter is cured by the ordering contracting officer, so such matters should be brought to their attention immediately.

Ordering contracting officers will also need to select between 52.233-1 and 52.233-1 Alternate I in order RFQs/RFPs. The convention adopted in this contract for order competition regards 52.233-1 and 52.233-1 Alternate I is that the one listed in RFQs/RFPs for orders apply, while those that are not cited, don’t apply. A failure to

mention which of those two options applies renders that RFQ/RFP defective until that matter is cured by the ordering contracting officer, so such matters should be brought to their attention immediately.

High value end items procured as part of a services order may require additional clauses such as those mentioned in FAR 46.805(5). While Clause 52.246-25 is already part of this contract, related clauses may also be specifically written into order RFQs/RFPs.

## I.2 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the CO will make their full text available. Also, the full text of a clause may be accessed electronically at these addresses:

http://www.acqnet.gov/far
http://www.acqnet.gov/GSAM/gsam.html

FAR (48 CFR Chapter 1) Clauses Incorporated by Reference

| CLAUSE NO. | TITLE | DATE | FP | TM/ LH |
|---|---|---|---|---|
| 52.202-1 | DEFINITIONS | JUL 2004 | x | x |
| 52.203-3 | GRATUITIES | APR 1984 | x | x |
| 52.203-5 | COVENANT AGAINST CONTINGENT FEES | APR 1984 | x | x |
| 52.203-6 | RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVT | JUL 1995 | x | |
| 52.203-7 | ANTI-KICKBACK PROCEDURES | JUL 1995 | x | x |
| 52.203-8 | CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY | JAN 1997 | x | x |
| 52.203-10 | PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY | JAN 1997 | x | x |
| 52.203-12 | LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS | JAN 2003 | x | x |
| 52.204-2 | SECURITY REQUIREMENTS | AUG 1996 | x | x |
| 52.204-4 | PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER | AUG 2000 | x | x |
| 52.204-7 | CENTRAL CONTRACTOR REGISTRATION | OCT 2003 | x | x |
| 52.209-6 | PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT | JAN 2005 | x | x |
| 52.214-34 | SUBMISSION OF OFFERS IN THE ENGLISH LANGUAGE | APR 1991 | x | x |
| 52.214-35 | SUBMISSION OF OFFERS IN U.S. CURRENCY | APR 1991 | x | x |
| 52.215-2 | AUDIT AND RECORDS —NEGOTIATION | JUN 1999 | x | x |
| 52.215-8 | ORDER OF PRECEDENCE – UNIFORM CONTRACT FORMAT | OCT 1997 | x | x |

| | | | | |
|---|---|---|---|---|
| 52.215-11 | PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA – MODIFICATIONS | OCT 1997 | x | x |
| 52.215-13 | SUBCONTRACTOR COST OR PRICING DATA – MODIFICATIONS | OCT 1997 | x | x |
| 52.215-14 | INTEGRITY OF UNIT PRICES | OCT 1997 | x | x |
| 52.215-21 | REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OF PRICING DATA-MODIFICATION | OCT 1997 | x | x |
| 52.215.21 | COST OR PRICING ALTERNATE I | | x | x |
| 52.215-21 | COST OR PRICING ALTERNATE II | | x | x |
| 52.215-21 | COST OR PRICING ALTERNATE III | | x | x |
| 52.215-21 | COST OR PRICING ALTERNATE IV | | x | x |
| 52.216-4 | ECONOMIC PRICE ADJUSTMENT – LABOR AND MATERIAL | JAN 1997 | x | x |
| 52.216-5 | PRICE REDETERMINATION – PROSPECTIVE – | OCT 1997 | x | x |
| 52.216-16 | INCENTIVE PRICE REVISION – FIRM TARGET | OCT 1997 | x | x |
| 52.216-17 | INCENTIVE PRICE REVISION – SUCCESSIVE TARGETS | OCT 1997 | x | x |
| 52.217-8 | OPTION TO EXTEND SERVICES | NOV 1999 | x | x |
| 52.219-8 | UTILIZATION OF SMALL BUSINESS CONCERNS | MAY 2004 | x | x |
| 52.219-14 | LIMITATIONS ON SUBCONTRACTING | DEC 1996 | x | x |
| 52.219-27 | NOTICE OF TOTAL SERVICE DISABLED VETERAN-OWNED SMALL BUSINESS SET ASIDE | MAY 2004 | x | x |
| 52.222-1 | NOTICE TO THE GOVERNMENT OF LABOR DISPUTES | FEB 1997 | x | x |
| 52.222-2 | PAMENT FOR OVERTIME PREMIUMS | JUL 1990 | | |
| 52.222-3 | CONVICT LABOR | JUN 2003 | x | x |
| 52.222-21 | PROHIBITION OF SEGRATED FACILITIES | FEB 1999 | x | x |
| 52.222-26 | EQUAL OPPORTUNITY | APR 2002 | x | x |
| 52.222-29 | NOTIFICATION OF VISA DENIAL | JUN 2003 | x | x |
| 52.222-35 | EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS | DEC 2001 | x | x |
| 52.222-36 | AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES | JUN 1998 | x | x |
| 52.222-37 | EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS | DEC 2001 | x | x |
| 52.223-5 | POLLUTION PREVENTION AND RIGHT-TO-KNOW INFORMATION | AUG 2003 | x | x |
| 52.223-6 | DRUG-FREE WORKPLACE | MAY 2001 | x | x |
| 52.223-10 | WASTE REDUCTION PROGRAM | AUG 2000 | x | |
| 52.223-14 | TOXIC CHEMICAL RELEASE REPORTING | AUG 2003 | x | x |
| 52.224-1 | PRIVACY ACT NOTIFICATION | APR 1984 | x | x |
| 52.224-2 | PRIVACY ACT | APR 1984 | x | x |
| 52.225-1 | BUY AMERICAN ACT –SUPPLIES | JUN 2003 | x | x |
| 52.225-9 | BUY AMERICAN ACT-CONSTRUCTION MATERIALS | JUN 2003 | x | |

| | | | | |
|---|---|---|---|---|
| 52.225-11 | BUY AMERICAN ACT-CONSTRUCTION MATERIALS UNDER TRADE AGREEMENT | JAN 2005 | x | |
| 52.225-13 | RESTRICTIONS ON CERTAIN FOREIGN PURCHASES | DEC 2003 | x | |
| 52.225-14 | INCONSISTENCY BETWEEN ENGLISH VERSION AND TRANSLATION OF CONTRACT | FEB 2000 | x | x |
| 52.226-1 | UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES | JUN 2000 | x | x |
| 52.227-1 | AUTHORIZATION AND CONSENT | JUL 1995 | | |
| 52.227-2 | NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT | AUG 1996 | | |
| 52.227-3 | PATENT INDEMNITY | APR 1984 | x | |
| 52.227-14 | RIGHTS IN DATA—GENERAL | JUN 1987 | x | x |
| 52.227-14 | RIGHTS IN DATA—GENERAL ALTERNATE I | JUN 1987 | x | x |
| 52.227-14 | RIGHTS IN DATA—GENERAL ALTERNATE II | JUN 1987 | x | x |
| 52.227-14 | RIGHTS IN DATA—GENERAL ALTERNATE III | JUN 1987 | x | x |
| 52.227-14 | RIGHTS IN DATA—GENERAL ALTERNATE IV | JUN 1987 | x | x |
| 52.227-14 | RIGHTS IN DATA—GENERAL ALTERNATE V | JUN 1987 | x | x |
| 52.227-17 | RIGHTS IN DATA-SPECIAL WORKS | JUN 1987 | x | x |
| 52.227-19 | COMMERCIAL COMPUTER SOFTWARE – RESTRICTED RIGHTS | JUN 1987 | x | x |
| 52.227-22 | MAJOR SYSTEM – MINIMUM RIGHTS | JUN 1987 | x | x |
| 52.228-3 | WORKERS' COMPENSATION INSURANCE (DEFENSE BASE ACT). | APR 1984 | x | x |
| 52.228-5 | INSURANCE - WORK ON A GOVERNMENT INSTALLATION | JAN 1997 | x | x |
| 52.228-7 | INSURANCE – LIABILITY TO THIRD PERSONS | MAR 1996 | | |
| 52.229-3 | FEDERAL, STATE, AND LOCAL TAXES | APR 2003 | x | x |
| 52.229-5 | TAXES – CONTRACTS PERFORMED IN U.S. POSSESIONS OR PUERTO RICO | | x | x |
| 52.229-6 | TAXES – FOREIGN FIXED-PRICE CONTRACTS | JUN 2003 | x | x |
| 52.229-7 | TAXES – FIXED-PRICE CONTRACTS WITH FOREIGN GOVERNMENTS | JAN 1991 | x | x |
| 52.229-8 | TAXES – FOREIGN COST-REIMBURSEMENT CONTRACTS | MAR 1990 | | |
| 52.232-1 | PAYMENTS | APR 1984 | x | |
| 52.232-7 | PAYMENTS UNDER TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS | DEC 2002 | | x |
| 52.232-8 | DISCOUNTS FOR PROMPT PAYMENT | FEB 2002 | x | x |
| 52.232-9 | LIMITATION ON WITHHOLDING OF PAYMENTS | APR 1984 | x | x |
| 52.232-11 | EXTRAS | APR 1984 | x | |
| 52.232-16 | PROGRESS PAYMENTS | APR 2003 | x | |
| 52.232-16 | PROGRESS PAYMENTS ALTERNATE I | MAR 2000 | x | |
| 52.232-17 | INTEREST | JUN 1996 | x | x |
| 52.232-18 | AVAILABILITY OF FUNDS | APR 1984 | x | x |
| 52.232.20 | LIMITATION OF COST | APR 1984 | | |
| 52.232-22 | LIMITAION OF FUNDS | APR 1984 | | |
| 52.232-23 | ASSIGNMENT OF CLAIMS | JAN 1986 | x | x |
| 52.232-25 | PROMPT PAYMENT | OCT 2003 | x | x |

| | | | | |
|---|---|---|---|---|
| 52.232-25 | PROMPT PAYMENT ALTERNATE I | FEB 2002 | | x |
| 52.232-33 | PAYMENT BY ELECTRONIC FUNDS TRANSFER-CENTRAL CONTRACTOR REGISTRATION | OCT 2003 | x | x |
| 52.233-1 | DISPUTES | JUL 2002 | x | x |
| 52.233-1 | DISPUTES ALTERNATE I | DEC 1991 | x | x |
| 52.233-3 | PROTEST AFTER AWARD | AUG 1996 | x | x |
| 52.233-3 | PROTEST AFTER AWARD ALTERNATE I | JUN 1985 | | |
| 52.237-2 | PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION | APR 1984 | x | x |
| 52.237-3 | CONTINUITY OF SERVICES | JAN 1991 | x | x |
| 52.239-1 | PRIVACY OR SECURITY SAFEGUARDS | AUG 1996 | x | x |
| 52.242-1 | NOTICE OF INTENT TO DISALLOW COSTS | APR 1984 | x | x |
| 52.242-3 | PENALTIES FOR UNALLOWABLE COSTS | MAY 2001 | | x |
| 52.242-4 | CERTIFICATION OF FINAL INDIRECT COSTS | JAN 1997 | | x |
| 52.242-13 | BANKRUPTCY | JUL 1995 | x | x |
| 52.243-1 | CHANGES – FIXED-PRICE ALTERNATE I | APR 1984 | x | |
| 52.243-1 | CHANGES – FIXED PRICE, ALTERNATE II | | | |
| 52.243-3 | CHANGES--TIME-AND-MATERIALS OR LABOR-HOURS | SEPT 2000 | | x |
| 52.244-2 | SUBCONTRACTS ALTERNATE II | AUG 1998 | | |
| 52.244-5 | COMPETITION IN SUBCONTRACTING | DEC 1996 | x | |
| 52.244-6 | SUBCONTRACTS FOR COMMERCIAL ITEMS | DEC 2004 | x | x |
| 52.245-1 | PROPERTY RECORDS | APR 1984 | x | x |
| 52.245-2 | GOVERNMENT PROPERTY (FIXED-PRICE CONTRACTS) | MAY 2004 | x | |
| 52.245-5 | GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME AND MATERIAL, OR LABOR HOUR CONTRACTS) | MAY 2004 | | x |
| 52.245-19 | GOVERNMENT PROPERTY FURNISHED “AS IS” | APR 1984 | x | x |
| 52.246-20 | WARRANTY OF SERVICES | MAY 2001 | x | |
| 52.246-25 | LIMITATION OF LIABILITY – SERVICES | FEB 1997 | x | x |
| 52.247-63 | PREFERENCE FOR U.S. FLAG AIR CARRIERS | JUNE 2003 | x | x |
| 52.248-1 | VALUE ENGINEERING | FEB 2000 | x | |
| 52.249-2 | TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) | MAY 2004 | x | |
| 52.249-6 | TERMINATION (COST-REIMBURSEMENT) | MAY 2004 | | |
| 52.249-6 | TERMINATION (COST-REIMBURSEMENT) ALTERNATE IV | SEP 1996 | | x |
| 52.249-8 | DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) | APR 1984 | x | |
| 52.249-14 | EXCUSABLE DELAYS | APR 1984 | | x |
| 52.251-1 | GOVERNMENT SUPPLY SOURCES | APR 1984 | x | x |
| 52.253-1 | COMPUTER GENERATED FORMS | JAN 1991 | x | x |

## I.3 GENERAL SERVICES ADMINISTRATION ACQUISITION MANUAL (GSAM), INCORPORATED BY REFERENCE

| CLAUSE | TITLE | DATE |
|---|---|---|
| 552.203-71 | RESTRICTION ON ADVERTISING | SEP 1999 |

| | | |
|---|---|---|
| 552.211-72 | REFERENCE TO SPECIFICATIONS IN DRAWINGS | FEB 1996 |
| 552.211-84 | NON-COMPLIANCE WITH CONTRACT REQUIREMENTS | FEB 1986 |
| 552.215-70 | EXAMINATION OF RECORDS BY GSA | FEB 1996 |
| 552.228-70 | WORKERS' COMPENSATION LAWS | SEP 1999 |
| 552.229-71 | FEDERAL EXCISE TAX—DC GOVERNMENT | SEP 1999 |
| 552.232-1 | PAYMENTS | APR 1984 |
| 552.232-23 | ASSIGNMENT OF CLAIMS | SEP 1999 |
| 552.232-25 | PROMPT PAYMENT | JUL 1998 |
| 552.232-70 | INVOICE REQUIREMENTS | SEP 1999 |
| 552.232-78 | PAYMENT INFORMATION | JUL 2000 |
| 552.236-82 | SUBCONTRACTS | APR 1984 |
| 552.243-70 | PRICING OF ADJUSTMENTS | APR 1989 |

**I.3 52.216-18 ORDERING (OCT 1995)**

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from _____ _____
(*dates to conform to the Contract Ordering Period in Section F at F.3 and established with the contract notice to proceed as stated in Section B*).

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. IN THE EVENT OF CONFLICT BETWEEN A DELIVERY ORDER OR TASK ORDER AND THIS CONTRACT, THE CONTRACT SHALL CONTROL.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized by the Schedule.

**I.4 52.216-19 ORDER LIMITATIONS (OCT 1995)**

(1) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than $2,500.00 the Government is not obligated to purchase, nor is the Contractor obligated to furnish supplies or services under the contract.

(2) Maximum order. The contractor is not obligated to honor: GWAC Ceiling Value Remaining. Contractors shouldn't quote or propose for task orders they don't intend to perform.

(3) If this is a requirements contract (i.e., include the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR), the Government is not required to order a part of any one requirement from the contractor if that requirement exceeds the maximum order limitations in paragraph (2) of this section.

(4) Notwithstanding paragraphs 2 and 3 of this section, the contractor shall honor any order exceeding the maximum order limitations in paragraph 2, unless that order (or orders) is returned to the ordering office within three (3) work days after issuance, with written notice stating the contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

**I.5 52.216-22 INDEFINITE QUANTITY (OCT 1995)**

(1) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the contract. The quantities of supplies or services specified in the contract are estimates only and are not purchased by this contract.

(2) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering Limitation clause. The contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the contract up to and including the quantity designated in the contract as the "maximum." The Government shall order at least the quantity of supplies or services designated in the contract as the "minimum."

(3) Except for any limitations on the quantities, in the Order Limitations clause or in the contract, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

Any order issued during the effective period of this contract and not completed within that period shall be completed by the contractor within the time specified in the order. The contract shall govern the contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the contractor shall not be required to make any deliveries under this contract after the terms set out in Section F at F.3.

**I.6 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)**

(a) The Government may extend the term of the contract by written notice to the contractor within 30 days of the expiration of the contract provided, that the Government shall give the contractor a preliminary notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option provision.

(c) The total duration of this contract, including the exercise of options under this clause, shall not exceed ten year Contract Ordering Period, as discussed in Section F, paragraph F.3 TERM OF CONTRACT AND ORDERS.

## I.7 552.217-71 NOTICE REGARDING OPTION(S) (NOV 1992)

The General Services Administration (GSA) has included an option to extend the term of this contract in order to demonstrate the value it places on quality performance by providing a mechanism for continuing a contractual relationship with a successful Offeror that performs at a level which meets or exceeds GSA's quality performance expectations as communicated to the Contractor, in writing, by the Contracting Officer or designated representative. When deciding whether to exercise the option, the Contracting Officer will consider the quality of the Contractor's past performance under this contract in accordance with 48 CFR 517.207.

## I.8 RESERVED

## I.9 GSAM 552.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (SEPT 1999)

(a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation or variation is indicated by the addition of "(DEVIATION)" or "(VARIATION)" after the date of the clause, if the clause is not published in the General Services Administration Acquisition Regulation (48 CFR Chapter 5). The use in this solicitation of any Federal Acquisition Regulation (FAR) clause with an authorized deviation or variation that is published in the General Services Administration Acquisition Regulation is indicated by the addition of "(DEVIATION (FAR clause no.))" or "(VARIATION (FAR clause no.))" after the date of the clause.

(b) The use in this solicitation of any General Services Administration Acquisition Regulation clause with an authorized deviation or variation is indicated by the addition of "(DEVIATION)" or "(VARIATION)" after the date of the clause.

(c) Changes in wording of clauses that are prescribed for use on a "substantially the same as" basis are not considered deviations. Therefore, when such clauses are not worded exactly the same as the FAR or GSAM clause, they are identified by the word "(VARIATION)".

## I.10 GOVERNMENT FACILITY ACCESS & AVAILABILITY

FAR provision 52.237-1 Site Visit (Apr 1984) APPLIES TO EACH AND EVERY RFQ/RFP AND ORDER ISSUED REGARDLESS IF IT IS CITED THERE OR NOT (it is a provision, and it usually applies only at the solicitation level, but it also applies to RFQ's/RFP and Orders under this Contract too.) Contractors uncertain of conditions for performance are instructed to inquire regarding, but no limited to, the means of premises ingress/egress, security requirements, delivery/demurrage, storage, use of approaches, use of corridors, use of stairways, use of elevators, Government furnished space/property/equipment, availability of/access to Government facilities on federal holidays, and similar matters prior to submission of a quotation or request for proposal for task order opportunities.

During all operations on Government premises, the Contractor's personnel shall comply with the rules and regulations governing the conduct of personnel and the operation of the facility.

# Section J

## List of attachments

| ATTACHMENT NO. | TITLE |
|---|---|
| 1 | GSA Order ADM 4800.2E |
| 2 | Labor Category Descriptions |
| 3 | Subcontracting Report Format |
| 4 | Past Contractual Performance |
| 5 | Section B Spreadsheets (under development – to be released via amendment) |
| 6 | Escalation In Employer Costs For Employee Compensation: A Guide For Contracting Parties |
| 7 | GSA Contract Holder Star Mark Logo Guidelines |
| 8 | Seven Steps to Performance-Based Services Acquisition |
| 9 | Work Scope Element Tables |

## SECTION K

## REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS

**Offeror Name (this is to be the same name used in Block 15(a) of the SF33):**

_____

**D-U-N-S Number**

Complete the following blank with the Offeror's Dun and Bradstreet "D-U-N-S" Number (this will satisfy the requirement in FAR 52.204-6 found in Section L):

_____

### 52.204-8 Annual Representations and Certifications. (Jan 2005)

(a)(1) If the clause at 52.204-7, Central Contractor Registration, is included in this solicitation, paragraph (b) of this provision applies.
(2) If the clause at 52.204-7 is not included in this solicitation, and the offeror is currently registered in CCR, and has completed the ORCA electronically, the offeror may choose to use paragraph (b) instead of completing the corresponding individual representations and certifications in the solicitation. The offeror shall indicate which option applies by checking one of the following boxes:
[ ] (i) Paragraph (b) applies.
[ ] (ii) Paragraph (b) does not apply and the offeror has completed the individual representations and certifications in the solicitation.
(b) The offeror has completed the annual representations and certifications electronically via the Online Representations and Certifications Application (ORCA) website at *http://orca.bpn.gov*. After reviewing the ORCA database information, the offeror verifies by submission of the offer that the representations and certifications currently posted electronically have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the $21 million business size standard applicable to the single primary NAICS code referenced for this solicitation – NAICS 541512), as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below [*offeror to insert changes, identifying change by clause number, title, date*]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

| FAR Clause # | Title | Date | Change |
|---|---|---|---|
| _____ | _____ | _____ | _____ |

Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.

# Labor Category Descriptions

**Applications Programmer**

- Devises or modifies procedures to solve complex problems considering computer equipment capacity and limitations, operating time, and form of desired results.
- Designs, codes, tests, debugs, and documents.

**Applications Systems Analyst/Programmer**

- Formulates/defines system scope and objectives.
- Devises or modifies procedures to solve complex problems considering computer equipment capacity and limitations, operating time, and form of desired results.
- Prepares detailed specifications from which programs will be written and designs, codes, tests, debugs, and documents those programs.

**Business Process Consultant**

- Analyzes process and re-engineering, with an understanding of technical problems and solutions as they relate to the current and future business environment.
- Creates process change by integrating new processes with existing ones and communicating these changes to impacted Business Systems teams.
- Recommends and facilitates quality improvement efforts.

**Business Subject Matter Specialist**

- Provides technical knowledge and analysis of highly specialized applications and operational environments, high-level functional systems analysis, design, integration, documentation and implementation advice on exceptionally complex problems that need extensive knowledge of the subject matter for effective implementation.
- Participates as needed in all phases of software development with emphasis on the planning, analysis, testing, integration, documentation**,** and presentation phases.

**Business Systems Analyst**

- Reviews, analyzes, and evaluates business systems and user needs. Formulates systems to parallel overall business strategies.
- Writes detailed description of user needs, program functions, and steps required to develop or modify computer programs.
- Provides consultation on complex projects and is considered to be the top level contributor/specialist.

**Chief Information Security Officer**

- Ensures that all information systems are functional and secure.

**Client/Server Database Manager**

- Projects long-range requirements for client/server database administration in conjunction with other managers in the information systems function as well as business function managers.
- Prepares activity and progress reports regarding the client/server database management section.

**Client/Server Network Architect**

- Develops strategy of client/server system and the design infrastructure necessary to support that strategy.
- Advises on selection of technological purchases with regards to processing, data storage, data access, and applications development. Sets standards for the client/server relational database structure for the organization (SQL, ORACLE, SYBASE, etc.).
- Advises of feasibility of potential future projects to management.

**Communications Analyst**

- Assists in the planning, design, and implementation of communications networks.
- Conducts feasibility studies for large projects, develops requests for proposal, evaluates vendor products, and makes recommendations on selection.
- Provides guidance and training to less experienced analysts.

**Communications Facility Engineer**

- Provides technical direction and engineering knowledge for communications systems infrastructure activities, including planning, designing, and implementing communications infrastructure requirements for buildings and systems.
- Ensures that adequate and appropriate planning is provided to direct building architects and planners in building communications spaces and media pathways meet industry standards.

**Communications Installer**

- Assists in the planning, design, and implementation of communications networks. Responsible for providing assistance and technical support for network design activities.
- Assists in the review/assessment of user needs. Performs feasibility studies for small projects.
- Assists in the evaluation and selection of equipment.

**Communications Transmission Engineer**

- Provides technical direction and engineering knowledge for communications activities including planning, designing, installing and maintaining large communications networks.
- Develops, operates, and maintains voice, wireless, video, and data communications systems.
- Provides complex engineering or analytical tasks and activities associated with one or more technical areas within the communications function.

**Consultant**

- Works with end user groups to evaluate and solve technical problems.
- Evaluates existing systems and/or user needs to analyze, design, recommend, and implement system changes.

**Curriculum Developer**

- Provides program support to include the testing and installation of computers, peripherals, and/or other hardware, including the installation of enhancements and upgraded versions.
- Provides program support to include the installation, and documentation of client developed and/or commercially available software, including the installation of enhancements and upgraded versions.

**Data Architect**

- Designs and builds relational databases.
- Develops strategies for data acquisitions, archive recovery, and implementation of a database.
- Works in a data warehouse environment, which includes data design, database architecture, metadata and repository creation.
- Translates business needs into long-term architecture solutions.
- Defines, designs, and builds dimensional databases.
- Develops data warehousing blueprints, evaluating hardware and software platforms, and integrating systems.
- Evaluates reusability of current data for additional analyses.
- Reviews object and data models and the metadata repository to structure the data for better management and quicker access.

**Data Communication Manager**

- Ensures that adequate and appropriate planning is provided for remote hardware and communications facilities to develop and implement methodologies for analysis, installation and support of distributed processing client/server systems.

**Data Security Analyst**

- Maintains systems to protect data from unauthorized users.
- Identifies, reports, and resolves security violations.

**Data Warehousing Administrator**

- Coordinates the data administration technical function for both data warehouse development and maintenance.
- Facilitates change control, problem management, and communication among data architects, programmers, analysts, and engineers.
- Establishes and enforces processes to ensure a consistent, well managed, and well integrated data warehouse infrastructure.

**Data Warehousing Analyst**

- Designs, implements and supports data warehousing. Implements business rules via stored procedures, middleware, or other technologies.
- Defines user interfaces and functional specifications.

**Data Warehousing Programmer**

- Provides product support and maintenance of the data warehouse.
- Performs data warehouse design and construction.
- Prepares/implements data verification and testing methods for the data warehouse.

**Data/Configuration Management Specialist**

- Provides configuration management planning.
- Describes provisions for configuration identification, change control, configuration status accounting, and configuration audits.
- Regulates the change process so that only approved and validated changes are incorporated into product documents and related software.

**Database Analyst/Programmer**

- Designs, implements, and maintains complex databases with respect to JCL, access methods, access time, device allocation, validation checks, organization, protection and security, documentation, and statistical methods.
- Includes maintenance of database dictionaries, overall monitoring of standards and procedures, and integration of systems through database design.

**Database Manager/Administrator**

- Provides all activities related to the administration of computerized databases.
- Projects long-range requirements for database administration and design in conjunction with other managers in the information systems function.

**Disaster Recovery Administrator**

- Designs and administers programs to include policies, standards, guidelines, training programs, and a viable quality assurance process for disaster recovery.
- Oversees and reviews the testing and implementation of software, data systems, and data networks to ensure that the integrity and security of all electronic data and data systems are adequately protected.
- Facilitates the preparation of an organization-wide business resumption plan.

**Disaster Recovery Analyst**

- Assists in the coordination and establishment of disaster recovery programs and business resumption planning across mainframe and client server platforms.
- Coordinates and monitors simulation testing across all platforms.
- Designs and administers programs to include policies, standards, guidelines, training programs, and a viable quality assurance process for disaster recovery.

**E-Business Manager**

- Sets direction and guides action plans and priorities of electronic commerce, marketing and communications.
- Develops and facilitates organizational models and structure changes needed to meet the evolving electronic business strategies.
- Establishes and implements enterprise-wide business systems.

**Electronic Data Interchange (EDI) Specialist:**

- Analyzes, designs, and develops specifications for enhancements and extensions with EDI application interfaces and maps.
- Coordinates EDI testing and trading partner implementation initiatives.
- Provides support for EDI database analysis, design, and operations. Establishes and maintains communications within organization and with partners.
- Conducts and manages product evaluations. Provides product installation, configuration, and training.
- Performs systems maintenance to update records, specifications, and operating procedures of partner systems.
- Maintains EDI account transaction activities.

**Electronic Mail Coordinator**

- Monitors servers, replication, and mail routing. Creates user accounts and maintains security levels on databases.
- Provides first-level telephone support and troubleshoots. Monitors existing messaging infrastructure and server usage, ensuring proper working order.

**Engineering Subject Matter Specialist**

- Provides technical knowledge and analysis of highly specialized applications and operational environment, high-level functional systems analysis, design, integration, documentation, and implementation advice on exceptionally complex problems that necessitate high-level knowledge of the subject matter for effective implementation.
- Participates as needed in all phases of software development with emphasis on the planning, analysis, modeling, simulation, testing, integration, documentation and presentation phases.

**ERP Analyst**

- Assists with the development and maintenance of the Enterprise Resource Planning (ERP) program. Customizes and configures workflow to allow the integration of client/server applications.
- Tests ERP layout to ensure the system is meeting corporate needs.

**ERP Business/Architectural Specialist**

- Adapts functional business requirements and processes to technical solutions based upon comprehensive enterprise application solution sets.
- Enterprise resource planning and management processes, including but not limited to: knowledge management, investment analysis, data warehousing, e-commerce, return on investment analysis, human resource analysis, material management and logistics, supply chain management, procurement, ordering, manufacturing, decision support, and information dissemination.

**Geographic Information Systems Analyst/Programmer**

- Provides complex application programming and development support on networks and/or PC's.
- Codes, designs new and/or modifying programs; modify scripts as required; control system testing: debugs, reviews and approves output; prepares user, operation and program documentation based upon established policies.

**Geographic Information Systems Manager**

- Creates and designs interactive web pages using such software as, but not limited to: ArcIMS for various interactive mapping themes, Arcview(ESRI), ArcIMS(ESRI), AutoCAD 2000NT, Dreamweaver HTML editor, Adobe Photoshop, Adobe Acrobat & PDFWriter, and numerous other programs running on a clients Intra/Extranet servers.

**Graphics Specialist**

- Produces graphic art and visual materials for promotions, advertisements, films, packaging, and informative and instructional material through a variety of media outlets such as websites and CD-ROMs.
- Generates and manipulates graphic images, animations, sound, text and video into consolidated and seamless multimedia programs.

**Groupware Specialist**

- Provides the implementation, maintenance, and support of company messaging system.
- Provides technical support on local groupware replication and client dial-up access issues.

**Hardware Engineer**

- Provides functional and empirical analysis related to the design, development, and implementation of hardware for products including, but not limited to, the circuit design of components, development of structure specifications of a personal computer, and the design of a computer display unit.
- Plans and conducts assignments, generally involving the larger and more important projects or more than one project.
- Evaluates progress and results and recommends major changes in procedures.

**Help Desk Coordinator**

- Provides ensuring the timely process through which problems are controlled.
- Includes problem recognition, research, isolation, resolution, and follow-up steps.

**Help Desk Specialist**

- Provides support to end users on a variety of issues.
- Identifies, researches, and resolves technical problems.
- Responds to telephone calls, email and personnel requests for technical support.
- Documents, tracks, and monitors the problem to ensure a timely resolution.

**Help Desk Support Service Specialist**

- Provides second-tier support to end users for either PC, server, or mainframe applications and hardware.
- Interact with network services, software systems engineering, and/or applications development to restore service and/or identify and correct core problem.
- Simulates or recreates user problems to resolve operating difficulties.
- Recommends systems modifications to reduce user problems.

**Information Assurance Development Engineer**

- Analyzes and defines security requirement for computer systems which may include mainframes, workstations, and personal computers.
- Designs, develops, engineers, and implements solutions that meet security requirements.
- Provides integration and implementation of the computer system security solution.

**Information Assurance Engineer**

- Establishes and satisfies complex system-wide information security requirements based upon the analysis of user, policy, regulatory, and resource demands.
- Supports customers at the highest levels in the development and implementation of doctrine and policies.
- Applies know-how to government and commercial common user systems, as well as to dedicated special purpose systems requiring specialized security features and procedures.

**Information Assurance Network Specialist**

- Analyzes general information assurance-related technical problems and provides basic engineering and technical support in solving these problems.
- Designs, develops, engineers, and implements solutions that meet network security requirements.
- Performs vulnerability/risk analyses of computer systems and applications during all phases of the system development life cycle.

**Information Assurance Systems/Network Specialist**

- Installs, configures and maintains organization's operating systems. Analyzes and resolves problems associated with server hardware, NT, applications software.
- Detects, diagnoses, and reports NT related problems on both NT server and NT desktop systems.
- Performs a wide variety of tasks in software/hardware maintenance and operational support of NT Server systems.

**Information Center Specialist**

- Advises and assists users in problem-solving activities using information center tools.
- Evaluates new and existing hardware and software products.

**Information Security Business Analyst**

- Determines enterprise information security standards.
- Develops and implements information security standards and procedures. Ensures that all information systems are functional and secure.

**Information Systems Administration and Planning Manager**

- Coordinates the preparation, review and consolidation of client information systems, budgets, acquisitions and business plans.
- Ensures adherence to budgets and business plans through periodic review of financial reports and capital appropriation requests.
- Provides assistance for proposing, implementing and enforcing policies, standards and methodologies.

**Information Systems Training Specialist**

- Designs and conducts company training programs.
- Monitors and reports the effectiveness of training on employees during the orientation period and for career development.
- Participates in initial plan design and existing plan enhancements.

**Instructional Technologist**

- Assesses, designs and conceptualizes training scenarios, approaches, objectives, plans, tools, aids, curriculums, and other state of the art technologies related to training and behavioral studies.
- Identifies the best approach training requirements to include, but not limited to hardware, software, simulations, course assessment and refreshment, assessment centers, oral examinations, interviews, computer assisted and adaptive testing, behavior-based assessment and performance, and team and unit assessment and measurement.

**IT Subject Matter Specialist**

- Provides extremely high-level subject matter proficiency for work described in the task.
- Provides advanced technical knowledge and analysis of highly specialized applications and operational environment, high-level functional systems analysis, design, integration, documentation, training, and implementation advice on complex problems that require doctorate level knowledge of the subject matter for effective implementation.

**LAN Support Technician**

- Monitors and responds to complex technical control facility hardware and software problems utilizing a variety of hardware and software testing tools and techniques.
- Provide LAN server support.

**LAN/WAN Administrator**

- Monitors LAN, WAN, and servers. Provides batch monitoring, tape back-up, and restoration.
- Administers mail system and implements new database architecture. Monitors and conducts performance evaluation of networks.
- Supports, installs, maintains, and troubleshoots all local area and wide area networking devices and related software for branch offices and internal and external networks.

**LAN/WAN Integrator**

- Provides the overall integration of the enterprise-wide network including the planning, design, installation, maintenance, management, and coordination of the corporate LAN/WAN (may include local, metropolitan, and wide area networks).
- Works with Voice and/or Data Communications Analysts.

**LAN/WAN/MAN Administrator**

- Monitors LAN, WAN, MAN, and servers.
- Provides batch monitoring, tape back-up, and restoration.
- Supports, installs, maintains, and troubleshoots all local area and wide area networking devices and related software for branch offices and internal and external networks.

**Modeling and Simulation Specialist**

- Specialist in modeling and simulation functions or operations such as, but not limited to exercises, plans, coordination, demonstrations, and instruction in the fields such as, but not limited to health, environmental, transportation, law enforcement, and security for military, and civil agencies.
- Supports live, constructive, or virtual training.

**Network Control Technician**

- Tests and analyzes all elements of complex network facilities (including power, software, communications devices, lines, modems, and terminals).
- Monitors and controls the performance and status of the network resources.
- Utilizes software and hardware tools and identifies and diagnoses complex problems and factors affecting network performance.

**Network Engineer**

- Manages the purchase, installation, and support of network communications, including LAN/WAN systems.
- Evaluates current systems.
- Plans large-scale systems projects through vendor comparison and cost studies.

**Network Planning Analyst**

- Plans and evaluates complex existing network systems and makes recommendations for resources required to maintain and/or expand service levels.
- Provides highly skilled technical assistance in network planning, engineering, and architecture.
- Develops technical standards and interface applications, identifies and evaluates new products, and provides resolution for network problems.

**Network Systems Administrator**

- Provides system administration of Network, Web, and/or communication systems, including Local Area Network (LAN) and Wide Area Network (WAN) systems, involving network security.
- Prepares technical implementation plans that provide integrated solutions including actions, milestones, timelines and critical paths required for complete solutions.

**Network Systems Manager**

- Supervises all personnel engaged in the operation and support of network facilities, including all communications equipment in large scale or multi-shift operations.
- Supervises complex operations that involve two or more additional functions such as, but not limited to, network operations, systems security, systems software support, and production support activities.

**Network/Hardware Support Technician**

- Monitors and responds to hardware, software, and network problems.
- Provides the routine testing and analysis of all elements of the network facilities (including power, software, communications machinery, lines, modems, and terminals).
- Monitors and controls the performance and status of the network resources.

**Operations Manager - Data Communications**

- Manages all aspects of the daily operation for data network(s) in either a stand-alone data network environment in a voice and data separated network environment.
- Develops project plans for the implementation of new telecommunications technology and systems.
- Directs technical analysis of complex software, hardware, and transmission systems.
- Coordinates with vendors involved in providing communication activities.

**Operations Manager - Voice Communications**

- Manages all aspects of the daily operation for voice network(s) in either a stand-alone voice network OR in a voice and data separated network environment.
- Develops project plans for the implementation of new telecommunications technology and systems.
- Directs technical analysis of complex software, hardware, and transmission systems.

**Operations Systems Manager**

- Provides assistance and oversight for all information systems operations activities, including computer and telecommunications/communications operations, data entry, data control, operations support, operating systems programming, system security policy procedures, and/or web strategy and operations.
- Provides input to policy level discussions regarding standards and budget constraints.

**Operations/Network LAN Administrator**

- Supports, monitors, tests, and troubleshoots hardware and software problems pertaining to LAN.
- Recommends and schedules repairs.
- Provides end users support for all LAN- based applications.
- Installs and configures workstations.

**Operations/Technical Support Analyst**

- Provides technical guidance for directing and monitoring information systems operations.
- Implements machine modifications to increase the capacity of the system.
- Directs compilation of records and reports concerning production, machine malfunctioning and maintenance.

**Operations/Technical Support Manager**

- Provides technical guidance for planning, directing, and monitoring information systems operations.
- Plans and recommends machine modifications or additional equipment to increase the capacity of the system.
- Prepares operational cost estimates for current and proposed projects. Evaluates vendor proposals for purchases of hardware.
- Directs compilation of records and reports concerning production, machine malfunctioning, and maintenance.
- Consults on organizational, procedural, and work-flow plans, methods, and procedures analysis.
- Analyzes the results of workflow plans, monitors the operating system(s) and recommends changes to improve processing and utilization.

**Project Engineer**

- Manages long-term IT engineering projects.
- Performs engineering design evaluations and works to complete projects within budget and scheduling restraints.
- Develops, implements, and monitors information systems policies and controls to ensure data accuracy, security, and regulatory compliance.
- Reviews reports of computer and peripheral equipment production, malfunction, and maintenance to determine and address problems.

**Project Manager**

- Leads team on large projects or significant segment of large complex projects.
- Analyzes new and complex project related problems and creates innovative solutions involving finance, scheduling, technology, methodology, tools, and solution components.

**Publications Analyst**

- Administers publication policies and procedures that cover two or more functional areas in the publication job family.

**Quality Assurance Specialist**

- Provides development of project Software Quality Assurance Plan and the implementation of procedures that conforms to the requirements of the contract.
- Provides an independent assessment of how the project's software development process is being implemented relative to the defined process and recommends methods to optimize the organization's process.

**Scientific Subject Matter Specialist**

- Provides technical knowledge and analysis of highly specialized applications and operational environment, high-level functional systems analysis, design, integration, documentation and implementation advice on exceptionally complex problems that require graduate level knowledge of the subject matter for effective implementation.
- Applies principles, methods and knowledge of the functional area of capability to specific task order requirements, advanced mathematical principles and methods to exceptionally difficult and narrowly defined technical problems in engineering and other scientific applications to arrive at automated solutions.

**Security Coordinator**

- Coordinates, develops, and evaluates security programs for an organization.

**Site Manager**

- Provides applications systems analysis and programming activities for a Government site, facility or multiple locations.
- Prepares long and short-range plans for application selection, systems development, systems maintenance, and production activities and for necessary support resources**.**

**Software Architect**

- Designs and develops new software products or major enhancements to existing software.
- Addresses problems of systems integration, compatibility, and multiple platforms. Responsible for project completion.
- Performs feasibility analysis on potential future projects to management.

**Software Developer**

- Resolves problems with software and responds to suggestions for improvements and enhancements. Acts as team leader on projects.
- Participates in development of software user manuals.
- Instructs, assigns, directs, and checks the work of other software developers on development team.

**Software Systems Engineer**

- Formulates/defines specifications for complex operating software programming applications or modifies/maintains complex existing applications using engineering releases and utilities from the manufacturer.
- Designs, codes, tests, debugs, and documents those programs.
- Provides overall operating system, such as sophisticated file maintenance routines, large telecommunications networks, computer accounting, and advanced mathematical/scientific software packages.
- Assists all phases of software systems programming applications.
- Evaluates new and existing software products.

**Strategic Planner**

- Provides strategic planning of large projects or a significant segment of a strategic planning portion of a large complex project.
- Provides the overall approach to clarify mission statements so they can be used as springboards in envisioning their desired future.
- Assists in developing mission and vision statements, subsequent goal delineation, provides guidance for building operational plans and specifying measurable outcomes to include capital outlay planning efforts in a consolidated strategic planning process and prioritizes those initiatives.

**Systems Administrator**

- Installs new software releases, system upgrades, evaluates and installs patches and resolves software related problems.
- Performs system backups and recovery. Maintains data files and monitors system configuration to ensure data integrity.

**Systems Analysis and Programming Director**

- Develops software within an organization.
- Directs the software engineering function in developing, releasing, and maintaining software applications/operating systems according to business needs.

**Systems Engineer**

- Performs a variety of systems engineering tasks and activities that are broad in nature and are concerned with major systems design, integration, and implementation, including personnel, hardware, software, budgetary, and support facilities and/or equipment.
- Provides quality assurance review and the evaluation of new and existing software products.

**Systems Management Technologist**

- Analyzes, develops, operates, and maintains software libraries and catalogs.
- Provides support and direction for user groups in the use of the software/hardware systems and programs to support an integrated system.

**Technical Editor**

- Reviews content of technical documentation.
- Ensures that documents follow the style laid out in the company's style guide.

**Technical Subject Matter Specialist**

- Applies subject matter knowledge to high-level analysis, collection, assessment, design, development, modeling, simulation, integration, installation, documentation, and implementation.
- Resolves problems, which necessitates an intimate knowledge of the related technical subject matter.

**Technical Writer**

- Writes a variety of technical articles, reports, brochures, and/or manuals for documentation for a wide range of uses.

- Coordinates the display of graphics and the production of the document.

**Telecommunications Analyst/Technician**

- Provides maintenance of the switching equipment.
- Performs more complex activities for routine maintenance on switch.
- Reads and interprets circuit diagrams and electrical schematics.

**Telecommunications Engineer/Analyst**

- Supports complex engineering and/or analytical tasks and activities associated with one or more technical areas within the telecom function such as, but not limited to, network design, engineering, implementation, or operations/user support.

**Telecommunications Manager - Multiple Incumbents**

- Addresses the needs of individual customer groups (e.g., company divisions or business lines) or may reflect total management responsibilities (including planning, engineering, implementation, and operations) for either voice or data communications in a separated network environment.
- Manages/coordinates day-to-day planning, design, operations, maintenance, and resource allocation including client server support and strategic and tactical planning
- Coordinates with customers, vendors, and corporate management.
- Interfaces with Senior/Executive Management to coordinate telecommunication plans with overall business plan.

**Telecommunications Network Help Desk**

- Responds to user complaints to research complex problems associated with the organization's telecommunications networks (voice and/or data).
- Diagnoses problem source through discussions with users. Coordinates with internal company support and operations groups and/or with vendors to resolve problems.
- Follows up with users to ensure problem has been resolved. Develops supporting documentation of all activities.

**Telecommunications Programmer/Systems Analyst**

- Develops telecommunications software solutions to address user needs.
- Interfaces with users to define needs.
- Designs, develops, and tests complex communications software interface programs.

**Telecommunications Technician**

- Installs, troubleshoots, repairs and maintains telecommunications equipment.
- Provides reports, completes requests for new service, determines methodology for installing telephone service, determines appropriateness of moderate equipment changes or modifications, call switches, test trunks, test links and installs communication circuits.

**Telecommunications/Communications Integration Engineer**

- Provides technical direction and analysis for telecommunication activities, including planning, designing, integrating, installing and maintaining large-scale telecommunications/ communications networks and services with computer systems.
- Applies telecommunications/communications engineering principles and theory to propose design and configuration alternatives.
- Analyzes network performance, usage and traffic flows, accesses and interfaces, transmission techniques, and protocols to interface with computer systems.

**Test Engineer**

- Subject matter specialist providing testing know-how in for the support of user requirements of complex to highly complex software/hardware applications.
- Directs and/or participates in all phases of risk management assessments and software/hardware development with emphasis on analysis of user requirements, test design and test tools selection.

**Voice Communications Manager**

- Ensures that adequate and appropriate planning is provided for remote hardware and communications facilities to develop and implement methodologies for analysis, installation and support of voice communications systems.

**Voice Communications Technician**

- Monitors and responds to complex technical control facility hardware and software problems. Interfaces with vendor support service groups to ensure proper escalation during outages or periods of degraded system performance.
- Maintains PBX/systems and associated hardware.

**Web Content Analyst**

- Provides for development and content that will motivate and entertain users so that they regularly access the website and utilize it as a major source for information and decision-making.
- Provides managing/performing website editorial activities including gathering and researching information that enhances the value of the site.

**Web Designer**

- Designs and builds web pages using a variety of graphics software applications, techniques, and tools.
- Designs and develops user interface features, site animation, and special-effects elements. Contributes to the design group's efforts to enhance the look and feel of the organization's online offerings.
- Designs the website to support the organization's strategies and goals relative to external communications.

**Web Security Analyst**

- Performs all procedures necessary to ensure the safety of the organization's website and transactions across the Internet/intranet.
- Applies Internet firewall technologies to maintain security.
- Ensures that the user community understands and adheres to necessary procedures to maintain security.
- Updates and deletes users, monitors and performs follow-up on compliance violations, and develops security policies, practices, and guidelines.

**Web Software Developer**

- Designs, develops, troubleshoots, debugs, and implements software code (such as HTML, CGI, and JavaScript) for a component of the website.
- Works with graphic designers and other members of a project team to develop the site concept, interface design, and architecture of the website.
- Deploys large web-based transaction systems using application servers.
- Researches, tests, builds, and coordinates the integration of new products per production and client requirements.

# Subcontracting Report

Contractor Name _____
Contract Number_____ **Functional Area (circle only one): 1 2**
Reporting Period (mm/yyyy – mm/yyyy)_____

| A | B | C | D | E | F |
|---|---|---|---|---|---|
| Task Order # | Total Task Order Amount (including modifications) | Cumulative $ Value of Work Completed | Subcontractor Name | Cumulative Percentage of Task Order Work Subcontracted | Cumulative $ Value of Task Order Work Subcontracted (C*E) |
| EXAMPLE 1 (one sub K) 12-3456-789 | $ 750,000 | $ 750,000 | Company ABC | 15 % | $ 112,500 |
| EXAMPLE 2 (multi sub K) 8765-432-1 | $ 1,000,000 | $ 500,000 | Company PQR | 15 % | $ 75,000 |
| | $ | $ | Company TUV | 7 % | $ 35,000 |
| | $ | $ | Company XYZ | 3 % | $ 15,000 |
| | $ | $ | | % | $ |
| | $ | $ | | % | $ |
| | $ | $ | | % | $ |
| | $ | $ | | % | $ |
| | TOTAL: $ 1,750,000 | TOTAL: $1,250,000 | | | TOTAL: $ 237,500 |



Use additional pages as necessary.
Cumulative means from the date of the contract notice to proceed through the end of the current reporting period

Contract Manager Signature _____*John/Jane Doe*_____ Date_____
Signature constitutes certification that the report is accurate and complete

**PAST CONTRACTUAL PERFORMANCE**

**SECTION ONE: <u>ABOUT YOUR COMPANY</u>**

PLEASE PREPARE AND DISTRIBUTE A PAST PERFORMANCE EVALUATION ON MY COMPANY, AS LISTED BELOW:

YOUR COMPANY NAME

DUNS NUMBER

YOUR COMPANY STREET ADDRESS

CITY, STATE, ZIP

YOUR COMPANY PHONE NUMBER

YOUR COMPANY FAX NUMBER

YOUR PERSONAL/CONTACT NAME

YOUR TITLE

YOUR E-MAIL ADDRESS

If you don't know your company's DUNS number, go to: http://dnb.com/dnbhome.htm

## SECTION TWO: THE RECIPIENT OF THE INFORMATION

**PROVIDE ONE COPY OF THE PAST PERFORMANCE EVALUATION REPORT ON MY COMPANY TO THE FOLLOWING (**One copy of the Past Contractual Performance Evaluation Report will be forwarded by Open Ratings via e: mail to the company Point of Contact listed in Section 1 and one copy will be e: mailed to the following Government office):

| |
|---|
| ORGANIZATION<br>**General Services Administration – Federal Supply Service (6FG-C)** |
| STREET ADDRESS<br>**1500 E. Bannister Road** |
| CITY, STATE, ZIP<br>**Kansas City, MO 64131** |
| PHONE NUMBER<br>**816 926 1366** |
| COMPANY FAX NUMBER<br>**816 823 1608** |
| CONTACT NAME/ATTENTION TO<br>**Past Performance Team (VETS or Alliant SB)** |
| E-MAIL ADDRESS<br>**vetsgwac@gsa.gov** or **sbgwac@gsa.gov** |

**SECTION THREE: PAYMENT INFORMATION**

BILL TO MY CREDIT CARD: ☐ AMERICAN EXPRESS ☐ VISA ☐ MASTERCARD

CARD NUMBER: _____ EXPIRATION DATE: _____

NAME ON CARD: _____

~ OR ~

☐ ENCLOSED IS MY COMPANY CHECK MADE PAYABLE TO:
(*Please include a copy of the check if faxing or emailing application form)*

OPEN RATINGS, INC.

**600 First Avenue N., #200**
St. Petersburg, FL 33701

SUBMISSION OF PAYMENT INFORMATION CONSTITUTES AGREEMENT TO PAY $125 FOR THE PREPARATION/DISTRIBUTION OF MY PAST PERFORMANCE EVALUATION, COPIES OF WHICH WILL BE PROVIDED BOTH TO MY COMPANY AND THE COMPANY IDENTIFIED IN SECTION TWO ABOVE. I ALSO AGREE TO PAY $25 FOR EACH ADDITIONAL COPY THAT I MIGHT ORDER AT A LATER DATE.

***This report will be provided under contract solely for use by the customer and may not be reproduced in whole or part in any manner whatsoever.***

***QUESTIONS? CALL 727-329-1184***

## SECTION FOUR: PAST CONTRACTUAL PERFORMANCE REFERENCES

Please provide up to 20, and no less than four (more than four facilitates the process greatly), of your external customers to be surveyed that you have done business with in the past three years. External customers listed must be person(s) who have purchased services from your company. They must be customers you've sold services to, NOT vendors you've bought from.

## ALL FIELDS ARE REQUIRED

1. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

2. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

3. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

4. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

5. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

6. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

7. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

8. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

9. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

10. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

11. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

12. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

13. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

14. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

15. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

16. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

17. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

18. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

19. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

20. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

REFERENCE: GSA GWAC

# Escalation in Employer Costs for Employee Compensation: A Guide for Contracting Parties

*Like its forerunners, the Consumer Price Index and the Producer Price Index, the ECI is increasingly being used by business organizations as an escalator to adjust long-term sales and purchasing contracts, and to adjust wage rates in collective bargaining agreements.*

*Albert E. Schwenk*

The Employment Cost Index (ECI) is particularly well suited as a vehicle to adjust long-term sales and purchasing contracts to reflect changing labor costs, and to adjust wage rates in collective bargaining agreements to keep pace with what is paid by other employers, for two reasons.[1] First, it is comprehensive. It includes not only wages and salaries but also employer costs for employee benefits, and covers nearly all employees in the civilian (non-Federal) economy.[2] Second, it measures the "pure" change in labor costs, that is, it is not affected by changes in relative employment of industries and occupations with different wage and compensation levels. The advantages of a fixed weight index, such as the ECI, compared with a measure of average earnings are illustrated in an example presented in the appendix.

## The BLS Role in Escalation

The role of the Bureau of Labor Statistics is to provide requested data and to explain their underlying methodology and limitations. The Bureau does not encourage or discourage the use of price adjustments in purchase, sales, or labor contracts. Nor does the Bureau directly assist in writing contracts or provide advice on disputes arising from contract interpretation. Because index methodology and publication conventions could be crucial in developing escalation clauses, this report is intended to alert users to potential problems arising in these areas.[3]

*Albert E. Schwenk is an economist in the Division of Compensation Data Analysis and Planning, Bureau of Labor Statistics. Telephone (202) 606-6203.*

This report provides guidance on the development of escalation clauses in contracts which are to be tied to ECI data. It is patterned after *Escalation and Producer Price Indexes: A Guide for Contracting Parties,* BLS report 807, and it comprises three sections. First, an overview of the Employment Cost Index system describes the major categories of indexes published each quarter. Then guidelines for assisting in the development of escalation clauses are outlined. Finally, practical examples of provisions that might be incorporated into a contract are presented, based upon the guidelines discussed, along with an example of the price adjustment calculations that would be needed to implement these provisions.

### Structure of the ECI

The Employment Cost Index is a fixed-employment-weighted index which tracks changes in labor costs (wages, salaries, and employer costs for employee benefits), free from the influence of employment shifts among occupations and industries. It covers nearly all occupations and industries in both private industry and State and local governments. Approximately 120 series covering specific industry, occupation, area size, and union status categories are produced quarterly. Indexes are published for wages and total compensation for the various series, and for benefit costs for a few of the series. The reference period for the indexes is the week including the 12th of the months of March, June, September, and December. The index typically is published the last Tuesday of the month following the reference month. Seasonally adjusted data are available for a number of series, although it is recommended that only unadjusted data be used in escalation agreements. The unadjusted data are final as published and are not subject to revision.

The industry series are based on the 1987 Standard Industrial Classification (SIC), as defined by the U.S. Office of Management and Budget. The occupational series are based on the 1990 Census of Population classification system.

The series on bargaining status, region, and area size are based on employment counts from the ECI sample, rather than external employment counts obtained from administrative records and a very large occupational employment survey.[4]

## How to Escalate

Escalator clauses should be written with great care to avoid serious problems when contract adjustments are implemented. The information in this report is based upon BLS staff experience in handling issues that have been brought to their attention in connection with actual escalation clauses. The issues have been translated into several steps that should be followed to use escalation successfully.

### I. Establish the costs to be escalated

Clearly specify the labor cost component in the contract to be escalated. This may be either wages and salaries, benefit costs, or total compensation. Indicate the specific occupations covered, the month or year of the base labor costs, and how long the contract will be in effect.

### II. Select an appropriate index by industry, occupation, or other characteristic

The ECI provides a variety of series by industry, occupation, bargaining status, region, and area size. The series selected should reflect the characteristics of the group of workers whose labor costs are being escalated. Recognize, however, that there generally is a tradeoff between how specifically the group of workers covered is defined and the precision of the ECI as a measure of change. That is, in general, the more narrowly defined a series is the larger the sampling error associated with any estimate of change is likely to be.[5]

A determination will also have to be made whether the escalator relates to wages and salaries only, or to total compensation.

If a contract represents different types of labor it may be best to choose multiple series to fit each individual category. Examples would be to escalate engineering salaries by the index for private industry workers, professional specialty and technical occupations; and to escalate production worker salaries by either the index for private industry workers, manufacturing, blue-collar occupations, or the index for private industry workers, manufacturing, durable goods.

Contracting parties may prefer to escalate on the basis of several data series, including some from other government statistical programs, to reflect changes in a variety of inputs. In some contracts, for example, costs of labor are escalated with the ECI while costs of materials and supplies are escalated with one or more producer price indexes. In such cases, the escalation clause should specify the percentage weights given to each index in calculating the total escalation amount.

Although the ECI covers nearly all workers in private industry and State and local governments, there are some gaps in the published series. For example, no index for mining is provided. Sometimes indexes must be chosen as proxies to estimate labor cost movements.

### III. Clearly identify the selected index

The escalation clause must cite the particular index and series by its complete title, e.g., "Employment Cost Index for Total Compensation (not seasonally adjusted), private industry workers, service-producing industries, white-collar occupations excluding sales." Also, specific sources for obtaining the index must

be selected. Official BLS sources for the ECI are:

- "Employment Cost Index" quarterly news release
- *Compensation and Working Conditions*
- *Monthly Labor Review*
- *Employment Cost Indexes and Levels* (annual bulletin)
- ECI historical data listing
- The World Wide Web, at http://stats.bls.gov/ecthome.htm

Each source will have a different cost, publication schedule, and number of indexes printed. The "Employment Cost Index" quarterly news release includes all indexes, is free, and is mailed shortly after the quarterly data are released. To be placed on the news release mailing list, call (202) 606-6199. *Compensation and Working Conditions* includes each quarterly news release shortly after it is published, a complete historical listing of ECI data in the March issue each year, and analytical articles examining ECI and other compensation data. A subscription to *Compensation and Working Conditions* is $12 per year (as of 1997). A subscription to the *Monthly Labor Review* (MLR) costs $29 for 1 year, but the MLR may not include all currently available series and usually will not be available until about 3 months following the reference month. *Employment Cost Indexes and Levels*, published toward the end of each year, provides complete historical data through June of that year, and costs $7.50. The latter three publications are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402. The ECI historical data listing is available free upon request, but because it is a computer printout, it may not be regarded as "official" by some parties. The World Wide Web site contains the news release and complete historical data at the instant the data are published, but for some users there may be a requirement that the data be in paper form.

Cite the index and series by its full name rather than a table number or page number because documents are reformatted and table and page numbers occasionally change, whereas series titles very seldom change. BLS sources are preferable to secondary sources such as other government publications or private firms. If contracting parties agree to accept updated index values on the telephone from BLS staff members, the escalation clause should specify appropriate procedures and whether subsequent verification from a published source is necessary.

Note that periodically the industry and occupational classification systems change. This may alter what is published.

### IV. Specify whether seasonally adjusted indexes or unadjusted indexes are to be used

In general, seasonally adjusted indexes are not appropriate in escalation agreements. Because price adjustment clauses usually are intended to capture actual price changes, contracting parties normally would not want to remove seasonal labor cost movements from their adjustment calculations.

### V. State the frequency of escalation

The contracting parties should specify whether labor cost adjustments are to be made at fixed intervals, such as quarterly, semiannually, or annually, or only at the end of the contract. Also, specify if there are to be restrictions on the size of increases, such as a threshold change before adjustment takes place (for example, the change must exceed 2 percent before any wage adjustment is made), or a cap on the amount of change at each readjustment period or over the life of the contract (for example, the largest wage increase is 3 percent regardless of how much the ECI increases). (See section VIII(e), below.)

Note that ECI indexes relate to the payroll periods including the 12th of the months of March, June, September, and December. Avoid wording such as "the index for wages and salaries, private industry workers as of September 30," since several different and equally plausible interpretations are possible for such language. It could mean the index that was available on September 30, which would be the June figure; it could mean the September index; or it could mean the December index, since that index would be based in part on compensation changes that occurred before September 30. A clearer statement would be "the Employment Cost Index for wages and salaries for private industry workers, for the month of September."

### VI. Provide for missing or discontinued data

The ECI seldom discontinues a series, but because it might happen, escalation clauses should provide procedures to be used when required data are missing.

### VII. Avoid locking indexes used for escalation into any particular reference period

Periodically, the ECI will change its index base. When indexes were first published for the survey, the index base was June 1981=100. In March 1990, the base changed to June 1989=100.[6] The index base to be used should be the one in effect at the time the adjustment is to be made, which may not be the one in effect when the contract was written. The selection of the base matters especially when the escalator is expressed as a fixed dollar change for each change in index points, because the formula must be modified if the index base is changed.

(See section VIII (c), below.)

## VIII. Define the mechanics of price adjustment

(a) **Simple percentage method.** One method of price adjustment is to have the base price changed by the same percentage as that calculated for the selected Employment Cost Index series. To illustrate, suppose that the contract escalation clause refers to the private industry white-collar compensation cost index. Also suppose that the private industry white-collar compensation cost index was 110.0 when the base price or wage rate was set. A year later when the first adjustment is made, the figure is 115.5 This represents an increase of 5.0 percent in the private industry white-collar compensation cost index, calculated as follows:

| | |
|---|---|
| Index at time of calculation | 115.5 |
| Divided by index at time base price was set | 110.0 |
| Equals | 1.050 |

This means that the base price or wage rate should be increased by 5.0 percent. To proceed:

| | |
|---|---|
| Base wage rate | $11.00 |
| Multiplied by | 1.050 |
| Equals adjusted wage | $11.55 |

In later years this procedure would be applied again by taking the current index value and dividing it by the index value at the time the base price was set, and then proceeding just as described above. (See example clause I, below, for an illustration of this procedure.)

(b) **Escalation of a portion of the base price.** In long-term sales and purchasing contracts a procedure sometimes employed changes the base price so that only part of it is escalated by a selected Employment Cost Index, while the balance remains fixed. This may be done by changing the base price by a certain dollar amount for each 1 percent movement in the selected index.

To illustrate, suppose that an item has a base price of $1,000, of which $700 is to be escalated by the index while the other $300 remains unchanged. To determine the "certain dollar amount" that is needed for citation in the contract, simply divide the designated variable portion of the base price ($700) by 100, which in this case would yield $7. The escalation clause is written so that it provides that the base price of $1,000 shall change $7 for each 1-percent movement in the index.

Using this approach, the base price would rise to $1,035.00 for a 5.0-percent rise in the ECI, as shown:

| | |
|---|---|
| Base price | $1,000.00 |
| Plus 5.0 times $7 | 35.00 |
| Equals adjusted price | $1,035.00 |

(c) **Index points.** Relatively few escalation clauses which rely on ECI data adjust contract prices on the basis of changes in index points. (In the earlier example, the index-point change would be 5.5.) When wages are adjusted by a percentage on the basis of a change in index points, the value of an index point will fall in percentage terms as the index level rises, and vice versa. For example, a 1-point increase in an index from 105.5 to 106.5 represents an advance of 0.9 percent, but a 1-point increase from 205.5 to 206.5 represents an upward movement of only 0.5 percent. Conversely, a 0.9-percent increase in an index of 205.5 would raise the index 1.8 points, to 207.3.

Another disadvantage of adjusting wages by index points is that the procedure is vulnerable to changes in the index base period. For example, index point values for an index with June 1989=100 as the base will differ from those for an index with June 1981=100 as the base.

(d) **Composite indexes.** Some contracts describe construction of a composite index based on several ECI series, or the ECI and other measures such as the Producer Price Index. The advantage of a composite index is that it may more accurately identify the appropriate change from a base period since it will refer to several of the costs involved in producing the product or service in question. However, a composite index entails more calculations at the time of adjustment than the simpler procedures described earlier. Composite indexes constructed by the contracting parties are not official BLS data.

One procedure for specifying a composite index is illustrated by the following steps:

(i) Choose the indexes that will represent the different costs involved in producing the item (such as blue-collar labor, white-collar labor, or whatever is appropriate);

(ii) Choose the appropriate weights for these indexes, in accordance with the proportion of the production budget which may be devoted to these various categories. The list of chosen weights should sum to 100 percent;

(iii) Clearly specify the time period that these relative weights are supposed to represent. The weights should be chosen to represent the time period associated with the base price (i.e., the base period);

(iv) The first step necessary for the calculation of the special index is to rebase all of the original index data to the contract's base period. This is done for each series by dividing the indexes by the index value for the base period and then multiplying the result by 100. (For this and following steps, note the detailed example at the end of this report.)

(v) Then derive values for the composite index by multiplying relative weights by the rebased index values for each index series and summing the results. (This calculation must be done for each quarter, or other time period, needed for determining the current adjustment.)

(vi) Using the composite index created in step (v), calculate the current adjustment in standard fashion, that is, by using the procedure described in (a) above. (See example clause II for an illustration of this procedure.)

(e) **Limits for price adjustment.** Escalation clauses sometimes contain *a floor, a ceiling*, or both, to limit the total price adjustment during the life of the contract. If the upper or lower limit is reached, the parties may renegotiate prices for the duration of the contract. Some contracts specify that no price adjustments are to be made until a minimum change in the selected index has taken place. Contracts may also provide that an escalation is to apply in both an upward and downward direction, or in one direction only.

## Examples of Escalator Clauses

### Example clause I. Collective bargaining agreements

Suppose a collective bargaining agreement contains the following language:

"For years two and three of this contract, on July 1 of each year, basic hourly wage rates for each step and grade will be adjusted by the percentage change in the Employment Cost Index for private industry workers, wages and salaries, from March of the prior year to March of the current year. That is, the increase to go into effect on July 1, 1994 will be the increase in the ECI series between March 1993 and March 1994, while the increase to go into effect on July 1, 1995 will be the increase in the ECI between March 1994 and March 1995."

Assume that in June 1996 wage rates for three occupations were as follows:

| | |
|---|---|
| Carpenters | $15.42 |
| Janitors | 7.45 |
| Truckdrivers | 14.00 |

Assume that the ECI private industry wages and salaries index for March 1995 is 125.0 and for March 1996 is 129.0. Then the adjustments would be 129.0/125.0=1.032

| | | | |
|---|---|---|---|
| $15.42 | * 1.032 | = | $15.91 |
| 7.45 | * 1.032 | = | 7.69 |
| 14.00 | * 1.032 | = | 14.45 |

### Example clause II. Long-term sales or purchasing contracts

Suppose a manufacturer of widgets enters into a long-term sales contract with a customer. The buyer and the seller agree to include an escalation clause which will adjust the selling price once a year to account for changes in labor and material costs. The following is an example of the terms which might be incorporated into such an escalation clause.

A. The base selling price for a lot of 10,000 type A widgets is set at $768,450.00 as of December 1989, to remain in effect for 1 year. December 1989 is hereafter called the reference base period.

B. The base selling price shall be adjusted in accordance with the percent changes of the special index which is described in (D) below. The special index shall be derived from the following index series:

(i) **The Employment Cost Index for total compensation, durable goods manufacturing**, not seasonally adjusted, as it appears in the periodical ***Monthly Labor Review*** as published by the U.S. Department of Labor, Bureau of Labor Statistics; this series shall be referred to as the labor index;

(ii) **The Producer Price Index for special industry machinery and equipment,** commodity code 116, not seasonally adjusted, as it appears in the periodical ***PPI Detailed Report*** as published by the U.S. Department of Labor, Bureau of Labor Statistics; this index shall be referred to as the materials index;

and

(iii) **The Producer Price Index for 2 diesel fuel,** commodity code 057303, not seasonally adjusted, as it appears in the periodical, ***PPI Detailed Report*** as published by the U.S. Department of Labor, Bureau of Labor Statistics; this index shall be referred to as the fuels index.

C. The selling price shall be adjusted on February 20 of each subsequent year, based upon the percent changes (whether up or down) in the special index specified below, between the reference base period December 1989 and December of the most recent year. All calculations for the special index shall be based upon the most recent official data released by BLS of the Producer Price Index and Employment Cost Index, as of February 20 each year.

D. The special index shall be derived in the following manner:

(i) The values for the current period for each of the three BLS index series specified in (B) above shall be rebased to the reference base period December 1989; this shall be done by dividing the current value of each index by its value for the reference base period, and then multiplying the result by 100.

(ii) The rebased labor index shall be assigned a relative weight of forty (40) percent; the rebased materials index shall be assigned a relative weight of forty (40) percent; the rebased fuels index shall be assigned a relative weight of twenty (20) percent; these relative weights represent the base period of December 1989.

(iii) Multiply the rebased current value for each of the three indexes by its relative weight.

(iv) The sum of these three figures shall be the value of the special index for the current time period.

(v) Multiply the current value of the special index by the original base price, and then divide by 100; this final figure shall be the adjusted price for the current time period.

E. If December ECI data are not available for any year, the ECI for the immediately preceding September shall be used as the basis for adjustment of the labor index. If December PPI data are not available for any year, the PPI data for the immediately preceding November, October, or September, whichever is the most recent month which has published data, shall be used as the basis for adjustment of the materials and fuels indexes. If no ECI or PPI data have been published for these months, then the contracting parties shall agree upon substitute series by February 20.

With these terms in effect, table 1 shows some hypothetical data and calculations which might have been made on February 20, 1991 to determine the new selling price for a lot of 10,000 type A widgets as of December 1, 1990.

**Table 1. Example of calculation procedures**

| | Labor | Materials | Fuels | Composite |
|---|---|---|---|---|
| Base price = $ 768,450 | - | - | - | - |
| Current period series values (Dec. 1990) | 107.2 | 133.4 | 91.0 | - |
| Divide by base period values (Dec. 1989) | 102.2 | 128.6 | 68.5 | - |
| equals | 1.049 | 1.037 | 1.328 | - |
| Multiply by 100 to yield converted series | 104.9 | 103.7 | 132.8 | - |
| Multiply by assigned weight (labor 40%, materials 40%, fuels 20%) | 41.96 | 44.48 | 26.56 | - |
| Add the three figures to get the current value (Dec. 1990) for special index | - | - | - | 110.0 |
| Multiply by original base price ($768,450) | - | - | - | $84,529,500 |
| Divide by 100 to yield the adjusted price | - | - | - | $845,295 |

## Appendix. An Illustration of the Effects of Fixed Weights

The following example illustrates the effects of using fixed rather than current weights. Consider the case of an employer with two types of workers, electricians and janitors. In March 1994, the firm employed 10 electricians at $10 per hour and 10 janitors at $5 per hour. Both the average hourly wage and the wage rate are $7.50, calculated as follows:

| | NUMBER | X | WAGE RATE | = | AGGREGATE |
|---|---|---|---|---|---|
| Electricians | 10 | X | $10.00 | = | $100.00 |
| Janitors | 10 | X | 5.00 | = | 50.00 |
| | 20 | | | | $150.00 |

Average wage rate: $150.00 / 20 = $7.50

In March 1996, both groups were given a 10-percent wage increase, but only five janitors were employed. The average wage (without fixed weights) increased to $9.17:

| | NUMBER | X | WAGE RATE | = | AGGREGATE |
|---|---|---|---|---|---|
| Electricians | 10 | X | $11.00 | = | $110.00 |
| Janitors | 5 | X | 5.50 | = | 27.50 |
| | 15 | | | | $137.50 |

Average wage rate: $137.50 / 15 = $9.17
Average wage change: $9.17 / $7.50 = 1.223, or a 22.3-percent increase

The increase in the average wage reflects the 10-percent increase in the wage rates and the relative decrease in the number of workers in the low-wage occupation of janitor.

But when fixed employment weights are used (that is, the number of janitors remains fixed at 10), the *average change in wage rates* is calculated, not the change in the average wage.

| | NUMBER | X | WAGE RATE | = | AGGREGATE |
|---|---|---|---|---|---|
| Electricians | 10 | X | $11.00 | = | $110.00 |
| Janitors | 10 | X | 5.50 | = | 55.00 |
| | 20 | | | | $165.00 |

Average wage rate: $165.00 / 20 = $8.25
Wage-rate change: $8.25 / $7.50 = 1.10, or a 10-percent increase.

In this case, the increase is 10 percent, the size of the wage-rate increase which was granted to both occupations.

## —*ENDNOTES*—

[1] For a description of how the ECI is compiled, see "The Employment Cost Index," *BLS Handbook of Methods*, BLS Bulletin 2414, 1992, chapter 8.

[2] Only workers in private households and agricultural establishments are excluded.

[3] To obtain ECI data, contact the Inquiries and Correspondence Office at any BLS Regional Office, or call the Division of Compensation Data Analysis and Planning at (202) 606-6199.

[4] See G. Donald Wood, "Estimation Procedures for the Employment Cost Index," *Monthly Labor Review*, May 1982, pp. 40-42.

[5] Standard errors for published ECI series may be found in *Employment Cost Indexes and Levels, 1975-95*, BLS Bulletin 2466, 1995, pp. 137-143.

[6] See Albert E. Schwenk, "ECI Rebased to June 1989," *Monthly Labor Review*, April 1990, pp. 38-39.

**GSA Contract Holder Star Mark Guidelines**

**COLOR:** Consistent use of color promotes maximum recognition for our Star mark.

**Primary colors:** PANTONE 541 C. This is the preferred color for the star mark and should be used wherever possible, with the GSA name reversed out in white. Use PANTONE 2945 U when printing on uncoated stock. Because uncoated stock absorbs more ink, causing a slight variation in color, PANTONE 2945 U enables a closer color match to GSA Blue. PANTONE 541 C is for use on coated paper. The Schedule and Contractor Number text should be 70% black.

**2-color:** When GSA Blue is not one of the two colors, one color should be black. The star mark should be reproduced as a 70% tint of black, with the GSA name reversed out in white. The star mark may not be reproduced in any other color.

**Single color:** Materials printed in a single color should be either Pantone 541 C Blue or black. When using black, if the work is professionally printed, the star mark should be 70% black. Reproducing the GSA star mark in solid black is allowed only for laser-printed jobs.

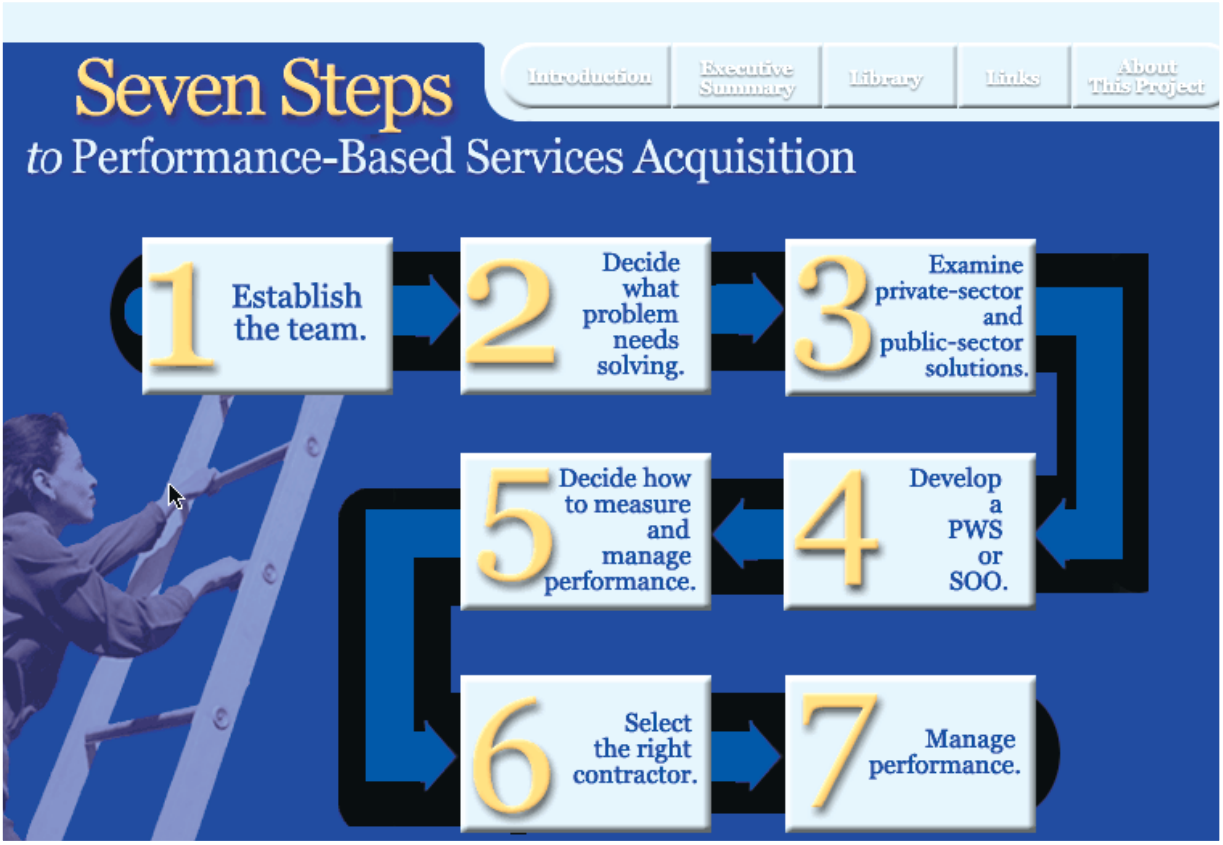
**Clear space:** As the primary symbol of our organization, our star mark should stand out from other graphic elements. The GSA star mark should always be surrounded with at least a minimum area of clear space. Think of it as giving the star mark room to breathe. The distance between the star mark and other graphic elements (typography, charts, photos and illustrations, etc.) should be no less than 1/2 the height of the star mark. Use as much clear space as possible, but never less than the minimum.

**Background color:** The color behind the GSA star mark should always be white. The GSA star mark should never be reversed out, or placed on a color field. NOTE: the GSA lettering within the star mark is always white, not translucent.

**Minimum size:** To ensure that the GSA star mark is always clear as presented, it should never be reproduced smaller than 1/2 inch.


If you have any questions, or need further information, contact Lynda Falkenstein at (703) 308-4149 or lynda.falkenstein@gsa.gov.

# Seven Steps
## to Performance-Based Services Acquisition




**For full version go to:**

www.acqnet.gov/Library/OFPP/BestPractices/pbsc

**An Interagency-Industry Partnership in Performance**

# Introduction

## A Performance-Based Preference

Over the last decade, innovators in Congress and the executive branch have reformed the laws and policies that govern Federal acquisition. Among the most important of these reforms are the Government Performance and Results Act of 1993, the Federal Acquisition Streamlining Act of 1994 (FASA), and the Clinger-Cohen Act of 1996. All of these laws send an important message about performance in federal programs and acquisitions.

As is evident from the dates above, performance-based service acquisition is not new. Office of Federal Procurement Policy Pamphlet #4, "A Guide for Writing and Administering Performance Statements of Work for Service Contracts," (now rescinded) described "how to write performance into statements of work" and addressed job analysis, surveillance plans, and quality control in 1980. Eleven years later, OFPP Policy Letter 91-2, Service Contracting, established that:

> *It is the policy of the Federal Government that (1) agencies use performance-based contracting methods to the maximum extent practicable when acquiring services, and (2) agencies carefully select acquisition and contract administration strategies, methods, and techniques that best accommodate the requirements.*

The intent is for agencies to describe their needs in terms of what is to be achieved, not how it is to be done. These policies have been incorporated in the Federal Acquisition Regulation Subpart 37.6 (Performance-Based Contracting), and additional guidance is in the OFPP document, "A Guide to Best Practices for Performance-Based Service Contracting." (OFPP Policy Letter 91-2 was rescinded effective March 30, 2000.)

Law and regulation establish a preference for performance-based service acquisition. The new Administration continues a long line of support for this acquisition approach, as demonstrated in OMB Memorandum M-01-15 on performance goals and management initiatives. As cited in the Procurement Executives Council's Strategic Plan:

> *...over the next five years, a majority of the service contracts offered throughout the federal government will be performance-based. In other words, rather than micromanaging the details of how contractors operate, the government must set the standards, set the results and give the contractor the freedom to achieve it in the best way.*
>
> —Presidential Candidate George W. Bush on June 9, 2000

## Benefits of Performance-Based Acquisition

Performance-based service acquisition has many benefits. They include:

- Increased likelihood of meeting mission needs
- Focus on intended results, not process
- Better value and enhanced performance
- Less performance risk
- No detailed specification or process description needed
- Contractor flexibility in proposing solution
- Better competition: not just contractors, but solutions
- Contractor buy-in and shared interests
- Shared incentives permit innovation and cost effectiveness
- Less likelihood of a successful protest
- Surveillance: less frequent, more meaningful
- Results documented for Government Performance and Results Act reporting, as by-product of acquisition
- Variety of solutions from which to choose

## Moving toward Performance-Based Competency

The federal acquisition workforce has not, to date, fully embraced performance-based acquisition. There are many reasons, such as workload demands, but more fundamentally, traditional "acquisition think" is entrenched in a workforce of dwindling numbers. The situation is complicated by lack of "push" from the program offices who have the mission needs and who fund the acquisitions... because there is where the true key to performance-based acquisition lies. It is not the procurement analyst, the contracting officer, or even the contracting office itself. Performance-based acquisition is a collective responsibility that involves representatives from budget, technical, contracting, logistics, legal, and program offices.

While there are leaders among us who understand the concept and its potential, it is difficult for an agency to assemble a team of people who together have the knowledge to drive such an acquisition through to successful contract performance. This is especially true today because many more types of people play a role in acquisition teams. These people add fresh perspective, insight, energy, and innovation to the process -- but they may lack some of the rich contractual background and experience that acquisition often requires.

Performance-based service acquisition can be daunting, with its discussion of work breakdown structures, quality assurance plans, and contractor surveillance. Guides on the subject can easily run to and over 50, 75, or even 100 pages. This makes learning something new appear more complicated than it really is. The foundation for a successful acquisition involves a clear answer to three questions: *what do I need, when do I need it, and how do I know it's good when I get it?*

The virtual guide on which this downloadable guide is based breaks down performance-based service acquisition into seven easy steps, complete with "stories" (case studies). It is intended to make the subject of PBSC accessible for all and shift the paradigm from traditional "acquisition think" into one of collaborative performance-oriented teamwork with a focus on program performance and improvement, not simply contract compliance. Once the shift is made, the library and links sections interwoven in the virtual guide will lead you into the rich web of federal performance-based guidance.

*Have a good journey!*

# Executive Summary

One of the most important challenges facing agencies today is the need for widespread adoption of performance-based acquisition to meet mission and program needs. This Administration has set a goal for FY 2002 in OMB Memorandum M-01-15 to "award contracts over $25,000 using PBSC techniques for not less than 20 percent of the total eligible service contracting dollars," increasing to 50 percent by FY 2005.

Although policies supporting performance-based contracting have been in place for more than 20 years, progress has been slow. The single most important reason for this is that the acquisition community is not the sole owner of the problem, nor can the acquisition community implement performance-based contracting on its own.

Laws, policies, and regulations have dramatically changed the acquisition process into one that must operate with a mission-based and program-based focus. Because of this, many more types of people must play a role in acquisition teams today. In addition to technical and contracting staff, for example, there is "value added" by including those from program and financial offices. These people add fresh perspective, insight, energy, and innovation to the process -- but they may lack some of the rich contractual background and experience that acquisition often requires.

This guide, geared to the greater acquisition community (especially program offices), breaks down performance-based service acquisition into seven simple steps.

1. Establish an integrated solutions team
2. Describe the problem that needs solving
3. Examine private-sector and public-sector solutions
4. Develop a performance work statement (PWS) or statement of objectives (SOO)
5. Decide how to measure and manage performance
6. Select the right contractor
7. Manage performance

The intent is to make the subject of performance-based acquisition accessible and logical for all and shift the paradigm from traditional "acquisition think" into one of collaborative, performance-oriented teamwork with a focus on program performance, improvement, and innovation, not simply contract compliance. Performance-based acquisition offers the potential to dramatically transform the nature of service delivery, and permit the federal government to tap the enormous creative energy and innovative nature of private industry.

*Let the acquisitions begin!*

# 1 Establish an integrated solutions team.

The trend today, given the statutory, policy, and regulatory mandates discussed in the introduction, is that acquisitions are conducted by teams of people, working cooperatively toward a common goal. This is the model used by leading or breakthrough organizations, which have come to recognize the limitations of clearly defined roles, responsibilities, and organizational boundaries... and have adopted the use of acquisition teams that integrate all stakeholders' efforts toward one goal: mission accomplishment. It is also the model that the Office of Management and Budget is seeking when it asks this question of agencies in their budget submissions: "Is there an Integrated Project Team? "

These principles are also reflected in the Federal Acquisition Regulation (FAR), which (1) recognizes that teams begin with the customer and end with the contractor and (2) outlines procurement policies and procedures that are used by members of the acquisition team. Note also that the FAR specifically provides that contracting officers "should take the lead in encouraging business process innovations and ensuring that business decisions are sound."

In this guide, we call such acquisition teams "integrated solutions teams" in acknowledgment of the fundamental purpose of performance-based acquisition: to find solutions to agency mission and program needs.

## Tasks, Features, & Best Practices: Learn More

- Ensure senior management involvement and support.
- Tap multi-disciplinary expertise.
- Define roles and responsibilities.
- Develop rules of conduct.
- Empower team members.
- Identify stakeholders and nurture consensus.
- Develop and maintain the knowledge base over the project life.
- "Incent" the team: Establish link between program mission and team members' performance.

See website for Additional Information

# Ensure senior management involvement and support.

Most best-practice studies agree: senior management involvement and support is a predictor of success. For example, the CIO Council document, "Implementing Best Practices: Strategies at Work," cited "strong leadership at the top" as a "success factor" in the selection, evaluation and control processes associated with acquisition investment review. By its very nature, an integrated solutions team has members whose affiliations cut across organizational boundaries. "Turf" can become an issue unless there is strong, effective senior management support and a shared vision. Program decision makers should be on the team. Creating "buy in" from leadership and establishing the realms of authority are essential to project success.

# Tap multi-disciplinary expertise.

Because of the mission-based and program-based focus of acquisition that has resulted from acquisition reform, many more types of people play a role in acquisition teams today. In addition to contracting staff, for example, are those from the program, financial, user, and even legal offices. All of these skills and more can be required to create a true performance-based approach to an agency's needs.

It is important to recognize that integrated solution teams are not a "training ground." They're a field of operation for not just 4 or 6 or 8 people, but 4 or 6 or 8 people who are among the best in their fields and have a grounding in, or have been trained in acquisition. Team composition is a critical success factor in performance-based acquisition -- so much so, in fact, that the Office of Management and Budget asks about team approach during the budget review process for acquisition funding.

# Define roles and responsibilities.

It is important that the members of the team understand what their roles and responsibilities are. Regardless of its representation, the team is responsible for ensuring that the acquisition:

- Satisfies legal and regulatory requirements.
- Has performance and investment objectives consistent with the agency's strategic goals.
- Successfully meets the agency's needs and intended results.
- Remains on schedule and within budget.

Successful teams typically have a number of features: shared leadership roles, individual as well as mutual accountability, collective work-products, performance measures related to the collective work-product, and other ingredients.

In a team environment, the roles and responsibilities of the members blur and merge, often with striking results.

# Develop rules of conduct.

Seasoned facilitators and team leaders know this: It is important to develop rules of conduct for groups of people. Setting the rules... and then insisting on their use... is a key to effective team operation. Given a clear purpose and defined approach for working together, teams are much more likely to move quickly through the early phases of team performance and achieve the desired result.

Those phases ot teamwork were identified by B.W. Tuckman in the "Tuckman model" (http://ias.berkeley.edu/siss/hurricane/sissworkingpapers/formingstorming.doc):

**forming**, or coming together
**storming**, or conflict
**norming**, or working out the rules
**performing**, or getting the job done

While the length of time different groups take to pass through each of these developmental stages varies, high team performance is usually not achieved until the group has passed through the first three stages.

# Empower team members.

The "Statement of Guiding Principles for the Federal Acquisition System," says it most simply: *"Participants in the acquisition process should work together as a team and should be empowered to make decisions within their area of responsibility."* (FAR 1.102(a)) Clearly defined levels of empowerment are critical to success.

The Department of Commerce, in its CONOPS (Concept of Operations) acquisition program, has examined the concept of what "empowerment" means in detail. The Department believes that empowerment is tied to responsibility, authority, and autonomy. In the agency's project planning tool are the life-cycle tasks of an acquisition and an identification of where responsibility for the performance of that task typically resides.

# Identify stakeholders and nurture consensus.

Stakeholders may include customers, the public, oversight organizations, and members and staff of Congress. It is important for the team to know who the stakeholders are and the nature of their interests, objectives, and possible objections. At a minimum, stakeholders should be consulted and, at times, may participate on the team.

In developing the acquisition, the key tools the team should use are consensus and compromise, without losing sight of the three key questions:

*1. What do I need?*
*2. When do I need it?*
*3. How do I know it's good when I get it?*

# Develop and maintain the knowledge base over the project life.

*"How do you predict the future... you create it."* (Peter Drucker)

An emerging concern in the acquisition community is "knowledge management." There are many definitions, but the simplest may well be "the right knowledge in the right place at the right time and in the right context." Knowledge management is a people issue, not a technology issue.

Consider the need to manage the project's knowledge base in this light: Acquisitions often take months, and the contracts that are awarded are often performed over years. People join the team and people leave, taking their knowledge with them.

Further, those people that began the project and those that oversee the project are often different. All too often, when a contract is awarded, the acquisition team "pats itself on the back" and walks away. The project is passed into the care of a contract administrator who doesn't know the history of the project, why decisions were made, and why the contract is structured or worded the way it is. Modification may begin right away. And we wonder why contract performance is sometimes a problem?

The approach needs to shift from a focus on contracting to a focus on both acquisition and project management. Where possible, the same key members of the team (program manager, project manager, and contracting officer) should be part of the integrated solutions team from the initial discussions of mission-based need, through contract performance, and indeed to contract closeout. With this continuity, and a focus on maintaining the project's knowledge base, the likelihood of success is exponentially greater.

# "Incent" the team: Link program mission and team members' performance.

If continuity is important, what can be done to keep a team together? Added to empowerment and a shared vision, incentives are key. The most fundamental incentives are those that link program mission and team members' performance, and then tie performance to pay. If the acquisition has performance objectives, and the contractor has performance objectives, then the Government team should also have performance objectives. Like contractor incentives, the team's objectives should carry a value in terms of pay, recognition, and awards.

Keep in mind that these performance objectives should be program-based, not acquisition-based. Who cares if the contract is awarded in two months if it takes two years to get deliverables in the hands of the users? Make sure the incentives are tied to the "right" results.

# 2 Describe the Problem that Needs Solving

Because a clearer, performance-based picture of the acquisition should be the team's first step, it is not yet time to retrieve the requirement's former solicitation, search for templates, think about contract type or incentives, decide on the contractor or the solution.

Planning for an acquisition should begin with business planning that focuses on the desired improvement. The first consideration is, what is the problem the agency needs to solve? What results are needed? Will it meet the organizational and mission objectives?

The Government Performance and Results Act of 1993 requires that agencies establish and "manage to" mission-related performance goals and objectives. It stands to reason that any significant, mission-critical acquisition should relate in some way to the Results Act objectives. Although many acquisitions do not make this link, performance-based acquisitions must make this connection to the agency's strategic plan and to employees' performance plans.

## Tasks, Features, & Best Practices: Learn More

- Link acquisition to mission and performance objectives.
- Define (at a high level) desired results.
- Decide what constitutes success.
- Determine the current level of performance...

See website for Additional Information

# Link acquisition to mission and performance objectives.

The most effective foundation for an acquisition is the intended effect of the contract in supporting and improving an agency's mission and performance goals and objectives (reported to OMB and Congress under the Results Act's strategic and annual performance planning processes). Describing an acquisition in terms of how it supports these mission-based performance goals allows an agency to establish clearly the relationship of the acquisition to its business, and it sets the stage for crafting an acquisition in which the performance goals of the contractor and the government are in sync.

In addition to the Government Performance and Results Act, the President's Management Agenda has added the requirement for performance-based budgeting. This links funding to performance, and ensures that programs making progress towards achieving their goals will continue to receive funding. Conversely, programs unable to show adequate progress may lose option-year funding.

This mission-based foundation normally must be established by or in cooperation with people who work in the program area that the resources will support when they are acquired. (This is why assembling the team is the first step in a performance-based acquisition.) Again, note that the focus is not what resources are required; the focus is what outcome is required.

With this foundation, when the planning process is complete, an agency should be able to demonstrate clearly how an individual acquisition's performance objectives will assist in achieving the agency's mission and goals.

# Define (at a high level) desired results.

Once the acquisition is linked to the agency's mission needs, the thoughts of the team should turn to what, specifically, are the desired results (outcomes) of contract performance? Is it a lower level of defaults on federal loans? Is it a reduction in benefit processing time? Is it broader dissemination of federal information? Is it a reduction in the average time it takes to get relief checks to victims? What is the ultimate intended result of the contract and how does it relate to the agency's strategic plan?

Note that these are questions that a former solicitation... or someone else's solicitation... cannot answer. This is one of the tough tasks that the integrated solutions team must face.

These answers can normally be found, not with an exhaustive analysis, but through facilitated work sessions with program staff, customers, and stakeholders. By taking the process away from a review of paper or an examination of the status quo, greater innovation and insight is possible. Once aired, those thoughts need to be captured in the performance work statement (PWS) or statement of objectives (SOO).

Note also that, to do this well, the team will need to plan to seek information from the private sector during market research (step three). Industry benchmarks and best practices from the "best in the business" may help sharpen the team's focus on what the performance objectives should be.

# Decide what constitutes success.

Just as important as a clear vision of desired results is a clear vision of what will constitute success for the project. These are two distinct questions: Where do I want to go, and how will I know when I get there?

In the Joint Direct Attack Munitions (JDAM) research and development acquisition, for example, affordability (in terms of average unit production price) was a key element, along with "how well the product met the live-or-die criteria." Affordability was communicated in no uncertain terms from top-level management to the acquisition team, and from the acquisition team to the competing contractors. As the project manager recalled--*I had a strong sense of empowerment... from the Air Force Chief of Staff who said basically, 'Do what you have to do to get the products under $40,000'...*

With that clear a mandate and the benefits of head-to-head contractor competition, the final, winning proposal included an average unit production price between $14,000 and $15,000... far lower than the original cost target of $40,000 and the original cost estimate of $68,000 per unit.

So it is important to establish a clear target for success, which will then serve to focus the efforts of the integrated solutions team in crafting the acquisition, the contractors in competing for award, and the government-industry team throughout contract performance.

# Determine the current level of performance.

The main reason to determine the current level of performance is to establish the baseline against which future performance can be measured. If you don't know where you started, you can't tell how far you've come.

In order to think about taking measurements of current performance, think about what happens when you rent a car. The company will give you a piece of paper with an outline of a car on it. You're asked to go outside, and mark on the diagram every nick and scratch you see, so that when you return the car, the baseline is clear. This is precisely what we need to do with our current contracts or operations.

Keep in mind that the government doesn't necessarily have to do the baseline measurement. Another approach is to require a set of metrics as a deliverable under a current contract. Even if there were no existing provision, this could easily be done via contract modification. New solicitations can be written with provision for delivery of baseline and/or current performance levels, either annually, at the end of the contract, or both. The integrated solutions team must determine the adequacy of the baseline data for the new contract, to ensure they achieve the best results.

# 3 Examine Private-sector & Public-sector Solutions.

Once the acquisition's intended results have been identified, the integrated solutions team should begin to examine both private-sector and public-sector solutions. This is called "market research," and it is a vital means of arming the team with the expertise needed to conduct an effective performance-based acquisition.

Market research is the continuous process of collecting information to maximize reliance on the commercial marketplace and to benefit from its capabilities, technologies, and competitive forces in meeting an agency need. Market research is essential to the government's ability to buy best-value products and services that solve mission-critical problems. Acquisition reform has opened the door to effective new approaches to market research that should be undertaken by the integrated solutions team long before attempting to write a performance work statement.

## Tasks, Features, & Best Practices: Learn More

- Take a team approach to market research.
- Spend time learning from public-sector counterparts.
- Talk to private-sector companies before structuring the acquisition.
- Consider one-on-one meetings with industry.
- Look for existing contracts.
- Document market research.

**See website for Additional Information**

# Take a team approach to market research.

In the past, it was not unusual for technical staff to conduct market research about marketplace offerings, while contracting staff conducted market research more focused on industry practices and pricing. A better approach is for the entire integrated solutions team to be a part of the market research effort. This enables the members of the team to share an understanding and knowledge of the marketplace -- an important factor in the development of the acquisition strategy -- and a common understanding of what features, schedules, terms and conditions are key.

# Spend time learning from public-sector counterparts.

While many are familiar with examining private-sector sources and solutions as part of market research, looking to the public-sector is not as common a practice. Yet it makes a great deal of sense on several levels.

First, there is an increased interest in cross-agency cooperation and collaboration. If the need is for payroll support, for example, many federal agencies have "solved" that problem and could potentially provide services through an interagency agreement. Alternatively, it could be that to provide seamless services to the public, two or more agencies need to team together to acquire a solution. (This is the model that may well evolve with e-Government solutions, given the President's proposal of a special fund for such initiatives.)

Second, agencies with similar needs may be able to provide lessons learned and best practices. For example, the Department of Commerce COMMITS office has frequently briefed other agencies on the process of establishing a Government-wide Agency Contract (GWAC). Another agency that we are aware of is now conducting public-sector market research about seat management implementation in the federal government. So it is important for the integrated solutions team to talk to their counterparts in other agencies. Taking the time to do so may help avert problems that could otherwise arise in the acquisition.

# Talk to private-sector companies before structuring the acquisition.

With regard to the more traditional private-sector market research, it is important to be knowledgeable about commercial offerings, capabilities, and practices before structuring the acquisition in any detail. This is one of the more significant changes brought about by acquisition reform.

Some of the traditional ways to do this include issuing "sources sought" type notices at FedBizOps.gov, conducting "Industry Days," issuing Requests for Information, and holding pre-solicitation conferences. But it is also okay to simply pick up the phone and call private-sector company representatives.

Contact with vendors and suppliers for purposes of market research is now encouraged. In fact, FAR 15.201(a) specifically promotes the exchange of information "among all interested parties, from the

earliest identification of a requirement through receipt of proposals." The limitations that apply (once a procurement is underway) are that prospective contractors be treated fairly and impartially and that standards of procurement integrity (FAR 3.104) be maintained. But the real key is to begin market research before a procurement is underway.

## Consider one-on-one meetings with industry.

While many may not realize it, one-on-one meetings with industry leaders are not only permissible – see Federal Acquisition Regulation 15.201(c)(4)–they are more effective than pre-solicitation or pre-proposal conferences. Note that when market research is conducted before a solicitation or performance work statement is drafted, the rules are different. FAR 15.201(f) provides, for example: "General information about agency mission needs and future requirements may be disclosed at any time." Since the requirements have not (or should not have) been defined, disclosure of procurement-sensitive information is not an issue.

It is effective to focus on commercial and industry best practices, performance metrics and measurements, innovative delivery methods for the required services, and incentive programs that providers have found particularly effective.

This type of market research can expand the range of potential solutions, change the very nature of the acquisition, establish the performance-based approach, and represent the agency's first step on the way to an "incentivized" partnership with a contractor.

## Look for existing contracts

FAR Part 10 requires that as part of market research, the Integrated Solutions Team must go to http://www.contractdirectory.gov to see if there is an existing contract available to meet agency requirements.

## Document market research

FAR Part 10 requires that a written market research report be placed in the contract file. The amount of research, given the time and expense should be commensurate with the size of the acquisition.

# 4 Develop PWS or SOO.

There are two ways to develop a specification for a performance-based acquisition: by using a performance work statement (PWS) or an emerging methodology built around a statement of objectives (SOO).

The PWS process is discussed in most existing guides on performance-based service contracting and in the Federal Acquisition Regulation. Among its key processes are the conduct of a job analysis and development of a performance work statement and quality assurance and surveillance plan... When people talk about performance-based contracting, this is typically the model they have in mind.

The alternative process -- use of a SOO -- is an emerging methodology that turns the acquisition process around and requires competing contractors to develop the statement of work, performance metrics and measurement plan, and quality assurance plan... all of which should be evaluated before contract award. It is described briefly in the Department of Defense "Handbook for Preparation of Statement of Work (SOW)" for example:

*The SOO is a Government prepared document incorporated into the RFP that states the overall solicitation objectives. It can be used in those solicitations where the intent is to provide the maximum flexibility to each offeror to propose an innovative development approach.*

The SOO is a very short document (e.g., under ten pages) that provides the basic, high-level objectives of the acquisition. It is provided in the solicitation in lieu of a government-written statement of work or performance work statement.

In this approach, the contractors' proposals contain statements of work and performance metrics and measures (which are based on their proposed solutions and existing commercial practices). Clearly, use of a SOO opens the acquisition up to a wider range of potential solutions. The Veterans Benefits Administration loan servicing acquisition discussed under step two and in this step was conducted (very successfully) using a SOO.

The integrated solutions team should consider these two approaches and determine which is more suitable:

- **Use of a PWS**
- **Use of a SOO**

## Tasks, Features, & Best Practices: Learn More

### PWS

- Conduct an analysis.
- Apply the "so what?" test.
- Capture the results of the analysis in a matrix.
- Write the performance work statement.
- Let the contractor solve the problem, including the labor mix.

### SOO

- Begin with the acquisition's "elevator message."
- Describe the scope.
- Write the performance objectives into the SOO.
- Make sure the government and the contractor share objectives.
- Identify the constraints.
- Develop the background.
- Make the final checks and maintain perspective.

See website for Additional Information

# Using a PWS

## Conduct an analysis.

Preparing a PWS begins with an analytical process, often referred to as a "job analysis." It involves a close examination of the agency's requirements and tends to be a "bottom up" assessment with "re-engineering" potential. This analysis is the basis for establishing performance requirements, developing performance standards, writing the performance work statement, and producing the quality assurance plan. Those responsible for the mission or program are essential to the performance of the job analysis.

A different approach to the analytical process is described in the "Guidebook for Performance-Based Services Acquisition (PBSA) in the Department of Defense." It describes three "analysis-oriented steps" that are "top down" in nature:

- Define the desired outcomes: *What must be accomplished to satisfy the requirement?*
- Conduct an outcome analysis: *What tasks must be accomplished to arrive at the desired outcomes?*
- Conduct a performance analysis: *When or how will I know that the outcome has been satisfactorily achieved, and how much deviation from the performance standard will I allow the contractor, if any?*

The integrated solutions team should consider the various approaches. Neither the OFPP nor DoD guide is mandatory; both describe an approach to analysis. (There are other guides and other approaches in the "seven steps" library as well.) Regardless of the analytical process adopted, the team's task under step four is to develop certain information:

- A description of the requirement in terms of results or outcomes
- Measurable performance standards
- Acceptable quality levels (AQLs)

The AQL establishes the allowable error rate or variation from the standard. OFPP's best-practices guide cites this example: In a requirement for taxi services, the performance standard might be "pickup within five minutes of an agreed upon time." The AQL then might be five percent; i.e., the taxi could be more than five minutes late no more than five percent of the time. Failure to perform within the AQL could result in a contract price reduction or other action.

With regard to performance standards and AQLs, the integrated solutions team should remember that an option is to permit contractors to propose standards of service, along with appropriate price adjustment or other action. This approach fosters a reliance on standard commercial practices. (Remember that all these points -- performance standards, quality levels, and price -- are negotiable.)

# Apply the "so what?" test.

*There is nothing so useless as doing efficiently that which should not be done at all.*
(Peter Drucker)

An analysis of requirements is often, by its nature, a close examination of the status quo; that is, it is often an analysis of process and "how" things are done... exactly the type of detail that is not supposed to be in a PWS. The integrated solutions team needs to identify the essential inputs, processes, and outputs during job analysis. Otherwise, the danger is that contractors will bid back the work breakdown structure, and the agency will have failed to solicit innovative and streamlined approaches from the competitors.

One approach is to use the "so what?" test during job analysis. For example, once job analysis identifies outputs, the integrated solutions team should verify the continued need for the output. The team should ask questions like: Who needs the output? Why is the output needed? What is done with it? What occurs as a result? Is it worth the effort and cost? Would a different output be preferable? And so on...

# Capture the results of the analysis in a matrix.

As the information is developed, the integrated solutions team should begin capturing the information in a performance matrix. The Department of Treasury guide, "Performance-Based Service Contracting" illustrates a six-column approach with the following:

- Desired Outcomes: What do we want to accomplish as the end result of this contract?
- Required Service: What task must be accomplished to give us the desired result? (Note: Be careful this doesn't become a "how" statement.)
- Performance Standard: What should the standards for completeness, reliability, accuracy, timeliness, customer satisfaction, quality and/or cost be?
- Acceptable Quality Level (AQL): How much error will we accept?
- Monitoring Method: How will we determine that success has been achieved?
- Incentives/Disincentives for Meeting or Not Meeting the Performance Standards:
- What carrot or stick will best reward good performance or address poor performance? [This reflects priced and unpriced adjustments based on an established methodology. Reductions can be made for reduced value of performance.]

The Treasury guide provides templates for help desk, seat management, systems integration, software development, and system design/business process re-engineering services.

The Department of Defense approach is very similar: take the desired outcomes, performance objectives, performance standards, and acceptable quality levels that have been developed during the analytical process and document them in a Performance Requirements Summary (PRS). The PRS matrix has five columns: performance objective, performance standard, acceptable quality level, monitoring method, and incentive. The PRS serves as the basis for the performance work statement.

# Write the performance work statement.

There is not a standard template or outline for a PWS. The Federal Acquisition Regulation only requires that agencies--

- Describe requirements in terms of results rather than process.
- Use measurable performance standards and quality assurance surveillance plans.
- Provide for reductions of fees or price.
- Include performance incentives where appropriate.

In terms of organization of information, a SOW-like approach is suitable for a performance work statement: introduction, background information, scope, applicable documents, performance requirements, special requirements (such as security), and deliverables. However, the team can adapt this outline as appropriate. Before finishing, there should be final checks:

- Examine every requirement carefully and delete any that are not essential.
- Search for process descriptions or "how" statements and eliminate them.

Many agencies have posted examples of performance-based solicitations that can provide some guidance or helpful ideas. (See LINKS section) However, since the nature of performance-based acquisition is (or should be) tied to mission-unique or program-unique needs, keep in mind that another agency's solution may not be a good model.

# Let the contractor solve the problem, including the labor mix.

**FIRST**, keep this important "lesson learned" in mind:
*Don't spec the requirement so tightly that you get the same solution from each offeror.*

**SECOND**, performance-based service acquisition requires that the integrated solutions team usually must jettison some traditional approaches to buying services... like specifying labor categories, educational requirements, or number of hours of support required. Those are "how" approaches. Instead, let contractors propose the best people with the best skill sets to meet the need and fit the solution. The government can then evaluate the proposal based both on the quality of the solution and the experience of the proposed personnel. In making the shift to performance-based acquisition, remember this:

*The significant problems we face cannot be solved at the same level of thinking we were at when we created them.*

(Albert Einstein)

The Department of Defense addresses this in the "Guidebook for Performance-Based Services Acquisition (PBSA) in the Department of Defense." The guide provides as follows:

*Prescribing manpower requirements limits the ability of offerors to propose their best solutions, and it could preclude the use of qualified contractor personnel who may be well suited for performing the requirement but may be lacking -- for example -- a complete college degree or the exact years of specified experience.*

For some services, in fact, such practices are prohibited. Congress passed a provision (section 813) in the 2001 Defense Authorization Act, now implemented in the FAR (with government-wide applicability, of course). It prescribes that, when acquiring information technology services, solicitations may not describe any minimum experience or educational requirements for proposed contractor personnel unless the contracting officer determines that needs of the agency either (1) cannot be met without that requirement or (2) require the use of other than a performance-based contract.

Remember that how the performance work statement is written will either empower the private sector to craft innovative solutions... or limit or cripple that ability.

# Using a SOO

As discussed previously, an alternative approach to development of the PWS is to develop a statement of objectives. There is no set format for a SOO, but one approach follows:

- Purpose
- Scope
- Period of Performance
- Place of Performance (if known, if required)
- Background
- Program Objectives
- Constraints (may include security, privacy, safety, and accessibility)

The Government-prepared SOO is usually incorporated into the RFP either as an attachment or as part of Section L. At contract award, the contractor-proposed statement of work (solution) can be incorporated by reference or integrated into Section C.

## Begin with the acquisition's "elevator message."

How many solicitations have you seen that begin with a statement like, "This is a solicitation for a time-and-materials contract." Or what about this one: "The purpose of this solicitation is to acquire information technology hardware, software, and services." Or this one (true story): "This is a performance-based specification to acquire services on a time-and-materials basis." In the context of performance-based acquisition, all are bad starts.

The first statement made in a statement of objectives should be an explanation of how the acquisition relates to the agency's program or mission need and what problem needs solving (as identified under step two).

For example, in a recent task order solicitation by the Veterans Benefits Administration, this statement was made:

*The purpose of this task order is to obtain loan servicing in support of VA's portfolio that will significantly improve loan guaranty operations and service to its customers.*

This simple statement was a signal that the acquisition had made a huge break from the predecessor contract, which had started with something like, "This is a requirement for information technology resources." The turnaround was the realization that the need was for loan servicing support services; technology was the enabler.

# Describe the scope.

A short description of scope in the SOO helps the competitors get a grasp on the size and range of the services needed. The Veteran's Benefits Administration's scope statement follows:

*The purpose of this [task order] is to provide the full range of loan servicing support. This includes such activities as customer management, paying taxes and insurance, default management, accounting, foreclosure, bankruptcy, etc., as well as future actions associated with loan servicing. This Statement of Objectives reflects current VA policies and practices, allowing offerors to propose and price a solution to known requirements. It is anticipated that specific loan servicing requirements and resulting objectives will change over the life of this order. This will result in VA modifying this order to incorporate in-scope changes.*

Another consideration for the integrated solutions team to consider is the budget authority (in dollars) available to fund the acquisition. In an acquisition approach as "wide open" as a statement of objectives, the competing contractors will need insight into funding authority so that they can size their solution to be both realistic and competitive. This may be listed as a constraint.

# Write the performance objectives into the SOO.

In step two, the task of the integrated solutions team was to "decide what problem needs solving." The basis for that analysis was information in the agency's strategic and annual performance plans, program authorization documents, budget documents, and discussions with project owners and stakeholders. That information constitutes the core of the statement of objectives.

In the case of the Veterans Administration, for example, the acquisition's performance objectives were set forth in this opening statement:

*VA expects to improve its current loan servicing operations through this task order in several ways. Primary among these is to increase the number and value of saleable loans. In addition, VA wants to be assured that all payments for such items as taxes and insurance are always paid on time. As part of these activities, the VA also has an objective to improve Information Technology information exchange and VA's access to automated information on an as required basis to have the information to meet customer needs and auditors' requirements.*

What is immediately obvious is that these are mission-related, measurable objectives.

# Make sure the government and the contractor share objectives.

When the acquisition's objectives are "grounded in" the plans and objectives found in agency strategic performance plans, program authorization documents, and budget and investment documents, then the government and the contractor are clearly working in a partnership toward shared goals. This is a far cry from the old-school acquisition approach, characterized by driving cost down and then berating the supplier to demand delivery. When the agency and the contractor share the same goals, the likelihood of successful performance rises dramatically.

# Identify the constraints.

The purpose of a SOO is to provide contractors with maximum flexibility to conceive and propose innovative approaches and solutions. However, in some cases, there may be constraints that the government must place on those solutions. For example, core financial systems used by federal agencies must comply with requirements of OMB Circular A-127 and the guidance of the Joint Financial Management Improvement Program. Acquisitions related to technology will need to conform to the agency's information technology architecture and accessibility standards. In addition, there may be considerations of security, privacy, and safety that should be addressed. There may also be existing policies, directives, and standards that are constraining factors. The integrated solutions team should work with program managers, staff, customers, and stakeholders to identify these and to confirm their essentiality.

# Develop the background.

The background and current environment set forth in a statement of objectives comprise important information for contractors. The Veterans Benefits Administration's statement of work included sections on—

- VA loan servicing history,
- Current VA Portfolio Origination/Acquisition Process, and
- Overview of the Current Servicing Process.

A best practice when using a SOO is to provide a brief overview of the program, listing links to web-delivered information on the current contract, government-controlled, government-furnished equipment, and a hardware configuration or enterprise architecture, as appropriate. The development of this information is essential so that contractors can perform meaningful due diligence.

# Make the final checks and maintain perspective.

Before finalizing the document, the integrated solutions team should examine the entire SOO carefully and delete anything that is not essential.

Even more so than performance work statements, it is extremely unlikely that another agency's SOO would prove very useful, but several examples are provided in the library. Since this is an emerging technique, the integrated solutions team should examine them critically. New processes take time to perfect... and require ongoing experimentation and innovation.

# 5 Decide How to Measure & Manage Performance.

Developing an approach to measuring and managing performance is a complex process that requires consideration of many factors: performance standards and measurement techniques, performance management approach, incentives, and more. This component of performance-based contracting is as important as developing the Statement of Work (SOW) or the Statement of Objectives (SOO), because this step establishes the strategy of managing the contract to achieve planned performance objectives.

## Tasks, Features, & Best Practices: Learn More

- Review the success determinants.
- Rely on commercial quality standards.
- Have the contractor propose the metrics and the quality assurance plan.
- Select only a few meaningful measures on which to judge success.
- Include contractual language for negotiated changes to the metrics and measures.
- Apply the contract-type order of precedence carefully.
- Use incentive-type contracts.
- Consider "award term."
- Consider other incentive tools.
- Recognize the power of profit as motivator.
- Most importantly, consider the relationship.

See website for Additional Information

# Review the success determinants.

In Step Two, the integrated solutions team established a vision of what will constitute success for the project by answering two distinct questions: Where do I want to go, and how will I know when I get there?

The task now is to build the overall performance measurement and management approach on those success determinants.

# Rely on commercial quality standards.

Rather than inventing metrics or quality or performance standards, the integrated solutions team should use existing commercial quality standards (identified during market research), such as International Standards Organization (ISO) 9000 or the Software Engineering Institute's Capability Maturity Models®.

ISO has established quality standards (the ISO 9000 series) that are increasingly being used by US firms to identify suppliers who meet the quality standards. The term "ISO 9001 2000" refers to a set of new quality management standards which apply to all kinds of organizations in all kinds of areas. Some of these areas include manufacturing, processing, servicing, printing, electronics, computing, legal services, financial services, accounting, banking, aerospace, construction, textiles, publishing, energy, telecommunications, research, health care, utilities, aviation, food processing, government, education, software development, transportation, design, instrumentation, communications, biotechnology, chemicals, engineering, farming, entertainment, horticulture, consulting, insurance, and so on.

The Carnegie Mellon Software Engineering Institute*, a Federally funded research and development center, has developed Capability Maturity Models® (CMM) to "assist organizations in maturing their people, process, and technology assets to improve long-term business performance." SEI has developed CMMs for software, people, and software acquisition, and assisted in the development of CMMs for Systems Engineering and Integrated Product Development:

- SW-CMM® Capability Maturity Model for Software
- P-CMM People Capability Maturity Model
- SA-CMM Software Acquisition Capability Maturity Model
- SE-CMM Systems Engineering Capability Maturity Model
- IPD-CMM Integrated Product Development Capability Maturity Model

The Capability Maturity Models express levels of maturation: the higher the number, the greater the level of maturity. There are five levels. Solicitations that require CMMs typically specify only level two or three.

The integrated solutions team can incorporate such commercial quality standards in the evaluation and selection criteria.

*Carnegie Mellon Software Engineering Institute, http://www.sei.cmu.edu/managing/

# Have the contractor propose the metrics and the quality assurance plan.

One approach is to require the contractor to propose performance metrics and the quality assurance plan (QAP) , rather than have the government develop it. This is especially suitable when using a SOO because the solution is not known until proposed. With a SOO, offerors are free to develop their own solutions, so it makes sense for them to develop and propose a QAP that is tailored to their solution and commercial practices. If the agency were to develop the QAP, it could very well limit what contractors can propose.

As the integrated solutions team considers what is required in a QAP, it may be useful to consider how the necessity for quality control and assurance has changed over time, especially as driven by acquisition reform. In short, QAPs were quite necessary when federal acquisition was dominated by low-cost selections. Think about the incentives at work: To win award but still protect some degree of profit margin, the contractor had to shave his costs, an action that could result in use of substandard materials or processes. With best-value selection and an emphasis on past-performance evaluation and reporting, entirely different incentives are at work.

The regulations have changed to some degree to reflect this reality. FAR 46.102 provides that contracts for commercial items "shall rely on a contractor's existing quality assurance system as a substitute for compliance with Government inspection and testing before tender for acceptance unless customary market practices for the commercial item being acquired permit in-process inspection."

Air Force Instruction 63-124 (1 April 1999) goes farther. Among others, the AFI suggests these considerations in implementing a quality management system:

- Tailor the system to management risks and costs associated with the requirement.
- Use source selection criteria that promise the most potential to reduce government oversight and ensure the government is only receiving and paying for the services required.
- Rely on customer feedback where contract nonconformance can be validated.
- Allow variation in the extent of oversight to match changes in the quality of the contractor's performance.
- Allow the contractor to perform and report on surveillance of services as part of their quality assurance system. Some form of oversight (government QA, third party audit) is needed to confirm surveillance results.

Remember the following key aspects. Performance metrics are negotiable and, wherever possible, address quality concerns by exception not inspection. Also, when contractors propose the metrics and the QAP, these become true discriminators among the proposals in best-value evaluation and source selection.

# Select only a few meaningful measures on which to judge success.

Whether the measures are developed by the proposing contractor or by the integrated solutions team, it is important to limit the measures to those that are truly important and directly tied to the program objectives. The measures should be selected with some consideration of cost. For example, the team will want to determine that the cost of measurement does not exceed the value of the information... and that more expensive means of measurement are used for only the most risky and mission-critical requirements.

The American Productivity and Quality Center website* states that performance measures come in many types, including economic and financial measures such as return on investment, and other quantitative and qualitative measures. "Organizations are investing energy in developing measures that cover everything from capital adequacy and inventory turns to public image, innovation, customer value, learning, competency, error rate, cost of quality, customer contact, perfect orders, training hours, and re-engineering results." Each measure should relate directly to the objectives of the acquisition.

# Include contractual language for negotiated changes to the metrics and measures.

One important step the integrated solutions team can take is to reserve the right to change the metrics and measures. One effective way to do this is for the agency and the contractor to meet regularly to review performance. The first question at each meeting should be, "Are we measuring the right thing?"

This requires that the contractual documents include such provisions as value engineering change provisions, share-in-savings options, or other provisions preserving the government's right to review and revise.

# Apply the contract-type order of precedence carefully.

Under law and regulation, there is an order of preference in contract types used for performance-based contracting, as follows:

(i) A firm-fixed price performance-based contract or task order.
(ii) A performance-based contract or task order that is not firm-fixed price.
(iii) A contract or task order that is not performance-based.

Agencies must take care implementing this order of precedence. Be aware that a firm-fixed price contract is not the best solution for every requirement. "Force fitting" the contract type can actually result in much higher prices as contractors seek to cover their risks.

*American Productivity and Quality Center website,
http://www.apqc.org/portal/apqc/site/generic;jsessionid=WBCE3AKIUEVARQFIAJICFEQ?path=/site/performance/overview.jhtml

This view is upheld by FAR 16.103(b) which indicates, "A firm-fixed-price contract, which best utilizes the basic profit motive of business enterprise, shall be used when the risk involved is minimal or can be predicted with an acceptable degree of certainty. However, when a reasonable basis for firm pricing does not exist, other contract types should be considered, and negotiations should be directed toward selecting a contract type (or combination of types) that will appropriately tie profit to contractor performance."

Clearly, the decision about the appropriate type of contract to use is closely tied to the agency's need and can go a long way to motivating superior performance -- or contributing to poor performance and results. Market research, informed business decision, and negotiation will determine the best contract type.

One final point: The decision on contract type is not necessarily either-or. Hybrid contracts -- those with both fixed-price and cost-type tasks -- are common.

## Use incentive-type contracts.

Although determining the type of contract to use is often the first type of incentive considered, it is important to understand that contract type is only part of the overall incentive approach and structure of a performance-based acquisition. Other aspects have become increasingly important as agencies and contractors have moved closer to partnering relationships.

Contract types differ in their allocation and balance of cost, schedule, and technical risks between government and contractor. As established by FAR Part 16 (Types of Contracts), contract types vary in terms of:

- The degree and timing of the risk and responsibility assumed by the contractor for the costs of performance, and

- The amount and nature of the profit incentive offered to the contractor for achieving or exceeding specified standards or goals.

The government's obligation is to assess its requirements and the uncertainties involved in contract performance and select from the contractual spectrum a contract type and structure that places an appropriate degree of risk, responsibility, and incentives on the contractor for performance.

At one end of the contractual spectrum is the firm-fixed-price contract, under which the contractor is fully responsible for performance costs and enjoys (or suffers) resulting profits (or losses). At the other end of the spectrum is the cost-plus-fixed-fee contract, in which allowable and allocable costs are reimbursed and the negotiated fee (profit) is fixed -- consequently, the contractor has minimal responsibility for, or incentive to control, performance costs. In between these extremes are various incentive contracts, including:

- *Fixed-price incentive contracts* (in which final contract price and profit are calculated based on

a formula that relates final negotiated cost to target cost): these may be either firm target or successive targets.

- *Fixed-price contracts with award fees* (used to "motivate a contractor" when contractor performance cannot be measured objectively, making other incentives inappropriate).
- *Cost-reimbursement incentive contracts* (used when fixed-price contracts are inappropriate, due to uncertainty about probable costs): these may be either cost-plus-incentive-fee or cost-plus-award-fee.

Use of certain types of incentives may be limited by availability of funds. Fortunately, there are other types of incentives that can tailored to the acquisition and performance goals, requirements, and risks. For example, agencies can also incorporate delivery incentives and performance incentives -- the latter related to contractor performance and/or specific products' technical performance characteristics, such as speed or responsiveness. Incentives are based on meeting target performance standards, not minimum contractual requirements. These, too, are negotiable.

## Consider "award term."

"Award term" is a contract performance incentive feature that ties the length of a contract's term to the performance of the contractor. The contract can be extended for "good" performance or reduced for "poor" performance.

Award term is a contracting tool used to promote efficient and quality contractor performance. In itself, it is not an acquisition strategy, nor is it a performance solution. As with any tool, its use requires careful planning, implementation, and management/measurement to ensure its success in incentivizing contractors and improving performance.

The award term feature is similar to award fee (FAR 16.405-2) contracting where contract performance goals, plans, assessments, and awards are made regularly during the life of a contract. Award term solicitations and contracts should include a base period (e.g., 3 years) and a maximum term (e.g., 10 years), similar to quantity estimates used in indefinite quantity/indefinite delivery contracts for supplies (FAR 16.504).

When applying the award term feature, agencies need to identify and understand the project or task:

- Conditions, constraints, assumptions, and complexities
- Schedule, performance, and cost critical success factors
- Schedule, performance, and cost risks

They also need to understand marketplace conditions and pricing realities. Only then can agencies establish meaningful and appropriate schedule, performance, and cost measures/parameters for a specific contract. These measures must be meaningful, accurate, and quantifiable to provide the right incentives and contract performance results. Specifics need to be incorporated and integrated in an award term plan.

Award term is best applied when utilizing performance or solution-based requirements where a

SOW or SOO describes the agency's required outcomes or results (the "what" and "when" of the agency's requirement) and where the contractor has the freedom to apply its own management and best performance practices (the "how" of the requirement) towards performing the contract. The award term plan must specify success measurement criteria, regarding how performance will be measured (i.e., defines what is "good" or "poor" performance) and the award term decision made.

There should also be a clear indication of the consequences of various levels of performance in terms of the contract's minimum, estimated, and maximum terms -- and the agency needs to be prepared to follow up with those consequences. If contractor performance is below the standard set, the contract ends at the completion of the base period. The agency must be prepared to re-procure in a timely fashion.

The effort applied in managing an award term contract after award is critical. Too often, agencies and contractors don't invest the right people (numbers and skills) and management attention during the contract performance phase. Managing contracts with features like award term is not a "last minute," incidental, or a fill-out-a-survey job. As in the case of its "sister" award fee approach, communication needs to be constant and clear with contractors, and not include so many evaluation elements that it dilutes the critical success factors.

## Consider other incentive tools.

Incentives can be monetary or nonmonetary. They should be positive, but include remedies, as appropriate, when performance targets or objectives are missed.

Creating an incentive strategy is much the same as crafting an acquisition strategy. There is no single, perfect, "one size fits all" approach; instead, the incentive structure should be geared to the acquisition, the characteristics of the marketplace, and the objectives the government seeks to achieve. While cost incentives are tied to a degree to contract-type decisions, there are other cost and noncost incentives for the integrated solutions team to consider, such as--

- Contract length considerations (options and award term)
- Strategic supplier alliances
- Performance-based payments
- Performance incentive bonus
- Schedule incentives
- Past performance evaluation
- Agency "supplier of the year" award programs
- Competitive considerations
- Nonperformance remedies
- Value engineering change provisions
- Share-in-savings strategies
- Letters of commendation

Remember that performance incentives are negotiable. Developing an incentive strategy is a "study

unto itself," and there are some excellent guides on the subject. See Step 5 Additional Information.

## Recognize the power of profit as motivator.

One of the keys to effective incentives involves recognizing... then acting on... the private sector's chief motivator: profit. It is a simple fact that companies are motivated by generating return for their investors. One contractor was heard to say, "You give us the incentive, we will earn every available dollar."

The real opportunity is to make that work to the government's advantage. For example, link the incentive program to the mutually agreed-to contract performance measures and metrics. Then, incorporate value engineering change provisions (VECP) or share-in-savings strategies that reward the contractor for suggesting innovations that improve performance and reduce total overall cost. Put more simply: Set up the acquisition so that a contractor and the government can benefit from economies, efficiencies, and innovations delivered in contract performance.

If the incentives are right, and if the contractor and the agency share the same goals, risk is largely controlled and effective performance is almost the inevitable outcome. This approach will help ensure that the contractor is just as concerned -- generated by self-interest in winning all available award fees and award terms -- about every element of contract performance, whether maximizing operational efficiency overall, reducing subcontract costs, or ensuring the adequacy of post-award subcontractor competition and reasonableness of prices, as is the agency.

## Most importantly, consider the relationship.

With regard to overall approach to contract performance management, the integrated solutions team should plan to rely less on management by contract and more on management by relationship. At its most fundamental level, a contract is much like a marriage. It takes work by both parties throughout the life of the relationship to make it successful. Consider, for example, the public-private partnership that was the Apollo Program. Other, more recent examples exist, but they all share the same common characteristics:

- Trust and open communication
- Strong leadership on both sides
- Ongoing, honest self-assessment
- Ongoing interaction
- Creating and maintaining mutual benefit or value throughout the relationship

There are several means to shift the focus from management by contract to management by relationship. For example, plan on meeting with the contractor to identify ways to improve efficiency and reduce the effect of the "cost drivers." Sometimes agencies require management reporting based on policy *without considering what the cost of the requirement is*. For example, in one contract, an agency required that certain reports be delivered regularly on Friday. When asked to recommend changes, the

contractor suggested that report due date be shifted to Monday because weekend processing time costs less. An example is requiring earned-value reporting on every contractual process. For tasks of lesser risk, complexity, and expense, a less costly approach to measuring cost, schedule, and performance can be used. This type of collaborative action will set the stage for the contractor and government to work together to identify more effective and efficient ways to measure and manage the program.

Another effective means is to establish a Customer Process Improvement Working Group that includes contractor, program, and contracting representatives. This works especially well when the integrated solutions team's tasks migrate into contract performance and they take part in the working group. These meetings should always start with the question, are we measuring the right thing?

For major acquisitions, the team can consider the formation of a higher-level "Board of Directors," comprised of top officials from the government and its winning partner, with a formal charter that requires continual open communication, self-assessment, and ongoing interaction.

*The intent to "manage by relationship" should be documented in a contract administration plan* that lays out the philosophies and approach to managing this effort, placing special emphasis on techniques that enhance the ability to adapt and incorporate changes.

# 6 Select the right contractor.

Developing an acquisition strategy that will lead to selection of the "right contractor" is especially important in performance-based acquisition. The contractor must understand the performance-based approach, know or develop an understanding of the agency's requirement, have a history of performing exceptionally in the field, and have the processes and resources in place to support the mission. This goes a long way to successful mission accomplishment. In fact, selecting the right contractor and developing a partnership automatically solves many potential performance issues.

Keep in mind that large businesses have not "cornered the market" on good ideas. Small firms can be nimble, quick thinking, and very dedicated to customer service. While there is a cost in proposing solutions, a small business with a good solution can win performance-based awards.

Also, do not think you are limited to companies that specialize in the federal market. Information obtained from market research sessions has shown that often commercial companies — or commercial divisions of companies that do federal and commercial business -- have significantly more experience with performance-based service delivery methods and techniques.

While there are many aspects to crafting an acquisition strategy, among the most important for performance-based acquisition are to "compete the solution," use downselection and "due diligence," evaluate heavily on past performance information, and make a best-value source selection decision.

## Tasks, Features, & Best Practices: Learn More

- Compete the solution
  Use downselection and "due diligence."
- Use oral presentations and other opportunities to communicate.
- Emphasize past performance in evaluation.
- Use best-value evaluation and source selection.
- Assess solutions for issues of conflict of interest.

See website for Additional Information

# Compete the solution.

Too many government-issued statements of work try to "solve the problem." In such cases, the agency issues a detailed SOW, often with the assumption that "the tighter the spec the better," without realizing that this approach increases the government's risk.* The agency SOW establishes what to do, how to do it, what labor categories to provide, what minimum qualifications to meet, and how many hours to work. The agency then asks vendors to respond with a "mirror image" of the specifications in the proposal. The result is that the "competing" vendors bid to the same government-directed plan, and the agency awards the contract to the company with the best proposal writers... not the best ideas.

So the first key to selecting the right contractor is to structure the acquisition so that the government describes the problem that needs to be solved and vendors compete by proposing solutions. The quality of the solution and the contractor-proposed performance measures and methodology then become true discriminators in best-value evaluation.

# Use downselection and "due diligence."

Responding to a performance-based solicitation, especially a SOO that seeks contractor-developed solutions, is substantial work for contractors. Likewise, evaluation of what may be significantly different approaches or solutions is much more substantial work for the integrated solutions team. The team will have to understand the contractor-proposed solutions, assess the associated risks and likelihood of success, identify the discriminators, and do the best-value tradeoff analysis.

Because of this, the acquisition strategy should consider some means of "downselection," so that only those contractors with a significant likelihood of winning award will go through the expense of developing proposals. As to the integrated solutions team, evaluating dozens of solution-type proposals would be overly burdensome.

"Downselection" is a means of limiting the competitive pool to those contractors most likely to offer a successful solution. There are four primary means of downselection in current acquisition methodology: using the Federal Supply Service (FSS) Multiple Award Schedule (MAS) competitive process, using the "fair opportunity" competitive process under an existing Government-wide Agency Contract (GWAC) or multiple-award contract (MAC), using the multistep advisory process in a negotiated procurement, or using a competitive range determination in a negotiated procurement. All these methods provide a means to establish a small pool of the most qualified contractors, competing to provide the solution.

Once the competing pool of contractors is established, those contractors enter a period called due diligence. "Due diligence" is used in acquisitions to describe the period and process during which competitors take the time and make the effort to become knowledgeable about an agency's needs in order to propose a competitive solution. It usually includes site visits, meetings with key agency people, and research and analysis necessary to develop a competitive solution tailored to agency requirements.

* This is because if the government specifications are not accurate or feasible, any increase in cost or time is at government expense.

During this time, the competing contractors must have access to the integrated solutions team and program staff so that the contractors can learn as much as possible about the requirement. It is a far more open period of communication than is typical in more traditional acquisitions.

## Use oral presentations and other opportunities to communicate.

One streamlining tool that eases the job of evaluation is the use of oral presentations (characterized by "real-time interactive dialogue"). These presentations provide information about the contractor's management and/or technical approach that the integrated solutions team will use in evaluation, selection, and award.

Oral presentations provide "face time," permitting the integrated solutions team to assess prospective contractors. Agencies have said that oral presentations remove the "screen" that professional proposal writers can erect in front of the contractor's key personnel. The integrated solutions team should take full advantage of "face time" by requiring that the project manager and key personnel (those who will do the work) make the presentations. This gives agency evaluators an opportunity to see part of the vendor-proposed solution team, to ask specific questions, and to gauge how well the team works together and would be likely to work with the agency.

Oral presentations can lay out the proposed solution and the contractor's capability and understanding of the requirement. Oral presentations *may substitute for, or augment, written information.* However, it's important to remember that statements made in oral presentations are not binding unless written into the contract. Note that oral presentations should be recorded in some way.

Communication with offerors is an important element of selecting the right contractor. Despite this fact, it is "trendy" in negotiated procurements to announce the intent to award without discussions. Given the complexities associated with performance-based proposals (i.e., different approaches and different performance metrics), it is nearly impossible to award without conducting discussions. While it may reduce time, it is important to use discussions to fully understand the quality of the solution, the pricing approach, incentive structure, and even the selection itself.

## Emphasize past performance in evaluation.

A contractor's past performance record is arguably the key indicator for predicting future performance. As such, it is to the agency's advantage to use past performance in evaluating and selecting contractors for award. Evaluation of past performance is particularly important for service contracts. Properly conducted, the collection and use of such information provides significant benefits. It enhances the government's ability to predict both the performance quality and customer satisfaction. It also provides a powerful incentive for current contractors to maximize performance and customer satisfaction.

Past performance information can come from multiple sources. The two most familiar methods are asking the offerors to provide references and seeking information from past performance information

databases. The Past Performance Information Retrieval System, or PPIRS, is the Government-wide repository for past performance information. It ties together a number of data bases formerly independent of one another. (Reference: http://www.ppirs.gov.)

There are other means of obtaining past performance information for evaluation. One very important means is through market research. Call counterparts in other agencies with similar work and ask them for the names of the best contractors they've worked with. Are there industry awards in the field of work? Who has won them? In fact, ask offerors to identify their awards and events of special recognition. Look for industry quality standards and certifications, such as ISO 9000 and SEI CMM® (discussed in Step Five). Ask offerors what they do to track customer satisfaction and to resolve performance issues. Is there an established and institutionalized approach? In short, the integrated solutions team must take past performance more seriously than just calling a few references. Make the answers to these questions part of the request for proposals. Rather than have a separate past performance team, integrate this evaluation into the technical and management proposal evaluation effort.

When used in the source selection evaluation process, past performance evaluation criteria must provide information that allows the source selection official to compare the "quality" of offerors against the agency requirement and assess the risk and likelihood of success of the proposed solution and success of contractor performance. This requires the information to be relevant, current and accurate. For example, the information requested of the contractor and evaluated by the integrated solutions team should be designed to determine how well, in contracts of similar size, scope and complexity, the contractor--

- Conformed to the contract requirements and standards of good workmanship.
- Adhered to contract schedules.
- Forecasted and controlled costs.
- Managed risk.
- Provided reasonable and cooperative behavior and commitment to customer satisfaction.
- Demonstrated business-like concern for the interest of the customer.

The answers to the above list provide the source selection authority with information to make a comparative assessment for the award decision.

# Use best-value evaluation and source selection.

"Best value" is a process used to select the most advantageous offer by evaluating and comparing factors in addition to cost or price. It allows flexibility in selection through tradeoffs which the agency makes between the cost and non-cost evaluation factors with the intent of awarding to the contractor that will give the government the greatest or best value for its money.

Note that "the rules" for the best-value and tradeoff process (and the degree of documentation required) depend on two factors: the rules for the specific acquisition process being used and the rules the agency sets in the solicitation. For example, when conducting a negotiated procurement, the

complex processes of FAR Subpart 15.1, "Source Selection Processes and Techniques," and FAR Subpart 15.3, "Source Selection," apply. When using Federal Supply Schedule contracts, the simpler provisions at FAR 8.404 apply. However, if the agency writes FAR 15-type rules into a Request for Quote under Federal Supply Schedule contracts, the rules in the RFQ control.

The integrated solutions team should consider including factors such as the following in the evaluation model:

- Quality and benefits of the solution
- Quality of the performance metrics and measurement approach
- Risks associated with the solution
- Management approach and controls
- Management team (limited number of key personnel)
- Past performance (how well the contractor has performed)
- Past experience (what the contractor has done)

The General Accounting Office acknowledges broad agency discretion in selection; therefore, the integrated solution team evaluators and the source selection authority should expect to exercise good judgment. Quite simply, best-value source selection involves subjective analysis. It cannot, and should not, be reduced to a mechanical, mathematical exercise. The following, derived from GAO protest decision B-284270, reflects just how broad agency discretion is.

- Source selection officials have broad discretion to determine the manner and extent to which they will make use of the technical and price evaluation results in negotiated procurements.

- In deciding between competing proposals, price/technical tradeoffs may be made; the propriety of such tradeoffs turns not on the difference in technical scores or ratings per se, but on whether the source selection official's judgment concerning the significance of that difference was reasonable and adequately justified in light of the RFP evaluation scheme.

- The discretion to determine whether the technical advantages associated with a higher-priced proposal are worth the price premium exists notwithstanding the fact that price is equal to or more important than other factors in the evaluation scheme.

- In a best-value procurement, an agency's selection of a higher-priced, higher-rated offer should be supported by a determination that the technical superiority of the higher-priced offer warrants the additional cost involved.

# Assess solutions for issues of conflict of interest.

An "organizational conflict of interest" exists when a contractor is or may be unable or unwilling to

provide the government with impartial or objective assistance or advice. An organizational conflict of interest may result when factors create an actual or potential conflict of interest on a current contract or a potential future procurement.

While concerns about organizational conflict of interest are important, they should be tempered by good business sense. For example, sometimes software development is done in stages. Organizational conflict of interest would suggest that the contractor that does the initial systems design work be precluded from the follow-on code development due to unfair competitive advantage. However, this would also mean that the agency is excluding from consideration the contractor with the best understanding of the requirement. In this case, perhaps the acquisition approach should be reconsidered to allow the definer of the requirements to continue with the development.

# 7 Manage Performance.

The final step of the seven steps of performance-based acquisition is the most important. Unlike legacy processes where the contract is awarded and the team disperses, there is a growing realization that "the real work" of acquisition is in contract management. This requires that agencies allocate sufficient resources, in both the contracting or program offices, to do the job well.

This is largely a problem of resource allocation and education. Again, legacy processes are much to blame. Many contracting staff learned their job when the culture was to maintain an arm's length distance (or more) from contractors... and, by all means, limit the amount of contact the contractor has with program people. That approach won't work in today's environment and especially not in performance-based acquisition. The contractor must be part of the acquisition team itself... a reality recognized by the guiding principles of the federal acquisition system. FAR 1.102(c) provides:

*The Acquisition Team consists of all participants in Government acquisition including not only representatives of the technical, supply, and procurement communities but also the customers they serve, and the contractors who provide the products and services.*

Effective contract management is a mission-critical agency function. This goes to the heart of the need to maintain sufficient core capability in the federal government to manage its programs. If the contractor is flying blind in performance, then the agency will soon fly blind and without landing gear when the contract is over.

## Tasks, Features, & Best Practices: Learn More

- Keep the team together.
- Adjust roles and responsibilities.
- Assign accountability for managing contract performance.
- Add the contractor to the team at a formal "kick-off" meeting.
- Regularly review performance in a Contract Performance Improvement Working Group.
- Ask the right questions.
- Report on the contractor's "past performance."

See website for Additional Information

This step, contract performance, is guided far less by law, regulation, and policy than those described in the preceding steps. To a large degree, the management of contract performance is guided by the contract's terms and conditions and is achieved with the support of the business relationships and communications established between the contractor and the integrated solutions team. It is in the best interest of all parties concerned that the contract be successful.

# Keep the team together.

To be successful in performance-based acquisition, the agency must retain at least a core of the integrated solutions team on the project for contract management. Those on the team have the most knowledge, experience, and insight into what needs to happen next and what is expected during contract performance. Contract award is not the final measure of success. Effective and efficient contract performance that delivers a solution is the goal. The team should stay together to see that end reached.

Acquisition team members are expected to *collaborate* with all requisite external organizations in order to provide the best possible service to the citizens. The most notable example, 20 years on the making, is the USDA's food stamp program. The federal government collaborated with state and local governments, banks, and supermarkets to move away from the paper food stamps to debit cards. This has not only helped ease the "stigma" of the food stamps but has significantly reduced fraud.

# Adjust roles and responsibilities.

Often the members of the acquisition team take on new roles during the contract performance phase. Typically, these responsibilities are shared between the program office and contracting office.

Given that the purpose of any acquisition (in part) is "to deliver on a timely basis the best value product or service to the customer" (as provided in FAR 1.102), meeting this objective requires the continued involvement of the program office in duties classified as contract administration as well as those more accurately described as program (or project) management.

Program management is concerned with maintaining the project's strategic focus and monitoring and measuring the contractor's performance. The integrated solutions team is ultimately responsible for ensuring that the contractor performs on time and within budget. On smaller acquisitions, the contracting officer's technical representative (COTR) may fill this role.

Contract administration involves the execution of the administrative processes and tasks necessary to see that the contractual requirements are met, by both contractor and agency. FAR Subpart 42.3 identifies the numerous but specific contract administration functions that may be delegated by the contracting office to a contract administration office, and in turn to a specific individual.

# Assign accountability for managing contract performance.

Just as important as keeping the team together is assigning roles and responsibilities to the parties. Contracting officers have certain responsibilities that can't be delegated or assumed by the other members of the team. These include, for example, making any commitment relating to an award of a task, modification, or contract; negotiating technical or pricing issues with the contractor; or modifying the stated terms and conditions of the contract. Some roles and responsibilities are decreed... for example, agencies are required to establish capability and training requirements for contracting officers technical representatives (COTRs).

Make sure the people assigned the most direct roles for monitoring contract performance have read

and understand the contract and have the knowledge, experience, skills, and ability to perform their roles. In performance-based organizations, they are held accountable for the success or failure of the program they lead. They should know the program needs in depth, understand the contractor's marketplace, have familiarity with the tools the contractor is using to perform, have good interpersonal skills... and the capability to disagree constructively.

Enhanced professionalism in contract performance management is on the horizon. In November 2003, the Services Acquisition Reform Act (SARA) was passed with a number of noteworthy provisions. Share-in-savings contracting is authorized for all types of acquisitions. See www.gsa.gov/shareinsavings. A fund is to be established in FY2005 to ensure Government program managers are properly trained and certified to manage large projects. Certified project managers' names will appear on OMB Form 300 submissions. See www.pubklaw.com/legis/SARA2003ssa.pdf. Information on certification programs can be found at www.pmi.org. These requirements are part of a larger effort to link budget to performance, and to improve project management in order to reduce or eliminate wasteful spending.

## Add the contractor to the team at a formal "kick-off" meeting.

It is often advisable -- and sometimes required by the contract -- to conduct a "kick-off meeting" or, more formally, a "post-award conference," attended by those who will be involved in contract performance. Even though a post-award conference may not be required by the contract, it is an especially good idea for performance-based contracts. This meeting can help both agency and contractor personnel achieve a clear and mutual understanding of contract requirements and further establish the foundation for good communications and a win-win relationship.

It is very important that the contractor be part of the integrated solutions team, and that agency and contractor personnel work closely together to fulfill the mission and program needs.

## Regularly review performance in a Contract Performance Improvement Working Group.

Performance reviews should take place regularly, and that means much more than the annual "past performance" reviews required by regulation. These are contract management performance reviews, not for formal reporting and rebutting, but for keeping the project on course, measuring performance levels, and making adjustments as necessary. For most contracts, monthly or bi-monthly performance reviews would be appropriate. For contracts of extreme importance or contracts in performance trouble, more frequent meetings may be required.

Measuring and managing a project to the attainment of performance goals and objectives requires the continued involvement of the acquisition team, especially the program manager. It also requires considerable involvement by the acquisition team's new members -- contractor personnel.

# Ask the right questions.

It is important to keep the focus of the meetings on improving performance, not evaluating people. Each meeting should start with the questions, "Are we measuring the right thing?" and "How are we doing?" It is important to continually revisit the success measures the team identified during Step Two. Other important questions are--

- Is the acquisition achieving its cost, schedule, and performance goals?
- Is the contractor meeting or exceeding the contract's performance-based requirements?
- How effective is the contractor's performance in meeting or contributing to the agency's program performance goals?
- Are there problems or issues that we can address to mitigate risk?

There should be time in each meeting where the agency asks, "Is there anything we are requiring that is affecting the job you can do in terms of quality, cost, schedule, or delivering the solution?" Actions discussed should be recorded for the convenience of all parties, with responsibilities and due dates assigned.

# Report on the contractor's “past performance”

There are many types of performance reporting that may be required of the integrated solutions team. For example, agency procedures may establish special requirements for acquisition teams to report to the agency's investment review board regarding the status of meeting a major acquisition's cost, schedule, and performance goals (as required by the Federal Acquisition Streamlining Act). The team may also be responsible for performance reporting under the Government Performance and Results Act, if the contractor's performance directly supports a GPRA performance goal. Refer to internal agency guidance on these processes.

However, one type of performance reporting requirement -- evaluation of the contractor's performance -- is dictated by the contract terms and conditions and by FAR 42.15. This requirement is generally referred to as past-performance evaluation.

The FAR now requires that agencies evaluate contractor performance for each contract in excess of $100,000. The performance evaluation and report is shared with the contractor, who has an opportunity to respond before the contracting officer finalizes the performance report. In well managed contracts, there has been continual feedback and adjustment, so there should be no surprises on either side.

# Conclusion

The intent of this guide is to make the subject of performance-based acquisition accessible and logical for all and shift the paradigm from traditional "acquisition think" into one of collaborative, performance-oriented teamwork with a focus on program performance, improvement, and innovation, not simply contract compliance. Performance-based acquisition offers the potential to dramatically transform the nature of service delivery, and permit the federal government to tap the enormous creative energy and innovative nature of private industry.

*Let the acquisitions begin!*

## LIST OF WORK SCOPE ELEMENTS

These are the work scope elements referred to in Section L.

**FUNCTIONAL AREA ONE (1) – SYSTEMS OPERATIONS AND MAINTENANCE**

(1) Chief Knowledge Officer (CKO) Support
(2) Configuration Management and Licensing
(3) Database Design and Administration and Data Storage Management
(4) E-Business Planning and Support
(5) Electronic Commerce (EC) and Electronic Data Interchange Support
(6) Emerging Technologies
(7) Independent Verification and Validation
(8) Information Architecture Analysis and Web Object Indexing
(9) Information Management Life Cycle Planning/Support
(10) Integration Support
(11) Internet S
(12) ystem Architecture and Webmaster Support
(13) Mainframe/Data Processing System Support
(14) Media/Training Center/Video Teleconferencing Support
(15) Network Support (including Interdepartmental Data Network (IDN), Local Area Networks (LAN), Wide Area Networks (WAN), Internet access, etc.)
(16) Office Automation Support/Help Desk Support
(17) Performance Measures and Metrics Planning
(18) Seat Management
(19) Section 508 Compliance Assistance
(20) Supply Chain Management (Logistics)
(21) Systems Management Support
(22) Technical Support
(23) Telemedicine
(24) Test and Evaluation Support
(25) Training, Training Development, and Training Center Support (including Computer Based Training)
(26) Virtual Data Center
(27) Anti-Virus Management Service
(28) Biometrics
(29) Computer Security Awareness, and Training
(30) Disaster Recovery, Continuity of Operations, and Contingency Planning
(31) Hardware and Software Maintenance and /or Licensing
(32) Independent Verification and Validation (Security)
(33) Managed E-Authentication Service
(34) Managed Firewall Service
(35) Privacy Data Protection

(36) Public Key Infrastructure (PKI)
(37) Secure Managed Email Service (SMEMS)
(38) Security Certification and Accreditation
(39) Systems Vulnerability Analysis/Assessment and Risk Assessment

## C.11.2 FUNCTIONAL AREA TWO (2) – INFORMATION SYSTEMS ENGINEERING

(1) System and Software Design, Development, Engineering, and Integration
(2) Information Technology (IT) Strategic Planning, Program Assessment, and Studies
(3) Automated Workflow System Development and Integration
(4) Business Process Reengineering (BPR)
(5) Chief Information Officer (CIO) Support
(6) Global Information Systems
(7) Software Life Cycle Management (SLCM)
(8) Software Engineering (SWE)
(9) Customer Relationship Management
(10) Information Technology Architecture (ITA) Support
(11) Infrastructure Quality Assurance
(12) Instructional Design, and Modeling & Simulation
(13) SCE/CMM/CMMI Analyses and Implementation Support
(14) Anti-Virus Management Service
(15) Biometrics
(16) Computer Security Awareness, and Training
(17) Disaster Recovery, Continuity of Operations, and Contingency Planning
(18) Hardware and Software Maintenance and /or Licensing
(19) Independent Verification and Validation (Security)
(20) Managed E-Authentication Service
(21) Managed Firewall Service
(22) Privacy Data Protection
(23) Public Key Infrastructure (PKI)
(24) Secure Managed Email Service (SMEMS)
(25) Security Certification and Accreditation
(26) Systems Vulnerability Analysis/Assessment and Risk Assessment