BEST PRACTICES FOR MULTIPLE AWARD TASK AND DELIVERY ORDER CONTRACTING

Office of Federal Procurement Policy (OFPP)
Office of Management and Budget (OMB)
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FOREWORD

This is the fourth in a series of publications discussing best practices developed by the Office of Federal Procurement Policy (OFPP). This interim document contains our current views on best practices in the use of task and delivery order contracts, in particular multiple award contracts, as authorized by the Federal Acquisition Streamlining Act (FASA). These contracts are commonly known as indefinite delivery/indefinite quantity (ID/IQ) or umbrella contracts. These contracts allow the government to acquire an indefinite quantity, within stated limits, of supplies or services during a fixed period, with deliveries or performance to be scheduled by placing orders with the contractor. Throughout this document, the term "multiple award contracts" has the same meaning as "multiple award task and delivery order contracts." (These contracts should be distinguished from the multiple award contracts awarded under the General Services Administration's (GSA's) Federal Supply Schedule Program.)

Agencies have gained a great deal of experience using single award ID/IQ or task order contracts. FASA now authorizes the use of multiple award task and delivery order contracts. Thanks to the clarification provided in FASA, agencies can now use these contracts with greater confidence, and, at the same time, realize the benefits of an ongoing competitive environment throughout the duration of the contract while minimizing the delays of conducting a separate procurement for each requirement.

To help agencies better understand this contracting approach, this interim document highlights best practices in key phases of the multiple award contracting process including, among other areas, the "fair opportunity to be considered" requirement and streamlined ordering processes. Many of the examples and best practices pertain to the information technology industry. These practices may or may not be applicable to other industries, but agencies are encouraged to use them, as appropriate.

We plan to issue the final edition once we have additional information on best practices and lessons learned from agencies' use of these contracts. These practices are not mandatory. Instead they are techniques that may help contracting officials take advantage of the flexibilities authorized by FASA when using multiple award task and delivery order contracts.

We thank the procurement and program officials from the major departments and agencies, as well as industry officials, who provided information on their experiences using task and delivery order contracts. Their input helped to form the basis for this interim document. In addition, we thank the interagency Multiple Award Contracting Team for sharing their experiences and providing information on their contracts. The interagency team was also instrumental in ensuring that the regulatory guidance in the Federal Acquisition Regulation (FAR) conformed to the FASA authority.

Copies of this publication may be obtained from the Executive Office of the President's Publications Office by calling 202-395-7332, or writing the Office of Publications, 725 17th Street, NW, Room 2200, New Executive Office Building, Washington, DC 20503. The publication will also be available through the Internet on the Acquisition Reform Network (ARNet) at www.arnet.gov.

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SUMMARY OF BEST PRACTICES

Best Practices

- During acquisition planning, COs, program officials, and industry should work together to develop a clear statement of work.
- Continuously seek contractor input to improve the efficiency and effectiveness of the ordering process.
- Make a reasonable number of awards which ensures competition but keeps the ordering process from being overly burdensome.
- Use an interactive solicitation development process to:
  - Shorten RFP development from months to days;
  - Increase communication between industry and government; and
  - Increase understanding of the requirements through a dynamic interactive approach.
- Use simplified procedures and award documentation when issuing orders under multiple award contracts.
- The use of performance-based work statements should result in more task orders being fixed-priced.
- Consider using oral presentations to reduce lead time and contractors' proposal preparation costs. Use good

judgement to ensure that travel costs do not become excessive.

- Plan ahead for oral presentations to allow sufficient time for scheduling of conference room space and evaluators attendance.
- If written technical proposals are required, use page limitations.
- Developing publications which describe the fair opportunity and ordering process helps when multiple award contracts are issued for multi-agency use.
- Past performance on earlier tasks under the multiple award contract, including past performance on cost or price control, may be used to determine which awardees should be considered for future tasks.
- Good communication between the contracting office and program/technical office is essential when determining fair opportunity.
- Technical/program personnel involved in the fair opportunity process should be well trained in the use of multiple award task and delivery order contracting.
- Establishing an automated system to manage task order issuance makes the process more efficient.
- Convene periodic meetings with awardees to discuss administrative matters, future requirements, and needed improvements in the ordering process.

CHAPTER 1
OVERVIEW

This interim publication provides information on key phases of multiple award task and delivery order contracting. Each chapter addresses specific topics and, as appropriate, offers "best practices" at the end of each topical discussion. Please note that the "best practices" are gleaned from the information preceding their placement.

Chapter Two offers an overview of the FASA provisions on task and delivery order contracting, a discussion of the relationship of the FASA authority to other contracting authorities, and discussion on the appropriate use of single awards as opposed to multiple award contracts. This chapter also highlights the fact that multiple award contracting is a flexible contracting tool used by agencies to buy products and services ranging from information technology to training and management assistance support. If more information is desired on specific multiple award contracts, please contact the appropriate agency point of contact identified in Appendix 1.

Chapter Three provides information on structuring multiple award contracts. The chapter discusses developing the statement of work and encourages contracting and program officials to work together during acquisition planning to develop clear work statements. Discussion of the solicitation provisions for multiple award contracts, and the importance of including the ordering procedures and the fair opportunity to be considered criteria in the solicitation, is included. The chapter also provides information on techniques to streamline the development of the solicitation, information on pricing, and ways to improve small business participation in task and delivery order contracts. The last section of the chapter suggests streamlining techniques that can be used to simplify and expedite award of the multiple award contract.

Chapter Four, which addresses ordering procedures, highlights the importance of using performance-based statements of work for orders. The chapter cautions agencies against issuing work orders under task orders. There is a brief discussion on the responsibility of the servicing and ordering agencies when the servicing agency delegates contracting authority to the ordering agency for order placement. Streamlined ordering techniques, such as the use of oral presentations and the use of past performance as an evaluation factor, are discussed, as well as the importance of handbooks, standard forms, and conferences. At the end of the chapter is a brief discussion pertaining to contractor recovery of proposal preparation costs when contractors submit proposals in response to task and delivery requirements.

Chapter Five provides information on the "fair opportunity to be considered" requirement. It highlights the flexibilities agencies have in developing the criteria that provide awardees a fair opportunity to be considered for orders under multiple award contracts. Also, it includes a discussion on the exceptions to the fair opportunity to be considered process with guidance on how the minimum guarantee can be used. This chapter encourages the involvement of customers and program officials in the fair opportunity process. It also examines the fair opportunity process when buying Commercial-off-the-Shelf (COTS) products as opposed to services. Finally, this chapter presents examples of

how various agencies are implementing the "fair opportunity to be considered" requirement.

Chapter Six addresses administration of multiple award contracts. It primarily focuses on task order surveillance and evaluation, examples of contract administration techniques, and the role of the ombudsman.

Chapter Seven briefly concludes by encouraging agencies to take advantage of the flexibilities available when using multiple award task and delivery order contracts.

This document includes five appendices. Appendix 1 is a list of multiple award contracts and a person to contact for additional information. Appendix 2 illustrates the fair opportunity for consideration approach used in the Defense Enterprise Integration Services II (DEIS II) multiple award contracts. Appendix 3 is a sample task order evaluation form used to collect contractor performance information. Appendix 4 contains a Federal Acquisition Institute (FAI) flowchart which describes the task order contracting and ordering process. Appendix 5 lists the acronyms used in this document.

CHAPTER 2
BACKGROUND

Impact of FASA

Prior to FASA, agencies used large single award (umbrella) ID/IQ contracts to avoid: (1) delays associated with awarding several individual contracts for each requirement and conducting recompetitions, and (2) the legal challenges of using multiple award contracts. A single award ID/IQ contract often makes it difficult for the government to secure the same price reductions and contractor performance improvements that would occur if the contractor was competing against other qualified contractors throughout the contract.

The Acquisition Law Advisory Panel, in its 1993 report to Congress, concluded that many government requirements would be unnecessarily delayed unless agencies had the clear flexibility to enter into delivery order contracts for products and task order contracts for services. These contracts allow detailed requirements, definite dollar value, and the timing of work to be accomplished by issuing orders as needs arise during the life of the contract. The Panel recommended that task order and delivery order contracts be authorized by statute.

Congress recognized that significant procurement reforms could not be accomplished without giving agencies flexible contracting tools. Therefore, FASA provided this flexibility by codifying agencies' existing practices of using task order and delivery order contracts, establishing a "general" preference for use of multiple awards, and making the use of multiple awards mandatory for advisory and assistance services contracts exceeding $10 million and three years in duration. FASA:

- authorizes the use of broad statements of work that generally describe the government's requirement for supplies or services,
- authorizes deletion of the public notice requirement when placing orders,
- limits protests in connection with the issuance of orders except on the grounds that the order increases the scope, period, or maximum value of the contract, and
- mandates that multiple awardees have a fair opportunity to be considered for orders in excess of $2,500.

Implementing guidelines are set forth in FAR Subpart 16.5.

Relationship to Other Contracting Authorities

The FASA authority to award task and delivery order contracts, including the preference for multiple awards, does not limit, impair, or restrict the authority of GSA to enter into schedule, multiple award, or task or delivery order contracts under any other provision of law. Therefore, GSA regulations, and the guidance in FAR Subpart 8.4 and Part 38 pertaining to the Federal Supply Schedule program, take precedence over the Subpart 16.5 guidance. The multiple award preference does not apply to architect-engineer contracts subject to the procedures in Subpart 36.6. However, agencies are not precluded from making multiple awards for architect-engineering services provided the selection of contractors and placement of orders is consistent with Subpart 36.6.

Multiple Award Contracts vs. Single Award Contracts

In order for agencies to take continuous advantage of the benefits of competition after contract award, FASA provides that agencies may make multiple awards of task and delivery order contracts for the same or similar supplies or services (and from the same solicitation) to two or more sources. The use of multiple award contracts allows agencies to take continuous advantage of the competitive forces of the commercial marketplace which will result in lower prices, better quality, reduced time from requirements identification to award, and improved contractor performance in satisfying customer requirements.

Agencies should note that, with the exception of the requirement for mandatory use of multiple award contracts for advisory and assistance services, the "preference" for multiple award contracts is just that, a preference. FASA recognizes that single award contracts may be preferable in some situations. The implementing regulations provide a range of available exceptions and make clear that the contracting officer (CO) is expected to make a sound business decision as to whether single or multiple awards may be more advantageous to the government. No separate written determination is necessary when the determination to make a single award is contained in a written acquisition plan or when a class determination has been made. Single award contracts may be made (for other than advisory and assistance services awards exceeding $10 million and three years) if the CO determines that:

- tasks to be ordered are so integrally related that only a single contractor can reasonably perform the work;
- more favorable terms and conditions, including pricing, can be secured under a single award;
- only one contractor is capable of providing performance at the level of quality required because the supplies/services are so unique or highly specialized;
- the cost of administration of multiple contracts outweighs any potential benefits;
- the estimated contract value is less than the simplified acquisition threshold; or,
- multiple awards are not in the best interest of the government.

FASA mandates multiple awards for advisory and assistance services contracts exceeding $10 million and three years in duration except when the agency determines in writing: (a) prior to issuing the solicitation, that the services are so unique or highly specialized that it is not practicable to award more than one contract (this determination may also be appropriate when the tasks are so integrally related that only a single contractor can perform the work), (b) after evaluation of the offers, that only one offeror is capable of providing the services at the level of quality required, or (c) that only one offer has been received. The FAR states that no solicitation for a requirements contract for advisory and assistance services in excess of the above thresholds may be issued unless the CO or other designated official determines in writing that the services are so unique or highly specialized that it is not practicable to make multiple awards using the procedures in FAR 16.504. This provision prevents agencies from circumventing the mandatory multiple award preference for advisory and assistance services contracts.

An illustration of circumstances when more favorable terms and conditions, including pricing, could be obtained if single awards were made may be the award of certain kinds of fixed-price construction contracts, commonly known as Job Order Contracts (JOC) and Simplified Acquisition of Base Engineer Requirements (SABER) contracts. These types of contracts typically include government-established unit prices for specific line items needed to complete the requirements of the delivery order. Award determinations are made by selecting the mix of line items to be used for a project and multiplying the mix of line items by the coefficient bid by the offeror. The contractor's coefficient is based on cost elements such as overhead, profit, minimum design costs, G&A expenses, bond premiums, and gross receipt taxes. These contracts have much of their pricing determined by pre-award competition. It is possible that the use of multiple awards for these contracts could result in higher overall prices to the government because offerors might be inclined to raise their bidding coefficients to account for the fact that potential delivery orders would be spread out among several firms, which means that the companies would have fewer tasks over which to spread their overhead.

Use of Multiple Award Contracts to Buy Information Technology (IT)

Use of multiple award contracts may be especially effective for maintaining better prices and quality in the IT market. Before FASA, many agencies relied on long-term ID/IQ and umbrella contracts with technology refreshment and price reduction clauses to take advantage of falling prices and new technology. Even with these clauses, the government had to negotiate in a sole-source environment and was often unable to realize the economies and efficiencies afforded by vigorous competition among vendors in the marketplace.

By offering market competition on price and technology for each order, multiple award contracting provides COs with the flexibility needed to better match the dynamics of the IT market. Pre-FASA experimentation with various forms of continuing competition among multiple awardees on IT contracts demonstrates the potential of this approach.

For more than 10 years, the Department of Justice (DOJ) has used multiple award task order contracts to provide software development and other IT services to its components and other Federal agencies. These ID/IQ contracts were awarded using full and open competition and task orders were competed among the multiple awardees. A survey of 49 task orders issued under these contracts revealed that the actual costs averaged 16.7 percent less than

the government's projected estimated costs. DOJ attributes these savings to the fact that awardees were competing with one another for each task order. The Air Force's dual award multi-billion dollar contract for microcomputers (known as Desktop V) allows ordering agencies within and outside the Department of Defense (DOD) to obtain more efficiently new technology at the most competitive prices. The National Aeronautics and Space Administration's (NASA's) Personal Computer Acquisition Contract (PCAC) required quarterly price resubmission which encouraged cost competition and technological refreshment.

Many agencies are now successfully using the new FASA multiple award authority for major IT contracts. The Department of Transportation (DOT), under its Information Technology Omnibus Program (ITOP) contract, DOJ, under its Information Technology Support Services Contract, and the National Institutes of Health (NIH), under its Chief Information Officer Solutions and Partners (CIO-SP) program contract, recently awarded multiple award contracts for IT support services. GSA, through its Federal Systems Integration and Management Support Center, has awarded multiple award contracts for IT services using the new FASA guidelines.

Many of the major multiple award IT contracts are satisfying not just the needs of the agency awarding the contract, but of other agencies as well. Interagency usage can serve to reduce the overhead associated with multiple acquisitions. In addition, aggregation of demand (especially for supplies) can help the government to exercise buying leverage and encourage vendors to offer the best possible prices.

Under the Clinger-Cohen Act (formerly referred to in part as the Information Technology Management Reform Act), which became effective on August 8, 1996, an agency head may establish a multi-agency contract for IT in accordance with guidance issued by the Office of Management and Budget (OMB) (see 40 U.S.C. 1424(a)(2)). Prior to this time, an agency's ability to contract for IT was subject to approval by GSA pursuant to the Brooks Act. OMB guidance, set forth in OMB Memorandum M-97-07, dated February 26, 1997, states that multi-agency contracts must be consistent with the Economy Act. Guidance on the Economy Act can be found at FAR Subpart 17.5.

The OMB guidance states that the benefits of a multi-agency contract can be realized only if there is a management commitment commensurate with the potential size of the contracts. Agency heads must:

- ensure that their Chief Information Officers and Senior Procurement Executives work together to assign responsibilities and establish clear lines of accountability;
- ensure that the agency component conducting the acquisition has established effective contract management systems and has an adequately trained and sized staff available to administer the resulting contracts;
- monitor the progress of the contracts and ensure that adequate management resources continue to be devoted, particularly if the contracts prove to be unexpectedly popular or otherwise begin to strain existing management resources;
- ensure agency compliance with FAR 16.504(a) by setting an initial dollar or quantity limit on such contracts; and
- consider placing an initial limit on the amount of interagency usage, subject to periodic adjustment (either upward or downward) depending on the agency components demonstrated ability to adequately manage the contracts in light of the volume of orders received.

In addition to allowing agencies to establish multi-agency contracts, the Clinger-Cohen Act authorizes OMB to designate one or more agency heads as executive agents for government-wide acquisitions of IT. Pursuant to this authority (set forth at 40 U.S.C. 1412(e)), OMB designated GSA as an executive agent for, among other things, the Federal Systems Integration and Management (FEDSIM) and Federal Computer Acquisition Center (FEDCAC) programs.

Use of Multiple Award Contracts to Buy Other Services

The use of multiple award contracting has proven effective in acquiring other types of services and supplies. For example, DOT has experienced similar success using multiple award contracts at its Volpe Center. These contracts, known as the Multiple Contractor Resource Base (MCRB) program, enhance the Center's technology resources and capabilities, increase private sector competition, and broaden industry participation in support of its research and development program. The MCRB program encompasses four functional areas: operations research and analysis; information systems engineering; communications, navigation, and surveillance systems; and vehicle, guideway, and terminal systems. Twenty-nine contractors, seven of which are small businesses, compete for task orders under the contracts. Full participation of management, procurement, and technical program specialists ensure quality performance consistent with program objectives and responsiveness to customer requirements.

The Department of Health and Human Services (HHS) is using multiple award contracts for audit support services (including financial, program, or contract audits) in their Inspector General's office at headquarters and throughout their regional offices. Previously, these services were acquired under regional requirements contracts and work was allocated to each contractor. In August 1995, HHS awarded 14 ID/IQ contracts for nationwide audit services which

allow all awardees to compete for each task order on a firm-fixed price basis. HHS estimates savings of $624,741 from award of these contracts through April 1996, when the actual costs are compared to the government estimate. Competing task orders among technically qualified firms allows HHS to receive quality services faster and at competitive rates.

In August 1996, the Department of Energy (DOE) awarded multiple award contracts to four contractors for environmental management services. Also, in September 1996, the Social Security Administration awarded multiple award requirements contracts to four consulting firms for quick turn-around, short term research and evaluation studies, projects, and analyses. In the same month, the Office of Personnel Management (OPM) awarded 16 multiple award ID/IQ task order contracts for training and management assistance services.

CHAPTER 3
STRUCTURE OF MULTIPLE AWARD CONTRACTS

Developing the Statement of Work

The statement of work for multiple award contracts must reasonably describe the general scope, nature, complexity, and purpose of the services or supplies to be acquired to enable potential offerors to decide whether to submit offers. Although agencies have the flexibility to use a broad statement of work, it should not be so vague that it fails to describe the general purpose of the contract or that subsequent orders could be challenged as being outside the scope of the contract. The requirement that orders be within scope is critical since protests can be filed on the grounds the order increases the scope, period, or maximum value of the contract. Therefore, as part of acquisition planning, it is in an agency's best interest to ascertain the maximum scope of work that could be required during contract performance and structure the statement of work accordingly.

BEST PRACTICE:

- ***During acquisition planning, COs, program officials, and industry should work together to develop a clear statement of work.***

With the authority to specify the details of their requirements in individual orders, agencies should be able to satisfy more of their requirements without the delay and burden of awarding separate contracts with a narrower scope of work. If, however, specific requirements for services can be clearly defined so it is more feasible to use a performance-based service contract, or to award a single prime contract under the 8(a) Program or as a set-aside to help meet small business goals, that may be a preferable acquisition strategy.

Solicitation Requirements

FAR 16.506 specifies the solicitation provisions and contract clauses to be included in solicitations for indefinite quantity contracts that result in multiple contract awards. In addition to required provisions and clauses, solicitations for multiple award contracts shall include:

- The period of contract, including all options;
- Minimum and maximum quantities or dollar value of supplies or services to be acquired under the ID/IQ contract;
- General statements of work, specifications, or other descriptions that reasonably describe the general scope, nature, complexity, and purpose of the supplies or services;
- Ordering procedures; and
- The selection criteria used to provide awardees a fair opportunity to be considered.

Some multiple award contracts are structured to have several distinct functional areas or groups of services. A minimum and maximum dollar value for each area may be useful to both agencies and vendors.

The "fair opportunity to be considered" process applies to the placement of orders after contract award. Placement of orders is exempt from the FAR Part 6 competition requirements. When developing the solicitation for a multiple award contract, however, agencies should comply with applicable requirements for competition in FAR Part 6, unless otherwise exempt by law.

Agencies must ensure that the ordering procedures and selection criteria for providing awardees a fair opportunity to

be considered for orders are clearly defined in the solicitation so contractors are aware of the process to be used. This allows the awardees to respond easily and quickly to government requirements.

GSA, in its FEDSIM multiple award contract for IT services, included the ordering procedures in the solicitation but allows for refinement of the procedures throughout the contract. GSA established a "FEDSIM Advisory Board," consisting of the CEO, President, or Vice-President from each awardee, which meets periodically to discuss, among other things, ordering procedures and planned requirements. The meetings are very informative with open and candid communications between industry and government officials. GSA contends that more open communications occur because the awardees know it is in their best interests to make this process work since, among other things, award of orders is not protestable.

BEST PRACTICE:

- ***Continuously seek contractor input to improve the efficiency and effectiveness of the ordering process.***

In developing the ordering procedures and "fair opportunity to be considered" criteria, agencies should ensure that these procedures and criteria do not conflict with other solicitation provisions. For example, some field offices within DOE include in their ordering procedures an "order of precedence" provision that states:

> The ordering procedures are of a lesser order of precedence than the "limitation of funds," "completion date," "term of contract," or "level of effort" clauses of the contract. The contractor is not authorized to incur costs on task assignments which are not in compliance with any of those clauses in the contract.

Task order contracts, especially those for advisory and assistance services, with a long period of performance, a broad statement of work, and on-site performance potentially can result in conflicts of interest, performance of inherently governmental functions, or an employer/employee relationship, particularly if the contractor becomes an integral part of the agency operations. Some agencies use contract provisions to help avoid these problem situations; for example, the following provision has been used to protect against creation of a personal services contract.

> This contract is a "nonpersonal services contract" as defined in FAR 37.101. It is, therefore, understood and agreed that the contractor and/or the contractor's employees: (1) shall perform the services specified herein as independent contractors, not as employees of the government; (2) shall be responsible for their own management and administration of the work required and bear sole responsibility for complying with any and all technical, schedule, or financial requirements or constraints attendant to the performance of this contract; (3) shall be free from supervision or control by any government employee with respect to the manner or method of performance of the services specified; *but* (4) shall, pursuant to the government's right and obligation to inspect, accept or reject the work, comply with such general direction of the CO, or the duly authorized representative of the CO as is necessary to ensure accomplishment of the contract objectives.

Determining the Number of Contract Awards

Agencies have the flexibility of specifying the number of awards the government reasonably estimates it will award from a particular solicitation. Pre-solicitation market research indicating the number of capable contractors assumed to be available, and the size, complexity, and scope of the requirement are all factors to be weighed when determining what a "reasonable" number of awards should be. For example, with smaller, more technical requirements, three to five awards may be considered reasonable. The likelihood that the work can be effectively divided among sources, the funding available to support minimum quantities, and the costs and resources needed to administer a number of contracts must be considered up-front as well.

A lesson learned from the Volpe Center contract, when determining the number of awards, is that careful consideration should be given to realistically analyzing the requirements. Volpe Center contract administrators have found that awarding too many contracts results in overly optimistic expectations on the part of contractors. For example, if an agency awards ten contracts, it should have enough work so all ten contractors can receive a reasonable number of task or delivery orders, assuming they remain competitive during the life of the contract. After a period of time, if they do not receive sufficient work, contractors may find that it is not cost effective to submit proposals or to maintain a staff available to perform work under the contract. This is particularly true of small business concerns. For this reason, the Volpe Center found that awarding fewer contracts, such as five or six, results in better competition, better proposals, and improved working relationships with contractors.

BEST PRACTICE:

- ***Make a reasonable number of awards which ensures competition but keeps the ordering process from being overly burdensome.***

Streamlining Development of the Solicitation

NIH used an interactive decision support system to expedite development of the solicitation for its Image World (image and document management solutions) acquisition. The process allowed firms who responded to the sources sought Commerce Business Daily (CBD) notice to become pre-qualified to participate in developing the solicitation. All pre-qualified firms were allowed to submit proposals under the final Request for Proposal (RFP). The goal was to expedite the process of providing draft RFPs to industry and obtaining their feedback, a process which can take six months to a year to finalize. Using a computer-based decision support system, NIH was able to conduct interactive vendor electronic conferences to review draft RFPs.

The prospective offerors were scheduled in groups in four separate half-day sessions to review the draft RFP. NIH used group software tools to help industry build consensus and reduce project time while monitoring, supporting, and documenting the discussions and processes involved. The Program Manager, CO, and contract specialists facilitated RFP discussions by reviewing key parts of Sections C, L, and M of the RFP. As each of the elements of the respective RFP sections were projected on a large screen and simultaneously on individual computers, vendor participants were allowed to enter comments and share ideas on a specific section or specific issue. As comments were entered, they were electronically transmitted to other participants who could add to the comment or begin a new idea. The NIH facilitators then obtained consensus for each section of the draft RFP. At the conclusion of each group session, participants were provided the consensus results for that session. Each succeeding group was provided the previous cumulative comments while the facilitators provided consistency among the issues and groups. The final version of the consensus results were provided on the NIH homepage for all potential offerors to view. From the intense interactive process with potential offerors, the resulting RFP for Image World was available in days rather than months. Communication not only increased between industry and government, but also among the potential offerors.

BEST PRACTICES:

Use an interactive solicitation development process to:

- ***Shorten RFP development from months to days;***
- ***Increase communication between industry and government; and***
- ***Increase understanding of the requirements through a dynamic interactive approach.***

Pricing

The FAR provides COs with wide latitude to select the pricing arrangement that will result in the best value for the government considering such factors as cost control and quality performance by the contractor. FAR 16.501-2(c) states that any appropriate cost or pricing arrangement may be used. Task or delivery orders may be firm-fixed price, cost reimbursement, time-and-materials, labor-hour, or some combination of these arrangements. For example, DOT's ITOP contracts combine different methods of pricing, and include applicable clauses for all the pricing methods in the contracts.

Some agencies even issue task or delivery orders with different pricing arrangements, specifying which clauses apply to which line items. However, most agencies prefer to keep fixed price orders and cost reimbursement orders separate. When combining various types of pricing arrangements in multiple award contracts, agencies must ensure the contractor's accounting system is adequate for supporting each type of pricing method. For example, when firm-fixed price and cost reimbursement pricing methods are combined in a contract, it is essential that a contractor's accounting system be adequate for providing valid cost or pricing data for firm-fixed price tasks when required by the Truth in Negotiations Act and adequate for determining actual costs applicable to the tasks for cost-reimbursement pricing methods.

Cost or Pricing Data

COs are prohibited from seeking cost or pricing data for orders if the price of the order is based on adequate price competition. In this regard, FAR 16.505(b)(3) makes clear that the "competing independently" requirement for the adequate price competition exception in the Truth and Negotiations Act is met in two ways:

a. the price for the supplies or services is established in the contract at the time of award (e.g., time and materials contracts with fully loaded labor rates or firm fixed price contracts); or
b. the CO solicits offers from two or more awardees when the price for the supplies or services is not

established in the contract at the time of contract award.

Therefore, for cost-type contracts, which by their nature do not have a fixed price at contract award, the CO would have to solicit offers from at least two companies to satisfy the "competing independently" requirement for that particular order.

Price Changes and Technology Refreshment

Agencies should structure their contracts for supplies to include provisions that will allow the government to take advantage of price changes and technology advancements to get the best deals for the government. NASA, in its scientific and engineering workstation procurement (SEWP) multiple award contracts, includes a technology upgrade clause that allows the contractors to furnish upgrades or new products in accordance with the prices and discounts set forth in the contract. Contractors can also offer "fire sales" or "end-of-the-year sales" and make these prices available to customers the same day.

Small Business Considerations

Agencies use ID/IQ task order contracts to fill recurring requirements for services. The size and scope of these contracts could prevent small businesses from competing even though these firms have demonstrated their ability to be competitive in providing professional and technical services. Agencies are encouraged to structure solicitations for multiple award contracts in such a manner that will guarantee small and small disadvantaged business firms an opportunity to win prime contracts, which then will allow them to compete for individual orders under the contracts.

COs should work closely with program officials and Directors of the Offices of Small and Disadvantaged Business Utilization (OSDBU) regarding the planning of multiple award contracts so small and small disadvantaged business opportunities can be identified early in the acquisition planning process. This allows the small business officials to inform the program office of the qualified small and small disadvantaged business firms that can perform segments of the work. Business strategies such as teaming arrangements can be discussed in an effort to maximize opportunities for these firms. Teaming arrangements not only increase business opportunities for small and small disadvantaged businesses, but also expand the skill mix of the team.

DOT, under its ITOP contract, structured award of its prime contracts to allow at least one "full and open" award, one competitive small business set-aside award, and one competitive 8(a) award in each functional area. DOT divided its IT requirements into three functional areas: information system engineering, systems/facilities management and maintenance, and information systems security. Task orders are competed among all firms within a functional area irrespective of whether the firm is 8(a), small business, or large business. Ten of the prime contracts awarded under ITOP went to small and small disadvantaged businesses. This afforded them the opportunity to compete against other qualified firms for the individual task orders in their functional area of expertise. Under its Volpe Center research and development contract, DOT noticed the lack of small business participation in the information systems engineering functional area of its previous contract. The recompetition of these services included a small business set-aside in that functional area.

Another example of structuring contracts to fully utilize small and small disadvantaged businesses is the GSA FEDSIM contract for IT support services. Two of the eight awardees are small businesses, which compete head-to-head with the other awardees for task orders. The small business primes also may team with the large business prime contractors to obtain work under these contracts.

For multiple award contracts that require a subcontracting plan, agencies also have demonstrated success in improving subcontracting opportunities for small and small disadvantaged business firms under these contracts. One method being used is to assign appropriate weight to the quality of the contractor's subcontracting plan or past performance under earlier plans as an evaluation factor or subfactor in the overall competition for the contract. COs should make clear to awardees that their performance in this area will be reflected in their record of past performance for future awards. Some agencies also include mandatory subcontracting commitments for awards to small and small disadvantaged business firms in their multiple award contracts.

Use of Streamlined Techniques to Award Initial Contracts

Agencies should take advantage of streamlined contracting techniques to award the initial multiple award contracts. These techniques will simplify the source selection process, reduce contractors' pre-award proposal preparation costs, and provide customers with goods and services much faster. For example, DOT awarded the ITOP contract in about six months from the receipt of proposals by incorporating a number of acquisition reforms into the source selection process. They included:

- Using electronic dissemination of information, which accelerated the response time and analysis.
- Enforcing page limits. Proposals were limited to 50 pages, double spaced, with an accompanying 10 minute videotape.
- Using past performance as the primary evaluation factor. The vendors were required to have customers prepare the evaluations and send them directly to the evaluation team.
- Performing pre-proposal screening which involved evaluating offers against a preliminary checklist to determine responsiveness prior to forwarding the offeror's technical proposal to the evaluation team. This process allowed multiple evaluation teams within each functional area to be synchronized with matching evaluation criteria to facilitate easier consolidation of results.
- Using automated evaluation tools which provided a quick, summarized, visual representation of the most qualified proposals.
- Comparing proposed labor rates against marketplace averages for standard labor categories, which simplified the cost evaluation.
- Making awards without discussion based upon high-level, overall evaluation of offerors' capabilities.

CHAPTER 4
ORDERING PROCEDURES

Congress recognized that without streamlined order placement, the quality benefits and cost savings made possible by continuous competition might be outweighed by excessive expenditures of time and administrative resources. Placement of orders is exempt from CICA full and open competition requirements because up-front competition is conducted for the initial multiple award contracts. FASA, therefore, exempted agencies from the requirement to synopsize requirements for orders in the CBD and prohibited contractors from protesting award decisions for orders.

The FAR Subpart 16.5 guidance encourages agencies to use streamlined and simplified procedures when issuing orders under multiple award contracts. COs have broad discretion in issuing orders and should consider such factors as past performance, quality of deliverables, cost control, price or cost, or other relevant factors. In considering these factors, obtaining written proposals or holding discussions with awardees is not always required. Formal evaluation plans or scoring of quotes or offers are not required.

When developing ordering procedures for multiple award contracts, agencies are encouraged to review their traditional ordering procedures used in single award ID/IQ contracts and develop more streamlined and simplified procedures in order to take advantage of the flexibilities envisioned by FASA and the FAR guidance.

COs need not contact awardees prior to issuing an order if they have information such as price sheets or catalogs available to determine the best price and value for the government. This practice is often used when buying COTS products under multiple award contracts.

BEST PRACTICE:

- **Use simplified procedures and award documentation when issuing orders under multiple award contracts.**

Performance-Based Statement of Work for Orders

The statement of work at the task order level should clearly define the specific services being procured under the order. When defining requirements for services, agencies, to the maximum extent practicable, should use performance-based work statements with measurable performance standards. A performance-based work statement defines the government's requirements in terms of the objective and measurable outputs. The work statement should provide the awardee with answers to five basic questions: what, when, where, how many or how much, and how well. It is important for the statement of work to accurately answer these questions in order to allow the awardee the opportunity to accurately assess resources required and risks involved.

Performance requirements are statements describing the required services in terms of output. The performance standards establish the performance levels required by the government. Performance standards should clearly express the outputs in clear, concise, commonly used, easily understood, measurable terms. They should avoid detailed procedures that dictate how the work is to be accomplished. Agencies should ensure that each standard is necessary, carefully chosen, and not unduly burdensome. The government should carefully establish the quality level at which performance standards are set in the performance work statement. If the quality level is too low, it may act as a disincentive to good contractor performance. Conversely, the minimum acceptable performance standard should rarely be 100 percent, since the standard directly affects the cost of the service.

Performance-based service contracting encourages and enables the use of fixed-price task orders to obtain optimal performance. Fixed-price task orders are appropriate for services that can be defined objectively and for which risk of performance is manageable. For such task orders, performance-based statements of work, measurable performance standards, and surveillance plans should be used to the maximum extent practicable.

For additional information on performance-based service contracting, consult OFPP's April 1996 "Best Practices Guide for Performance-Based Service Contracting." The guide may be obtained from the Office of Publications at the address set forth in the Foreword to this guide.

BEST PRACTICE:

- ***The use of performance-based work statements should result in more task orders being fixed-priced.***

Work Orders Within Task Orders

The statement of work for task orders must clearly define, in performance-based terms whenever possible, the requirements to be procured under a multiple award contract so the awardees can develop a meaningful proposal that meets the government's requirements. COs should apprise customers and program officials that the intent of FASA is for awardees under multiple award contracts to compete for well-defined tasks, not for undefined tasks that are later defined by sole source work orders issued to the selected awardee. Agencies should not award large, undefined task orders in an effort to expedite the award only to issue subsequent sole source work orders or broadly interpreted technical direction letters.

Delegation of Procurement Authority to Other Agencies

Although multiple award contracts may be used by other agencies to satisfy their mission needs, the contracting agency awarding the contracts is ultimately responsible for ensuring that these contracts are properly administered. Should the contracting agency delegate procurement authority to other agencies to issue orders, procedures should be developed to ensure that all awardees are provided a fair opportunity for consideration prior to award of an order. Prior to the delegation, the contracting agency should meet with the ordering agency to explain the specific responsibilities of the delegation, and subsequently hold meetings with the contractors and customers to ensure that contract requirements are being met. Without clearly defined procedures, there is a heightened risk that unauthorized sole source orders or orders outside the scope of the contract may be issued.

Streamlining Ordering Techniques

Some ideas for streamlining selection and ordering are presented below. These "Best Practices" can also be used to streamline the initial contract award. Agencies should aggressively use these, and other streamlined techniques, such as limiting the length of the written proposals, in the initial award to minimize bid and proposal costs.

Comprehensive cost and technical proposals for the award of individual task or delivery orders should be avoided. Information requested from contractors should be the minimum necessary to ensure they understand each task or delivery order and, at the same time, provide sufficient information for the government to determine who should receive the order. A streamlined ordering process is highly encouraged because it minimizes cycle time and the administrative burden on both parties.

Use of Oral Presentations

Agencies appropriately have concluded that obtaining written proposals is not always required before selecting an awardee for a task or delivery order. Many agencies now use oral presentations as a substitute for a portion of the traditional written proposal in competitively negotiated procurements. Agencies also set page limitations for the written portion of the proposal.

The use of oral presentations:

- may reduce time and costs associated with the source selection process;
- may reduce proposal preparation costs;
- allows all parties a more thorough understanding of the requirements; and
- improves the exchange of information between the government and the offerors.

Using oral presentations, the Department of the Treasury's Financial Management Service (FMS) awarded a

$250,000 task order to study payment processes and performance benchmarking less than one month after issuing the statement of work and spending a total of just three days to evaluate three awardees. The awardees had approximately three weeks from receipt of the statement of work to prepare a two-hour oral presentation for the technical evaluation team. In the course of one day, the team heard a contractor's oral technical presentation, scored the presentation, asked follow-up questions and clarified contractor concerns, permitted the contractor a short period to change its price or technical proposal, and arrived at a consensus score based on the contractor's revised proposal. FMS concluded that the benefit of oral presentations is not just saving time. Oral presentations also result in more open communication between industry and government and an increased understanding of the work to be performed and the contractor's approach.

GSA also successfully used oral presentations to select awardees for orders under its FEDSIM multiple award contracts for IT support services. Oral presentations were used on the evaluation of a $12 million order against a FEDSIM contract on behalf of the Patent and Trademark Office's Patent Application Location and Monitoring (PALM) effort, which cut the award time to 4 l/2 weeks.

The FAA and GSA both have videotaped oral presentations. The FAA provided the tapes to its evaluators at a later time more convenient to their schedules. When using videotapes, the CO should ensure that an offeror’s key contract participants (e.g. principal investigator, project manager) present the technical proposal, in lieu of actors. Be sure to allow sufficient time to make necessary arrangements. Several agencies experienced difficulties obtaining sufficient conference room space and scheduling time to present the proposals.

When deciding whether or not to use oral presentations, good business judgement is required. Oral presentations, in some cases, can be more costly for industry than streamlined written proposals. Preparing a team to give the oral presentation can be expensive. Travel costs can be significant when the contractor is required to make an oral presentation to customers and contracting officials that are not located in the same general area as the contractor. In this situation, consider video-teleconferencing.

For additional information on the use of oral presentations, consult the March 1996 "Guidelines for the Use of Oral Presentations" issued by the Procurement Executives Association. The guidelines may be obtained by faxing a request, including name and address, to the Department of Energy, FAX Number 202-586-1025.

BEST PRACTICES:

- ***Consider using oral presentations to reduce lead time and contractors’ proposal preparation costs. Use good judgement to ensure that travel costs do not become excessive.***
- ***Plan ahead for oral presentations to allow sufficient time for scheduling of conference room space and evaluators attendance.***
- ***If written technical proposals are required, use page limitations.***

Non-Mandatory versus Mandatory Proposal Submission

One issue in order placement is whether it should be mandatory for awardees under multiple award contracts to respond to each order requirement. Although some agencies believe that mandatory proposals ensure competition for each order, agencies are encouraged to structure the ordering procedures so that awardees need not respond to every requirement for a task or delivery order. The use of "non-mandatory" proposal submissions affords awardees the flexibility to determine on which tasks they should expend proposal preparation costs. Furthermore, there may be legitimate reasons, such as limited capacity to perform, for an awardee not to submit a proposal for a particular task. Agencies can also require awardees to submit a "No Bid" response if they are unable to perform a requirement, including a brief statement as to the reasons why they chose not to respond.

For additional guidance on how the government reimburses contractors for proposal preparation costs for task orders under multiple award contracts, refer to the section on "Recovery of Proposal Preparation Costs" at the end of this Chapter.

Decentralized Ordering

Under multiple award contracts for COTS, decentralized ordering may allow program offices to reduce the administrative burden associated with issuing orders. For example, NASA used such an approach in its SEWP ID/IQ contracts for computer hardware. This process enables customers, including those from other agencies, to place orders easily without having to transfer funds to NASA headquarters. The ordering agency competes the orders in accordance with the fair opportunity procedures set forth in the multiple award contracts. All orders are forwarded to NASA prior to being sent to the vendors. If the order does not exceed the contract ceiling, certain data is collected and the order is forwarded to the vendor. Full data for the order is captured after the vendor provides a configuration

check to ensure that the hardware is appropriate for the particular application. Each order is entered into the NASA database, either electronically by the ordering agency or a copy is forwarded to NASA for data entry, so that the total dollars obligated can be tracked. This process also gives customers the flexibility to use their local ordering forms rather than a NASA specific form. When using decentralized ordering, the servicing agency should develop ordering procedures and make them available to the ordering agencies.

Use of Handbooks, Standard Forms, and Conferences

An essential aspect of multiple award contracting is for program officials and customers to understand the terms and conditions of the contract. Several agencies have issued publications that provide more information on the fair opportunity process, contract scope of work, roles and responsibilities of individuals involved in the process, steps used in the ordering process, and sample documents. These publications are especially helpful to customers when multiple award contracts are issued for multi-agency use, but they can be tailored for use by any agency. References to handbooks that have been developed for some multiple award contracts are included in Appendix 1.

Some agencies hold post-award conferences with their multiple award contractors to provide them information on these topics. The technical and program officials are invited to participate in the session, which allows for face-to-face interaction with the contractors.

In conjunction with handbooks, some agencies provide electronic tools to aid the customer in placing orders. These tools can include electronic form completion and submission, on-line questions which, depending on the response chosen, walk the user through the ordering process, "chat rooms" for customers to share experiences, and "Frequently Asked Questions" (FAQ) files.

***BEST PRACTICE*:**

- ***Developing publications which describe the fair opportunity and ordering process helps when multiple award contracts are issued for multi-agency use.***

Using Past Performance as an Evaluation Factor

Past performance is a key evaluation factor for both award of the initial contract and award of subsequent orders. Past performance information refers to how well a contractor performed on previously awarded contracts or task or delivery orders under the current contract. Performance-based statements of work make the evaluation of past performance much easier, because a contractor's performance is measured against established performance standards in the contract and the quality assurance plan. Past performance information is gathered based on evaluations provided by the program, technical, and contracting offices, and, where appropriate, end users of the product or services. As referenced in OFPP's "Best Practices Guide for Past Performance," the FAR states that the evaluation of an offeror's past performance is now mandatory for contracts of $1 million and above. Agencies also are encouraged to conduct past performance evaluations on contracts below $1 million, as appropriate.

The government often does business with contractors that have no past performance record (for example, a newly formed business or a company dealing with the government for the first time). In such cases, agencies should look at the past performance of the key personnel when those individuals were employed by other firms. When there is no past performance record for the key personnel in a newly formed company, the CO should assign a neutral past performance rating during source selection.

Now that agencies are using past performance as an evaluation factor in the award of multiple award contracts and issuance of subsequent orders, program and technical officials must realize that their past performance ratings of contractors are critical. As a normal part of contract administration, these evaluations must be completed timely in accordance with agency guidance. Which awardee will provide future work in support of their programs is now largely influenced by those ratings.

Using Past Performance in Order Placement

Past performance can be used as an initial screen to determine which awardees will receive further consideration for a task or delivery order. The Internal Revenue Service (IRS) uses a past performance evaluation system to assist in selecting awardees to perform tasks under its Treasury Information Processing Support Service (TIPSS) contracts. Each of the multiple awardees receives sufficient tasks in the first year to satisfy their guaranteed minimum and provide a baseline of performance data. Both the Contracting Officers Technical Representative (COTR) and the contract administrators each quarter rate the contractors on all active tasks. In the second year and beyond, contractors that perform above a certain minimum level continue to receive tasks, while poor performers are not considered until performance improves. Unless an exception applies, such as sole source, urgency, or special

needs, orders are issued within specialized task areas according to relative performance scores among contractors.

Past performance is also used by GSA in its FEDSIM multiple award contract for IT support services and by DISA in its follow-on DEIS II multiple award contract. HHS, in the multiple award contract for audit services, developed a customer satisfaction survey, which was reviewed by the awardees prior to its implementation, to build a record of past performance. The data generated from the survey process will be used to award orders based on low price and past performance. Other agencies that use past performance rating systems hold meetings with contractors experiencing performance and quality problems and work with them to ensure their quality improves so they can be considered for future orders.

Past performance is the foundation of the DEIS II fair opportunity process. DISA created the DEIS II past performance database, which is populated with past performance data collected during the proposal evaluation for the initial contract award. This performance data is utilized in Step 1 of the fair opportunity process when the multiple awardees' performance in specific technical, functional, and/or organizational areas is compared to the respective areas required under the statement of work.

Due to the significance of past performance in the initial screening process, performance data is updated continuously. As task orders are awarded and actual performance is completed and evaluated under the contract, current performance information is added to the original past performance information in the database. The current performance data is collected in conjunction with the customer's surveillance and evaluation efforts through the submission of interim and final task order and deliverable evaluations.

Other agencies also retain all past performance information. Subsequent improvement by a contractor, or superior performance following an "average" past performance rating, is an important consideration. Conversely, "good" performance following an excellent past performance rating is information that may be just as critical to a government evaluation.

To ensure that accurate performance information is reported, task monitors must develop and implement a quality assurance surveillance plan for each task order under the contract. The surveillance plan should address the methods of objective/subjective observation and identify specific performance measures. Through the use of these techniques, the contractor's performance, such as timeliness and quality of deliverables, can be tracked and reported in task order and deliverable evaluations. This guarantees that accurate performance data is used to refresh the past performance database.

Past performance on cost/price control under previous task orders can be used as a factor in selecting a contractor for a task order. In addition to considering the quality of a contractor's performance under previous tasks, COs may also evaluate how the contractor is controlling costs in performance of previous tasks. This can be done by comparing the contractor's actual costs with the contractor's estimated costs to perform the work. Also, past performance on cost/price control can be used as an initial screen to determine who will receive further consideration for a particular task order.

For additional information on the use of past performance, consult OFPP's May 1995 "Best Practices Guide for Past Performance." The guide may be obtained from the Office of Publications at the address set forth in the Foreword to this document.

BEST PRACTICE:

- ***Past performance on earlier tasks under the multiple award contract, including past performance on cost or price control, may be used to determine which awardees should be considered for future tasks.***

Recovery of Proposal Preparation Costs

The recovery of proposal preparation costs when awardees respond to requirements for orders under multiple award contracts is being discussed by the Cost Accounting Standards Board (CAS Board). Until the CAS Board rules on this issue, our preliminary views are set forth below.

Agencies should be mindful of the costs that contractors will incur to provide proposals (either oral or written) in response to requirements for task or delivery orders, especially if "formal" technical proposals are required. Agencies should structure their ordering procedures so that awardees need not respond to each requirement for a task or delivery order. Non-mandatory proposal submission saves contractors proposal preparation costs since they can choose the tasks for which they submit a proposal.

Normally bid and proposal costs are charged as indirect costs to the contractor's G&A expense pool. If, however, the government requires in the solicitation (as a condition of the contract) that proposals (oral or written) be submitted in response to each task or delivery order requirement, in order to comply with the fair opportunity standard, proposal preparation costs may be charged as a direct cost, if it is the contractor's disclosed or established practice to do so. (Generally, each task order must be an actual or expected cost objective.) In such cases, a separate line item or program management task is normally included in the task order.

Contractors covered by the CAS must be consistent in charging these costs, either as direct or indirect (CAS 402). Those contractors not subject to CAS are also required by FAR 31.202 to consistently charge these types of bid and proposal costs (required in the performance of the contract) as direct or indirect. Some agencies have included special provisions in their contracts which state that contractors are responsible for determining the most appropriate method for recovering proposal preparation costs (either as direct or indirect costs) so long as the practice is consistently applied.

CHAPTER 5
FAIR OPPORTUNITY CONSIDERATIONS

Agency Flexibility

FASA requires that each awardee under multiple award contracts be given a fair opportunity to be considered for each order in excess of $2,500, unless an exception applies. The few requirements set forth in the statute for placing orders under multiple award contracts are designed to give agencies considerable leeway and minimal burden. COs have broad discretion to determine how work will be issued to awardees under multiple award contracts, provided the procedures and selection criteria to be used are set forth in the solicitation and resulting contract and do not result in consideration of less than all awardees. Allocation or "equitable distribution" of orders, or placing order ceilings (under which the total value of orders must stay for each contractor), is contrary to the intent of FASA. Agencies should adhere to FAR 16.505(b), which expressly prohibits this practice.

The FAR also states that, in determining the procedures for providing awardees a fair opportunity to be considered, COs should use good business judgment to determine appropriate methods for considering factors such as past performance, quality of deliverables, cost control, price or cost, or other factors that are relevant to the placement of orders. Agencies must ensure that procedures for issuing orders and providing awardees a fair opportunity to be considered are clearly outlined in the initial multiple award solicitation and contract.

Exceptions to Fair Opportunity to be Considered

The requirement for fair opportunity consideration does not apply to orders under $2,500, or to orders above $2,500, where the CO determines that:

- the need for the supplies/services is of such urgency that providing such opportunity would result in unacceptable delays;
- only one contractor is capable of providing the supplies/services required at the level of quality required because the supplies/services are unique or highly specialized;
- the order should be issued on a sole-source basis in the interest of economy and efficiency as a logical follow-on to an order already issued provided that all awardees were given a fair opportunity to be considered for the original order; or
- it is necessary to place an order to satisfy a minimum guarantee.

When a requirement for an order exists and the CO anticipates that the order will be directed to a particular awardee, contracting officials should determine if one of the exceptions apply prior to providing awardees an opportunity to compete for the work. This avoids the situation where contractors compete inappropriately for that work.

Although the four exceptions to the "fair opportunity to be considered" standard are statutory, contracting officials are encouraged to provide additional guidance in their selection criteria and ordering procedures as to when it may be appropriate to use one of the exceptions.

Only One Contractor is Capable

The Defense Information Systems Agency (DISA) and NIH include additional guidance in their DEIS II and CIO-SP procedures, respectively, for the use of the "only one contractor is capable" exception. The guidance states that the

exception may be appropriate when the statement of work for the order is required to be written in a manner that would reveal proprietary information of a specific awardee. Proprietary information could include a single awardee's technical or intellectual solution or a unique method of solving problems. This could alleviate the potential for "technical transfusion" as prohibited by FAR 15.610(e)(1).

Logical Follow-on

The "follow-on exception" to fair opportunity permits agencies to award a follow-on task order on a sole-source basis provided all awardees are given an opportunity to compete for the original order. If the original order is issued on a non-competitive basis, however, the follow-on order must be competed. Program officials and customers should also avoid situations where the requirements for the competed original task order are insignificant in dollar value, only to be followed by sole-source task orders that are much broader in scope and dollar value. This practice may be construed as contrary to the fair opportunity process.

Minimum Guarantee

DOT, in its ITOP contract, allows each contractor to receive up to $3 million annually in directed task orders that result from the contractor's marketing efforts. (In these cases, customer would specify which contractor they wanted to perform the task order.) This provision is included in the minimum guarantee clause of the contract. However, ITOP contractors may only receive these directed orders through the application of one of the above exceptions to the fair opportunity process or to meet a program preference goal required by the Small Business Act. While compliance with this practice may avoid unauthorized sole source orders, agencies should avoid large minimum guarantee provisions in their multiple award contracts that could circumvent the policy of allowing awardees a fair opportunity to be considered.

The required "minimum guarantee" under ID/IQ contracts can also be used to establish a past performance record for the contractors.

Program Officials' and/or Customers' Involvement

Agencies have considerable flexibility in developing the procedures for providing awardees a fair opportunity for consideration when issuing orders under multiple award contracts. Agencies also have broad discretion in determining how the fair opportunity to be considered process is conducted, and the extent to which program officials or customers are involved.

The degree of involvement of program officials and/or customers in the fair opportunity process varies from agency to agency. Program officials and/or customers initiate the requirements and usually are well qualified to assist in making a best value judgment. DISA and NIH authorize customers to perform most of the process, pending final approval by the CO. Good coordination and communication between contracting and program officials is essential to making this process work. Although the CO is responsible for ensuring that the government enters into a legally binding contract, COs may seek input from the program and technical officials when determining which awardees will be afforded an opportunity to compete for orders under these contracts. Agencies are encouraged to use whatever method best works within their organizational structure, bearing in mind that only the CO is authorized to award the task or delivery order.

Training for program officials and customers becomes even more important as they become more involved in the fair opportunity process. We recommend supplementing basic COTR courses with basic procurement courses that cover topics including procurement planning, contracting by negotiation, cost and pricing techniques, and performance-based service contracting (for task orders).

BEST PRACTICES:

- ***Good communication between the contracting office and program/technical office is essential when determining fair opportunity.***
- ***Technical/program personnel involved in the fair opportunity process should be well trained in the use of multiple award task and delivery order contracting.***

Competing Orders for Products vs. Services

Under multiple award delivery order contracts for COTS products, especially products for IT, prices are typically set forth in price sheets and are often available electronically on bulletin boards for customers to select the products that best satisfy their needs and take advantage of the competitive forces of the marketplace. As long as the CO or

customer can easily compare the various prices and products being offered under these contracts, awardees have been given a fair opportunity to be considered. Requiring each awardee to develop a separate "proposal" or conducting negotiations with each awardee prior to awarding a delivery order is not necessary, unless the CO believes the information provided on the price sheets is insufficient to make an award in the best interest of the government (see FAR 16.505(b)).

In the case of multiple award task order contracts for services, the receipt and evaluation of proposals typically is necessary to better understand and define the services being procured and to take advantage of competition amongst the awardees to obtain best value. Agencies, however, should simplify and streamline the negotiation process as much as possible.

Examples of the Fair Opportunity Process

Several examples of the ways different agencies set up their procedures for providing awardees a fair opportunity for consideration are listed below. If more information is desired on the examples provided, please contact the agency point of contact listed in Appendix 1.

DEIS II Fair Opportunity Consideration Process

An example of how to provide awardees a fair opportunity for consideration is to use a customer driven, best value scenario similar to what DISA has adopted for the DEIS II contract. Under the DISA approach, the customer/program official is responsible for providing the multiple awardees with a fair opportunity for consideration for task orders under a two-step process. The customer, as the financier of the requirement and the person having the greatest knowledge of the work to be performed, determines what constitutes best value. An outline of the DEIS II two-step process is shown in Appendix 2.

Step 1 of the DEIS II fair opportunity process begins with the submission of a mission related, outcome oriented, performance-based statement of work (SOW). Using the DEIS II past performance database, all of the multiple contract awardees are screened by the customer/program official. Based on the specific technical, functional and/or organizational areas required under the SOW, the awardees with the greatest potential for fulfilling the task requirement are identified. The outcome of this screening process is a list of at least two awardees which the customer must afford a fair opportunity for consideration. However, the customer can invite additional awardees to participate in the process.

Step 2 of the DEIS II fair opportunity process is the post-screening competitive process which is conducted by the customer. Under this step, the customer supplies the participants with the SOW and a letter requesting a high-level oral presentation or "white paper." [Note: Some agencies no longer use the term "white paper" due to contractors' complaints that it is confusing. Such terms as streamlined "task order proposal" may be more appropriate to use.] The request letter must include the selection criteria and methodologies the customer will use to make the "best value" decision. The request letter may also include an estimate of the total dollars the government has budgeted for the requirement. Based on this estimate, the contractor could then provide their best technical solution considering the total anticipated funding available. In addition, the letter should also identify a page/slide limitation which considers a reasonable and realistic balance between the complexity of the requirement with the goal of ensuring a streamlined and economical process.

In response to the request, the contractor prepares an oral presentation or white paper. The oral presentation or white paper should address:

- the contractor's accomplishments and experience in performing the work required under the SOW,
- the contractor's technical approach,
- a high level estimate or rough order of magnitude of the cost for completing the required work, considering the funding available, if identified by the government, and
- other relevant information in support of a best value decision.

It should be noted that the contractor may also decline to participate in the process by responding to the request with a no bid.

Based on the information provided by the awardees, the customer performs a cost/technical trade-off evaluation and makes a best value recommendation. Once completed, the customer documents the process in a Selection Recommendation Document (SRD). The SRD is signed by an "accountable management official" from the customer's organization, and must include the customer's recommendation, the selection criteria used to make the selection, and the customer's rationale in support of the recommendation. Furthermore, if a fair opportunity exemption is applicable, the exemption must be cited and justified in the SRD.

The fair opportunity process is completed with the submission of the requirements package to the CO. The SRD is included in the package as evidence that the fair opportunity process was conducted. The CO reviews the SRD and approves or rejects the customer's recommendation. Once approved, the CO asks the recommended awardee to submit a cost and technical proposal. The CO also notifies the other participating awardees of which awardee will be issued the task order.

This process is flexible and can be modified to meet a customer's specific needs. For higher-dollar or complex requirements, the government customer could require varying levels of documentation to support the best value decision. For example, the customer requested technical and cost proposals in lieu of white papers for the Step 2 post-screening competitive process for the ammunition management standard system (AMSS) task order due to the complexity of the requirement and its estimated cost of $26.3 million. The proposals were limited to 200 pages, and awardees were given 30 days to respond.

OPM's Contractor Qualification Matrix Approach

OPM uses a "qualification matrix" to help determine which firms will receive task orders under its multiple award task order contracts for training and management assistance services. These firm-fixed price contracts are used by OPM to provide human resource management services to government agencies. The matrix is a chart that outlines the strengths of the firms in the subject matter areas listed in the contracts based on their proposals and past experience.

Firms are ranked "good," "very good," or "superior" in such subject matter areas as instructional system design, training and development, performance management, business process re-engineering, compensation, and employee relations.

When tasked with aligning a client agency's need with contractor capability, the matrix allows OPM Project Managers initially to determine the firms that will compete (i.e., make oral presentations) for task order assignment. This approach maximizes client satisfaction by placing only the most competent firms in position for selection. It also meets the requirement to give all contractors fair consideration for each task order.

After applying the matrix, OPM also considers the following factors to identify further the best suited contractors: (1) the client's recommendation; (2) the contractor's knowledge of the client agency, its mission, and culture; (3) the contractor's experience with OPM and other Federal agencies as it relates to the client agency's statement of work (SOW); and (4) the estimated cost of the project or the client agency's budget. This process usually yields at least three firms best suited for the project.

Once OPM identifies the firms, it notifies the firms and schedules oral presentations. The oral presentations normally begin within five working days of the forwarding of the SOW to the selected firms. The presentations generally last 20 minutes and are followed by a 15-minute question and answer period.

A selection panel, consisting of OPM and client agency representatives, evaluate the oral presentations of firms based on the firm's understanding of the work requirements, technical approach to meeting the client's needs, knowledge of the subject matter area, key staff capabilities and other corporate resources, past performance, and relevant project experience.

At the conclusion of the presentations, the selection panel discusses the relative strengths and weaknesses of the firms and documents its evaluation. Subsequently, after reviewing the panel's recommendations, the CO makes the final decision and awards the task order to the firm or firms best suited for the project.

ITOP Fair Opportunity Procedures

In May 1996, DOT awarded 20 multiple award contracts in three functional areas: Information Systems Engineering (ISE); Systems Facility Management (SFM); and Information Systems Security (ISS). Separate competitions were held within each functional area to ensure participation of 8(a) and small businesses as prime contractors.

All competed tasks are classified in one of the above functional areas based on the preponderance of work, and all ITOP prime contractors in that functional area are notified of the task order requirement through the Internet. All ITOP prime contractor teams are considered to possess the basic qualifications for success in a broad range of information technology work. All contractors, therefore, are requested to submit proposals in their functional area. ITOP prime contractors may propose to use their resources, their critical subcontractors, or subcontract with any of the contractors qualified in other ITOP functional areas when competing for a task order requirement in their functional area.

The involvement of program officials throughout the ITOP acquisition process is greatly emphasized. The customer organization usually performs the COTR function for ITOP task orders and the customer is involved in the evaluation and selection of the contractor that will eventually support their mission-critical IT needs.

ITOP selection procedures recognize the uniqueness of individual tasks while simultaneously streamlining the process. This is done through the use of templates for typical documents such as task order requests for proposals (RFPs), streamlined award fee plans, source selection plans, and trade-off analyses. The ITOP IT analysts and contract specialists assist the customer in customizing the template documents by inserting the customer's statement of work and performance measures in the task order RFP, inserting the award fee criteria in the award fee plan, and inserting the selection criteria in the source selection plan. These procedures ensure that all important parts of the process are included and provide a common interface with ITOP contractors to minimize overhead expenditures and expedite response time.

Past performance, which was the most important evaluation criterion in the initial ITOP awards, is one of the primary selection criteria for all task orders. ITOP maintains a database of customer performance ratings for all ITOP task orders. These ratings are completed at least annually. The task order ratings, along with performance documentation supporting the original contract awards, are made available to the customers for review. Other selection factors such as key personnel and management approach are ranked by the customer in order of importance and given relative weights for evaluation purposes. These factors are described in the task order request so the contractors understand the criteria that will be used in selecting the winning proposal.

Task order requests are posted on the Internet in a separate area reserved for access by contractors in each functional area. After the requests are posted, contractors are allowed a short period of time to submit requests for clarification. They receive answers over the Internet, and responses are made available to all contractors in the functional area.

Oral presentations are used in most cases, but written proposals are allowed when warranted. Contractors are requested to submit summary slides (not exceeding 30 pages) several days in advance of the scheduled oral presentations. The evaluation team reviews the submissions and completes an initial evaluation prior to the oral presentations. This allows the team to focus on the contractors' presentations and minimize note-taking during the presentation. Contractors are given a two-day response time to provide any additional information.

Following oral presentations, the evaluation team meets, updates its evaluations, and assigns a resulting score to each of the evaluation criteria. Technical and cost evaluations for all contractors are summarized by using an automated spreadsheet tool, which creates color pie charts to aid in visual review of the evaluation results to facilitate the trade-off analysis. The analysis is reviewed to determine the contractor that offers the best value to the government. The source selection official submits the winning proposal to the ITOP CO. The CO awards the task order, and notifies the winning contractor, and, as requested, provides debriefings to the unsuccessful contractors.

EPA's Fair Opportunity Process

The Environmental Protection Agency plans to use various methods to provide awardees a fair opportunity to be considered under their recently awarded multiple award contracts for national air pollution emission standards to support the Office of Air and Radiation. The CO may use information available on hand or, alternatively, request awardees to submit streamlined proposals for a given task order requirement. The CO, with the assistance of the program office, will determine which method to use based on the complexity of the task. The methods are:

1. For simple, well-defined follow-on tasks which only require the contractor to meet a stated schedule, the CO may telephone the contractors to identify their availability. Since availability is the most significant evaluation criteria, only the winning contractor will be asked to provide cost or pricing information.
2. For well-defined tasks that are not follow-on tasks, the CO may telephone contractors to identify their availability and to provide cost or pricing information.
3. For well-defined tasks where the contractors must identify their technical approach, the CO may telephone the contractors or issue written requests for oral presentations or videotaped technical offers. All awardees will be required to submit cost or pricing information.
4. For well-defined complex tasks where technical approach, resource availability, and cost or pricing are significant evaluation factors, the CO may telephone the offers or issue written requests for a technical and cost proposal. The request will suggest a page limitation based on the complexity of the tasks.

Each task order request will include the statement of work, the evaluation factors, the components of the offer to be submitted, the format for submission, and any other relevant instructions to the contractor, including those regarding whether the task order will be awarded with or without discussions.

CIO-SP Fair Opportunity for Consideration Process

The NIH uses a customer-driven best value process in the award of task orders under the CIO-SP multiple award contracts. The customer agency controls the statement of work, the technical and cost evaluation criteria, the technical review, and the solution recommendation. The NIH CO provides guidance on technical and contracting considerations and advice on corrections and problems that occur throughout the task order process. The customer, however, controls the technical and price/cost issues.

Prior to the award of the CIO-SP contracts, all of the contractors and their subcontractors were evaluated and determined to be technically capable of handling all eight task areas identified in the statement of work. When a task order request package (TORP) (which includes the statement of work, evaluation criteria, and independent government cost estimate) is received from the agency, the NIH CO reviews the package for completeness and sends it electronically to all twenty CIO-SP prime contractors. This electronic posting of the complete task order requirement to all contractors is the cornerstone of the fair opportunity process. Both customers and contractors benefit because it keeps the contractors and subcontractors involved in the CIO-SP process, provides the agency with the widest range of competition available, and keeps the procurement lead time to a minimum.

~~Customers are permitted to indicate in the TORP their preferred CIO-SP contractor to satisfy their requirement. This is based on the customer's past history with the contractor and the contractor's technical ability to perform the customer's requirement. The preferred contractor is included in the electronic posting to the other prime contractors. The preferred contractor is not required to submit a proposal for the task order requirement since the customer agency has been working with the contractor and has the preferred contractor's proposal. The non-preferred contractors are free to submit proposals for the specific task order requirement.~~

Most task orders provide from two to five days for proposal submission in either oral or written form. Proposals are submitted directly to the agency, which is responsible for the technical and cost evaluation. At the request of the customer, the NIH will post all necessary amendments to the task requirements, but the customer agency deals directly with the contractors to obtain additional information about the technical or cost proposals. The contractors are not provided any government price/cost information.

When the best value decision is made, the customer prepares a solution recommendation document. The document, which summarizes the best value evaluation and decision, is forwarded with all proposals to the NIH CO for approval. A task order award letter is sent to the customer agency to indicate the completion of the funding document to the awardee.

All task orders are competed unless one of the exception to fair opportunity in FAR 16.505(b) applies. Past performance is used as a mandatory evaluation factor in making best value determinations, but is not used to limit fair opportunity. NIH is developing a database of past performance information to assist customer agencies in making best value evaluations.

CHAPTER 6
CONTRACT ADMINISTRATION

Task Order Surveillance

A planned surveillance effort is necessary to measure contractor performance and ensure successful completion of tasks. Since past performance can be key in the award or selection process, the CO normally should be involved in development and implementation of any surveillance plan or performance evaluation methodology.

NIH and DISA use a similar approach to monitor contractor performance. On these contracts, since the CO has no day-to-day relationship with contractor teams executing task orders, most of the surveillance is performed by COTRs, Contracting Officer's Representatives (CORs), or Task Monitors (TMs). COTR/COR/TMs are assigned the responsibility for developing a surveillance plan that outlines the use of existing reporting tools and other methods of objective and subjective observations to track contractor performance, timeliness and quality of deliverables, etc. The plan is not in a particular format, but lists the subjective and objective measures that will be used to assure timeliness, quality, and reasonable cost results on the task order. Subjective measures which affect performance and can be viewed through day-to-day interaction include cooperation, problem solving, problem avoidance, staffing levels, adopted efficiencies, effective use of office and communication tools, attendance, and overall professionalism. Objective information includes deliverables, correspondence, meeting minutes, and reporting.

Acceptance and Evaluation of Deliverable

The COTR/COR/TM normally is responsible for performing acceptance of all supplies and services. In addition to reviewing, commenting, and accepting or rejecting deliverables, the COTR/COR/TM is responsible for providing a written evaluation of each major deliverable received during task order execution. "Major deliverables" are the significant technical items (reports, plans, specifications, software, etc.) that are the outcomes of the tasks in the statement of work. Items such as status reports, meeting minutes, trip reports, i.e., routine status and informational deliverables, are generally not considered major deliverables. The COTR/COR/TM documents all rejection of deliverables in writing with recitation of the requirement and factual statements of how the contractor failed to meet those requirements.

Task Order Evaluation

Standard performance evaluations are used for all task orders to monitor and record overall performance of each contractor. Over the life of the contracts, optimum contractor selection depends in part on historical records measuring performance quality. A sample evaluation form is included in Appendix 3. Under this example, at task order completion, the TM completes this form and forwards it for review to the CO, who in turn forwards a copy to the contractor for comment. Task order evaluation information is entered into the Past Performance database and is available to government customers seeking to use these contracts, to the prime contractor who performed the work, and to government source selection organizations who need past performance information to conduct contract source selections. Contractors should be given an opportunity to review and comment on all of their past performance evaluation reports for task orders issued under the contract. Comments should be included as part of the database for review by customers.

Other Contract Administration Techniques

While critics of multiple award contracts may state that administration of so many contracts is expensive and time consuming, the DOT's Volpe Center provides evidence to the contrary. Administration of the 29 contracts providing support to the Volpe Center has been a success due to comprehensive management, administration, and operational procedures which have been designed and implemented specifically for the Multiple Contractor Resource Base (MCRB) Program. As in most successful procurements, contract administration involves the full participation of management, procurement, and technical program specialists to ensure quality performance at good prices consistent with program objectives and responsiveness to customer needs. Key elements of this process include:

- a close CO/COTR partnership supported by management;
- a Users Guide which details the operational characteristics of the program and establishes uniform operating procedures;
- automated tools to ensure timely and quality performance; and,
- reports to keep Volpe Center management fully informed of program performance.

Another way to improve contract administration of these large contracts is provided by NASA under the SEWP contracts. NASA meets with its contractors not less than quarterly to discuss administrative issues. NASA also holds video-conferences with the contract administrators at NASA and the other agencies. At these sessions, the contractors discuss anticipated technology refreshment and other issues so that the users can start planning for future requirements.

BEST PRACTICES:

- ***Establishing an automated system to manage task order issuance makes the process more efficient.***
- ***Convene periodic meetings with awardees to discuss administrative matters, future requirements, and needed improvements in the ordering process.***

The Role of the Ombudsman

Agencies must designate a task and delivery order ombudsman who shall be responsible for reviewing complaints from contractors and ensuring that all contractors are afforded a fair opportunity to be considered under multiple award contracts. If an agency designated an ombudsman prior to FASA, the duties of that individual could also include these responsibilities. After award, contractors cannot protest issuance of orders, except for a protest on the grounds that the order increases the scope, period, or maximum value of the contract. Therefore, the ombudsman plays an important role. The ombudsman must be a senior official who is independent of the contracting office awarding the multiple award contract. The ombudsman does not have the authority to overturn award decisions or adjudicate formal contract disputes.

Most agencies that appoint an ombudsman do so at a relatively high level. For example, the Department of Veterans Affairs has established the Ombudsman at the Office of the Associate Deputy Assistant Secretary for Acquisition. DISA has assigned the Deputy Director for Procurement and Logistics as the Ombudsman. IRS's Ombudsman is the Chief, Policy and Procedures Branch, Office of Procurement Policy. In other agencies this role has been assigned to the Competition Advocate.

DOE has established procedures for the performance of Ombudsman responsibilities. All Heads of Contracting Activities designate a senior manager who is totally independent of the CO and has no connection to the award of the order to perform Ombudsman duties. DOE also has a Headquarters Ombudsman. DOE's Ombudsman process entails:

1. *Review*: Ombudsman reviews concerns and disagreements by contractors. The ombudsman keeps a log of the complaints from receipt through disposition. If the complainant requests anonymity, the name is not logged in.
2. *Fact Collection*: Ombudsman collects all facts from the CO relevant to the complaint.
3. *Reporting*: If corrective action is required, the Ombudsman reports the findings to the CO.
4. *Referred*: If complaints cannot be resolved at local level, the ombudsman refers the complaints to the DOE Headquarters Ombudsman.

The DOE process requires the Ombudsman to keep a log of the complaints from receipt through disposition. It may be useful to retain the log and associated complaint information throughout the life of the contract. In the event of frivolous complaints, agency records on all aspects of a contractor's performance may prove useful.

CHAPTER 7
CONCLUSION

This interim publication presents best practices to assist agencies in the use of multiple award task and delivery order contracts, focusing on the fair opportunity process and streamlining the ordering process. This information should help agencies re-engineer their traditional procedures for awarding orders under the old single award ID/IQ contracts, and take advantage of the flexibilities available today when using multiple award contracts.

Multiple award task and delivery order contracting, when used properly, should allow the government to leverage its buying power and, at the same time, achieve efficiencies in the procurement process and best value for the taxpayers. Agencies should continue to use best practices already established and seek to develop even more innovative ways to streamline and simplify the ordering process.

We are interested in obtaining information on the fair opportunity process, streamlined ordering procedures, and opportunities for small businesses in other multiple award contracts, especially those for multi-agency use. Any information on lessons learned resulting from innovative techniques, whether or not they provided the expected benefits or results would help. Even techniques or processes considered to be failures offer great learning experiences and should be shared with other agencies to prevent the same mistakes being made.

Suggestions for any other best practices or lessons learned should be either faxed or forwarded to:

Ms. Linda G. Williams
Deputy Associate Administrator
Office of Federal Procurement Policy
Room 9001, New Executive Office Building
725 17th Street, NW
Washington, DC 20503

Fax Number: 202-395-5105

We hope the information and best practices included in this interim publication will prove useful to agencies and industry.

APPENDIX 1
LIST OF MULTIPLE AWARD TASK AND DELIVERY ORDER CONTRACTS

The following is a list of multiple award task and delivery order contracts which have been referred to in the Guide. For additional information about these contracts, including copies of handbooks, sample solicitations, ordering procedures, "fair opportunity" selection process, sample forms, etc., contact the individuals listed below.

1. Chief Information Officer Solutions and Partners (CIO-SP)

National Institutes of Health

Information technology support services including data center services, IT operations, integration services, telecommuting services, telecommunications, security and services to make computers Year 2000 compliant.

Marie Monsees
Internet Address: mm63F@nih
FAX Number: 301-402-3406

Handbook available at Web Site: http://nitaac.nih.gov/

2. DEIS II Program

Defense Information Systems Agency

Integration and migration services supporting development of the Defense Information Infrastructure.

The DEIS contracts are expired and have been replaced by the Encore suite of contracts.

3. Federal Systems Integration and Management (FEDSIM)

General Services Administration

Information technology support services.

Keith Sandridge, FEDSIM Contracting Center
Internet Address: keith.sandridge@gsa.gov
FAX Number: 703-756-9012

4. Information Technology Omnibus Procurement (ITOP)

Department of Transportation

Information technology services such as information systems engineering, systems/facilities management and maintenance, and information systems security.

Richard Lieber
Internet Address: itop@postmaster2.dot.gov
FAX Number: 202-366-9848

Handbook available at Web Site: http://itop.dot.gov

5. Scientific and Engineering Workstation Procurement (SEWP II)

National Aeronautics and Space Administration

UNIX workstations and supporting equipment.

Skip Kemerer
Internet Address: skip.l.kemerer.1@GSFC.nasa.gov
FAX Number: 301-286-1654

6. Volpe Center's Multiple Contract Resource Base Program

Department of Transportation

Research, development, and analysis support in operations research and analysis, information systems engineering, communications, navigation and surveillance systems and vehicle, guideway and terminal systems.

Contact: David Scali
Internet Address: scali@volpe1.dot.gov

7. Environmental Construction/Remediation Services

Department of the Air Force

Warner Robbins Air Logistics Center

Bob Driggers
FAX Number: 912-926-7549

8. Training and Management Assistance Services

Office of Personnel Management

Vivian Bethea
FAX Number: 202-606-1464

9. Environmental Management Services

Department of Energy

David Leotta
Internet Address: david.leotta@hq.doe.gov
FAX Number: 202-634-4419

10. Desktop V Microcomputers

Department of the Air Force

Desktop microcomputers, software applications, support services.

Kay Walker
FAX Number: 334-416-1775

11. Research and Evaluation Studies

Social Security Administration

Provides for quick turnaround, short-term research and evaluation studies, projects and analyses.

John Broglie
FAX Number: 410-965-9560

12. Financial Management Support Services (FMSS)

Financial Management Service, Department of the Treasury

Includes a broad range of financial management and related information technology services.

Karen Reed, Contracting Officer
Internet Address: karen.reed@FMS.sprint.Com
Fax Number: 202-874-7275

13. Audit Support Services

Department of Health and Human Services

Includes financial, program, or contract audit support services.

Gaynel Abadie, Contract Specialist
Fax Number: 202-690-5698

14. National Air Pollution Emissions Standards Support Services

Environmental Protection Agency

Kathy H. Moore
Internet address: moore.kathyh@epamail.epa.gov
Fax Number: 919-541-4273

15. Information Technology Support Services

Department of Justice

Provides for a full range of information technology support services including business process re-engineering.

Surrindar Singh Hansra
Internet address: hansra@justice.usdoj.gov
Fax Number: 202/514-0805

APPENDIX 2
DEIS II Task Order Award Process

This appendix is missing and is expected to be available Sep 30, 1997.
(It is a flow chart of the Screening and Post Screening award process.)

APPENDIX 3
TASK ORDER EVALUATION

*To be completed by the Task Monitor (TM) each quarter (1 Oct, 1 Jan, 1 Apr, and 1 Jul) and at the completion of the Task Order to evaluate the contractor*s performance. Completed evaluations are to be forwarded to the COTR/COR for review.*

_____
1. Contract Number 2. TO Number 3. TO Title

_____
4. TO Award Date 5. TO Completion Date 6. Total Cost 7. TO Type: __ T&M __ FFP __ CPFF

_____
8. a. Prime Contractor b. Principal Subcontractor(s) (List the Prime subcontractors that worked on the TO)

c. TO Evaluation

_____

TECHNICAL PERFORMANCE							
FACTORS/RATINGS	**"Plus" (6)**	**"Excellent" (5)**	**"Good" (4)**	**"Fair" (3)**	**"Poor" (2)**	**"Unsatisfactory" (1)**	**Not Applicable (N/A.)**
1. Completion of major tasks/milestones/ deliverables on schedule.							
2. Responsiveness to changes in technical direction.							
3. Ability to identify risk factors and alternatives for alleviating risk.							
4. Ability to identify and solve problems expeditiously.							
5. Ability to employ standard tools/methods (e.g., standards, commercial products, info. engineering tools).							

MANAGEMENT PERFORMANCE							
FACTORS/RATINGS	**"Plus" (6)**	**"Excellent" (5)**	**"Good" (4)**	**"Fair" (3)**	**"Poor" (2)**	**"Unsatisfactory" (1)**	**Not Applicable (N/A.)**
6. Overall communication with the Government.							
7. Effectiveness and reliability of Contractor's Key Personnel							
8. Ability to recruit and maintain qualified personnel.							
9. Ability to manage multiple and diverse projects/tasks from planning through execution..							
10. Ability to effectively manage subcontractors.							
11. Ability to meet goals for use of Small, Small Disadvantaged, and Woman Owned Small Business subcontractors.							

MANAGEMENT PERFORMANCE (CONT'D)							
FACTORS/RATINGS	**"Plus" (6)**	**"Excellent" (5)**	**"Good" (4)**	**"Fair" (3)**	**"Poor" (2)**	**"Unsatisfactory" (1)**	**Not Applicable (N/A.)**
12. Ability to accurately estimate and control cost to complete tasks.							
13. Overall performance in planning, scheduling, and monitoring.							

14. Use of management tools (e.g. cost/schedule, task management tools).							

CUSTOMER SATISFACTION							
FACTORS/RATINGS	**"Plus" (6)**	**"Excellent" (5)**	**"Good" (4)**	**"Fair" (3)**	**"Poor" (2)**	**"Unsatisfactory" (1)**	**Not Applicable (N/A.)**
15. How would you rate the Contractor's *overall technical performance* on this contract/order?							
16. How would you rate the Contractor's *overall management performance* on this contract/order?							
17. How would you rate the Contractor's ability to be cooperative, business-like and concerned with the interests of the customer?							

9. Additional Comments:

10. Would you use contractor again? __ Y __ N *(please explain)*

11. List the Major Technical Deliverables delivered during this TO:

Title	Description	Date Due	Date Recd	Date "Deliverable Eval." Submitted
1.				
2.				
3.				
4.				
5.				

12. TM Name 13. TM Signature 14. Date

15. COR Name 16. COR Signature 17. Date

18. Contractor Comments:

APPENDIX 4
ESTABLISHING TASK ORDER CONTRACTS

This appendix is missing and is expected to be available Sep 30, 1997.
(This contains a Flow Chart of the Task Order Process)

APPENDIX 5
ACRONYMS

AMSS - Ammunition Management Standard System

ARNet - Acquisition Reform Network

CAS - Cost Accounting Standards

CBD - Commerce Business Daily

CIO-SP - Chief Information Officer Solutions and Partners

CO - Contracting Officer

COR Contracting Officer's Representatives

COTR - Contracting Officers Technical Representative

COTS - Commercial-off-the-Shelf

DEIS II - Defense Enterprise Integration Services II

DISA - Defense Information Systems Agency

DOD - Department of Defense

DOE - Department of Energy

DOJ - Department of Justice

DOT - Department of Transportation

FAI - Federal Acquisition Institute

FAQ - Frequently Asked Questions

FAR - Federal Acquisition Regulation

FASA - Federal Acquisition Streamlining Act

FEDCAC - Federal Computer Acquisition Center

FEDSIM - Federal Systems Integration and Management Support Center

FMS - Financial Management Service

FMSS - Financial Management Support Services

GSA - General Services Administration’s

HHS - Department of Health and Human Services

ID/IQ - Indefinite Delivery/indefinite Quantity

IRS - Internal Revenue Service

ISE - Information Systems Engineering

ISS - Information Systems Security

IT - Information Technology

ITOP - Information Technology Omnibus Program

JOC - Job Order Contracts

MCRB - Multiple Contractor Resource Base

NASA - National Aeronautics and Space Administration's

NIH - National Institutes of Health

OFPP - Office of Federal Procurement Policy

OMB - Office of Management and Budget

OPM - Office of Personnel Management

OSDBU - Offices of Small and Disadvantaged Business Utilization

PALM - Patent Application Location and Monitoring

PCAC - Personal Computer Acquisition Contract

RFP - Request for Proposal

SABER - Simplified Acquisition of Base Engineer Requirements

SEWP - Scientific and Engineering Workstation Procurement

SFM - Systems Facility Management

SOW - Statement of Work

SRD - Selection Recommendation Document

TIPSS - Treasury Information Processing Support Service

TMs - Task Monitors

TORP - Task Order Request Package

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