

# CHANGE REQUEST COVER SHEET

**Change Request Number:** 13-51

**Date Received:** 3/29/2013

**Title:** CPARS

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**Policy OR Guidance:** Guidance

**Section/Text Location Affected:** T3.10.1A16 new section and T3.10.1 Appendix 11 CPARS Guide

**Summary of Change:** Adds the requirement to AMS to complete a contractor performance evaluation for all contracts that exceed a specified dollar threshold

**Reason for Change:** To increase the number of performance assessments completed by the agency

**Development, Review, and/or Concurrence:** ACQ and AMQ contracting managers, AGC-500 and Acquisition Policy

**Target Audience:** All contracting officers, CORs and program offices

**Potential Links within FAST for the Change:** The attached file should be added as Appendix 11 FAA CPARS Guide, in section T3.10.1.

**Briefing Planned:** No

**ASAG Responsibilities:** Approve

**Potential Links within FAST for the Change:** The attached file should be added as Appendix 11 FAA CPARS Guide, in section T3.10.1.

**Links for New/Modified Forms (or) Documents (LINK 1)** [null](#)

**Links for New/Modified Forms (or) Documents (LINK 2)** [null](#)

**Links for New/Modified Forms (or) Documents (LINK 3)** [null](#)

## SECTIONS REMOVED:

Procurement Guidance:

**Section 3 : FAA CPARS Guide** [\[Old Content\]](#)

## SECTIONS ADDED:

Procurement Guidance:

*T3.10.1 Contract Administration*

*Contract Administration*

**Section 16 : Contractor Performance Documentation and Maintenance** [\[New Content\]](#)

Procurement Guidance:

*T3.10.1 Contract Administration*

*Appendices*

**Section 11 : FAA CPARS Guide** [\[New Content\]](#)

## SECTIONS EDITED:

Procurement Guidance:

*T3.2.2 - Source Selection*

*Source Selection*

**Section 3 : Past Performance** [\[Old Content\]](#)[\[New Content\]](#) [\[RedLine Content\]](#)

## SECTIONS REMOVED:

**Procurement Guidance:**

**Section 3 : FAA CPARS Guide.**

## FAA Use of Contractor Performance Assessment Reporting System (CPARS)

### 1.0 Introduction

This Guide assigns responsibilities and provides procedures for systematically assessing contractor performance in accordance with AMS Procurement Guidance T3.2.2A.3.

### 1.1 Background

The Contractor Performance Assessment Reporting System (CPARS) is a paperless contracting initiative housed and maintained by the DoD. Since the National Institutes of Health (NIH) discontinued use of its Contractor Performance System (CPS), CPARS has been mandated for use across all Federal Government agencies as the “feeder” system for entering contract performance data into the Government-wide Past Performance Information Retrieval System (PPIRS). Use of the CPARS for is strongly encouraged as it ensures that FAA contract performance evaluations will be entered into the PPIRS database to enhance the centralized data repository of contractor performance information. All CPARS evaluations must be initiated and completed electronically within the system. This Guide refers only to the CPARS module under which performance evaluations for most CPARS evaluations will be done. Any performance evaluations for architect-engineer or construction contracts will be done under the separate ACASS and CCASS modules respectively. Information on all modules is available on the CPARS website.

### 1.2 Purpose

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The primary purpose of the CPARS is to ensure that current and accurate data on contractor performance is available for use in source selections. The completed past performance assessments are available through the PPIRS. In addition to the sources of information outlined in AMS Procurement Guidance T3.2.2A.3, the Contracting Officer may use information available through PPIRS to support responsibility determinations of prospective contractors. Senior FAA and contractor officials may also use the information derived from the CPARS for other management purposes consistent with AMS Guidance.

CPAR assesses a contractor's performance, both positively and negatively as appropriate, providing a record on a given contract during a specified period of time. Each assessment must be based on objective data (or measurable, subjective data when objective data is not available) supportable by program and contract management data (see Section 1.4). CPARS performance expectations must be addressed in the Government and contractor's initial post-award meeting.

### **1.3 Responsibility for Completing CPARS Assessments**

Responsibility for completing quality CPARS assessments in a timely manner rests with the Assessing Official (AO), who may be the program manager (PM), contracting officer's representative (COR) or the equivalent individual responsible for program, project, or task/job/delivery order execution. The AO is supported in this process by the Assessing Official Representative (AOR). The AOR may be the Performance Evaluator, Quality Assurance Evaluator, Requirements Indicator, or Task Monitor for tasks under IDIQ contracts. The AO and AOR will be responsible for entering the ratings and narratives for each assessment performed.

The CPARS process is designed with checks-and-balances to facilitate the objective and consistent evaluation of contractor performance. Both Government and contractor perspectives are captured on the CPAR form. The opportunity to review and comment on the CPAR by the designated Government and contractor personnel makes a complete CPAR.

In the event there are multiple CPARs on one contract due to geographically separated units, the AO of the office with the preponderance of the effort (based on largest dollar value) on the contract will consolidate the multiple CPARs and provide a consensus evaluation and rating of the performance prior to forwarding to the contractor.

### **1.4 CPAR Evaluation Methodology**

The value of a CPAR to a future source selection team is linked to the care the AO takes in preparing a quality and timely narrative to accompany the CPAR ratings. It is of the utmost importance that the AO submits a rating consistent with the definitions of each rating and thoroughly describes the circumstances surrounding a rating. The definitions of each rating, together with related guidance for preparing the narrative, are provided in Attachment 1.

Each evaluation must be based on objective data (or subjective data when objective data is not available) supported by program and contract management records. The following sources of data are recommended:

- Contractor operations reviews
- Status and progress reviews
- Production and management reviews

- Management and engineering process reviews (e.g. risk management, requirements management, etc.)
- Cost performance reports and other cost and schedule metrics
- Other program measures and metrics such as:
  - Measures of progress and status of critical resources
  - Measures of product size and stability
  - Measures of product quality and process performance
  - Customer feedback/comments and satisfaction ratings
- Systems engineering and other technical progress reviews
- Technical interchange meetings
- Physical and functional configuration audits
- Quality reviews and quality assurance evaluations
- Subcontracting reports
- Earned contract incentives and award fee determinations

Subjective assessments concerning the cause or ramifications of the contractor's performance may be provided; however, speculation or conjecture must not be included.

### **1.5 Uses of Summary CPAR Data**

Summary data from the CPARS database or from the reports themselves may be used to measure the status of industry performance and support continuous process improvement. Further analysis of data from the CPARS database may be accomplished by the CPAR Focal Point for internal Government use but is not authorized for release outside the Government.

### **1.6 Change-of-Name/Novation**

See AMS Procurement Guidance T3.10.1A.8 for guidance in these circumstances since the Dun & Bradstreet Universal Numbering System (DUNS), Commercial and Government Entity (CAGE) codes and contractor names may be affected in the CPARS. The AO of each contract affected by any such changes is ultimately responsible for ensuring that the contract information in the CPARS is current and correct.

## **2.0 Considerations for Use**

Examples of FAA acquisitions for which CPARS may be appropriate are the following (individually or in combination):

- Technically complex,
- High dollar value, and/or
- More than one year in duration

### **2.1 CPARS for Indefinite-Delivery Contracts, Basic Ordering Agreements (BOAs) and Blanket Purchase Agreements (BPAs)**

For indefinite-delivery contracts and BPAs using CPARS, a CPAR must be completed on each order as considered appropriate. The cognizant program office for the contract or agreement will determine whether CPARs will be completed:

- On each order meeting a pre-determined threshold, and combining orders into one

#### CPAR

- On each order, or
- By combining all orders into one CPAR (regardless of dollar value).

In cases where each order is below the pre-determined threshold and, combined, they add up to the threshold, complete a CPAR at the basic contract or agreement level in CPARS by combining all orders, provided that a single ordering/requiring activity exists and the effort on each order is similar.

Combining orders into one CPAR may not be feasible, when contracts are used by multiple activities or agencies, or when individual orders could be significantly different. When orders are combined, the narrative describing the contractor's performance on each order, both positive and negative, must be included so that the breadth and quality of information is available for source selection official use.

For BOA orders, a CPAR must only be completed on each order meeting the threshold.

If a consolidated CPAR for all orders is completed, the period of performance for the assessment shall be based on the effective date/award date of the basic contract and each subsequent, exercised option year period. Where possible, each order number and title may be included in Block 17. Narrative must be provided on the contractor's performance on each order (in Block 20) so that the breadth and quality of information on the order is available for source selection official use.

If separate CPARs for any single orders are accomplished, the period of performance for the assessments will be based on the effective date/award date of each individual order.

## **2.2 CPARs for Orders Under Federal Supply Schedules**

For CPARS evaluations on Federal Supply Schedule Orders, the period of performance for the assessment shall be based on the effective date/award date of the individual order.

## **2.3 Joint Ventures**

When the joint venture on a contract using CPARS has a unique CAGE code and DUNS number, a single CPAR will be prepared for the joint venture using those CAGE and DUNS codes. If the joint venture does not have a unique CAGE code and DUNS code, separate CPARs containing identical narratives will be prepared for each participating contractor and will reference that the evaluation is based on performance under a joint venture and will identify the contractors that were part of the joint venture.

## **2.4 Letter or Ceiling Priced Contracts**

Assessment information regarding performance under letter or ceiling priced contracts using CPARS must be included in the annual evaluation. If the final negotiated contract type is not a cost-type, cost information for the period such an action was in effect (if applicable) must be included under the Cost rating element in the CPAR. If the final negotiated contract type is a cost-type, cost information for the entire period of performance must be included under the Cost rating element. The supporting narrative must fully explain the contractor's performance during the action, including throughout definitization. The contractor's performance under the undefinitized period must be separately identified but

considered in the overall CPAR.

## **2.5 Subcontractor Assessments**

Assessments will not be completed on subcontractor performance. However, an assessment will address the prime contractor's ability to manage and coordinate subcontractor efforts, if applicable, as well as compliance with statutory requirements of the Small Business Subcontracting Program.

## **3.0 FAA Responsibilities**

The FAA will:

- Establish procedures to implement CPARS. These procedures will include training requirements for Focal Points, AOs, ROs, and Contractor Representatives to ensure procedures for monitoring the timely completion of reports, report integrity (e.g., quality of reports) and overall CPARS system administration are in place.
- Establish CPARS Focal Point(s)
- Register new contracts using CPARS in the system within 30 calendar days after contract award with the information for blocks 1-14 of the CPARS form. Registering the contract will establish the record and facilitate subsequent CPARS reporting.

## **3.1 CPARS Roles and Responsibilities**

### **3.1.1 Agency Point of Contact (DOT Office of the Senior Procurement Executive (M-60))**

The Agency Point of Contact is DOT, which responsible for administrative oversight of the CPARS process. Duties include:

- Obtaining Command Point of Contact access to CPARS
- Assigning of Senior Command Official(s)
- Serving on CPARS Operational Requirements Committee
- Monitoring to ensure effective implementation of the CPARS process

### **3.1.2 Senior Command Official (FAA Acquisition Policy Group (AAP-100))**

- Obtaining Senior Command Official access to CPARS by contacting the Agency Point of Contact
- Coordination and submittal of subordinate organization CPARS Focal Points to the CPARS Program Office
- Assistance to subordinate organization CPARS Focal Points (e.g., training, monitoring, and policy)
- Evaluating quality and compliance metrics of subordinate organizations
- Providing metrics for management, as requested
- Reviewing and providing subordinate organization issues to the CPARS Focal Point and/or the CPARS Program Office

### **3.1.3 Focal Point (FAA Procurement and Information Services Team (AAP-120))**

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- Registering contracts using CPARS in the system within 30 calendar days of contract award
- Training in their prospective agency
- Assigning access authorization for FAA and contractor personnel (complete contract authorization based on information from the Contracting Officer, COR/Project Officer, and contractor personnel authorized to appoint a designated representative)
- CPARS account management and maintenance
- Control and monitoring of CPARS, including the status of overdue evaluations
- Establishing processes to monitor quality reports in a timely manner
- Troubleshoot user errors-if cannot be mitigated, contact the CPARS Help Desk

#### **3.1.4 Assessing Official (AO) (FAA COR, Program/Project Manager, or Program Office Representative)**

- Responsible for completing the CPAR
- Reviewing comments from the designated contractor representative once the evaluation has been returned by the contractor or after 30 days have lapsed
- After receiving and reviewing the contractor's comments on the CPAR, the AO may revise the assessment, including the narrative. The AO will notify the contractor of any revisions made to a report as a result of the contractor's comments. Such a revised report will not be sent to the contractor for further comment. The contractor will have access to both the original and final reports in CPARS when the FAA finalizes the evaluation.

#### **3.1.5 Contractor Representative**

The contractor on a given contract must designate two representatives to whom the evaluations will be sent automatically and electronically. The name, title, e-mail address and phone number of the designated contractor representative shall be provided to the Contracting Officer who will, in turn, provide that information to the CPARS Focal Point for authorization access. Any changes in designated contractor personnel shall be the sole responsibility of the contractor to inform the Contracting Officer or Contract Specialist who will in turn forward the information to the CPARS Focal Point. The designated contractor representative has the authority to:

- Receive the Government evaluation from the AO
- Review/comment/return evaluation within 30 calendar days. If the contractor desires a meeting with the AO to discuss the CPAR, it must be requested, in writing, no later than seven calendar days from the receipt of the CPAR. The meeting will be held during the contractor's 30-day review period.

#### **3.1.6 Reviewing Official (RO) (FAA Contracting Officer)**

The Reviewing Official is the final arbiter when there is disagreement between the government and the contractor. The RO must review and sign the assessment when the contractor indicates non-concurrence with the CPAR or when the contractor is non-responsive. The RO has the authority to:

- Provide narrative comment (the Reviewing Official's comments supplement those provided by the AO. They do not replace the ratings provided by the AO).
- Sign the CPAR (at this point it is considered final and is posted in the CPARS and is

- available for Source Selection Official use in the PPIRS)
- Ensuring a copy of the completed evaluation is placed in the contract file

## **4.0 Frequency of Reporting**

Generally, reporting is done on an annual basis. When an out-of-cycle CPAR is required, however, it is acceptable to complete two CPARS in a given year for the contract. Out-of-cycle CPARs do not alter the annual reporting requirement. For example, if the regular CPAR period of performance ends on 30 September 2012 and an out-of-cycle CPAR is completed which covers a performance period that ends on 1 May 2012, the next intermediate CPAR report is still required to cover the period of performance from 1 October 2011 to 30 September 2012. A period of performance overlap is only permitted when an out-of-cycle CPAR report has been prepared.

### **4.1 Initial Reports**

An initial CPAR is required for new contracts using CPARS that have a period of performance greater than 365 calendar days. The initial CPAR must reflect evaluation of at least the first 180 calendar days of performance under the contract, and may include up to the first 365 calendar days of performance. For contracts with a period of performance of less than 365 calendar days, see "Final Reports" below.

### **4.2 Intermediate Reports**

Intermediate CPARs are required every 12 months throughout the entire period of performance of the contract after the initial report and up to the final report. An intermediate CPAR is also required:

- Upon a significant change in the quality of contractor performance, or
- Upon a significant change within the agency, provided that a minimum of six months of performance has occurred, such a change in program management responsibility:

An intermediate CPAR must be done prior to any transfer of Assessing Official duties from one individual to another to ensure continuity.

An intermediate CPAR is limited to contractor performance occurring after the preceding normal cycle CPAR. To improve efficiency in preparing the CPAR, the CPAR should be completed together with other reviews (e.g., award fee determinations, major program events, program milestones and quality assurance surveillance records).

### **4.3 Final Report**

A final CPAR must be completed upon contract completion or delivery of the final major end item on contract. Final Reports are to be prepared on all contracts using CPARS with a period of performance of less than 365 calendar days. The final CPAR does not include cumulative information but is limited to the period of contractor performance occurring after the preceding CPAR. The CPAR Focal Point has the authority to approve extensions when special circumstances arise.

### **4.4 Out-of-Cycle Reports**



An Out-of-Cycle CPAR may be appropriate when there is a significant change in performance that alters the assessment in one or more evaluation area(s). The contractor may request a new assessment or the AO may unilaterally prepare a new evaluation and process a new CPAR through the automated CPARS system. The determination as to whether or not to update an evaluation will be made solely by the AO. The evaluation will follow the same workflow as the annual evaluations and will be posted electronically in CPARS and PPIRS after review/coordination through the FAA and contractor.

#### **4.5 Addendum Reports**

Addendum reports may be prepared, after the final past performance evaluation, to record the contractor's performance relative to contract closeout, warranty performance and other administrative requirements.

#### **5.0 Records Retention and Disposition**

All records created under this document must be retained and disposed of in accordance with agency procedures and any applicable program security requirements.

#### **5.1 CPAR Markings and Protection**

Those granted access to CPARS are responsible for ensuring that CPARs are appropriately marked and handled. All CPAR forms, attachments and working papers must be marked "FOR OFFICIAL USE ONLY/SOURCE SELECTION INFORMATION". Caution must be exercised in transmitting any CPAR as an attachment to an email message.

CPARs may also contain information that is proprietary to the contractor. Information contained on the CPAR, such as trade secrets and protected commercial or financial data obtained from the contractor in confidence, must be protected from unauthorized disclosure. **AOs and ROs must annotate on the CPAR if it contains material that is a trade secret, etc., to ensure that future readers of the evaluations in the PPIRS are informed and will protect as required.** The following guidance applies to protection both internal and external to the FAA.

##### **5.1.1 Internal FAA Protection**

CPARs must be treated as source selection information at all times. Information contained in the CPAR must be protected in the same manner as information contained in source selection files.

##### **5.1.2 External Government Protection**

Due to the sensitive nature of CPARs, disclosure of CPAR data to contractors other than the contractor that is the subject of the report, or other entities outside the FAA, is not authorized. Disclosure of CPAR data to advisory and assistance support contractors other than the contractor that is the subject of the report is strictly prohibited. A contractor will be granted access to its CPARs maintained in CPARS by the appropriate Focal Point.

#### **5.2 Freedom of Information Act (FOIA)**

Contractor performance information is privileged source selection information. It is also protected by the Privacy Act and is not releasable under the Freedom of Information Act. Performance assessments may be withheld from public disclosure under Exemption 5 of the Freedom of Information Act. The FOIA office must coordinate the request with the CPARS PMO and local FAA Focal Point.

### 5.3 Use of CPARS in Source Selection

CPARs provide an assessment of ongoing performance of contractors. Each report consists of a narrative evaluation by the AO, the contractor's comments, if any, relative to the assessment and the RO's acknowledged consideration and reconciliation of significant discrepancies between the AO's evaluation and the contractor's comments. Source selection officials retrieve CPARs by using the PPIRS.

### 5.4 CPAR Format

See Attachments 2, 3, or the CPARS website.

### Attachment 1

<b>Evaluation Rating Definitions (Excluding Utilization of Small Business)</b>		
<b>Rating</b>	<b>Definition</b>	<b>Note</b>
Dark Blue/Exceptional	Performance meets contractual requirements and exceeds many to the Government's benefit. The contractual performance of the element or sub-element being assessed was accomplished with few minor problems for which corrective actions taken by the contractor was highly effective.	To justify an Exceptional rating, identify multiple significant events and state how they were of benefit to the Government. A singular benefit, however, could be of such magnitude that it alone constitutes an Exceptional rating. Also, there must have been NO significant weaknesses identified.
Purple/Very Good	Performance meets contractual requirements and exceeds some to the Government's benefit. The contractual performance of the element or sub-element being assessed was accomplished with some minor problems for which corrective actions taken by the contractor was effective.	To justify a Very Good rating, identify a significant event and state how it was a benefit to the Government. There must have been no significant weaknesses identified.
Green/Satisfactory	Performance meets contractual requirements. The contractual performance of the element or sub-	To justify a Satisfactory rating, there must have been only minor problems, or major problems the contractor recovered from

	element contains some minor problems for which corrective actions taken by the contractor appear or were satisfactory.	without impact to the contract. There must have been NO significant weaknesses identified. Contractors will not be assessed a rating lower than Satisfactory solely for not performing beyond the requirements of the contract.
Yellow/Marginal	Performance does not meet some contractual requirements. The contractual performance of the element or sub-element being assessed reflects a serious problem for which the contractor has not yet identified corrective actions. The contractor's proposed actions appear only marginally effective or were not fully implemented.	To justify Marginal performance, identify a significant event in each category that the contractor had trouble overcoming and state how it impacted the Government. A Marginal rating must be supported by referencing the management tool that notified the contractor of the contractual deficiency (e.g., management, quality, safety, or environmental deficiency report or letter).
Red/Unsatisfactory	Performance does not meet most contractual requirements and recovery is not likely in a timely manner. The contractual performance of the element or sub-element contains a serious problem(s) for which the contractor's corrective actions appear or were ineffective.	To justify an Unsatisfactory rating, identify multiple significant events in each category that the contractor had trouble overcoming and state how it impacted the Government. A singular problem, however, could be of such serious magnitude that it alone constitutes an unsatisfactory rating. An Unsatisfactory rating must be supported by referencing the management tools used to notify the contractor of the contractual deficiencies (e.g., management, quality, safety, or environmental deficiency reports, or letters).

NOTE 1: Plus or minus signs may be used to indicate an improving (+) or worsening (-) trend insufficient to change the assessment status.

NOTE 2: N/A (not applicable) must be used if the ratings are not going to be applied to a particular area for evaluation.

<b>Evaluation Ratings Definitions (Utilization of Small Business)</b>		
<b>Rating</b>	<b>Definition</b>	<b>Note</b>
Dark Blue/Exceptional	Exceeded all negotiated subcontracting goals or exceeded at least one goal and met all of the other negotiated subcontracting goals for the current period. Had exceptional success with initiatives to assist, promote, and utilize small business (SB), small disadvantaged business (SDB), women-owned small business (WOSB), veteran-owned small business (VOSB) and service disabled veteran owned small business (SDVOSB). Complied with AMS, 3.6.1-3 Utilization of Small, Small Disadvantaged and Women-Owned, and Service-Disabled Veteran Owned Small Business Concerns (February 2009). Exceeded any other small business participation requirements incorporated in the contract, including the use of small businesses in mission critical aspects of the program. Went above and beyond the required elements of the subcontracting plan and other small business requirements of the contract. Completed and submitted Individual Subcontract Reports and/or Summary Subcontract Reports in an accurate and timely manner.	To justify an Exceptional rating, identify multiple significant events and state how they were a benefit to small business utilization. A singular benefit, however, could be of such magnitude that it constitutes an Exceptional rating. Ensure that small businesses are given meaningful, innovative work directly related to the project, rather than peripheral work, such as cleaning offices, supplies, landscaping, etc. Also, there must have been no significant weaknesses identified.
Purple/Very Good	Met all of the negotiated subcontracting goals in the traditional socio-economic categories (SB, SDB and WOSB) and met at least one of the other socio-economic	To justify a Very Good rating, identify a significant event and state how they were a benefit to small business utilization. Ensure that

	goals (SDVOSB) for the current period. Had significant success with initiatives to assist, promote and utilize SB, SDB, WOSB, VOSB, and SDVOSB. Complied with AMS, 3.6.1-3. Met or exceeded any other small business participation requirements incorporated in the contract, including the use of small businesses in mission critical aspects of the program. Endeavored to go above and beyond the required elements of the subcontracting plan. Completed and submitted Individual Subcontract Reports and/or Summary Subcontract Reports in an accurate and timely manner.	small businesses are given meaningful, innovative work directly related to the project, rather than peripheral work, such as cleaning offices, supplies, landscaping, etc. There must be no significant weaknesses identified.
Green/Satisfactory	Demonstrated a good faith effort to meet all of the negotiated subcontracting goals in the various socio-economic categories for the current period. Complied with AMS, 3.6.1-3. Met any other small business participation requirements included in the contract. Fulfilled the requirements of the subcontracting plan included in the contract. Completed and submitted Individual Subcontract Reports and/or Summary Subcontract Reports in an accurate and timely manner.	To justify a Satisfactory rating, there must have been only minor problems, or major problems the contractor has addressed or taken corrective action. There must have been no significant weaknesses identified.
Yellow/Marginal	Deficient in meeting key subcontracting plan elements. Deficient in complying with AMS, 3.6.1-3, and any other small business participation requirements in the contract. Did not submit Individual Subcontract	To justify a Marginal rating, identify a significant event that the contractor had trouble overcoming and how it impacted small business utilization. A Marginal rating must be supported by referencing the actions taken by the

	Reports and/or Summary Subcontract Reports in an accurate or timely manner. Failed to satisfy one or more requirements of a corrective action plan currently in place; however, does show an interest in bringing performance to a satisfactory level and has demonstrated a commitment to apply the necessary resources to do so. Required a corrective action plan.	government that notified the contractor of the contractual deficiency.
Red/Unsatisfactory	Noncompliant with AMS 3.6.1-3, and any other small business participation requirements in the contract. Did not submit Individual Subcontract Reports and/or Summary Subcontract Reports in an accurate or timely manner. Showed little interest in bringing performance to a satisfactory level or is generally uncooperative. Required a corrective action plan.	To justify an Unsatisfactory rating, identify multiple significant events that the contractor had trouble overcoming and state how it impacted small business utilization. A singular problem, however, could be of such serious magnitude that it alone constitutes an Unsatisfactory rating. An Unsatisfactory rating must be supported by referencing the actions taken by the government to notify the contractor of the deficiencies. When an Unsatisfactory rating is justified, the Contracting Officer must consider whether the contractor made a good faith effort to comply with the requirements of the subcontracting plan required and any other applicable clauses.

NOTE 1: Plus or minus signs may be used to indicate an improving (+) or worsening (-) trend insufficient to change assessment status.

NOTE 2: Zero percent is not a goal unless the Contracting Officer determined when negotiating the subcontracting plan that no subcontracting opportunities exist in a particular socio-economic category. In such cases, the contractor shall be considered to have met the goal for any socio-economic category where the goal negotiated in the plan was zero.

## **Attachment 2 Instructions for Completing a Systems CPAR**

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A2.1 The Systems Business Sub-Sectors (not all of which are applicable to FAA procurements) are Aircraft, Shipbuilding, Space, Ordnance, Ground Vehicles, Training Systems, or Other Systems.

**A2.2 Block 1 Name/Address of Contractor.** State the name and address of the division or subsidiary of the contractor that is performing the contract. Identify the parent corporation (no address required). Identify the CAGE code, DUNS+4 number, Federal Supply Classification (FSC) or Service Code, and North American Industrial Classification System (NAICS) Code. All codes can be accessed by using the on-screen "lookup" function provided in the electronic form.

**A2.3 Block 2 Type Report.** Indicate whether the CPAR is an initial, intermediate, or final report. If this is an "out-of-cycle" report, select "out-of-cycle." If this is a report to record contractor performance relative to contract closeout or other administrative requirements, select "Addendum."

**A2.4 Block 3 Period of Performance Being Assessed.** State the period of performance covered by the report (dates must be in MM/DD/YYYY format). The initial period of performance should not cover less than six months of actual performance.

**A2.4.1 Period of Performance for Delayed Starts, Protests or Phase In Periods.** In the case of delayed starts or protests, the initial period of performance may cover more than twelve months of time since contract award, but normally no more than twelve months of actual contract performance. Initial periods reporting on performance greater than 12 months (such as for phase-in periods) must be approved by the CPAR Focal Point and coordinated with the contractor. The period of performance should not already include reported efforts except when an out-of-cycle CPAR has been processed.

**A2.4.2 Period of Performance for Intermediate/Final Reports.** CPAR assessments for intermediate and final reports should cover a 12 month period of performance. Exceptions to this rule for special circumstances, such as a period of performance that ends one month before contract completion or in those instances (up to six months beyond the annual period) where the performance has been extended must be approved by the CPAR Focal Point.

**A2.4.3 Period of Performance for Out-of-Cycle Reports.** Select "Out-of-Cycle" from the drop-down menu if the AO elects to prepare an out-of-cycle report which will be posted to CPARS for a time period which overlaps the regularly scheduled performance period if there has been a significant change in the performance which alters the assessment in one or more evaluation area(s) since the last performance period. If the AO chooses to have the Out-of-Cycle report posted in the CPARS AIS (and ultimately the PPIRS), the CPAR will be processed through the regular work flow (Government and contractor review). See Paragraph 4.4 for more information on Out-of-Cycle reports.

**A2.3.5 Block 4a Contract Number.** Use the contract number as identified on the contract, except in the case of BOAs, BPAs, GSA schedule and other agency orders. If an order/call is issued under a BOA, BPA, GSA schedule or other agency contract/agreement, the contract number in CPARS should match the master contract number. The order/call number field should be used to reflect the contract/schedule/agreement number for the order/call.

A2.6 **Block 4b Business Sector and Sub Sector.** Select Services/IT/Operations

A2.7 **Block 5 Contracting Office (Organization and Code).** Identify the contracting office symbol..

A2.8 **Block 6 Location of Contract Performance.** Provide a geographical reference (e.g., nearest city and installation name).

A2.9 **Block 7a Contracting Officer.** Self-explanatory.

A2.9.1 **Block 7b Phone Number.** Include commercial phone number in the following format: (XXX) XXX-XXXX

A2.10 **Block 8a Contract Award Date.** Identify the date of contract award or select the date on the on-screen, drop-down calendar.

A2.10.1 **Block 8b Contract Effective Date.** Identify the date (MM/DD/YYYY) that actual contract performance is set to begin or select the on-screen calendar only if that date is later than Block 8a, Contract Award Date.

A2.11 **Block 9 Contract Completion Date.** Identify the last possible date of contract performance (e.g., the last calendar day of the last option period) or select the date on the on-screen, drop-down calendar.

A2.12 **Block 10 Contract Percent Complete/Delivery Order Status.** State the current percent of the contract that is complete. If Cost Performance Reports (CPR) or Cost/Schedule Status Reports (C/SSR) data is available, calculate percent complete by dividing cumulative Budgeted Cost of Work Performed (BCWP) by Contract Budget Base (CBB) (less management reserve) and multiply by 100. CBB is the sum or negotiated cost plus estimated cost of authorized undefinitized work. If CPR or C/SSR data is not available, estimate percent complete by dividing the number of months elapsed by total number of months in contract period of performance and multiplying by 100. In the event an Indefinite Delivery contract is utilized, estimate the percent complete.

A2.13 **Block 11 Awarded Value.** Enter the total value of the contract, including unexercised options. For delivery/task/job order contracts where orders will be assessed under a single CPAR, enter the maximum ordering amount under the contract, including options. For delivery/task/job order contracts where orders will be assessed on an individual basis, enter the awarded value of the individual order. For BOAs/BPAs where orders/calls will be assessed individually, enter the awarded value of the individual order/call.

A2.14 **Block 12 Current Contract Dollar Value.** State the current obligated amount including modifications and options that have been exercised. For incentive contracts, state the target price or total estimated amount. For delivery/task order contracts where orders will be assessed under a single CPAR, state the total amount obligated on all delivery orders, including modifications. For delivery/task/job order contracts where orders will be assessed on an individual basis, state the current obligated amount of the individual order, including modifications. For BOAs/BPAs where orders/calls will be assessed individually, state the current obligated amount of the individual order/call, including modifications.



**A2.15 Block 13 Basis of Award.** Identify the basis of award by selecting competitive or non-competitive. If the CPAR is for a single order/call, select the basis of award for that order/call.

**A2.16 Block 14 Contract Type.** Identify the contract type. For mixed contract types, select the predominant contract type and identify the other contract type in the "mixed" block.

**A2.17 Block 15 Key Subcontractors and Description of Effort Performed.** Identify subcontractors, including CAGE code and DUNS +4 number, performing either a critical aspect of the contracted effort or more than 25 percent of the dollar value of the effort

**A2.18 Block 16 (Systems) Program Title and Phase of Acquisition.** Provide a descriptive narrative of the program. Spell out all abbreviations and acronyms. Identify overall program phase and production lot (for example, concept development, engineering and manufacturing development, low-rate initial production, or full-rate production (Lot 1)), and any specific aspects of the phase of the acquisition being evaluated. Identify milestone phases, if applicable.

**Block 16 (Ship Repair and Overhaul) – Type of Availability.** Not applicable to FAA contracts.

**A2.19 Block 17 Contract Effort Description.** This section is of critical importance to future source selection teams. The description should be detailed enough to assist a future source selection officials in determining the relevance of this program to their source selection. It is important to address the complexity of the contract effort and the overall technical risk associated with accomplishing the effort. For intermediate CPARs, a description of key milestone events that occurred in the review period may be beneficial (e.g., Critical Design Review (CDR), Functional Configuration Audit (FCA)), as well as major contract modifications during the period. Ensure all acronyms are identified.

Provide a complete description of the contract effort that identifies key technologies, components, subsystems, and requirements. For task/delivery/job order contracts, state the number of tasks issued during the period, tasks completed during the period, and tasks that remain active.

For contracts that include multiple functional disciplines or activities, separate them into categories to:

1. Reflect the full scope of the contract, and
2. Allow grouping of similar work efforts within the categories to avoid unnecessary segregation of essentially similar specialties or activities. Each category or area should be separately numbered, titled and described within Block 17 to facilitate cross-referencing with the evaluation of the contractor's performance within each category in Blocks 18 and 19.

**A2.20 Small Business Utilization.** Answer the following questions:

1. Does this contract include a subcontracting plan?
2. Is small business subcontracting under this contract included in a comprehensive small business subcontracting plan?

3. Is small business subcontracting under this contract included in a commercial small business subcontracting plan?
4. Date of last Individual Subcontracting Report (ISR)/Summary Subcontracting Report (SSR)?

**A2.21 Block 18 Evaluation Areas.** Evaluate each area based on the following criteria:

A2.21.1 Each area assessment must be based on objective data that will be provided in Block 20. Facts to support specific areas of evaluation must be requested from the AORs, AOs and other Government specialists familiar with the contractor's performance on the contract under review. Such specialists may, for example, be from engineering, manufacturing, quality, logistics (including provisioning), contracting, maintenance, security, etc.

A2.21.2 The amount of risk inherent in the effort should be recognized as a significant factor and taken into account when assessing the contractor's performance. For example, if a contractor meets an extremely tight schedule, a dark blue (exceptional) may be appropriate, or meeting a tight schedule with few delinquencies, a green (satisfactory) with a plus sign assessment may be given in recognition of the inherent schedule risk. When a contractor identifies significant technical risk and takes action to abate those risks, the effectiveness of these actions should be included in the narrative supporting the Block 18 ratings.

A2.21.3 The CPAR is designed to assess prime contractor performance. In those evaluation areas where subcontractor actions have significantly influenced the prime contractor's performance in a negative or positive way, record the subcontractor actions in Block 20.

A2.21.4 Many of the evaluation areas in Block 18 represent groupings of diverse elements. The AO should consider each element and use the area rating to highlight significant issues. In addition, the AO should clearly focus on the contractor's "results" as they may be appropriate for the period being assessed in determining the overall area rating.

A2.21.5 Evaluate all areas which pertain to the contract under evaluation unless they are not applicable (N/A).

A2.21.6 When performance has changed from one period to another such that a change in ratings results, the narrative in Block 20 must address each change.

A2.21.7 The AO should use customary industry quantitative measures where they are applicable if the contract is for commercial products.

A2.21.8 Ratings will be in accordance with the definitions described in Attachment 2, "Evaluation Ratings Definitions."

**A2.22 Block 18a Technical (Quality of Product).** This element is comprised of an overall rating and six sub-elements. Activity critical to successfully complying with contract requirements must be assessed within one or more of these sub-elements. The overall rating at the element level is the AO's integrated evaluation as to what most accurately depicts the contractor's technical performance or progress toward meeting requirements. This assessment is not a roll-up of the sub-element assessments.

A2.22.1 **Block 18a(1) Product Performance.** Assess the achieved product performance relative to performance parameters required by the contract.

A2.22.2 **Block 18a(2) Systems Engineering.** Assess the contractor's effort to transform operational needs and requirements into an integrated system design solution.

A2.22.2.1 Areas of focus should be: the planning and control of technical program tasks, the quality and adequacy of the engineering support provided throughout all phases of contract execution, the integration of the engineering specialties, management of interfaces, interoperability, and the management of a totally integrated effort of all engineering concerns to meet cost, technical performance, and schedule objectives.

A2.22.2.2 System engineering activities ensure that integration of these engineering concerns is addressed up-front and early in the design/development process. The assessment should cover these disciplines: systems architecture, design, manufacturing, integration and support, configuration control, documentation, test and evaluation.

A2.22.2.3 The assessment for test and evaluation should consider success/problems/failure in developing test and evaluation objectives; planning (ground/air/sea) test, simulations and/or demonstrations; in accomplishing those objectives and on the timeliness of coordination and feedback of the test results (simulations/demonstrations) into the design and/or manufacturing process.

A2.22.2.4 Other activities include production engineering, logistics support analysis, supportability considerations (maintenance personnel/skills availability or work hour constraints, operating, and cost constraints, allowable downtime, turnaround time to service/maintain the system, standardization requirements), survivability, human factors, reliability, quality, maintainability, availability, inspection, etc. Although some of these activities will be specifically addressed in other elements/sub-elements (such as product assurance), the focus of the assessment of systems engineering is on the integration of those specific disciplines/activities.

A2.22.2.5 The assessment of systems engineering needs to remain flexible to allow the evaluator to account for program-unique technical concerns and to allow for the changing systems engineering environment as a program moves through the program phases, e.g., Engineering and Manufacturing Development, Production.

A2.22.3 **Block 18a(3) Software Engineering.** Assess the contractor's success in meeting contract requirements for all applicable software engineering based activities and processes.

A2.22.3.1 Software engineering activities include, as appropriate, software development (design, code, and unit test); application of reuse, COTS, and other non-developmental software components; integration (including software component integration, system integration and test, and acceptance test support); and sustainment. Software processes include, for example: software size, effort, and schedule estimation; requirements analysis, development, and management; software configuration management; software risk identification and management; metrics collection and analysis, technical reviews, decision analysis, and software quality assurance and control, each as they specifically address software engineering activities.

A2.22.3.2 Consider the contractor's success with respect to:

1. Planning a software development, integration, and testing effort that includes compatible cost, schedule, and performance baselines
2. Delivering expected software driven capabilities on cost and on schedule
3. Effective software metrics collection/analysis and status monitoring/reporting that provide the software visibility necessary to identify timely corrective actions and appropriately execute them
4. Staffing with the software knowledge, skills, and abilities needed to execute the contract across the lifecycle; timely assignment of the appropriate numbers of software staff
5. Awareness and control of software size and stability to enable tracking and allowing growth according to vetted enhancements vice scope creep
6. Effective testing and integration of developed software within the larger system test and evaluation effort
7. Effective processes to acquire, integrate, and test commercial off-the-shelf software and to achieve planned software reuse
8. Achieving software assurance
9. Consistent application of documented software engineering and management processes, including technical reviews, in alignment with contract requirements

**A2.22.4 Block 18a(4) Logistic Support/Sustainment.** Assess the success, as appropriate, of the contractor's performance in accomplishing logistics planning. For example, maintenance planning; manpower and personnel; supply support; support equipment; technical provisioning data; training and support; computer resources support; facilities; packaging, handling, storage and transportation; design interface; the contractor's performance of logistics support analysis activities and the contractor's ability to successfully support fielded equipment. When the contract requires technical and/or engineering data deliverables, the cognizant cataloging and/or standardization activity comments should be solicited.

**A2.22.5 Block 18a(5) Product Assurance.** Assess how successfully the contractor meets program quality objectives; e.g., production, reliability, maintainability, inspection, testability, and system safety, and controls the overall manufacturing process. The PM must be flexible in how contractor success is measured, e.g., data from design test/operational testing successes, field reliability and maintainability and failure reports, user comments and acceptance rates, improved subcontractor and vendor quality, and scrap and rework rates. These quantitative indicators may be useful later, for example, in source selection evaluations, in demonstrating continuous improvement, quality and reliability leadership that reflects progress in total quality management. Assess the contractor's control of the overall manufacturing process to include material control, shop floor planning and control, status and control, factory floor optimization, factory design, and factory performance.

**A2.22.6 Block 18a(6) - Other Technical Performance.** Assess all the other technical activity critical to successful contract performance. Identify any additional assessment aspects that are unique to the contract or that cannot be captured in another sub-element.

**A2.23 Block 18b Schedule.** Assess the timeliness of the contractor against the completion of the contract, task orders, milestones, delivery schedules, administrative requirements, etc. Assess the contractor's adherence to the required delivery schedule by assessing the contractor's efforts during the assessment period that contribute to or affect the schedule variance. Also, address significance of scheduled events (e.g., design reviews), discuss causes, and assess the effectiveness of contractor corrective actions.

**A2.24 Block 18c Cost Control. (Not Applicable for Firm-Fixed Price or Firm-Fixed Price with Economic Price Adjustment).** Assess the contractor's effectiveness in forecasting, managing, and controlling contract cost. Is the contractor experiencing cost growth or underrun, discuss the causes and contractor-proposed solutions for the cost overruns. For contracts where task or contract sizing is based upon contractor-provided person hour estimates, the relationship of these estimates to ultimate task cost should be assessed. In addition, the extent to which the contractor demonstrates a sense of cost responsibility, through the efficient use of resources, in each work effort should be assessed.

A2.24.1 Assessment information regarding performance under a UCA shall be included in the annual evaluation. If the final negotiated contract type is not a cost-type, cost information for the period the UCA was in effect shall be included under the Cost element. The contractor's performance under the UCA shall be separately identified but considered in the overall annual ratings.

**A2.25 Block 18d Management.** This element is comprised of an overall rating and three sub-elements. Activity critical to successfully executing the contract must be assessed within one or more of the sub-elements. This overall rating at the element level is the AO's integrated assessment as to what most accurately depicts the contractor's performance in managing the contracted effort. It is not a roll-up of the sub-element assessments.

**A2.25.1 Block 18d(1) Management Responsiveness.** Assess the timeliness, completeness and quality of problem identification, corrective action plans, proposal submittals (especially responses to change orders, Engineering Change Proposals (ECPs), or Letter or Ceiling Priced Contracts), the contractor's history of reasonable and cooperative behavior, effective business relations, and customer satisfaction. Consider the contractor's responsiveness to the program as it relates to meeting contract requirements during the period covered by the report.

**A2.25.2 Block 18d(2) Subcontract Management.** Assess the contractor's success with timely award and management of subcontracts. Assess the prime contractor's effort devoted to managing subcontracts and whether subcontractors were an integral part of the contractor's team. Consider efforts taken to ensure early identification of subcontract problems and the timely application of corporate resources to preclude subcontract problems from impacting overall prime contractor performance.

**A2.25.3 Block 18d(3) Program Management and Other Management.** Assess the extent to which the contractor discharges its responsibility for integration and coordination of all activity needed to execute the contract; identifies and applies resources required to meet schedule requirements; assigns responsibility for tasks/actions required by contract; communicates appropriate information to affected program elements in a timely manner. Assess the contractor's risk management practices, especially the ability to identify risks and formulate and implement risk mitigation plans. If applicable, identify any other areas that are unique to the contract, or that cannot be captured elsewhere under the Management element.

A2.25.3.1 Integration and coordination of activities should reflect those required by the Integrated Master Plan/Schedule. Also consider the adequacy of the contractor's mechanisms for tracking contract compliance, recording changes to planning documentation and management of cost and schedule control system, and internal controls, as well as the

contractor's performance relative to management of data collection, recording, and distribution as required by the contract.

**A2.26 Block 18e Utilization of Small Business.** FAA AMS T3.6.1 and Clause 3.6.1-4 contain requirements for complying with the Small Business Subcontracting Program. Assess whether the contractor provided maximum practicable opportunity for Small Business (including Alaska Native Corporations (ANCs) and Indian Tribes) (including Small Disadvantaged Businesses (which also includes ANCs and Indian Tribes), Women Owned Small Businesses, Veteran Owned, Service Disabled Veteran Owned Small Business, Historically Black Colleges and Minority Institutions and ANCs and Indian Tribes that are not Small Disadvantaged Businesses or Small Businesses) to participate in contract performance consistent with efficient performance of the contract.

A2.26.1 Assess compliance with all terms and conditions in the contract relating to Small Business participation. Where applicable, assess compliance with Small Business Subcontracting Plan (Test Program)) including any program specific data required in the contract. Assess achievement on each individual goal stated within the contract or subcontracting plan including good faith effort if the goal was not achieved.

A3.26.2 It may be necessary to seek input from the Small Business specialist, ACO or PCO in regards to the contractor's compliance with these criteria, especially when a comprehensive plan is submitted. In cases where the contractor has a comprehensive subcontracting plan, request the DCMA Comprehensive Subcontracting Plan Manager to provide input including any program specific performance information.

A2.26.3 For contracts subject to a commercial subcontracting plan, the Utilization of Small Business factor should be rated "green" as long as an approved plan remains in place, unless liquidated damages have been assessed by the Contracting Officer who approved the commercial plan (see AMS 3.6.1-6). In such case, the Utilization of Small Business area must be rated "red".

A2.26.4 This area must be rated for all contracts and task orders that contain a small business subcontracting goal.

A2.26.5 Ratings will be in accordance with definitions described in Attachment 1, "Evaluation Rating Definitions (Utilization of Small Business)."

A2.26.6 A contract may have no more than one subcontracting plan. Evaluations of the utilization of small business are required for contracts and orders placed against basic ordering agreement (BOA) and blanket purchase agreement (BPA) if a subcontracting plan is required. Evaluations of utilization of small business for single-agency task orders and delivery orders (to include FSS) are not required and shall not be accomplished unless the Contracting Officer determines that such evaluations would produce more useful past performance information for source selection officials than that contained in the overall contract evaluation. Execution of any subcontracting plan may be addressed in block 20.

**A2.27 Block 18f Other Areas.** Specify additional evaluation areas that are unique to the contract or that cannot be captured elsewhere on the form. More than one type of entry may be included but should be separately labeled. If extra space is needed, use Block 20.

A2.27.1 If the contract contains an award fee clause, enter "award fee" in the "Other Areas" Block (18f). The AO should translate the award fee earned to color ratings which

could prove more useful for using past performance to assess future performance risk in upcoming source selections. If award fee information is included in the CPAR, use Block 20 to provide a description for each award fee. Include the scope of the award fee by describing the extent to which it covers the total range of contract performance activities, or is restricted to certain elements of the contract.

A2.27.2 If any other type of contract incentive is included in the contract (excluding contract share incentives on fixed price or cost-type incentive contracts), it should be reported in a manner similar to the procedures described above for award fee (by entering "Incentive" in Block 18f).

A2.27.3 Use Block 18f in those instances where an aspect of the contractor's performance does not fit into any of the other blocks on the form. As an example, this block may be used to address security issues, provide an assessment of provisioning line items or other areas as appropriate.

**A2.28 Block 19 Variance (Contract-to-Date).** If Cost Performance Report (CPR) or Cost/Schedule Status Review (C/SSR) data are available, identify the current percent cost variance to date, the Government's estimated completion cost variance (percent), and the cumulative schedule variance (percent). Indicate the cutoff date for the CPR or C/SSR used.

A2.28.1 Compute current cost variance percentage by dividing cumulative cost variance to date (column 11 of the CPR, column 6 of the C/SSR) by the Budgeted Cost of Work Performed (BCWP) and multiply by 100.

A2.28.2 Compute completion cost variance percentage by dividing the Contract Budget Baseline (CBB) less the Government's Estimate At Completion (EAC) by CBB and multiplying by 100. The calculation is  $[(CBB - EAC)/CBB] \times 100$ . The CBB must be the current budget base against which the contractor is performing (including formally established Over Target Baselines (OTB)). If an OTB has been established since the last CPAR, a brief description in Block 20 of the nature and magnitude of the baseline adjustment must be provided. Subsequent CPARs must evaluate cost performance in terms of the revised baseline and reference the CPAR that described the baseline adjustment. For example, "The contract baseline was formally adjusted on (date); see CPAR for (period covered by report) for an explanation."

A2.28.3 Compute cumulative schedule variance percentage by dividing the Budgeted Cost of Work Performed (BCWP) less budgeted cost of work scheduled (BCWS) by BCWS and multiply by 100. The calculation is  $[(BCWP - BCWS)/BCWS] \times 100$ . If the schedule variance exceeds 15 percent (positive or negative), briefly discuss in Block 20 the significance of this variance for the contract effort.

**A2.29 Block 20 AO Narrative** (see Paragraph 1.4). A factual narrative is required for all assessments regardless of color rating (e.g., even "green" or "satisfactory" ratings require narrative support). Cross-reference the comments in Block 20 to their corresponding evaluation area in Block 18 or 19. Each narrative statement in support of the area assessment must contain objective data. An exceptional cost performance assessment could, for example, cite the current underrun dollar value and estimate at completion. A marginal engineering design/support assessment could, for example, be supported by information concerning personnel changes. Key engineers familiar with the effort may have

been replaced by less experienced engineers. Sources of data include operational test and evaluation results; technical interchange meetings; production readiness reviews; earned contract incentives; or award fee evaluations. The AO's comments in Block 20 may be up to 16,000 characters (approximately three pages) in CPARS.

A2.29.1 The AO must choose the applicable choice to the following statement after block 20: "Given what I know today about the contractor's ability to execute what he promised in his proposal, I (definitely would not, probably would not, might or might not, probably would or definitely would) award to him today given that I had a choice."

A2.30 **Block 21 AO Signature.** The AO enters his or her name, title, and organization, phone number (in the following format: (XXX)XXX-XXXX ), email address, FAX number, and signs and dates the form prior to making it available to the contractor for review.

A2.31 **Block 22 Contractor Comments.** Completed at the option of the contractor. The contractor's narrative comments may be up to 16,000 characters (approximately three pages).

A2.32 **Block 23 Contractor Representative Signature.** The contractor representative reviewing/commenting on the CPAR will enter his or her name, title, phone number, email address, FAX number, and signs and dates the form prior to returning it to the AO.

A2.33 **Block 24 RO Comments.** The RO must acknowledge consideration of any significant discrepancies between the AO assessment and the contractor's comments. The RO's narrative comments may be up to 16,000 characters (approximately three pages).

A2.34 **Block 25 - RO Signature.** The RO will enter his or her name, title, organization (AF users do not include a code), phone number in the following format: (XXX) XXX-XXXX, email address, FAX number, and date when completing the CPAR.

### **Attachment 3 Instructions for Completing a Services, Information Technology, or Operations Support CPAR**

A3.1 All business sectors, except Systems, and construction and architect-engineer, will be completed on this form.

A3.2 **Block 1 Name/Address of Contractor.** State the name and address of the division or subsidiary of the contractor that is performing the contract. Identify the parent corporation (no address required). Identify the CAGE code, DUNS+4 number, Federal Supply Classification (FSC) or Service Code, and North American Industrial Classification System (NAICS) code. All codes can be accessed by using the on-screen "lookup" function provided in the electronic form.

A3.3 **Block 2 Type Report.** Indicate whether the CPAR is an initial, intermediate, or final report. If this is an "out-of-cycle" report, select "out-of-cycle." If this is a report to record contractor performance relative to contract closeout or other administrative requirements, select "Addendum."

A3.4 **Block 3 Period of Performance Being Assessed.** State the period of performance covered by the report (dates must be in MM/DD/YYYY format). The initial period of performance should not cover less than six months of actual performance.



**A3.4.1 Period of Performance for Delayed Starts, Protests or Phase-In Periods.** In the case of delayed starts or protests, the initial period of performance may cover more than twelve months of time since contract award, but normally no more than twelve months of actual contract performance. Initial periods reporting on performance greater than 12 months (such as for phase-in periods) must be approved by the CPAR Focal Point and coordinated with the contractor. The period of performance should not already include reported efforts except when an out-of-cycle CPAR has been processed.

**A3.4.2 Period of Performance for Intermediate/Final Reports.** CPAR assessments for intermediate and final reports should cover a 12 month period of performance. Exceptions to this rule for special circumstances, such as a period of performance that ends one month before contract completion or in those instances (up to six months beyond the annual period) where the performance has been extended must be approved by the CPAR Focal Point.

**A3.4.3 Period of Performance for Out-of-Cycle Reports.** Select "Out-of-Cycle" from the drop-down menu if the AO elects to prepare an out-of-cycle report which will be posted to the CPARS AIS for a time period which overlaps the regularly scheduled performance period if there has been a significant change in the performance which alters the assessment in one or more evaluation area(s) since the last performance period. If the AO chooses to have the Out-of-Cycle report posted in the CPARS AIS (and ultimately the PPIRS), the CPAR will be processed through the regular work flow (Government and contractor review). See Paragraph 4.4 for more information on Out-of-Cycle reports.

**A3.5 Block 4a Contract Number.** Use the contract number as identified on the contract, except in the case of BOAs, BPAs, GSA schedule and other agency orders. If an order/call is issued under a BOA, BPA, GSA schedule or other agency contract/agreement, the contract number in CPARS should match the master contract number. The order number field should be used to reflect the contract/schedule/agreement number for the order/call.

**A3.6 Block 4b Business Sector and Sub-Sector.** Service/IT/Operations

**A3.7 Block 5 Contracting Office (Organization and Code).** Identify the contracting office symbol.

**A3.8 Block 6 - Location of Contract Performance.** Provide a geographical reference (e.g., nearest city and installation name) if performance is on a military installation.

**A3.9 Block 7a Contracting Officer.** Self-explanatory.

**A3.9.1 Block 7b Phone Number.** Include the commercial phone number in the following format: (XXX) XXX-XXXX

**A3.10 Block 8a Contract Award Date.** Identify the date of contract award or select the date on the on-screen, drop-down calendar.

**A3.10.1 Block 8b Contract Effective Date.** Identify the date (MM/DD/YYYY) that actual contract performance is set to begin or select the on-screen calendar date only if that date is later than Block 8a, Contract Award Date.

**A3.11 Block 9 Contract Completion Date.** Identify the last possible date of contract

performance (e.g., the last calendar day of the last option period) or select the date on the on-screen, drop-down calendar.

A3.12 **Block 10 N/A.** Not applicable.

A3.13 **Block 11 Awarded Value.** Enter the total value of the contract, including unexercised options. For delivery/task/job order contracts where orders will be assessed under a single CPAR, enter the maximum ordering amount under the contract, including options. For delivery/task/job order contracts where orders will be assessed on an individual basis, enter the awarded value of the individual order. For BOAs/BPAs where orders/calls will be assessed individually, enter the awarded value of the individual order.

A3.14 **Block 12 Current Contract Dollar Value.** State the current obligated amount including modifications and options that have been exercised. For incentive contracts, state the target price or total estimated amount. For delivery/task/job order contracts where orders will be assessed under a single CPAR, state the total amount obligated on all delivery orders, including modifications. For delivery/task/job order contracts where orders will be assessed on an individual basis, state the current obligated amount of the individual order, including modifications. For BOAs where orders will be assessed individually, state the current obligated amount of the individual order, including modifications.

A3.15 **Block 13 Basis of Award.** Identify the basis of award by selecting competitive or non-competitive. If the CPAR is for a single order/call, select the basis of award for that order/call.

A3.16 **Block 14 Contract Type.** Identify the contract type. For mixed contract types, select the predominant contract type and identify the other contract type in the "mixed" block.

A3.17 **Block 15 Key Subcontractors and Description of Effort Performed.** Identify subcontractors, including CAGE code and DUNS +4 number, performing either a critical aspect of the contracted effort or more than 25 percent of the dollar value of the effort. If possible, include the amount of subcontract costs of the total contract effort. Discussion of the prime contractor's management of the subcontractor should be included in Block 18d-Business Relations.

A3.18 **Block 16 Program Title and Phase of Acquisition.** Provide a descriptive narrative of the program. Spell out all abbreviations and acronyms. Identify the type of services (for example, professional services, maintenance, installation or information technology services).

A3.19 **Block 17 Contract Effort Description.** Provide a description of the contract effort that identifies the key requirements and/or type of effort. This section is of critical importance to future source selection officials. The description should be detailed enough so that it can be used in determining the relevance of this program to future source selections. It is important to address the complexity of the contract effort and the overall technical risk associated with accomplishing the effort. Ensure acronyms are identified. For task/delivery order contracts, state the number of orders issued during the period.

A3.20 **Small Business Utilization.** Answer the following questions:

1. Does this contract include a subcontracting plan?
2. Is small business subcontracting under this contract included in a comprehensive small business subcontracting plan?
3. Is small business subcontracting under this contract included in a commercial small business subcontracting plan?
4. Date of last Individual Subcontracting Report (ISR) /Summary Subcontracting Report (SSR)

**A3.21 Block 18 Evaluation Areas.** Evaluate each area based on the following criteria:

A3.21.1 Each area assessment must be supported by objective data (or subjective observations) that will be provided in Block 20. Facts to support specific areas of evaluation must be requested from the PM, Contracting Officer and other specialists familiar with the contractor's performance on the contract under review. Such specialists may, for example include the Contracting Officer's Representative (COR) for the program and may also be from engineering, manufacturing, quality, logistics (including provisioning), contracting, maintenance, security, data, etc.

A3.21.2 The amount of risk inherent in the effort should be recognized as a significant factor and taken into account when assessing the contractor's performance. When a contractor identifies significant technical risk and takes action to abate those risks, the effectiveness of these actions should be included in the narrative supporting the Block 18 ratings.

A3.21.3 The CPAR is designed to assess prime contractor performance. In those evaluation areas where subcontractor actions have significantly influenced the prime contractor's performance in a negative or positive way, record the subcontractor actions in Block 20.

A3.21.4 Evaluate all areas which pertain to the contract under evaluation, unless they are not applicable ("N/A").

A3.21.5 When performance has changed from one period to another such that a change in ratings results, the narrative in Block 20 must address each change.

A3.21.6 The AO should use customary industry quantitative measures where they are applicable if the contract is for commercial products.

A3.21.7 Ratings will be in accordance with the definitions in Attachment 2.

A3.21.8. A fundamental principle of assigning ratings is that contractors will not be assessed a rating lower than satisfactory solely for not performing beyond the requirements of the contract.

**A3.22 Block 18a Quality of Product or Service.** Assess the contractor's conformance to contract requirements, specifications and standards of good workmanship (e.g., commonly accepted technical, professional, environmental, or safety and health standards). List and assess any sub-elements to indicate different efforts where appropriate. Include, as applicable, information on the following:

1. Are the reports data accurate?
2. Does the product or service provided meet the specifications of the contract?

3. Does the contractor's work measure up to commonly accepted technical or professional standards?
4. What degree of FAA technical direction was required to solve problems that arise during performance?

**For Operations Support:** Assess how successfully the contractor meets program quality objectives such as production, reliability, maintainability and inspection. The AO must be flexible in how contractor success is measured; e.g., using data from field reliability and maintainability and failure reports, user comments and acceptance rates, and scrap and rework rates. These quantitative indicators may be useful later, for example, in source selection evaluations, in demonstrating continuous improvement, quality and reliability leadership that reflects progress in total quality management. Assess the contractor's control of the overall production process to include material control, shop planning and control, and providing status updates.

**A3.23 Block 18b Schedule.** Assess the timeliness of the contractor against the completion of the contract, task orders, milestones, delivery schedules, and administrative requirements (e.g., efforts that contribute to or affect the schedule variance).

This assessment of the contractor's adherence to the required delivery schedule should include the contractor's efforts during the assessment period that contributes to or affect the schedule variance. This element applies to contract closeout activities as well as contract performance. Instances of adverse actions such as the assessment of liquidated damages or issuance of Cure Notices, Show Cause Notices, and any other notifications to the contractor of serious contract performance issues are indicators of problems which may have resulted in variance to the contract schedule and should, therefore, be noted in the evaluation.

**A3.24 Block 18c Cost Control. (Not required for Firm-Fixed Price or Firm-Fixed Price with Economic Price Adjustment).** Assess the contractor's effectiveness in forecasting, managing, and controlling contract cost. Include, as applicable, the following information:

1. Does the contractor keep within the total estimated cost (what is the relationship of the negotiated costs and budgeted costs to actuals)?
2. Did the contractor do anything innovative that resulted in cost savings?
3. Were billings current, accurate and complete?
4. Are the contractor's budgetary internal controls adequate?

Assessment information regarding performance under a UCA shall be included in the annual evaluation. If the final negotiated contract type is not a cost-type, cost information for the period the UCA was in effect shall be included under the cost element. The contractor's performance under the UCA shall be separately identified but considered in the overall annual ratings.

**A3.25 Block 18d Business Relations.** Assess the integration and coordination of all activity needed to execute the contract, specifically the timeliness, completeness and quality of problem identification, corrective action plans, proposal submittals, the contractor's history of reasonable and cooperative behavior (to include timely identification of issues in controversy), customer satisfaction, timely award and management of subcontracts. Include, as applicable, information on the following:

1. Is the contractor oriented toward the customer?
2. Is interaction between the contractor and the government satisfactory or does it need improvement?
3. Include the adequacy of the contractor's accounting, billing, and estimating systems and the contractor's management of Government Property (GFP) if a substantial amount of GFP has been provided to the contractor under the contract.
4. Address the timeliness of awards to subcontractors and management of subcontractors, including subcontract costs. Consider efforts taken to ensure early identification of subcontract problems and the timely application of corporate resources to preclude subcontract problems from impacting overall prime contractor performance.
5. Assess the prime contractor's effort devoted to managing subcontracts and whether subcontractors were an integral part of the contractor's team.

**A3.26 Block 18e Management of Key Personnel (For Services and Information Technology Business Sectors only - Not Applicable to Operations Support).** Assess the contractor's performance in selecting, retaining, supporting, and replacing, when necessary, key personnel. For example:

1. How well did the contractor match the qualifications of the key position, as described in the contract, with the person who filled the key position?
2. Did the contractor support key personnel so they were able to work effectively?
3. If a key person did not perform well, what action was taken by the contractor to correct this?
4. If a replacement of a key person was necessary, did the replacement meet or exceed the qualifications of the position as described in the contract schedule?

**A3.27 Block 18f Utilization of Small Business.** FAA AMS T3.6.1 and Clause 3.6.1-4 contain requirements for complying with the Small Business Subcontracting Program. Assess whether the contractor provided maximum practicable opportunity for Small Business (including Alaska Native Corporations (ANCs) and Indian Tribes) (including Small Disadvantaged Businesses (which also includes ANCs and Indian Tribes), Women Owned Small Businesses, Service Disabled Veteran Owned Small Business, Historically Black Colleges and Universities and Minority Educational Institutions and ANCs and Indian Tribes that are not Small Disadvantaged Businesses or Small Businesses) to participate in contract performance consistent with efficient performance of the contract.

A3.27.1 Assess compliance with all terms and conditions in the contract relating to Small Business participation. Assess any small business participation goals which are stated separately in the contract. Assess achievement on each individual goal stated within the contract or subcontracting plan including good faith effort if the goal was not achieved.

A3.27.2 It may be necessary to seek input from the Small Business Office or Contracting Officer in regards to the contractor's compliance with these criteria, especially when a comprehensive plan is submitted.

A3.27.3 For contracts subject to a commercial subcontracting plan, the Utilization of Small Business factor should be rated "satisfactory" as long as an approved plan remains in place, unless liquidated damages have been assessed by the Contracting Officer who approved the commercial plan. In such case, the Utilization of Small Business area must be rated "unsatisfactory".

A3.27.4 This area must be rated for all contracts and task orders that contain a small business subcontracting goal.

A3.27.5 Ratings will be in accordance with definitions described in Attachment 2, "Evaluation Ratings Definitions (Utilization of Small Business)."

A3.27.6 A contract must have no more than one subcontracting plan. Evaluations of the utilization of small business are required for contracts and orders placed against basic ordering agreement (BOA) and blanket purchase agreement (BPA) if a subcontracting plan is required. Evaluations of utilization of small business for single-agency task orders and delivery orders (to include FSS) are not required and shall not be accomplished unless the Contracting Officer determines that such evaluations would produce more useful past performance information for source selection officials than that contained in the overall contract evaluation. Execution of any subcontracting plan may be addressed in block 20.

**A3.28 Block 18g Other Areas.** Specify additional evaluation areas that are unique to the contract, or that cannot be captured elsewhere on the form. More than one type of entry may be included, but should be separately labeled. If extra space is needed, use Block 20.

A3.28.1 If the contract contains an award fee clause, enter "award fee" in the "Other Areas" Block (18g). The AO should translate the award fee earned to adjectival ratings which could prove more useful for using past performance to assess future performance risk in upcoming source selections. If award fee information is included in the CPAR, use Block 20 to provide a description for each award fee. Include the scope of the award fee by describing the extent to which it covers the total range of contract performance activities, or is restricted to certain elements of the contract.

A3.28.2 If any other type of contract incentive is included in the contract (excluding contract share incentives on fixed price or cost-type contracts), it should be reported in a manner similar to the procedures described above for award fee (by entering "Incentive" in Block 18g).

A3.28.3 Use Block 18g in those instances where an aspect of the contractor's performance does not fit into any of the other blocks on the form.

**A3.29 Block 19 N/A.** Not applicable.

**A3.30 Block 20 Assessing Official Narrative** (see Paragraph 1.4). A factual narrative is required for all assessments regardless of rating. Cross-reference the comments in Block 20 to their corresponding evaluation area in Block 18. Each narrative statement in support of the area assessment must contain objective data. An exceptional cost performance assessment could, for example, cite the current underrun dollar value and estimate at completion. A marginal assessment could, for example, be supported by information concerning personnel changes or schedule delinquency rate. Key personnel familiar with the effort may have been replaced by less experienced personnel. Sources of the data used by the AO for the assessment may include customer/field surveys or evaluation of contractor reports. The Contracting Officer should be contacted to ensure that all applicable data has been incorporated. Block 20 comments may be up to 16,000 characters (approximately three pages) in CPARS.

A3.30.1 The AO must choose the applicable choice to the following statement after Block

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20: "Given what I know today about the contractor's ability to execute what he promised in his proposal, I (definitely would not, probably would not, might or might not, probably would or definitely would) award to him today given that I had a choice."

**A3.31 Block 21 AO Signature.** The AO enters his or her name, title, and organization, phone number (in the following format: (XXX)XXX-XXXX), email address, FAX number, and signs and dates the form prior to making it available to the contractor for review.

**A3.32 Block 22 Contractor Comments.** Completed at the option of the contractor. The contractor's narrative comments may be up to 16,000 characters (approximately three pages).

**A3.33 Block 23 Contractor Representative Signature.** The contractor representative reviewing/commenting on the CPAR will enter his or her name, title, phone number, email address, FAX number, and signs and dates the form prior to returning it to the AO.

**A3.34 Block 24 RO Comments.** The RO must acknowledge consideration of any significant discrepancies between the AO assessment and the contractor's comments. The RO's narrative comments may be up to 16,000 characters (approximately three pages).

**A3.35 Block 25 - RO Signature.** The RO will enter his or her name, title, organization, phone number in the following format: (XXX)XXX-XXXX, email address, FAX number, and date when completing the CPAR.

#### **Attachment 4 CPARS Website Features**

Features of the CPARS website include:

1. The "production" CPAR system for actual entry of the performance evaluation data;
2. The "practice" CPAR system. The practice system is a mirror image of the functionality of the CPAR system using a separate database of simulated CPAR records. The practice system allows users to gain familiarity with the system without actually entering live performance evaluation data;
3. A "requirements" page that describes hardware and software required, security access levels, security features, how to obtain a user account and technical service support, and answers to frequently asked questions.
4. Instructions on Internet Explorer (IE) fixes that may be necessary for FAA access to CPARS;
5. A Quality Checklist that tutors users on completing a quality evaluation;
6. Link to reference material;
7. Link to CPARS Training;
8. Access Request forms;
9. Software Release history; and
10. Metrics (updated quarterly).

#### **SECTIONS ADDED:**

##### **Procurement Guidance:**

*T3.10.1 Contract Administration*

*Contract Administration*

##### **Section 16 : Contractor Performance Documentation and Maintenance**

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a. This section provides policies and establishes responsibilities for recording and maintaining contractor performance information in the Contractor Performance Assessment Reporting System (CPARS). This section does not apply to determinations of fees under award or incentive fee contracts.

b. Past performance information is relevant information, for future source selection purposes, regarding a contractor's actions under previously awarded contracts. It includes, for example, the contractor's record of conforming to contract requirements and to standards of good workmanship; the contractor's record of forecasting and controlling costs; the contractor's adherence to contract schedules, including the administrative aspects of performance; the contractor's history of reasonable and cooperative behavior and commitment to customer satisfaction; the contractor's record of meeting small business subcontracting objectives; the contractor's record of integrity and business ethics, and generally, the contractor's business-like concern for the interest of the customer.

c. Past performance evaluations must be prepared as specified in the FAA CPARS Guide, Appendix 11. Generally reporting is done on an annual basis and should be completed no later than sixty (60) days after the end of the applicable reporting period. The content of the evaluations should be tailored to the size, content, and complexity of the contractual requirements.

d. (1) Except as provided in this paragraph (d), FAA must prepare an evaluation of contractor performance for each contract or order that exceeds the following thresholds.

- i) Services exceeding \$5,000,000
- ii) Supply contracts exceeding \$10,000,000
- iii) Construction contracts exceeding \$10,000,000
- iv) Research & Development contracts exceeding \$5,000,000

(2) An evaluation of contractor performance is required for each order that exceeds the above specified thresholds placed against a Federal Supply Schedule contract, a task order contract or a delivery order contract, or any other ordering Agreement. Evaluations of multiple orders under an ordering contract or agreement may be combined in accordance with the guidance provided in the FAA CPARS Guide.

(3) Contracts or orders made pursuant to the Javits-Wagner-O'Day (JWOD) Act with firms under the AbilityOne program or with Federal Prison Industries, Inc. (FPI) do not require evaluations.

(4) An evaluation may be performed for any contract or order that does not meet the above thresholds.

e. Roles and Responsibilities. Responsibility for completing CPARS evaluations rests with the Assessing Official (AO), who may be the Program Manager (PM), the Contracting Officer's Representative (COR), or the other individual familiar with the contract, program, project, or task/job/delivery order requirements and execution. The AO may be supported in this process by the Assessing Official Representative (AOR). The AOR may be the Performance Evaluator, Quality Assurance Evaluator, Requirements Indicator, or Task Monitor for tasks under IDIQ contracts, or any other individual familiar with the contractor's performance. The AO and AOR are responsible for entering the ratings and narratives for each evaluation performed.



f. Non-Disclosure. The completed CPARS evaluation must not be made available to anyone other than Government personnel and the contractor whose performance is being evaluated.

Agency support contractors must not have access to CPARS evaluations of other contractors.

**Procurement Guidance:**

*T3.10.1 Contract Administration*

*Appendices*

**Section 11 : FAA CPARS Guide**

**FAA Use of Contractor Performance Assessment Reporting System (CPARS)**

**1.0 Introduction**

This Guide assigns responsibilities and provides procedures for systematically assessing contractor performance in accordance with AMS Procurement Guidance T3.10.1A16.

**1.1 Background**

The Contractor Performance Assessment Reporting System (CPARS) is a paperless contracting initiative housed and maintained by the DoD. Since the National Institutes of Health (NIH) discontinued use of its Contractor Performance System (CPS), CPARS has been mandated for use across all Federal Government agencies as the “feeder” system for entering contract performance data into the Government-wide Past Performance Information Retrieval System (PPIRS). Use of the CPARS is strongly encouraged, as it ensures that the FAA’s contract performance evaluations will be entered into the PPIRS database to enhance the centralized data repository of contractor performance information. All CPARS evaluations must be initiated and completed electronically within the system. This Guide refers only to the CPARS module under which performance evaluations for most CPARS evaluations will be done. Any performance evaluations for architect-engineer or construction contracts will be done under the separate ACASS and CCASS modules respectively. Information on all modules is available on the CPARS website.

**1.2 Purpose**

The primary purpose of the CPARS is to ensure current and accurate data on contractor past performance is available for use in source selections. The completed past performance assessments are available through PPIRS. In addition to the sources of information outlined in AMS Procurement Guidance T3.2.2A.3, the Contracting Officer may use information available through PPIRS to support responsibility determinations of prospective contractors. Senior FAA and contractor officials may also use the information derived from the CPARS for other management purposes consistent with AMS Guidance.

CPARS assesses a contractor’s performance, both positively and negatively as appropriate, providing a record on a given contract during a specified period of time. Each assessment must be based on objective data (or measurable, subjective data when objective data is not available) supportable by program and contract management data (see Section 1.4). CPARS performance expectations should be addressed in the Government and contractor’s initial post-award meeting.

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### **1.3 Responsibility for Completing CPARS Assessments**

Responsibility for completing quality CPARS assessments in a timely manner rests with the Assessing Official (AO), who may be the Program Manager (PM), the Contracting Officer's Representative (COR), or the other individual familiar with the contract, program, project, or task/job/delivery order execution. The AO may be supported in this process by the Assessing Official Representative (AOR). The AOR may be the Performance Evaluator, Quality Assurance Evaluator, Requirements Indicator, or Task Monitor for tasks under IDIQ contracts, or any other individual familiar with the contractor's performance. The AO and AOR shall be responsible for entering the ratings and narratives for each evaluation performed.

The CPARS process is designed with checks-and-balances to facilitate the objective and consistent evaluation of contractor's performance. Both the Government's and contractor's perspectives are captured in the CPARS evaluation.

### **1.4 CPAR Evaluation Methodology**

The value of the CPARS to a future source selection team is dependent on the level of effort the AO takes in preparing a quality and timely narrative to accompany the CPAR's ratings. It is paramount the AO submits a rating consistent with the definitions of each rating and thoroughly describes the circumstances supporting the rating. The definitions of each rating, together with related guidance for preparing the narrative, are provided in Attachment 1.

Each evaluation must be based on objective data (or subjective data when objective data is not available) supported by program and contract management records. The following sources of data are recommended:

- Contractor operations reviews
- Status and progress reviews
- Production and management reviews
- Management and engineering process reviews (e.g. risk management, requirements management, etc.)
- Cost performance reports and other cost and schedule metrics
- Other program measures and metrics such as:
  - Measures of progress and status of critical resources
  - Measures of product size and stability
  - Measures of product quality and process performance
  - Customer feedback/comments and satisfaction ratings
- Systems engineering and other technical progress reviews
- Technical interchange meetings
- Physical and functional configuration audits
- Quality reviews and quality assurance evaluations
- Subcontracting reports
- Earned contract incentives and award fee determinations

Subjective assessments concerning the cause or ramifications of the contractor's performance may be provided; however, speculation or conjecture is prohibited.

### **1.5 Uses of Summary CPAR Data**

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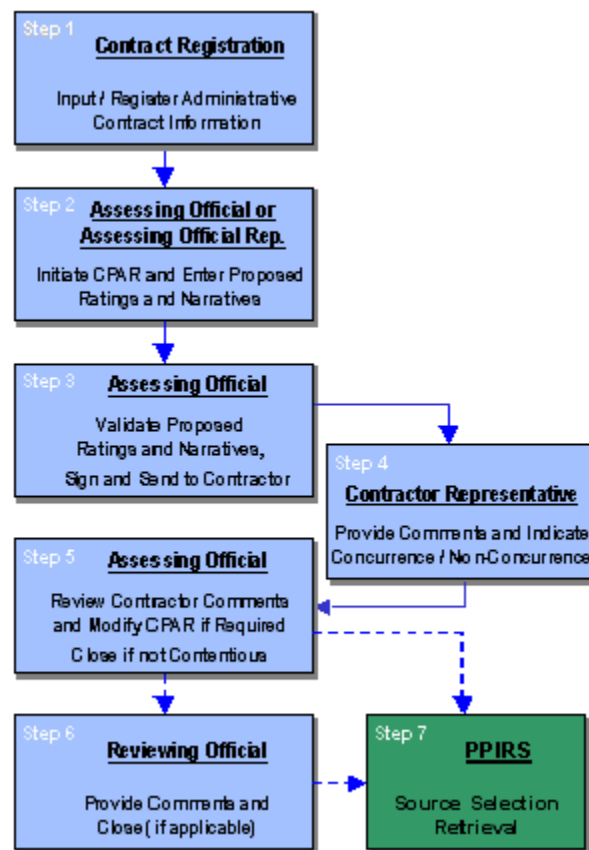
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Summary data from the CPARS database or from the reports themselves may be used to measure the status of industry performance and support continuous process improvement. Further analysis of data from the CPARS database may be accomplished by the CPARS Focal Point for internal Government use but is not authorized for release outside the Government.

## 1.6 Change-of-Name/Novation

In the event of a contract novation or the change of the contractor's name, see AMS Procurement Guidance T3.10.1A.8 for guidance in these circumstances since the Dun & Bradstreet Universal Numbering System (DUNS), Commercial and Government Entity (CAGE) codes and contractor names may be affected in the CPARS. The AO of each contract affected by any such changes is ultimately responsible for ensuring that the contract information in the CPARS is current and correct.

## 1.7 Basic Workflow Diagram



## 2.0 Thresholds for Mandatory Evaluations

All contracts or orders which exceed the following thresholds must include the applicable contract clause addressing CPARS evaluations and have an evaluation completed in CPARS:

- Services contracts exceeding \$5,000,000;
- Supply contracts exceeding \$10,000,000;

- Construction contracts exceeding \$10,000,000
- Research and development contracts exceeding \$5,000,000

In addition to contracts that must have CPARS evaluations performed, FAA may choose to perform CPARS evaluations for contracts that do not meet the above thresholds.

## **2.1 CPARS for Indefinite-Delivery Contracts, Basic Ordering Agreements (BOAs) and Blanket Purchase Agreements (BPAs)**

For indefinite-delivery contracts and BPAs, but excluding Basic Ordering Agreements, (BOAs) the dollar value of individual orders is combined to determine if the threshold to require completing CPARS evaluation(s) has been met.

The cognizant program office for the contract or agreement shall determine how CPARS evaluations' will be completed:

- One CPARS evaluation for each order,
- By combining all orders into one CPARS evaluation), or
- Combining similar orders together. For example, orders for one type of service are combined into one evaluation and orders for a different type of service are combined into separate evaluations.

Combining orders into one CPARS evaluation may not be feasible, when contracts are used by multiple activities within the agency, or when individual orders are significantly different. The cognizant program office should avoid combining into one CPARS evaluation multiple orders that are for different products or services or those that are different contract types.

When orders are combined, the narrative describing the contractor's performance on each order, both positive and negative, must be included so that the breadth and quality of information is available for source selection official use.

If a consolidated CPARS evaluation for orders is completed, the period of performance for the assessment is based on the effective date/award date of the basic contract and each subsequent, exercised option year period. Where possible, each order number and title may be included in Block 17. Narrative must be provided on the contractor's performance on each order (in Block 20) so that the breadth and quality of information on the order is available for source selection official use.

If separate CPARS for any single orders are completed, the period of performance for the assessments is based on the effective date/award date of each individual order.

For BOA orders, a CPARS evaluation must only be completed on each order meeting the threshold.

## **2.2 CPARS for Orders Under Federal Supply Schedules**

For CPARS evaluations on Federal Supply Schedule Orders, the period of performance for the assessment must be based on the effective date/award date of the individual order.

## **2.3 Joint Ventures**

When the joint venture on a contract using CPARS has a unique CAGE code and DUNS number, a single CPAR will be prepared for the joint venture using those CAGE and DUNS codes. If the joint venture does not have a unique CAGE code and DUNS code, separate CPARS containing identical narratives will be prepared for each participating contractor and will reference that the evaluation is based on performance under a joint venture and will identify the contractors that were part of the joint venture.

## **2.4 Letter or Ceiling Priced Contracts**

Assessment information regarding performance under letter or ceiling priced contracts using CPARS must be included in the annual evaluation. If the final negotiated contract type is not a cost-type contract, cost information for the period such an action was in effect (if applicable) must be included under the Cost rating element in the CPARS. If the final negotiated contract type is a cost-type, cost information for the entire period of performance must be included under the Cost rating element. The supporting narrative must fully explain the contractor's performance during the action, including throughout definitization. The contractor's performance under the undefinitized period must be separately identified but considered in the overall CPARS.

## **2.5 Subcontractor Assessments**

Assessments shall not be completed on subcontractor performance. However, an assessment shall address the prime contractor's ability to manage and coordinate subcontractor efforts, if applicable, as well as compliance with requirements of the Small Business Subcontracting Program.

## **3.0 FAA Responsibilities**

The FAA will:

- Establish procedures to implement CPARS. These procedures shall include training requirements for Focal Points, AOs, ROs, and Contractor Representatives to ensure procedures for monitoring the timely completion of reports, report integrity (e.g., quality of reports) and overall CPARS system administration are in place.
- Establish CPARS Focal Point(s)
- Register new contracts using CPARS in the system within 30 calendar days after contract award with the information for blocks 1-14 of the CPARS form. Registering the contract will establish the record and facilitate subsequent CPARS reporting.

## **3.1 CPARS Roles and Responsibilities**

### **3.1.1 Agency Point of Contact (DOT Office of the Senior Procurement Executive (M-60))**

The Agency Point of Contact is DOT, which responsible for administrative oversight of the CPARS process. Duties include:

- Obtaining Command Point of Contact access to CPARS
- Assigning of Senior Command Official(s)

- Serving on CPARS Operational Requirements Committee
- Monitoring to ensure effective implementation of the CPARS process

### **3.1.2 Senior Command Official (FAA Acquisition Policy Group (AAP-100))**

- Obtaining Senior Command Official access to CPARS by contacting the Agency Point of Contact
- Coordination and submittal of subordinate organization CPARS Focal Points to the CPARS Program Office
- Assistance to subordinate organization CPARS Focal Points (e.g., training, monitoring, and policy)
- Evaluating quality and compliance metrics of subordinate organizations
- Providing metrics for management, as requested
- Reviewing and providing subordinate organization issues to the CPARS Focal Point and/or the CPARS Program Office

### **3.1.3 Focal Point (FAA Procurement and Information Services Team (AAP-120))**

- Registering contracts using CPARS in the system within 30 calendar days of contract award
- Training in their prospective agency
- Assigning access authorization for FAA and contractor personnel (complete contract authorization based on information from the Contracting Officer, COR/Project Officer, and contractor personnel authorized to appoint a designated representative)
- CPARS account management and maintenance
- Control and monitoring of CPARS, including the status of overdue evaluations
- Establishing processes to monitor quality reports in a timely manner
- Troubleshoot user errors-if cannot be mitigated, contact the CPARS Help Desk

### **3.1.4 Assessing Official (AO) (FAA COR, Program/Project Manager, or Program Office Representative)**

- Responsible for completing the CPARS
- Reviewing comments from the designated contractor representative once the evaluation has been returned by the contractor or after 30 days have lapsed
- After receiving and reviewing the contractor's comments on the CPAR, the AO may revise the assessment, including the narrative. The AO will notify the contractor of any revisions made to a report as a result of the contractor's comments. Such a revised report will not be sent to the contractor for further comment. The contractor will have access to both the original and final reports in CPARS when the FAA finalizes the evaluation.

### **3.1.5 Contractor Representative**

The contractor on a given contract must designate two representatives to whom the evaluations shall be sent automatically and electronically. The name, title, e-mail address and phone number of the designated contractor representative must be provided to the Contracting Officer who will, in turn, provide that information to the CPARS Focal Point for authorization access. Any changes in designated contractor personnel will be the sole responsibility of the contractor to inform the Contracting Officer or Contract Specialist who

shall in turn forward the information to the CPARS Focal Point. The designated contractor representative has the authority to:

- Receive the Government evaluation from the AO
- Review, comment and return the evaluation within 30 calendar days. If the contractor desires a meeting or teleconference with the AO to discuss the CPAR, it must be requested, in writing, no later than seven calendar days from the receipt of the CPAR. The meeting or teleconference shall be held during the contractor's 30-day review period.

### **3.1.6 Reviewing Official (RO) (FAA Contracting Officer)**

The Reviewing Official is the final arbiter when there is disagreement between the government and the contractor. The RO must review and sign the assessment when the contractor indicates non-concurrence with the CPARS or when the contractor is non-responsive. The RO has the authority to:

- Provide narrative comment (the Reviewing Official's comments supplement those provided by the AO. They do not replace the ratings provided by the AO).
- Sign the CPARS (at this point it is considered final and is posted in the CPARS and is available for Source Selection Official use in the PPIRS)
- Ensuring a copy of the completed evaluation is placed in the contract file

## **4.0 Frequency of Reporting**

Generally, reporting is done on an annual basis. When an out-of-cycle CPARS is required, however, it is acceptable to complete two CPARS in a given year for the contract. Out-of-cycle CPARS do not alter the annual reporting requirement. For example, if the regular CPARS period of performance ends on 30 September 2012 and an out-of-cycle CPARS is completed which covers a performance period that ends on 1 May 2012, the next intermediate CPARS report is still required to cover the period of performance from 1 October 2011 to 30 September 2012. A period of performance overlap is only permitted when an out-of-cycle CPARS report has been prepared.

### **4.1 Initial Reports**

An initial CPARS is required for new contracts using CPARS that have a period of performance greater than 365 calendar days. The initial CPARS must reflect evaluation of at least the first 180 calendar days of performance under the contract, and may include up to the first 365 calendar days of performance. For contracts with a period of performance of less than 365 calendar days, see "Final Reports" below.

### **4.2 Intermediate Reports**

Intermediate CPARS are required every 12 months throughout the entire period of performance of the contract after the initial report and up to the final report. An intermediate CPARS is also required:

- Upon a significant change in the quality of contractor performance, or
- Upon a significant change within the agency, provided that a minimum of six months of performance has occurred, such a change in program management responsibility:

An intermediate CPARS must be done prior to any transfer of Assessing Official duties from one individual to another to ensure continuity.

An intermediate CPARS is limited to contractor performance occurring after the preceding normal cycle CPARS. To improve efficiency in preparing the CPARS, the CPARS may be completed together with other reviews (e.g., award fee determinations, major program events, program milestones and quality assurance surveillance records).

### **4.3 Final Report**

A final CPARS must be completed upon contract completion or delivery of the final major end item on contract. Final Reports are to be prepared on all contracts using CPARS with a period of performance of less than 365 calendar days. The final CPARS does not include cumulative information but is limited to the period of contractor performance occurring after the preceding CPARS. The CPARS Focal Point has the authority to approve extensions when special circumstances arise.

### **4.4 Out-of-Cycle Reports**

An Out-of-Cycle CPARS may be appropriate when there is a significant change in performance that alters the assessment in one or more evaluation area(s). The contractor may request a new assessment or the AO may unilaterally prepare a new evaluation and process a new CPARS through the automated CPARS system. The determination as to whether or not to update an evaluation will be made solely by the AO. The evaluation will follow the same workflow as the annual evaluations and will be posted electronically in CPARS and PPIRS after review/coordination through the FAA and contractor.

### **4.5 Addendum Reports**

Addendum reports may be prepared, after the final past performance evaluation, to record the contractor's performance relative to contract closeout, warranty performance and other administrative requirements.

## **5.0 Records Retention and Disposition**

All records created under this document must be retained and disposed of in accordance with agency procedures and any applicable program security requirements.

### **5.1 CPARS Markings and Protection**

Anyone granted access to CPARS is responsible for ensuring that all CPARS are appropriately marked and handled. All CPARS forms, attachments, and working papers must be marked "FOR OFFICIAL USE ONLY/SOURCE SELECTION INFORMATION". Caution must be exercised in transmitting any CPARS as an attachment to an email message.

CPARS may also contain information that is proprietary to the contractor. Information contained on the CPARS, such as trade secrets, protected commercial information, or financial data obtained from the contractor in confidence, must be protected from unauthorized disclosure. AOs and ROs must annotate on the CPARS if it contains material that is a trade secret, etc., to ensure that future readers of the evaluations in the PPIRS are



informed and will protect as required. The following guidance applies to protection both internal and external to the FAA.

### **5.1.1 Internal FAA Protection**

CPARS must be treated as source selection information at all times. Information contained in the CPARS must be protected in the same manner as information contained in source selection files.

### **5.1.2 External Government Protection**

Due to the sensitive nature of CPARS, disclosure of CPARS data to contractors other than the contractor that is the subject of the report, or other entities outside the FAA, is not authorized. Disclosure of CPARS data to advisory and assistance support contractors other than the contractor that is the subject of the report is strictly prohibited. A contractor will be granted access to its CPARS maintained in CPARS by the appropriate Focal Point.

## **5.2 Freedom of Information Act (FOIA)**

Contractor performance information is privileged source selection information. It is also protected by the Privacy Act and is not releasable under the Freedom of Information Act. Performance assessments may be withheld from public disclosure under Exemption 5 of the Freedom of Information Act. The FOIA office must coordinate the request with the CPARS PMO and local FAA Focal Point.

## **5.3 Use of CPARS in Source Selection**

CPARS provides an assessment of ongoing performance of contractors. Each report consists of a narrative evaluation by the AO, the contractor's comments, if any, relative to the assessment and the RO's acknowledged consideration and reconciliation of significant discrepancies between the AO's evaluation and the contractor's comments. Source selection officials retrieve CPARS by using the PPIRS.

## **5.4 CPARS Format**

For information on the CPARS format see Attachments 2, 3, or the [CPARS website](#).

### Attachment 1

<b>Evaluation Rating Definitions (Excluding Utilization of Small Business)</b>		
<b>Rating</b>	<b>Definition</b>	<b>Note</b>
Dark Blue/Exceptional	Performance meets contractual requirements and exceeds many to the Government's benefit. The contractual performance of the element or sub-element being assessed was accomplished with few	To justify an Exceptional rating, identify multiple significant events and state how they were of benefit to the Government. A singular benefit, however, could be of such magnitude that it alone constitutes an Exceptional

	minor problems for which corrective actions taken by the contractor was highly effective.	rating. Also, there must have been NO significant weaknesses identified.
Purple/Very Good	Performance meets contractual requirements and exceeds some to the Government's benefit. The contractual performance of the element or sub-element being assessed was accomplished with some minor problems for which corrective actions taken by the contractor was effective.	To justify a Very Good rating, identify a significant event and state how it was a benefit to the Government. There must have been no significant weaknesses identified.
Green/Satisfactory	Performance meets contractual requirements. The contractual performance of the element or sub-element contains some minor problems for which corrective actions taken by the contractor appear or were satisfactory.	To justify a Satisfactory rating, there must have been only minor problems, or major problems the contractor recovered from without impact to the contract. There must have been NO significant weaknesses identified. Contractors will not be assessed a rating lower than Satisfactory solely for not performing beyond the requirements of the contract.
Yellow/Marginal	Performance does not meet some contractual requirements. The contractual performance of the element or sub-element being assessed reflects a serious problem for which the contractor has not yet identified corrective actions. The contractor's proposed actions appear only marginally effective or were not fully implemented.	To justify Marginal performance, identify a significant event in each category that the contractor had trouble overcoming and state how it impacted the Government. A Marginal rating must be supported by referencing the management tool that notified the contractor of the contractual deficiency (e.g., management, quality, safety, or environmental deficiency report or letter).
Red/Unsatisfactory	Performance does not meet most contractual	To justify an Unsatisfactory rating, identify multiple

	requirements and recovery is not likely in a timely manner. The contractual performance of the element or sub-element contains a serious problem(s) for which the contractor's corrective actions appear or were ineffective.	significant events in each category that the contractor had trouble overcoming and state how it impacted the Government. A singular problem, however, could be of such serious magnitude that it alone constitutes an unsatisfactory rating. An Unsatisfactory rating must be supported by referencing the management tools used to notify the contractor of the contractual deficiencies (e.g., management, quality, safety, or environmental deficiency reports, or letters).
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NOTE 1: Plus or minus signs may be used to indicate an improving (+) or worsening (-) trend insufficient to change the assessment status.

NOTE 2: N/A (not applicable) must be used if the ratings are not going to be applied to a particular area for evaluation.

<b>Evaluation Ratings Definitions (Utilization of Small Business)</b>		
<b>Rating</b>	<b>Definition</b>	<b>Note</b>
Dark Blue/Exceptional	Exceeded all negotiated subcontracting goals or exceeded at least one goal and met all of the other negotiated subcontracting goals for the current period. Had exceptional success with initiatives to assist, promote, and utilize small business (SB), small disadvantaged business (SDB), women-owned small business (WOSB), veteran-owned small business (VOSB) and service disabled veteran owned small business (SDVOSB). Complied with AMS, 3.6.1-3 Utilization of Small, Small Disadvantaged and Women-Owned, and	To justify an Exceptional rating, identify multiple significant events and state how they were a benefit to small business utilization. A singular benefit, however, could be of such magnitude that it constitutes an Exceptional rating. Ensure that small businesses are given meaningful, innovative work directly related to the project, rather than peripheral work, such as cleaning offices, supplies, landscaping, etc. Also, there must have been no significant weaknesses identified.

	Service-Disabled Veteran Owned Small Business Concerns (February 2009). Exceeded any other small business participation requirements incorporated in the contract, including the use of small businesses in mission critical aspects of the program. Went above and beyond the required elements of the subcontracting plan and other small business requirements of the contract. Completed and submitted Individual Subcontract Reports and/or Summary Subcontract Reports in an accurate and timely manner.	
Purple/Very Good	Met all of the negotiated subcontracting goals in the traditional socio-economic categories (SB, SDB and WOSB) and met at least one of the other socio-economic goals (SDVOSB) for the current period. Had significant success with initiatives to assist, promote and utilize SB, SDB, WOSB, VOSB, and SDVOSB. Complied with AMS, 3.6.1-3. Met or exceeded any other small business participation requirements incorporated in the contract, including the use of small businesses in mission critical aspects of the program. Endeavored to go above and beyond the required elements of the subcontracting plan. Completed and submitted Individual Subcontract Reports and/or	To justify a Very Good rating, identify a significant event and state how they were a benefit to small business utilization. Ensure that small businesses are given meaningful, innovative work directly related to the project, rather than peripheral work, such as cleaning offices, supplies, landscaping, etc. There must be no significant weaknesses identified.

	Summary Subcontract Reports in an accurate and timely manner.	
Green/Satisfactory	Demonstrated a good faith effort to meet all of the negotiated subcontracting goals in the various socio-economic categories for the current period. Complied with AMS, 3.6.1-3. Met any other small business participation requirements included in the contract. Fulfilled the requirements of the subcontracting plan included in the contract. Completed and submitted Individual Subcontract Reports and/or Summary Subcontract Reports in an accurate and timely manner.	To justify a Satisfactory rating, there must have been only minor problems, or major problems the contractor has addressed or taken corrective action. There must have been no significant weaknesses identified.
Yellow/Marginal	Deficient in meeting key subcontracting plan elements. Deficient in complying with AMS, 3.6.1-3, and any other small business participation requirements in the contract. Did not submit Individual Subcontract Reports and/or Summary Subcontract Reports in an accurate or timely manner. Failed to satisfy one or more requirements of a corrective action plan currently in place; however, does show an interest in bringing performance to a satisfactory level and has demonstrated a commitment to apply the necessary resources to do so. Required a corrective action plan.	To justify a Marginal rating, identify a significant event that the contractor had trouble overcoming and how it impacted small business utilization. A Marginal rating must be supported by referencing the actions taken by the government that notified the contractor of the contractual deficiency.
Red/Unsatisfactory	Noncompliant with AMS	To justify an Unsatisfactory

	3.6.1-3, and any other small business participation requirements in the contract. Did not submit Individual Subcontract Reports and/or Summary Subcontract Reports in an accurate or timely manner. Showed little interest in bringing performance to a satisfactory level or is generally uncooperative. Required a corrective action plan.	rating, identify multiple significant events that the contractor had trouble overcoming and state how it impacted small business utilization. A singular problem, however, could be of such serious magnitude that it alone constitutes an Unsatisfactory rating. An Unsatisfactory rating must be supported by referencing the actions taken by the government to notify the contractor of the deficiencies. When an Unsatisfactory rating is justified, the Contracting Officer must consider whether the contractor made a good faith effort to comply with the requirements of the subcontracting plan required and any other applicable clauses.
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NOTE 1: Plus or minus signs may be used to indicate an improving (+) or worsening (-) trend insufficient to change assessment status.

NOTE 2: Zero percent is not a goal unless the Contracting Officer determined when negotiating the subcontracting plan that no subcontracting opportunities exist in a particular socio-economic category. In such cases, the contractor will be considered to have met the goal for any socio-economic category where the goal negotiated in the plan was zero.

## **Attachment 2 Instructions for Completing a Systems CPARS Evaluation**

A2.1 The Systems Business Sub-Sectors (not all of which are applicable to FAA procurements) are Aircraft, Shipbuilding, Space, Ordnance, Ground Vehicles, Training Systems, or Other Systems.

A2.2 **Block 1 Name/Address of Contractor.** State the name and address of the division or subsidiary of the contractor that is performing the contract. Identify the parent corporation (no address required). Identify the CAGE code, DUNS+4 number, Federal Supply Classification (FSC) or Service Code, and North American Industrial Classification System (NAICS) Code. All codes can be accessed by using the on-screen "lookup" function provided in the electronic form.

**A2.3 Block 2 Type Report.** Indicate whether the CPARS is an initial, intermediate, or final report. If this is an "out-of-cycle" report, select "out-of-cycle." If this is a report to record contractor performance relative to contract closeout or other administrative requirements, select "Addendum."

**A2.4 Block 3 Period of Performance Being Assessed.** State the period of performance covered by the report (dates must be in MM/DD/YYYY format). The initial period of performance should not cover less than six months of actual performance.

**A2.4.1 Period of Performance for Delayed Starts, Protests or Phase In Periods.** In the case of delayed starts or protests, the initial period of performance may cover more than twelve months of time since contract award, but normally no more than twelve months of actual contract performance. Initial periods reporting on performance greater than 12 months (such as for phase-in periods) must be approved by the CPARS Focal Point and coordinated with the contractor. The period of performance should not already include reported efforts except when an out-of-cycle CPARS has been processed.

**A2.4.2 Period of Performance for Intermediate/Final Reports.** CPARS assessments for intermediate and final reports should cover a 12 month period of performance. Exceptions to this rule for special circumstances, such as a period of performance that ends one month before contract completion or in those instances (up to six months beyond the annual period) where the performance has been extended must be approved by the CPARS Focal Point.

**A2.4.3 Period of Performance for Out-of-Cycle Reports.** Select "Out-of-Cycle" from the drop-down menu if the AO elects to prepare an out-of-cycle report which will be posted to CPARS for a time period which overlaps the regularly scheduled performance period if there has been a significant change in the performance which alters the assessment in one or more evaluation area(s) since the last performance period. If the AO chooses to have the Out-of-Cycle report posted in the CPARS AIS (and ultimately the PPIRS), the CPARS will be processed through the regular work flow (Government and contractor review). See Paragraph 4.4 for more information on Out-of-Cycle reports.

**A2.3.5 Block 4a Contract Number.** Use the contract number as identified on the contract, except in the case of BOAs, BPAs, GSA schedule and other agency orders. If an order/call is issued under a BOA, BPA, GSA schedule or other agency contract/agreement, the contract number in CPARS should match the master contract number. The order/call number field should be used to reflect the contract/schedule/agreement number for the order/call.

**A2.6 Block 4b Business Sector and Sub Sector.** Select Services/IT/Operations

**A2.7 Block 5 Contracting Office (Organization and Code).** Identify the contracting office symbol.

**A2.8 Block 6 Location of Contract Performance.** Provide a geographical reference (e.g., nearest city and installation name).

**A2.9 Block 7a Contracting Officer.** Self-explanatory.

A2.9.1 **Block 7b Phone Number.** Include commercial phone number in the following format: (XXX) XXX-XXXX

A2.10 **Block 8a Contract Award Date.** Identify the date of contract award or select the date on the on-screen, drop-down calendar.

A2.10.1 **Block 8b Contract Effective Date.** Identify the date (MM/DD/YYYY) that actual contract performance is set to begin or select the on-screen calendar only if that date is later than Block 8a, Contract Award Date.

A2.11 **Block 9 Contract Completion Date.** Identify the last possible date of contract performance (e.g., the last calendar day of the last option period) or select the date on the on-screen, drop-down calendar.

A2.12 **Block 10 Contract Percent Complete/Delivery Order Status.** State the current percent of the contract that is complete. If Cost Performance Reports (CPR) or Cost/Schedule Status Reports (C/SSR) data is available, calculate percent complete by dividing cumulative Budgeted Cost of Work Performed (BCWP) by Contract Budget Base (CBB) (less management reserve) and multiply by 100. CBB is the sum or negotiated cost plus estimated cost of authorized undefinitized work. If CPR or C/SSR data is not available, estimate percent complete by dividing the number of months elapsed by total number of months in contract period of performance and multiplying by 100. In the event an Indefinite Delivery contract is utilized, estimate the percent complete.

A2.13 **Block 11 Awarded Value.** Enter the total value of the contract, including unexercised options. For delivery/task/job order contracts where orders will be assessed under a single CPAR, enter the maximum ordering amount under the contract, including options. For delivery/task/job order contracts where orders will be assessed on an individual basis, enter the awarded value of the individual order. For BOAs/BPAs where orders/calls will be assessed individually, enter the awarded value of the individual order/call.

A2.14 **Block 12 Current Contract Dollar Value.** State the current obligated amount including modifications and options that have been exercised. For incentive contracts, state the target price or total estimated amount. For delivery/task order contracts where orders will be assessed under a single CPAR, state the total amount obligated on all delivery orders, including modifications. For delivery/task/job order contracts where orders will be assessed on an individual basis, state the current obligated amount of the individual order, including modifications. For BOAs/BPAs where orders/calls will be assessed individually, state the current obligated amount of the individual order/call, including modifications.

A2.15 **Block 13 Basis of Award.** Identify the basis of award by selecting competitive or non-competitive. If the CPAR is for a single order/call, select the basis of award for that order/call.

A2.16 **Block 14 Contract Type.** Identify the contract type. For mixed contract types, select the predominant contract type and identify the other contract type in the "mixed" block.



**A2.17 Block 15 Key Subcontractors and Description of Effort Performed.** Identify subcontractors, including CAGE code and DUNS +4 number, performing either a critical aspect of the contracted effort or more than 25 percent of the dollar value of the effort

**A2.18 Block 16 (Systems) Program Title and Phase of Acquisition.** Provide a descriptive narrative of the program. Spell out all abbreviations and acronyms. Identify overall program phase and production lot (for example, concept development, engineering and manufacturing development, low-rate initial production, or full-rate production (Lot 1)), and any specific aspects of the phase of the acquisition being evaluated. Identify milestone phases, if applicable.

Block 16 (Ship Repair and Overhaul) – Type of Availability. Not applicable to FAA contracts.

**A2.19 Block 17 Contract Effort Description.** This section is of critical importance to future source selection teams. The description should be detailed enough to assist a future source selection officials in determining the relevance of this program to their source selection. It is important to address the complexity of the contract effort and the overall technical risk associated with accomplishing the effort. For intermediate CPARs, a description of key milestone events that occurred in the review period may be beneficial (e.g., Critical Design Review (CDR), Functional Configuration Audit (FCA)), as well as major contract modifications during the period. Ensure all acronyms are identified.

Provide a complete description of the contract effort that identifies key technologies, components, subsystems, and requirements. For task/delivery/job order contracts, state the number of tasks issued during the period, tasks completed during the period, and tasks that remain active.

For contracts that include multiple functional disciplines or activities, separate them into categories to:

1. Reflect the full scope of the contract, and
2. Allow grouping of similar work efforts within the categories to avoid unnecessary segregation of essentially similar specialties or activities. Each category or area should be separately numbered, titled and described within Block 17 to facilitate cross-referencing with the evaluation of the contractor's performance within each category in Blocks 18 and 19.

**A2.20 Small Business Utilization.** Answer the following questions:

1. Does this contract include a subcontracting plan?
2. Is small business subcontracting under this contract included in a comprehensive small business subcontracting plan?
3. Is small business subcontracting under this contract included in a commercial small business subcontracting plan?
4. Date of last Individual Subcontracting Report (ISR)/Summary Subcontracting Report (SSR)?

**A2.21 Block 18 Evaluation Areas.** Evaluate each area based on the following criteria:

**A2.21.1** Each area assessment must be based on objective data that will be provided in Block 20. Facts to support specific areas of evaluation must be requested from the AORs,

AOs and other Government specialists familiar with the contractor's performance on the contract under review. Such specialists may, for example, be from engineering, manufacturing, quality, logistics (including provisioning), contracting, maintenance, security, etc.

A2.21.2 The amount of risk inherent in the effort should be recognized as a significant factor and taken into account when assessing the contractor's performance. For example, if a contractor meets an extremely tight schedule, a dark blue (exceptional) may be appropriate, or meeting a tight schedule with few delinquencies, a green (satisfactory) with a plus sign assessment may be given in recognition of the inherent schedule risk. When a contractor identifies significant technical risk and takes action to abate those risks, the effectiveness of these actions should be included in the narrative supporting the Block 18 ratings.

A2.21.3 The CPAR is designed to assess prime contractor performance. In those evaluation areas where subcontractor actions have significantly influenced the prime contractor's performance in a negative or positive way, record the subcontractor actions in Block 20.

A2.21.4 Many of the evaluation areas in Block 18 represent groupings of diverse elements. The AO should consider each element and use the area rating to highlight significant issues. In addition, the AO should clearly focus on the contractor's "results" as they may be appropriate for the period being assessed in determining the overall area rating.

A2.21.5 Evaluate all areas which pertain to the contract under evaluation unless they are not applicable (N/A).

A2.21.6 When performance has changed from one period to another such that a change in ratings results, the narrative in Block 20 must address each change.

A2.21.7 The AO should use customary industry quantitative measures where they are applicable if the contract is for commercial products.

A2.21.8 Ratings will be in accordance with the definitions described in Attachment 2, "Evaluation Ratings Definitions."

**A2.22 Block 18a Technical (Quality of Product).** This element is comprised of an overall rating and six sub-elements. Activity critical to successfully complying with contract requirements must be assessed within one or more of these sub-elements. The overall rating at the element level is the AO's integrated evaluation as to what most accurately depicts the contractor's technical performance or progress toward meeting requirements. This assessment is not a roll-up of the sub-element assessments.

**A2.22.1 Block 18a(1) Product Performance.** Assess the achieved product performance relative to performance parameters required by the contract.

**A2.22.2 Block 18a(2) Systems Engineering.** Assess the contractor's effort to transform operational needs and requirements into an integrated system design solution.

**A2.22.2.1** Areas of focus should be: the planning and control of technical program tasks, the quality and adequacy of the engineering support provided throughout all phases of contract execution, the integration of the engineering specialties, management of

interfaces, interoperability, and the management of a totally integrated effort of all engineering concerns to meet cost, technical performance, and schedule objectives.

A2.221.2.2 System engineering activities ensure that integration of these engineering concerns is addressed up-front and early in the design/development process. The assessment should cover these disciplines: systems architecture, design, manufacturing, integration and support, configuration control, documentation, test and evaluation.

A2.22.2.3 The assessment for test and evaluation should consider success/problems/failure in developing test and evaluation objectives; planning (ground/air/sea) test, simulations and/or demonstrations; in accomplishing those objectives and on the timeliness of coordination and feedback of the test results (simulations/demonstrations) into the design and/or manufacturing process.

A2.22.2.4 Other activities include production engineering, logistics support analysis, supportability considerations (maintenance personnel/skills availability or work hour constraints, operating, and cost constraints, allowable downtime, turnaround time to service/maintain the system, standardization requirements), survivability, human factors, reliability, quality, maintainability, availability, inspection, etc. Although some of these activities will be specifically addressed in other elements/sub-elements (such as product assurance), the focus of the assessment of systems engineering is on the integration of those specific disciplines/activities.

A2.22.2.5 The assessment of systems engineering needs to remain flexible to allow the evaluator to account for program-unique technical concerns and to allow for the changing systems engineering environment as a program moves through the program phases, e.g., Engineering and Manufacturing Development, Production.

**A2.22.3 Block 18a(3) Software Engineering.** Assess the contractor's success in meeting contract requirements for all applicable software engineering based activities and processes.

A2.22.3.1 Software engineering activities include, as appropriate, software development (design, code, and unit test); application of reuse, COTS, and other non-developmental software components; integration (including software component integration, system integration and test, and acceptance test support); and sustainment. Software processes include, for example: software size, effort, and schedule estimation; requirements analysis, development, and management; software configuration management; software risk identification and management; metrics collection and analysis, technical reviews, decision analysis, and software quality assurance and control, each as they specifically address software engineering activities.

A2.22.3.2 Consider the contractor's success with respect to:

1. Planning a software development, integration, and testing effort that includes compatible cost, schedule, and performance baselines
2. Delivering expected software driven capabilities on cost and on schedule
3. Effective software metrics collection/analysis and status monitoring/reporting that provide the software visibility necessary to identify timely corrective actions and appropriately execute them

4. Staffing with the software knowledge, skills, and abilities needed to execute the contract across the lifecycle; timely assignment of the appropriate numbers of software staff
5. Awareness and control of software size and stability to enable tracking and allowing growth according to vetted enhancements vice scope creep
6. Effective testing and integration of developed software within the larger system test and evaluation effort
7. Effective processes to acquire, integrate, and test commercial off-the-shelf software and to achieve planned software reuse
8. Achieving software assurance
9. Consistent application of documented software engineering and management processes, including technical reviews, in alignment with contract requirements

**A2.22.4 Block 18a(4) Logistic Support/Sustainment.** Assess the success, as appropriate, of the contractor's performance in accomplishing logistics planning. For example, maintenance planning; manpower and personnel; supply support; support equipment; technical provisioning data; training and support; computer resources support; facilities; packaging, handling, storage and transportation; design interface; the contractor's performance of logistics support analysis activities and the contractor's ability to successfully support fielded equipment. When the contract requires technical and/or engineering data deliverables, the cognizant cataloging and/or standardization activity comments should be solicited.

**A2.22.5 Block 18a(5) Product Assurance.** Assess how successfully the contractor meets program quality objectives; e.g., production, reliability, maintainability, inspection, testability, and system safety, and controls the overall manufacturing process. The PM must be flexible in how contractor success is measured, e.g., data from design test/operational testing successes, field reliability and maintainability and failure reports, user comments and acceptance rates, improved subcontractor and vendor quality, and scrap and rework rates. These quantitative indicators may be useful later, for example, in source selection evaluations, in demonstrating continuous improvement, quality and reliability leadership that reflects progress in total quality management. Assess the contractor's control of the overall manufacturing process to include material control, shop floor planning and control, status and control, factory floor optimization, factory design, and factory performance.

**A2.22.6 Block 18a(6) - Other Technical Performance.** Assess all the other technical activity critical to successful contract performance. Identify any additional assessment aspects that are unique to the contract or that cannot be captured in another sub-element.

**A2.23 Block 18b Schedule.** Assess the timeliness of the contractor against the completion of the contract, task orders, milestones, delivery schedules, administrative requirements, etc. Assess the contractor's adherence to the required delivery schedule by assessing the contractor's efforts during the assessment period that contribute to or affect the schedule variance. Also, address significance of scheduled events (e.g., design reviews), discuss causes, and assess the effectiveness of contractor corrective actions.

**A2.24 Block 18c Cost Control.** (Not Applicable for Firm-Fixed Price or Firm-Fixed Price with Economic Price Adjustment). Assess the contractor's effectiveness in forecasting, managing, and controlling contract cost. Is the contractor experiencing cost growth or underrun, discuss the causes and contractor-proposed solutions for the cost overruns. For contracts where task or contract sizing is based upon contractor-provided person hour

estimates, the relationship of these estimates to ultimate task cost should be assessed. In addition, the extent to which the contractor demonstrates a sense of cost responsibility, through the efficient use of resources, in each work effort should be assessed.

A2.24.1 Assessment information regarding performance under a UCA must be included in the annual evaluation. If the final negotiated contract type is not a cost-type, cost information for the period the UCA was in effect must be included under the Cost element. The contractor's performance under the UCA must be separately identified but considered in the overall annual ratings.

**A2.25 Block 18d Management.** This element is comprised of an overall rating and three sub-elements. Activity critical to successfully executing the contract must be assessed within one or more of the sub-elements. This overall rating at the element level is the AO's integrated assessment as to what most accurately depicts the contractor's performance in managing the contracted effort. It is not a roll-up of the sub-element assessments.

A2.25.1 Block 18d(1) Management Responsiveness. Assess the timeliness, completeness and quality of problem identification, corrective action plans, proposal submittals (especially responses to change orders, Engineering Change Proposals (ECPs), or Letter or Ceiling Priced Contracts), the contractor's history of reasonable and cooperative behavior, effective business relations, and customer satisfaction. Consider the contractor's responsiveness to the program as it relates to meeting contract requirements during the period covered by the report.

A2.25.2 Block 18d(2) Subcontract Management. Assess the contractor's success with timely award and management of subcontracts. Assess the prime contractor's effort devoted to managing subcontracts and whether subcontractors were an integral part of the contractor's team. Consider efforts taken to ensure early identification of subcontract problems and the timely application of corporate resources to preclude subcontract problems from impacting overall prime contractor performance.

A2.25.3 Block 18d(3) Program Management and Other Management. Assess the extent to which the contractor discharges its responsibility for integration and coordination of all activity needed to execute the contract; identifies and applies resources required to meet schedule requirements; assigns responsibility for tasks/actions required by contract; communicates appropriate information to affected program elements in a timely manner. Assess the contractor's risk management practices, especially the ability to identify risks and formulate and implement risk mitigation plans. If applicable, identify any other areas that are unique to the contract, or that cannot be captured elsewhere under the Management element.

A2.25.3.1 Integration and coordination of activities should reflect those required by the Integrated Master Plan/Schedule. Also consider the adequacy of the contractor's mechanisms for tracking contract compliance, recording changes to planning documentation and management of cost and schedule control system, and internal controls, as well as the contractor's performance relative to management of data collection, recording, and distribution as required by the contract.

**A2.26 Block 18e Utilization of Small Business.** FAA AMS T3.6.1 and Clause 3.6.1-4 contain requirements for complying with the Small Business Subcontracting Program. Assess whether the contractor provided maximum practicable opportunity for

Small Business (including Alaska Native Corporations (ANCs) and Indian Tribes) (including Small Disadvantaged Businesses (which also includes ANCs and Indian Tribes), Women Owned Small Businesses, Veteran Owned, Service Disabled Veteran Owned Small Business, Historically Black Colleges and Minority Institutions and ANCs and Indian Tribes that are not Small Disadvantaged Businesses or Small Businesses) to participate in contract performance consistent with efficient performance of the contract.

A2.26.1 Assess compliance with all terms and conditions in the contract relating to Small Business participation. Where applicable, assess compliance with Small Business Subcontracting Plan (Test Program)) including any program specific data required in the contract. Assess achievement on each individual goal stated within the contract or subcontracting plan including good faith effort if the goal was not achieved.

A3.26.2 It may be necessary to seek input from the Small Business specialist, ACO or PCO in regards to the contractor's compliance with these criteria, especially when a comprehensive plan is submitted. In cases where the contractor has a comprehensive subcontracting plan, request the DCMA Comprehensive Subcontracting Plan Manager to provide input including any program specific performance information.

A2.26.3 For contracts subject to a commercial subcontracting plan, the Utilization of Small Business factor should be rated "green" as long as an approved plan remains in place, unless liquidated damages have been assessed by the Contracting Officer who approved the commercial plan (see AMS 3.6.1-6). In such case, the Utilization of Small Business area must be rated "red".

A2.26.4 This area must be rated for all contracts and task orders that contain a small business subcontracting goal.

A2.26.5 Ratings will be in accordance with definitions described in Attachment 1, "Evaluation Rating Definitions (Utilization of Small Business)."

A2.26.6 A contract may have no more than one subcontracting plan. Evaluations of the utilization of small business are required for contracts and orders placed against basic ordering agreement (BOA) and blanket purchase agreement (BPA) if a subcontracting plan is required. Evaluations of utilization of small business for single-agency task orders and delivery orders (to include FSS) are not required and will not be accomplished unless the Contracting Officer determines that such evaluations would produce more useful past performance information for source selection officials than that contained in the overall contract evaluation. Execution of any subcontracting plan may be addressed in block 20.

A2.27 **Block 18f Other Areas.** Specify additional evaluation areas that are unique to the contract or that cannot be captured elsewhere on the form. More than one type of entry may be included but should be separately labeled. If extra space is needed, use Block 20.

A2.27.1 If the contract contains an award fee clause, enter "award fee" in the "Other Areas" Block (18f). The AO should translate the award fee earned to color ratings which could prove more useful for using past performance to assess future performance risk in upcoming source selections. If award fee information is included in the CPAR, use Block 20 to provide a description for each award fee. Include the scope of the award fee by describing the extent to which it covers the total range of contract performance activities, or is restricted to certain elements of the contract.

A2.27.2 If any other type of contract incentive is included in the contract (excluding contract share incentives on fixed price or cost-type incentive contracts), it should be reported in a manner similar to the procedures described above for award fee (by entering "Incentive" in Block 18f).

A2.27.3 Use Block 18f in those instances where an aspect of the contractor's performance does not fit into any of the other blocks on the form. As an example, this block may be used to address security issues, provide an assessment of provisioning line items or other areas as appropriate.

**A2.28 Block 19 Variance (Contract-to-Date).** If Cost Performance Report (CPR) or Cost/Schedule Status Review (C/SSR) data are available, identify the current percent cost variance to date, the Government's estimated completion cost variance (percent), and the cumulative schedule variance (percent). Indicate the cutoff date for the CPR or C/SSR used.

A2.28.1 Compute current cost variance percentage by dividing cumulative cost variance to date (column 11 of the CPR, column 6 of the C/SSR) by the Budgeted Cost of Work Performed (BCWP) and multiply by 100.

A2.28.2 Compute completion cost variance percentage by dividing the Contract Budget Baseline (CBB) less the Government's Estimate At Completion (EAC) by CBB and multiplying by 100. The calculation is  $[(CBB - EAC)/CBB] \times 100$ . The CBB must be the current budget base against which the contractor is performing (including formally established Over Target Baselines (OTB)). If an OTB has been established since the last CPAR, a brief description in Block 20 of the nature and magnitude of the baseline adjustment must be provided. Subsequent CPARs must evaluate cost performance in terms of the revised baseline and reference the CPAR that described the baseline adjustment. For example, "The contract baseline was formally adjusted on (date); see CPAR for (period covered by report) for an explanation."

A2.28.3 Compute cumulative schedule variance percentage by dividing the Budgeted Cost of Work Performed (BCWP) less budgeted cost of work scheduled (BCWS) by BCWS and multiply by 100. The calculation is  $[(BCWP - BCWS)/BCWS] \times 100$ . If the schedule variance exceeds 15 percent (positive or negative), briefly discuss in Block 20 the significance of this variance for the contract effort.

**A2.29 Block 20 AO Narrative (see Paragraph 1.4).** A factual narrative is required for all assessments regardless of color rating (e.g., even "green" or "satisfactory" ratings require narrative support). Cross-reference the comments in Block 20 to their corresponding evaluation area in Block 18 or 19. Each narrative statement in support of the area assessment must contain objective data. An exceptional cost performance assessment could, for example, cite the current underrun dollar value and estimate at completion. A marginal engineering design/support assessment could, for example, be supported by information concerning personnel changes. Key engineers familiar with the effort may have been replaced by less experienced engineers. Sources of data include operational test and evaluation results; technical interchange meetings; production readiness reviews; earned contract incentives; or award fee evaluations. The AO's comments in Block 20 may be up to 16,000 characters (approximately three pages) in CPARS.

A2.29.1 The AO must choose the applicable choice to the following statement after block 20: "Given what I know today about the contractor's ability to execute what he promised in his proposal, I (definitely would not, probably would not, might or might not, probably would or definitely would) award to him today given that I had a choice."

**A2.30 Block 21 AO Signature.** The AO enters his or her name, title, and organization, phone number (in the following format: (XXX)XXX-XXXX ), email address, FAX number, and signs and dates the form prior to making it available to the contractor for review.

**A2.31 Block 22 Contractor Comments.** Completed at the option of the contractor. The contractor's narrative comments may be up to 16,000 characters (approximately three pages).

**A2.32 Block 23 Contractor Representative Signature.** The contractor representative reviewing/commenting on the CPAR will enter his or her name, title, phone number, email address, FAX number, and signs and dates the form prior to returning it to the AO.

**A2.33 Block 24 RO Comments.** The RO must acknowledge consideration of any significant discrepancies between the AO assessment and the contractor's comments. The RO's narrative comments may be up to 16,000 characters (approximately three pages).

**A2.34 Block 25 - RO Signature.** The RO will enter his or her name, title, organization (AF users do not include a code), phone number in the following format: (XXX) XXX-XXXX, email address, FAX number, and date when completing the CPAR.

### Attachment 3 Instructions for Completing a Services, Information Technology, or Operations Support CPAR

A3.1 All business sectors, except Systems, and construction and architect-engineer, will be completed on this form.

**A3.2 Block 1 Name/Address of Contractor.** State the name and address of the division or subsidiary of the contractor that is performing the contract. Identify the parent corporation (no address required). Identify the CAGE code, DUNS+4 number, Federal Supply Classification (FSC) or Service Code, and North American Industrial Classification System (NAICS) code. All codes can be accessed by using the on-screen "lookup" function provided in the electronic form.

**A3.3 Block 2 Type Report.** Indicate whether the CPAR is an initial, intermediate, or final report. If this is an "out-of-cycle" report, select "out-of-cycle." If this is a report to record contractor performance relative to contract closeout or other administrative requirements, select "Addendum."

**A3.4 Block 3 Period of Performance Being Assessed.** State the period of performance covered by the report (dates must be in MM/DD/YYYY format). The initial period of performance should not cover less than six months of actual performance.

**A3.4.1 Period of Performance for Delayed Starts, Protests or Phase-In Periods.** In the case of delayed starts or protests, the initial period of performance may cover more than twelve months of time since contract award, but normally no more than twelve months of actual contract performance. Initial periods reporting on performance greater than 12



months (such as for phase-in periods) must be approved by the CPAR Focal Point and coordinated with the contractor. The period of performance should not already include reported efforts except when an out-of-cycle CPAR has been processed.

**A3.4.2 Period of Performance for Intermediate/Final Reports.** CPAR assessments for intermediate and final reports should cover a 12 month period of performance. Exceptions to this rule for special circumstances, such as a period of performance that ends one month before contract completion or in those instances (up to six months beyond the annual period) where the performance has been extended must be approved by the CPAR Focal Point.

**A3.4.3 Period of Performance for Out-of-Cycle Reports.** Select "Out-of-Cycle" from the drop-down menu if the AO elects to prepare an out-of-cycle report which will be posted to the CPARS AIS for a time period which overlaps the regularly scheduled performance period if there has been a significant change in the performance which alters the assessment in one or more evaluation area(s) since the last performance period. If the AO chooses to have the Out-of-Cycle report posted in the CPARS AIS (and ultimately the PPIRS), the CPAR will be processed through the regular work flow (Government and contractor review). See Paragraph 4.4 for more information on Out-of-Cycle reports.

**A3.5 Block 4a Contract Number.** Use the contract number as identified on the contract, except in the case of BOAs, BPAs, GSA schedule and other agency orders. If an order/call is issued under a BOA, BPA, GSA schedule or other agency contract/agreement, the contract number in CPARS should match the master contract number. The order number field should be used to reflect the contract/schedule/agreement number for the order/call.

**A3.6 Block 4b Business Sector and Sub-Sector.** Service/IT/Operations

**A3.7 Block 5 Contracting Office (Organization and Code).** Identify the contracting office symbol.

**A3.8 Block 6 - Location of Contract Performance.** Provide a geographical reference (e.g., nearest city and installation name) if performance is on a military installation.

**A3.9 Block 7a Contracting Officer.** Self-explanatory.

**A3.9.1 Block 7b Phone Number.** Include the commercial phone number in the following format: (XXX) XXX-XXXX

**A3.10 Block 8a Contract Award Date.** Identify the date of contract award or select the date on the on-screen, drop-down calendar.

**A3.10.1 Block 8b Contract Effective Date.** Identify the date (MM/DD/YYYY) that actual contract performance is set to begin or select the on-screen calendar date only if that date is later than Block 8a, Contract Award Date.

**A3.11 Block 9 Contract Completion Date.** Identify the last possible date of contract performance (e.g., the last calendar day of the last option period) or select the date on the on-screen, drop-down calendar.

**A3.12 Block 10 N/A.** Not applicable.

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**A3.13 Block 11 Awarded Value.** Enter the total value of the contract, including unexercised options. For delivery/task/job order contracts where orders will be assessed under a single CPAR, enter the maximum ordering amount under the contract, including options. For delivery/task/job order contracts where orders will be assessed on an individual basis, enter the awarded value of the individual order. For BOAs/BPAs where orders/calls will be assessed individually, enter the awarded value of the individual order.

**A3.14 Block 12 Current Contract Dollar Value.** State the current obligated amount including modifications and options that have been exercised. For incentive contracts, state the target price or total estimated amount. For delivery/task/job order contracts where orders will be assessed under a single CPAR, state the total amount obligated on all delivery orders, including modifications. For delivery/task/job order contracts where orders will be assessed on an individual basis, state the current obligated amount of the individual order, including modifications. For BOAs where orders will be assessed individually, state the current obligated amount of the individual order, including modifications.

**A3.15 Block 13 Basis of Award.** Identify the basis of award by selecting competitive or non-competitive. If the CPAR is for a single order/call, select the basis of award for that order/call.

**A3.16 Block 14 Contract Type.** Identify the contract type. For mixed contract types, select the predominant contract type and identify the other contract type in the "mixed" block.

**A3.17 Block 15 Key Subcontractors and Description of Effort Performed.** Identify subcontractors, including CAGE code and DUNS +4 number, performing either a critical aspect of the contracted effort or more than 25 percent of the dollar value of the effort. If possible, include the amount of subcontract costs of the total contract effort. Discussion of the prime contractor's management of the subcontractor should be included in Block 18d-Business Relations.

**A3.18 Block 16 Program Title and Phase of Acquisition.** Provide a descriptive narrative of the program. Spell out all abbreviations and acronyms. Identify the type of services (for example, professional services, maintenance, installation or information technology services).

**A3.19 Block 17 Contract Effort Description.** Provide a description of the contract effort that identifies the key requirements and/or type of effort. This section is of critical importance to future source selection officials. The description should be detailed enough so that it can be used in determining the relevance of this program to future source selections. It is important to address the complexity of the contract effort and the overall technical risk associated with accomplishing the effort. Ensure acronyms are identified. For task/delivery order contracts, state the number of orders issued during the period.

**A3.20 Small Business Utilization.** Answer the following questions:

1. Does this contract include a subcontracting plan?
2. Is small business subcontracting under this contract included in a comprehensive small business subcontracting plan?
3. Is small business subcontracting under this contract included in a commercial small business subcontracting plan?

4. Date of last Individual Subcontracting Report (ISR) /Summary Subcontracting Report (SSR)

**A3.21 Block 18 Evaluation Areas.** Evaluate each area based on the following criteria:

A3.21.1 Each area assessment must be supported by objective data (or subjective observations) that will be provided in Block 20. Facts to support specific areas of evaluation must be requested from the PM, Contracting Officer and other specialists familiar with the contractor's performance on the contract under review. Such specialists may, for example include the Contracting Officer's Representative (COR) for the program and may also be from engineering, manufacturing, quality, logistics (including provisioning), contracting, maintenance, security, data, etc.

A3.21.2 The amount of risk inherent in the effort should be recognized as a significant factor and taken into account when assessing the contractor's performance. When a contractor identifies significant technical risk and takes action to abate those risks, the effectiveness of these actions should be included in the narrative supporting the Block 18 ratings.

A3.21.3 The CPAR is designed to assess prime contractor performance. In those evaluation areas where subcontractor actions have significantly influenced the prime contractor's performance in a negative or positive way, record the subcontractor actions in Block 20.

A3.21.4 Evaluate all areas which pertain to the contract under evaluation, unless they are not applicable ("N/A").

A3.21.5 When performance has changed from one period to another such that a change in ratings results, the narrative in Block 20 must address each change.

A3.21.6 The AO should use customary industry quantitative measures where they are applicable if the contract is for commercial products.

A3.21.7 Ratings will be in accordance with the definitions in Attachment 2.

A3.21.8. A fundamental principle of assigning ratings is that contractors will not be assessed a rating lower than satisfactory solely for not performing beyond the requirements of the contract.

**A3.22 Block 18a Quality of Product or Service.** Assess the contractor's conformance to contract requirements, specifications and standards of good workmanship (e.g., commonly accepted technical, professional, environmental, or safety and health standards). List and assess any sub-elements to indicate different efforts where appropriate. Include, as applicable, information on the following:

1. Are the reports data accurate?
2. Does the product or service provided meet the specifications of the contract?
3. Does the contractor's work measure up to commonly accepted technical or professional standards?
4. What degree of FAA technical direction was required to solve problems that arise during performance?

For Operations Support: Assess how successfully the contractor meets program quality objectives such as production, reliability, maintainability and inspection. The AO must be flexible in how contractor success is measured; e.g., using data from field reliability and maintainability and failure reports, user comments and acceptance rates, and scrap and rework rates. These quantitative indicators may be useful later, for example, in source selection evaluations, in demonstrating continuous improvement, quality and reliability leadership that reflects progress in total quality management. Assess the contractor's control of the overall production process to include material control, shop planning and control, and providing status updates.

**A3.23 Block 18b Schedule.** Assess the timeliness of the contractor against the completion of the contract, task orders, milestones, delivery schedules, and administrative requirements (e.g., efforts that contribute to or affect the schedule variance).

This assessment of the contractor's adherence to the required delivery schedule should include the contractor's efforts during the assessment period that contributes to or affect the schedule variance. This element applies to contract closeout activities as well as contract performance. Instances of adverse actions such as the assessment of liquidated damages or issuance of Cure Notices, Show Cause Notices, and any other notifications to the contractor of serious contract performance issues are indicators of problems which may have resulted in variance to the contract schedule and should, therefore, be noted in the evaluation.

**A3.24 Block 18c Cost Control.** (Not required for Firm-Fixed Price or Firm-Fixed Price with Economic Price Adjustment). Assess the contractor's effectiveness in forecasting, managing, and controlling contract cost. Include, as applicable, the following information:

1. Does the contractor keep within the total estimated cost (what is the relationship of the negotiated costs and budgeted costs to actuals)?
2. Did the contractor do anything innovative that resulted in cost savings?
3. Were billings current, accurate and complete?
4. Are the contractor's budgetary internal controls adequate?

Assessment information regarding performance under a UCA must be included in the annual evaluation. If the final negotiated contract type is not a cost-type, cost information for the period the UCA was in effect must be included under the cost element. The contractor's performance under the UCA will be separately identified but considered in the overall annual ratings.

**A3.25 Block 18d Business Relations.** Assess the integration and coordination of all activity needed to execute the contract, specifically the timeliness, completeness and quality of problem identification, corrective action plans, proposal submittals, the contractor's history of reasonable and cooperative behavior (to include timely identification of issues in controversy), customer satisfaction, timely award and management of subcontracts. Include, as applicable, information on the following:

1. Is the contractor oriented toward the customer?
2. Is interaction between the contractor and the government satisfactory or does it need improvement?

3. Include the adequacy of the contractor's accounting, billing, and estimating systems and the contractor's management of Government Property (GFP) if a substantial amount of GFP has been provided to the contractor under the contract.
4. Address the timeliness of awards to subcontractors and management of subcontractors, including subcontract costs. Consider efforts taken to ensure early identification of subcontract problems and the timely application of corporate resources to preclude subcontract problems from impacting overall prime contractor performance.
5. Assess the prime contractor's effort devoted to managing subcontracts and whether subcontractors were an integral part of the contractor's team.

**A3.26 Block 18e Management of Key Personnel (For Services and Information Technology Business Sectors only - Not Applicable to Operations Support).** Assess the contractor's performance in selecting, retaining, supporting, and replacing, when necessary, key personnel. For example:

1. How well did the contractor match the qualifications of the key position, as described in the contract, with the person who filled the key position?
2. Did the contractor support key personnel so they were able to work effectively?
3. If a key person did not perform well, what action was taken by the contractor to correct this?
4. If a replacement of a key person was necessary, did the replacement meet or exceed the qualifications of the position as described in the contract schedule?

**A3.27 Block 18f Utilization of Small Business.** FAA AMS T3.6.1 and Clause 3.6.1-4 contain requirements for complying with the Small Business Subcontracting Program. Assess whether the contractor provided maximum practicable opportunity for Small Business (including Alaska Native Corporations (ANCs) and Indian Tribes) (including Small Disadvantaged Businesses (which also includes ANCs and Indian Tribes), Women Owned Small Businesses, Service Disabled Veteran Owned Small Business, Historically Black Colleges and Universities and Minority Educational Institutions and ANCs and Indian Tribes that are not Small Disadvantaged Businesses or Small Businesses) to participate in contract performance consistent with efficient performance of the contract.

A3.27.1 Assess compliance with all terms and conditions in the contract relating to Small Business participation. Assess any small business participation goals which are stated separately in the contract. Assess achievement on each individual goal stated within the contract or subcontracting plan including good faith effort if the goal was not achieved.

A3.27.2 It may be necessary to seek input from the Small Business Office or Contracting Officer in regards to the contractor's compliance with these criteria, especially when a comprehensive plan is submitted

A3.27.3 For contracts subject to a commercial subcontracting plan, the Utilization of Small Business factor should be rated "satisfactory" as long as an approved plan remains in place, unless liquidated damages have been assessed by the Contracting Officer who approved the commercial plan. In such case, the Utilization of Small Business area must be rated "unsatisfactory".

A3.27.4 This area must be rated for all contracts and task orders that contain a small business subcontracting goal.

A3.27.5 Ratings will be in accordance with definitions described in Attachment 2, "Evaluation Ratings Definitions (Utilization of Small Business)."

A3.27.6 A contract must have no more than one subcontracting plan. Evaluations of the utilization of small business are required for contracts and orders placed against basic ordering agreement (BOA) and blanket purchase agreement (BPA) if a subcontracting plan is required. Evaluations of utilization of small business for single-agency task orders and delivery orders (to include FSS) are not required and will not be accomplished unless the Contracting Officer determines that such evaluations would produce more useful past performance information for source selection officials than that contained in the overall contract evaluation. Execution of any subcontracting plan may be addressed in block 20.

A3.28 **Block 18g Other Areas.** Specify additional evaluation areas that are unique to the contract, or that cannot be captured elsewhere on the form. More than one type of entry may be included, but should be separately labeled. If extra space is needed, use Block 20.

A3.28.1 If the contract contains an award fee clause, enter "award fee" in the "Other Areas" Block (18g). The AO should translate the award fee earned to adjectival ratings which could prove more useful for using past performance to assess future performance risk in upcoming source selections. If award fee information is included in the CPAR, use Block 20 to provide a description for each award fee. Include the scope of the award fee by describing the extent to which it covers the total range of contract performance activities, or is restricted to certain elements of the contract.

A3.28.2 If any other type of contract incentive is included in the contract (excluding contract share incentives on fixed price or cost-type contracts), it should be reported in a manner similar to the procedures described above for award fee (by entering "Incentive" in Block 18g).

A3.28.3 Use Block 18g in those instances where an aspect of the contractor's performance does not fit into any of the other blocks on the form.

A3.29 **Block 19 N/A.** Not applicable.

A3.30 **Block 20 Assessing Official Narrative (see Paragraph 1.4).** A factual narrative is required for all assessments regardless of rating. Cross-reference the comments in Block 20 to their corresponding evaluation area in Block 18. Each narrative statement in support of the area assessment must contain objective data. An exceptional cost performance assessment could, for example, cite the current underrun dollar value and estimate at completion. A marginal assessment could, for example, be supported by information concerning personnel changes or schedule delinquency rate. Key personnel familiar with the effort may have been replaced by less experienced personnel. Sources of the data used by the AO for the assessment may include customer/field surveys or evaluation of contractor reports. The Contracting Officer should be contacted to ensure that all applicable data has been incorporated. Block 20 comments may be up to 16,000 characters (approximately three pages) in CPARS.

A3.30.1 The AO must choose the applicable choice to the following statement after Block 20: "Given what I know today about the contractor's ability to execute what he promised in his proposal, I (definitely would not, probably would not, might or might not, probably would or definitely would) award to him today given that I had a choice."

A3.31 **Block 21 AO Signature.** The AO enters his or her name, title, and organization, phone number (in the following format: (XXX)XXX-XXXX), email address, FAX number, and signs and dates the form prior to making it available to the contractor for review.

A3.32 **Block 22 Contractor Comments.** Completed at the option of the contractor. The contractor's narrative comments may be up to 16,000 characters (approximately three pages).

A3.33 **Block 23 Contractor Representative Signature.** The contractor representative reviewing/commenting on the CPAR will enter his or her name, title, phone number, email address, FAX number, and signs and dates the form prior to returning it to the AO.

A3.34 **Block 24 RO Comments.** The RO must acknowledge consideration of any significant discrepancies between the AO assessment and the contractor's comments. The RO's narrative comments may be up to 16,000 characters (approximately three pages).

A3.35 **Block 25 - RO Signature.** The RO will enter his or her name, title, organization, phone number in the following format: (XXX)XXX-XXXX, email address, FAX number, and date when completing the CPAR.

#### Attachment 4 CPARS Website Features

Features of the CPARS website include:

1. The "production" CPAR system for actual entry of the performance evaluation data;
2. The "practice" CPAR system. The practice system is a mirror image of the functionality of the CPAR system using a separate database of simulated CPAR records. The practice system allows users to gain familiarity with the system without actually entering live performance evaluation data;
3. A "requirements" page that describes hardware and software required, security access levels, security features, how to obtain a user account and technical service support, and answers to frequently asked questions.
4. Instructions on Internet Explorer (IE) fixes that may be necessary for FAA access to CPARS;
5. A Quality Checklist that tutors users on completing a quality evaluation;
6. Link to reference material;
7. Link to CPARS Training;
8. Access Request forms;
9. Software Release history; and
10. Metrics (updated quarterly).

### **SECTIONS EDITED:**

#### **Section 3 : Past Performance**

**Old Content:** Procurement Guidance:

*T3.2.2 - Source Selection*

*Source Selection*

#### **Section 3 : Past Performance**

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a. General. Past performance can be one indicator of a prospective contractor's future performance. To help ensure that the best performing contractors are providing products and services to the FAA, past performance should be evaluated during source selection whenever appropriate.

b. Instructions for Using Past Performance in a Screening Information Request (SIR).

(1) General Considerations. Factors chosen for evaluation should be reasonable, logical, coherent, and directly related to requirements in the statement of work (SOW). The key to successful use of past performance in the screening process is a clear relationship between the SOW, instructions to offerors, and evaluation criteria. Past performance information that is not important to the current acquisition should not be included. For instance, there would be no point in considering poor subcontract management if there were no subcontract management needed on the contract. Alternatively, if there were a significant amount of software development, it would be important to know the offeror's record with estimating lines of code, providing software builds on time with few errors, and accomplishing the effort within the estimated cost. At a minimum, the quality of contractor's past performance should be assessed during the evaluation.

(2) Responsibility Determination. When appropriate, the SIR should state past performance will be used to evaluate the responsibility of the contractor and as an evaluation factor. A contractor with a record of unsatisfactory past performance should be screened out of the selection process as part of the responsibility determination. If a contractor's past performance record passes the responsibility determination, then the past record should be compared to the other responsible offerors to determine the offeror that provides the best value to the Government.

(3) Past Performance as a Separate Non-Cost/Price Factor. It is best to include past performance as a stand-alone factor, as opposed to integrating it with other non-cost/price factors. Making it distinct and identifiable will reduce the chances of its impact being lost within other factors and should make evaluation easier. The relative importance of past performance compared to price or cost and any other evaluation factors is left to the broad discretion of the procurement team (CO, legal counsel, program official and other supporting staff) as is the source and type of past performance information to be included in the evaluation.

(4) How to Weigh Past Performance. Past performance should be ranked to ensure it is meaningfully considered. To be meaningful in the screening process (and to ensure offerors are aware that actual contract performance will be a significant factor in future awards), past performance may be at least equal in significance to any other non-cost evaluation factor. If a numeric weighting system is used, past performance may be rated at 25 percent or more. For example, if there were five non-cost evaluation factors including past performance, then any of the following examples of weightings or relative importance would suffice:



- Past performance at 25 percent with the other four factors rated at 18.75 percent each ( $75/4=18.75$ )
- Past performance at 25 percent, technical excellence at 25 percent, management at 20 percent, the other two factors at 15 percent each
- All five factors rated at 20 percent
- Technical approach rated at 30 percent, past performance rated at 30 percent (to equal the highest rated other non-cost factor), management at 20 percent and the other two factors rated at 10 percent each
- Technical capability and past performance are considered equal in importance followed by test and evaluation, logistics management, and subcontract management in descending order of importance

(5) Non-Relevant Contract Experience/New Contractors. The SIR should state whether new contractors, or contractors with non-relevant contract experience will be considered, or rated negatively. For example, if the offeror has a performance history on non-relevant contracts, i.e., prior Government or commercial performance record, but not specifically on the type of work solicited, this information might be used to demonstrate management potential. New contractors may have key management or technical or scientific personnel proposed for the contract that have some relevant experience. An evaluation of the performance of the proposed key personnel on relevant contracts can be used, as appropriate, as part or all of the past performance evaluation. In addition, teaming relationships and subcontractors can enhance the capability of potential offerors to perform, depending on the relationships that exist within the teaming process.

(6) Time-frame, Size, Scope, Complexity. The SIR should ask the contractor for references for ongoing or contracts completed within a specified period of time. A period of three to five years is considered reasonable, depending on the particular circumstances. For small dollar contracts where there are many actions and contractors that provide the products or services, a shorter period may be appropriate. Offerors may attempt to "cherry pick" references to provide selected information on past history. To minimize this, the procurement team should attempt to gather past performance history from sources other than those provided by the offeror. Such sources might include the Past Performance Information Retrieval System (PPIRS) database for on-going efforts, other agency contracting personnel, and listings of contract awards posted on the FAA Contract Opportunities. All on-going or completed contracts performed during the identified period, or the last "X" contracts performed by the entity within the identified period should be sought. Instructions to offerors should ask only for a list of the previous contracts and contact points and for a description of any quality awards earned by the offeror. It is not necessary to burden the process by asking that the offeror prepare a description of its past performance history in the proposal. The procurement team should request references for contracts that are similar in size, scope and complexity to the statement of work in the SIR. Each of these terms should be defined in the SIR to alert the offeror to the type of data that is required.

(7) Discriminators/Sub-factors.

(a) Attention should be paid to what discriminates a "good" performer from a "poor" performer for the type of work that will be performed on the specific acquisition. Past performance sub-factors should be shaped by those discriminators, be limited in number, and should be tailored to the key performance criteria in the SOW. For certain prime contracts, the ability to manage subcontracts, or software development capability may be important discriminators. The following are some other examples of sub-factors that may be used to evaluate past performance: quality, timeliness, cost control, business practices, customer satisfaction, key personnel, and/or quality awards and recognition.

(b) The sub-factors in the SIR should reflect the questions to be used in interviewing references or reviewing any written evaluations provided by the references. For example, sub-factors with corresponding questions under business practices could include:

- Management Responsiveness - Is the offeror cooperative, business-like and concerned with the interests of the customer?
- Contract Change Proposals - What is the contractor's history on contract change proposals? This includes, changes that lower the overall cost or improve performance - timely and accurate proposals for equitable adjustments - changes that have been withdrawn or dismissed as invalid.

(8) Relative Importance. The SIR should state whether all sub-factors are relatively equal, or whether certain sub-factors are more important than others. For example, on a contract where most of the work is done for end users and it is difficult for the contract administration team to observe the contractor's performance in a cost-effective manner, significant weight might be placed on customer (end user) satisfaction ratings from the references.

(9) Major Subcontractors. If major subcontractors are likely to perform critical aspects of the contract, the procurement team should evaluate past performance of these subcontractors to determine the overall likelihood of success of the prime contractor. The SIR should state how such information will be evaluated.

(10) Affiliates, Divisions, etc. For large organizations with many divisions, consider the past performance of the affiliate, division, etc., that will perform the actual work. In making such decisions, the procurement team must consider the degree of control that a parent organization will exert over the affiliate. If a parent organization has an excellent or poor performance record and the affiliate is going to be closely controlled and managed by the parent, then the procurement team should consider the parent organization's performance record in making the performance evaluation.

(11) Number of References. It is important to ask for at least two references for each contract (program/technical and contracts) to assure that all aspects of the offeror's performance will be discussed. The name of the organization providing the report should

be released to the offeror; however, the names of individuals should generally not be released without the individual's consent.

(12) Use of Other Sources. The instruction to the offerors should include a statement that the Government may use past performance information obtained from other than the sources identified by the offeror, and that the information obtained may be used for both the responsibility determination and the best value decision. For each non-Federal reference, the SIR should include an authorization to release information.

(13) Inclusion of Survey Form. The survey form need not be included as an attachment in the SIR. However, if the procurement team elects to release the questionnaire, the SIR should note that the questions to be asked would not be limited to those on the questionnaire.

(14) Sample SIR Provisions. Appendix 2 to this Guidance contains examples of SIR provisions and an example client authorization letter. The example is not the only way to include past performance in the SIR. Each SIR must contain instructions and evaluation information that best reflects the individual acquisition.

c. Evaluating Past Performance.

(1) Applicability. Past performance is one measurement of an offeror's ability to perform.

(2) Relation to SIR. Instances of performance, both good and poor, should be noted and related to the SIR requirements. If problems were identified on a prior contract, the role the sponsor may have played in that result should be taken into account. Evaluations should consider the number and severity of problems, the demonstrated effectiveness of corrective actions taken (not just planned or promised), and the overall work record.

(3) Disclosure of Negative Information. If the procurement team receives negative information that will have a significant impact on the likelihood of award to an offeror, then the procurement team should disclose the information and provide an opportunity to respond. This is true even if the SIR states that award may be made on initial offers. The SIR should include the appropriate provisions notifying the offerors that FAA retains this option.

(4) Current Versus Older Performance. The age of the performance being evaluated may be weighted so that performance on older contracts receives less weight than performance on more recent contracts. More weight may be given to those evaluations on prior FAA or Federal contracts as opposed to contracts with state/local governments or private parties or to prior contracts of a similar nature to the SIR.

(5) Method of Scoring. The final past performance rating may be reflected by a color, a number, adjectival, or a combination of these methods, depending upon what system is being used overall to indicate the relative ranking of the offerors. A past performance

rating is not a precise mechanical or scientific process and must include sound business judgment. Therefore, the documentation of the final rating should include a logical description of the underlying reasons for the conclusions reached.

(6) Evaluating Disputed/Negative Information. When the procurement team receives negative information, or information that is disputed, they should carefully consider the offeror's response and determine what weight to apply, based on the facts obtained from the questionnaire, interview, or other sources. The file must be documented to explain why the procurement team assigned a particular rating. This is especially important in situations involving unresolved disputes.

d. Obtaining Information on an Offeror's Past Performance.

(1) Applicability. There are various methods of obtaining information on a contractor's past performance.

(2) Reference Checks. The most commonly used method of obtaining past performance is to conduct reference checks from a variety of sources, including previous FAA program and contracting personnel, other Federal agencies, state and local governments, and commercial contractors.

(3) Other Sources. Dun & Bradstreet can obtain information on past performance on specific contractors for the FAA (Dun & Bradstreet charges for this information). In lieu of FAA paying for the report, the SIR may require offerors to provide a copy of a recent past performance report prepared by Dun & Bradstreet. In this case, the offerors would see the report and have an opportunity to resolve any disputed data before the report is submitted to FAA. Using this process could save time and money, but should not be relied on as the only source of data. Quality certifications and awards can also serve as a useful source of past performance information.

(4) Timetable. The process of collecting information should begin as soon as the proposal evaluation begins. Collecting information can be time consuming. Researchers must locate and question sources of information, either in person, by telephone or in writing. Obtaining this information as early as possible in the evaluation process gives the procurement team invaluable information in determining the viability of the individual offerors. If the information shows a history of poor performance, the procurement team can eliminate the proposal from the competition as non-responsible. It may be best to establish a team devoted entirely to this task during the screening, especially if FAA anticipates receiving a large number of proposals.

(5) Questionnaire or Survey Form. The first step in obtaining information from sources is to develop a questionnaire, or survey form, that reflects the evaluation rating system that will be used to assess the offerors strengths and weaknesses for the contract being considered. Questions should be worded so that interviewees understand precisely what they are being asked to describe. To maintain accurate records and facilitate verification, the questionnaire (survey) record form should include: Interviewer's name, company

name, reference's name (to be held in confidence), full mailing address and telephone number, date and time of the call, and description of the contract effort discussed. An example of a questionnaire is found in Appendix 2.4 Sample 3B.

(6) Information Collection. Once the questionnaire is prepared, the procurement team should contact references. For all interviews, the questions should be stated to the interviewees exactly as on the questionnaire. There are various ways to collect the information: Face-to-face interviews, mailing the questionnaires, telephone interviews, electronic mail (ensuring security measures are taken), or some combination of these.

(7) Number of References. At least two references should be contacted on each previous contract effort. This should be specified in the instruction to offerors. Additional references may often be identified during the interviews. It is also important to survey reasonably large numbers of references in order to look for patterns in their description of performance - individual ratings may be personal and biased. Numerous ratings can show patterns and are therefore much more likely to be a valid indicator.

(8) Setting Up Interviews. Being well organized and efficient is important when conducting the interview so as not to waste the interviewee's time. It is helpful to call the reference to make an appointment to conduct an interview, rather than telephoning the references unannounced, thereby catching them unprepared or with little time to respond. If possible, the questionnaire should be mailed or faxed to the reference in advance of the appointment. Interviewers should take copious notes on the questionnaire to ensure that all information is captured. Tape recording is a good means for capturing all of the conversation, however, tape recording the conversation may cause the interviewee discomfort and reduce the amount of information provided. If tape recording is used during the interview, ensure the interviewee is aware of and agrees to the use of recording devices.

(9) Conducting Interviews. Evaluators should look for patterns of either favorable or unfavorable overall performance, rather than focusing on individual successes or failures. It is important to look for actions that demonstrate high performance and not just unfavorable performance. This will help to get away from the old responsibility determination mode of just looking at performance problems. There appears to be a tendency for references to give an upward bias to ratings. The interviewer should ask enough questions to discriminate between "good" and "excellent." Evaluators should request any existing documentation in support of excellent or negative findings (i.e., correspondence, modifications, determinations, etc.). Investigating negative findings in-depth prior to presenting them to offerors, in discussions if held, will alleviate unnecessary delays. Prior to concluding the interview, the evaluator should ask the reference for a summary opinion, e.g., how would the interviewee rate the contractor's overall performance and would the interviewee like to do business with the contractor again?

(10) Concluding Telephone and Face-to-Face Interviews. Immediately following a telephone or face-to-face interview, the interviewer should prepare a narrative summary

of the conversation (this can be the questionnaire as filled in by the interviewer) and send it to the reference for verification, preferably by certified mail return-receipt requested, fax, or electronic mail. The narrative should state explicitly that if the reference does not object to its content within the time specified, it would be accepted as correct. If the reference indicates that the narrative is incorrect, then a corrected narrative should be sent for verification. If a reference will not agree to the record and satisfactory corrections cannot be agreed upon, the record cannot be relied upon and should not be included in the offeror's rating. Another source may provide the same information, however.

(11) Mailing Questionnaires. If mailing questionnaires is the chosen method for collecting past performance information, mail the questionnaires to the references, provide a time-frame for return of responses, and wait for the responses. If mailed questionnaires are not received in a timely manner, follow-up telephone interviews are suggested (following guidance above if telephone interview occurs).

e. Past Performance Database.

(1) Past Performance Information Retrieval System (PPIRS). The Past Performance Information Retrieval System (PPIRS) is the single, Government-wide repository for contractor performance information, and contains performance information on current and previous Federal contractors. The procurement team may use PPIRS evaluations to screen offerors and assess the probability of success based on an offeror's past record as a contractor. Upon request, FAA may also supply past performance evaluation information to personnel of other Government agencies evaluating offerors who have performed on FAA contracts (see "Release of Information" subsection below). Headquarters Procurement Information and Services Team (AAP-130) is FAA's liaison to PPIRS.

(2) The procurement team is strongly encouraged to use PPIRS to record performance data on FAA contracts. Examples of FAA acquisitions for which PPIRS may be appropriate are the following (individually or in combination):

- (a) Technically complex;
- (b) High dollar value; and/or
- (c) More than one year in duration.

PPIRS evaluations may also be done on Federal Supply Schedule orders, and orders placed under any other contract awarded by another Government agency. Excluded from PPIRS evaluations is any procurement awarded under the Javits-Wagner-O'Day Act (JWOD).

(3) Evaluation System. The Department of Defense's (DoD) Contractor Performance Assessment Reporting System (CPARS) is the sole "feeder" system for transmitting evaluations to PPIRS. Because the CPARS is the "feeder" system for PPIRS, the evaluation processes described on the CPARS website at

<http://www.cpars.csd.disa.mil> must be used for all PPIRS evaluations. The three modules of CPARS are as follows:

- (a) Construction Contractor Appraisal Support System (CCASS) module - assesses performance on construction contracts;
- (b) Architect-Engineer Contract Administration Support System (ACASS) module - assesses performance on architect-engineer contracts; and
- (c) CPARS module - assesses performance for all other types of contracts.

(4) Creation and Disposition of Records. FAA CPARS Focal Points are responsible for the registration of all newly awarded contracts for which CPARS will be used. For such contracts, PPIRS evaluations must be prepared in CPARS at the completion of contract performance and annually by the anniversary date of contract award, and, if appropriate, after a significant event on a contract or a change in program management or CO. An initial report is required if the period of performance is less than one year. The evaluation report process, various roles of the FAA and the contractor, and rating areas are detailed in Appendix 3 to this Guidance, AMS Clause 3.10.1-26 "Contractor Performance Assessment Reporting System, and under the CPARS web site. Copies of the evaluation, the contractor's response, and review comments, if any, must be marked and treated as "source selection information" and retained in the contract file. As use of the PPIRS becomes common throughout FAA, SIRs will need only ask offerors to provide, in the proposal, a list of past contracts they have performed that were similar to the potential contract. The need for a section in the proposal on the offeror's past performance may not be necessary. Evaluation files from PPIRS Government references will provide much, if not all, of the information necessary to evaluate the offeror on past performance. The need for procurement team to conduct extensive interviews with the contract administrators, or conduct other investigations to verify a offeror's past performance should be greatly reduced. Because the contractor will have been offered the opportunity to comment on the ratings as they were prepared, further comment in the proposal or during discussions, if held, will usually not be necessary.

(5) In addition to automatic transmittal to PPIRS, the completed evaluations must also be filed in the contract file. The evaluations will be retained in the PPIRS for not more than three years after completion of contract performance. Evaluations for construction and architect-engineer contracts will be retained in the PPIRS not more than six years past the date of the evaluation.

(6) When another agency asks for a reference, the responsible CO should provide all evaluations, extracted from PPIRS, for the period desired by the requesting organization. If the applicable contract is not in PPIRS, an evaluation should be done for the file as requested.

(7) Effective Date. The effective date for this CPARS requirement is October 1, 2011. Prior to then, performance data may be entered into CPARS for new contracts if

the CO determines that there is a basis for using CPARS, and Clause 3.10.1-26 is in the contract. CPARS may similarly be used on existing contracts if the contract is bilaterally modified to add Clause 3.10.1-26.

f. **Release of Information.** The FAA and other agencies should use contractor evaluations to support future award decisions. Solicitations for requirements expected to result in an FAA past performance evaluation should require the contractor to identify the FAA resultant contract on any Government contract solicitation that requests past performance information, that is issued during performance or up to three years after performance, and is for similar items/services. The completed evaluation must be released to other FAA evaluators, other Government personnel authorized to receive such reports, and the contractor whose performance is being evaluated only. Improper disclosure of such information could harm both the commercial interest of FAA and the competitive position of the contractor being evaluated, as well as impede the efficiency of FAA operations.

**New Content: Procurement Guidance:**

*T3.2.2 - Source Selection*

*Source Selection*

**Section 3 : Past Performance**

a. **General.** Past performance can be one indicator of a prospective contractor's future performance. To help ensure that the best performing contractors are providing products and services to the FAA, past performance should be evaluated during source selection whenever appropriate.

b. **Instructions for Using Past Performance in a Screening Information Request (SIR).**

(1) **General Considerations.** Factors chosen for evaluation should be reasonable, logical, coherent, and directly related to requirements in the statement of work (SOW). The key to successful use of past performance in the screening process is a clear relationship between the SOW, instructions to offerors, and evaluation criteria. Past performance information that is not important to the current acquisition should not be included. For instance, there would be no point in considering poor subcontract management if there were no subcontract management needed on the contract. Alternatively, if there were a significant amount of software development, it would be important to know the offeror's record with estimating lines of code, providing software builds on time with few errors, and accomplishing the effort within the estimated cost. At a minimum, the quality of contractor's past performance should be assessed during the evaluation.

(2) **Responsibility Determination.** When appropriate, the SIR should state past performance will be used to evaluate the responsibility of the contractor and as an evaluation factor. A contractor with a record of unsatisfactory past performance should be screened out of the selection process as part of the responsibility determination. If a contractor's past performance record passes the responsibility determination, then the past record should be compared to the other responsible offerors to determine the offeror that provides the best value to the Government.



(3) Past Performance as a Separate Non-Cost/Price Factor. It is best to include past performance as a stand-alone factor, as opposed to integrating it with other non-cost/price factors. Making it distinct and identifiable will reduce the chances of its impact being lost within other factors and should make evaluation easier. The relative importance of past performance compared to price or cost and any other evaluation factors is left to the broad discretion of the procurement team (CO, legal counsel, program official and other supporting staff) as is the source and type of past performance information to be included in the evaluation.

(4) How to Weigh Past Performance. Past performance should be ranked to ensure it is meaningfully considered. To be meaningful in the screening process (and to ensure offerors are aware that actual contract performance will be a significant factor in future awards), past performance may be at least equal in significance to any other non-cost evaluation factor. If a numeric weighting system is used, past performance may be rated at 25 percent or more. For example, if there were five non-cost evaluation factors including past performance, then any of the following examples of weightings or relative importance would suffice:

- Past performance at 25 percent with the other four factors rated at 18.75 percent each ( $75/4=18.75$ )
- Past performance at 25 percent, technical excellence at 25 percent, management at 20 percent, the other two factors at 15 percent each
- All five factors rated at 20 percent
- Technical approach rated at 30 percent, past performance rated at 30 percent (to equal the highest rated other non-cost factor), management at 20 percent and the other two factors rated at 10 percent each
- Technical capability and past performance are considered equal in importance followed by test and evaluation, logistics management, and subcontract management in descending order of importance

(5) Non-Relevant Contract Experience/New Contractors. The SIR should state whether new contractors, or contractors with non-relevant contract experience will be considered, or rated negatively. For example, if the offeror has a performance history on non-relevant contracts, i.e., prior Government or commercial performance record, but not specifically on the type of work solicited, this information might be used to demonstrate management potential. New contractors may have key management or technical or scientific personnel proposed for the contract that have some relevant experience. An evaluation of the performance of the proposed key personnel on relevant contracts can be used, as appropriate, as part or all of the past performance evaluation. In addition, teaming relationships and subcontractors can enhance the capability of potential offerors to perform, depending on the relationships that exist within the teaming process.

(6) Time-frame, Size, Scope, Complexity. The SIR should ask the contractor for references for ongoing or contracts completed within a specified period of time. A period of three to five years is considered reasonable, depending on the particular circumstances. For small dollar contracts where there are many actions and contractors

that provide the products or services, a shorter period may be appropriate. Offerors may attempt to "cherry pick" references to provide selected information on past history. To minimize this, the procurement team should attempt to gather past performance history from sources other than those provided by the offeror. Such sources might include the Past Performance Information Retrieval System (PPIRS) database for on-going efforts, other agency contracting personnel, and listings of contract awards posted on the FAA Contract Opportunities. All on-going or completed contracts performed during the identified period, or the last "X" contracts performed by the entity within the identified period should be sought. Instructions to offerors should ask only for a list of the previous contracts and contact points and for a description of any quality awards earned by the offeror. It is not necessary to burden the process by asking that the offeror prepare a description of its past performance history in the proposal. The procurement team should request references for contracts that are similar in size, scope and complexity to the statement of work in the SIR. Each of these terms should be defined in the SIR to alert the offeror to the type of data that is required.

(7) Discriminators/Sub-factors.

(a) Attention should be paid to what discriminates a "good" performer from a "poor" performer for the type of work that will be performed on the specific acquisition. Past performance sub-factors should be shaped by those discriminators, be limited in number, and should be tailored to the key performance criteria in the SOW. For certain prime contracts, the ability to manage subcontracts, or software development capability may be important discriminators. The following are some other examples of sub-factors that may be used to evaluate past performance: quality, timeliness, cost control, business practices, customer satisfaction, key personnel, and/or quality awards and recognition.

(b) The sub-factors in the SIR should reflect the questions to be used in interviewing references or reviewing any written evaluations provided by the references. For example, sub-factors with corresponding questions under business practices could include:

- Management Responsiveness - Is the offeror cooperative, business-like and concerned with the interests of the customer?
- Contract Change Proposals - What is the contractor's history on contract change proposals? This includes, changes that lower the overall cost or improve performance - timely and accurate proposals for equitable adjustments - changes that have been withdrawn or dismissed as invalid.

(8) Relative Importance. The SIR should state whether all sub-factors are relatively equal, or whether certain sub-factors are more important than others. For example, on a contract where most of the work is done for end users and it is difficult for the contract administration team to observe the contractor's performance in a cost-effective manner,

significant weight might be placed on customer (end user) satisfaction ratings from the references.

(9) Major Subcontractors. If major subcontractors are likely to perform critical aspects of the contract, the procurement team should evaluate past performance of these subcontractors to determine the overall likelihood of success of the prime contractor. The SIR should state how such information will be evaluated.

(10) Affiliates, Divisions, etc. For large organizations with many divisions, consider the past performance of the affiliate, division, etc., that will perform the actual work. In making such decisions, the procurement team must consider the degree of control that a parent organization will exert over the affiliate. If a parent organization has an excellent or poor performance record and the affiliate is going to be closely controlled and managed by the parent, then the procurement team should consider the parent organization's performance record in making the performance evaluation.

(11) Number of References. It is important to ask for at least two references for each contract (program/technical and contracts) to assure that all aspects of the offeror's performance will be discussed. The name of the organization providing the report should be released to the offeror; however, the names of individuals should generally not be released without the individual's consent.

(12) Use of Other Sources. The instruction to the offerors should include a statement that the Government may use past performance information obtained from other than the sources identified by the offeror, and that the information obtained may be used for both the responsibility determination and the best value decision. For each non-Federal reference, the SIR should include an authorization to release information.

(13) Inclusion of Survey Form. The survey form need not be included as an attachment in the SIR. However, if the procurement team elects to release the questionnaire, the SIR should note that the questions to be asked would not be limited to those on the questionnaire.

(14) Sample SIR Provisions. Appendix 2 to this Guidance contains examples of SIR provisions and an example client authorization letter. The example is not the only way to include past performance in the SIR. Each SIR must contain instructions and evaluation information that best reflects the individual acquisition.

c. Evaluating Past Performance.

(1) Applicability. Past performance is one measurement of an offeror's ability to perform.

(2) Relation to SIR. Instances of performance, both good and poor, should be noted and related to the SIR requirements. If problems were identified on a prior contract, the role the sponsor may have played in that result should be taken into account. Evaluations

should consider the number and severity of problems, the demonstrated effectiveness of corrective actions taken (not just planned or promised), and the overall work record.

(3) Disclosure of Negative Information. If the procurement team receives negative information that will have a significant impact on the likelihood of award to an offeror, then the procurement team should disclose the information and provide an opportunity to respond. This is true even if the SIR states that award may be made on initial offers. The SIR should include the appropriate provisions notifying the offerors that FAA retains this option.

(4) Current Versus Older Performance. The age of the performance being evaluated may be weighted so that performance on older contracts receives less weight than performance on more recent contracts. More weight may be given to those evaluations on prior FAA or Federal contracts as opposed to contracts with state/local governments or private parties or to prior contracts of a similar nature to the SIR.

(5) Method of Scoring. The final past performance rating may be reflected by a color, a number, adjectival, or a combination of these methods, depending upon what system is being used overall to indicate the relative ranking of the offerors. A past performance rating is not a precise mechanical or scientific process and must include sound business judgment. Therefore, the documentation of the final rating should include a logical description of the underlying reasons for the conclusions reached.

(6) Evaluating Disputed/Negative Information. When the procurement team receives negative information, or information that is disputed, they should carefully consider the offeror's response and determine what weight to apply, based on the facts obtained from the questionnaire, interview, or other sources. The file must be documented to explain why the procurement team assigned a particular rating. This is especially important in situations involving unresolved disputes.

d. Obtaining Information on an Offeror's Past Performance.

(1) Applicability. There are various methods of obtaining information on a contractor's past performance.

(2) Reference Checks. The most commonly used method of obtaining past performance is to conduct reference checks from a variety of sources, including previous FAA program and contracting personnel, other Federal agencies, state and local governments, and commercial contractors.

(3) Other Sources. Dun & Bradstreet can obtain information on past performance on specific contractors for the FAA (Dun & Bradstreet charges for this information). In lieu of FAA paying for the report, the SIR may require offerors to provide a copy of a recent past performance report prepared by Dun & Bradstreet. In this case, the offerors would see the report and have an opportunity to resolve any disputed data before the report is submitted to FAA. Using this process could save time and money, but should not be

relied on as the only source of data. Quality certifications and awards can also serve as a useful source of past performance information.

(4) Timetable. The process of collecting information should begin as soon as the proposal evaluation begins. Collecting information can be time consuming. Researchers must locate and question sources of information, either in person, by telephone or in writing. Obtaining this information as early as possible in the evaluation process gives the procurement team invaluable information in determining the viability of the individual offerors. If the information shows a history of poor performance, the procurement team can eliminate the proposal from the competition as non-responsible. It may be best to establish a team devoted entirely to this task during the screening, especially if FAA anticipates receiving a large number of proposals.

(5) Questionnaire or Survey Form. The first step in obtaining information from sources is to develop a questionnaire, or survey form, that reflects the evaluation rating system that will be used to assess the offerors strengths and weaknesses for the contract being considered. Questions should be worded so that interviewees understand precisely what they are being asked to describe. To maintain accurate records and facilitate verification, the questionnaire (survey) record form should include: Interviewer's name, company name, reference's name (to be held in confidence), full mailing address and telephone number, date and time of the call, and description of the contract effort discussed. An example of a questionnaire is found in Appendix 2.4 Sample 3B.

(6) Information Collection. Once the questionnaire is prepared, the procurement team should contact references. For all interviews, the questions should be stated to the interviewees exactly as on the questionnaire. There are various ways to collect the information: Face-to-face interviews, mailing the questionnaires, telephone interviews, electronic mail (ensuring security measures are taken), or some combination of these.

(7) Number of References. At least two references should be contacted on each previous contract effort. This should be specified in the instruction to offerors. Additional references may often be identified during the interviews. It is also important to survey reasonably large numbers of references in order to look for patterns in their description of performance - individual ratings may be personal and biased. Numerous ratings can show patterns and are therefore much more likely to be a valid indicator.

(8) Setting Up Interviews. Being well organized and efficient is important when conducting the interview so as not to waste the interviewee's time. It is helpful to call the reference to make an appointment to conduct an interview, rather than telephoning the references unannounced, thereby catching them unprepared or with little time to respond. If possible, the questionnaire should be mailed or faxed to the reference in advance of the appointment. Interviewers should take copious notes on the questionnaire to ensure that all information is captured. Tape recording is a good means for capturing all of the conversation, however, tape recording the conversation may cause the interviewee discomfort and reduce the amount of information provided. If tape recording

is used during the interview, ensure the interviewee is aware of and agrees to the use of recording devices.

(9) Conducting Interviews. Evaluators should look for patterns of either favorable or unfavorable overall performance, rather than focusing on individual successes or failures. It is important to look for actions that demonstrate high performance and not just unfavorable performance. This will help to get away from the old responsibility determination mode of just looking at performance problems. There appears to be a tendency for references to give an upward bias to ratings. The interviewer should ask enough questions to discriminate between "good" and "excellent." Evaluators should request any existing documentation in support of excellent or negative findings (i.e., correspondence, modifications, determinations, etc.). Investigating negative findings in-depth prior to presenting them to offerors, in discussions if held, will alleviate unnecessary delays. Prior to concluding the interview, the evaluator should ask the reference for a summary opinion, e.g., how would the interviewee rate the contractor's overall performance and would the interviewee like to do business with the contractor again?

(10) Concluding Telephone and Face-to-Face Interviews. Immediately following a telephone or face-to-face interview, the interviewer should prepare a narrative summary of the conversation (this can be the questionnaire as filled in by the interviewer) and send it to the reference for verification, preferably by certified mail return-receipt requested, fax, or electronic mail. The narrative should state explicitly that if the reference does not object to its content within the time specified, it would be accepted as correct. If the reference indicates that the narrative is incorrect, then a corrected narrative should be sent for verification. If a reference will not agree to the record and satisfactory corrections cannot be agreed upon, the record cannot be relied upon and should not be included in the offeror's rating. Another source may provide the same information, however.

(11) Mailing Questionnaires. If mailing questionnaires is the chosen method for collecting past performance information, mail the questionnaires to the references, provide a time-frame for return of responses, and wait for the responses. If mailed questionnaires are not received in a timely manner, follow-up telephone interviews are suggested (following guidance above if telephone interview occurs).

**Red Line Content: Procurement Guidance:**

*T3.2.2 - Source Selection*

*Source Selection*

**Section 3 : Past Performance**

a. General. Past performance can be one indicator of a prospective contractor's future performance. To help ensure that the best performing contractors are providing products and services to the FAA, past performance should be evaluated during source selection whenever appropriate.

b. Instructions for Using Past Performance in a Screening Information Request (SIR).

(1) General Considerations. Factors chosen for evaluation should be reasonable, logical, coherent, and directly related to requirements in the statement of work (SOW). The key to successful use of past performance in the screening process is a clear relationship between the SOW, instructions to offerors, and evaluation criteria. Past performance information that is not important to the current acquisition should not be included. For instance, there would be no point in considering poor subcontract management if there were no subcontract management needed on the contract. Alternatively, if there were a significant amount of software development, it would be important to know the offeror's record with estimating lines of code, providing software builds on time with few errors, and accomplishing the effort within the estimated cost. At a minimum, the quality of contractor's past performance should be assessed during the evaluation.

(2) Responsibility Determination. When appropriate, the SIR should state past performance will be used to evaluate the responsibility of the contractor and as an evaluation factor. A contractor with a record of unsatisfactory past performance should be screened out of the selection process as part of the responsibility determination. If a contractor's past performance record passes the responsibility determination, then the past record should be compared to the other responsible offerors to determine the offeror that provides the best value to the Government.

(3) Past Performance as a Separate Non-Cost/Price Factor. It is best to include past performance as a stand-alone factor, as opposed to integrating it with other non-cost/price factors. Making it distinct and identifiable will reduce the chances of its impact being lost within other factors and should make evaluation easier. The relative importance of past performance compared to price or cost and any other evaluation factors is left to the broad discretion of the procurement team (CO, legal counsel, program official and other supporting staff) as is the source and type of past performance information to be included in the evaluation.

(4) How to Weigh Past Performance. Past performance should be ranked to ensure it is meaningfully considered. To be meaningful in the screening process (and to ensure offerors are aware that actual contract performance will be a significant factor in future awards), past performance may be at least equal in significance to any other non-cost evaluation factor. If a numeric weighting system is used, past performance may be rated at 25 percent or more. For example, if there were five non-cost evaluation factors including past performance, then any of the following examples of weightings or relative importance would suffice:

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- Technical capability and past performance are considered equal in importance followed by test and evaluation, logistics management, and subcontract management in descending order of importance

(5) Non-Relevant Contract Experience/New Contractors. The SIR should state whether new contractors, or contractors with non-relevant contract experience will be considered, or rated negatively. For example, if the offeror has a performance history on non-relevant contracts, i.e., prior Government or commercial performance record, but not specifically on the type of work solicited, this information might be used to demonstrate management potential. New contractors may have key management or technical or scientific personnel proposed for the contract that have some relevant experience. An evaluation of the performance of the proposed key personnel on relevant contracts can be used, as appropriate, as part or all of the past performance evaluation. In addition, teaming relationships and subcontractors can enhance the capability of potential offerors to perform, depending on the relationships that exist within the teaming process.

(6) Time-frame, Size, Scope, Complexity. The SIR should ask the contractor for references for ongoing or contracts completed within a specified period of time. A period of three to five years is considered reasonable, depending on the particular circumstances. For small dollar contracts where there are many actions and contractors that provide the products or services, a shorter period may be appropriate. Offerors may attempt to "cherry pick" references to provide selected information on past history. To minimize this, the procurement team should attempt to gather past performance history from sources other than those provided by the offeror. Such sources might include the Past Performance Information Retrieval System (PPIRS) database for on-going efforts, other agency contracting personnel, and listings of contract awards posted on the FAA Contract Opportunities. All on-going or completed contracts performed during the identified period, or the last "X" contracts performed by the entity within the identified period should be sought. Instructions to offerors should ask only for a list of the previous contracts and contact points and for a description of any quality awards earned by the offeror. It is not necessary to burden the process by asking that the offeror prepare a description of its past performance history in the proposal. The procurement team should request references for contracts that are similar in size, scope and complexity to the statement of work in the SIR. Each of these terms should be defined in the SIR to alert the offeror to the type of data that is required.

(7) Discriminators/Sub-factors.

(a) Attention should be paid to what discriminates a "good" performer from a "poor" performer for the type of work that will be performed on the specific acquisition. Past performance sub-factors should be shaped by those discriminators, be limited in number, and should be tailored to the key performance criteria in the SOW. For certain prime contracts, the ability to manage subcontracts, or software development capability may be important discriminators. The following are some other examples of sub-factors that may be used to evaluate past performance: quality, timeliness, cost control, business



practices, customer satisfaction, key personnel, and/or quality awards and recognition.

(b) The sub-factors in the SIR should reflect the questions to be used in interviewing references or reviewing any written evaluations provided by the references. For example, sub-factors with corresponding questions under business practices could include:

- Management Responsiveness - Is the offeror cooperative, business-like and concerned with the interests of the customer?
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(8) Relative Importance. The SIR should state whether all sub-factors are relatively equal, or whether certain sub-factors are more important than others. For example, on a contract where most of the work is done for end users and it is difficult for the contract administration team to observe the contractor's performance in a cost-effective manner, significant weight might be placed on customer (end user) satisfaction ratings from the references.

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(10) Affiliates, Divisions, etc. For large organizations with many divisions, consider the past performance of the affiliate, division, etc., that will perform the actual work. In making such decisions, the procurement team must consider the degree of control that a parent organization will exert over the affiliate. If a parent organization has an excellent or poor performance record and the affiliate is going to be closely controlled and managed by the parent, then the procurement team should consider the parent organization's performance record in making the performance evaluation.

(11) Number of References. It is important to ask for at least two references for each contract (program/technical and contracts) to assure that all aspects of the offeror's performance will be discussed. The name of the organization providing the report should be released to the offeror; however, the names of individuals should generally not be released without the individual's consent.

(12) Use of Other Sources. The instruction to the offerors should include a statement that the Government may use past performance information obtained from other than the sources identified by the offeror, and that the information obtained may be used for both the responsibility determination and the best value decision. For each non-Federal reference, the SIR should include an authorization to release information.

(13) Inclusion of Survey Form. The survey form need not be included as an attachment in the SIR. However, if the procurement team elects to release the questionnaire, the SIR should note that the questions to be asked would not be limited to those on the questionnaire.

(14) Sample SIR Provisions. Appendix 2 to this Guidance contains examples of SIR provisions and an example client authorization letter. The example is not the only way to include past performance in the SIR. Each SIR must contain instructions and evaluation information that best reflects the individual acquisition.

c. Evaluating Past Performance.

(1) Applicability. Past performance is one measurement of an offeror's ability to perform.

(2) Relation to SIR. Instances of performance, both good and poor, should be noted and related to the SIR requirements. If problems were identified on a prior contract, the role the sponsor may have played in that result should be taken into account. Evaluations should consider the number and severity of problems, the demonstrated effectiveness of corrective actions taken (not just planned or promised), and the overall work record.

(3) Disclosure of Negative Information. If the procurement team receives negative information that will have a significant impact on the likelihood of award to an offeror, then the procurement team should disclose the information and provide an opportunity to respond. This is true even if the SIR states that award may be made on initial offers. The SIR should include the appropriate provisions notifying the offerors that FAA retains this option.

(4) Current Versus Older Performance. The age of the performance being evaluated may be weighted so that performance on older contracts receives less weight than performance on more recent contracts. More weight may be given to those evaluations on prior FAA or Federal contracts as opposed to contracts with state/local governments or private parties or to prior contracts of a similar nature to the SIR.

(5) Method of Scoring. The final past performance rating may be reflected by a color, a number, adjectival, or a combination of these methods, depending upon what system is being used overall to indicate the relative ranking of the offerors. A past performance rating is not a precise mechanical or scientific process and must include sound business judgment. Therefore, the documentation of the final rating should include a logical description of the underlying reasons for the conclusions reached.

(6) Evaluating Disputed/Negative Information. When the procurement team receives negative information, or information that is disputed, they should carefully consider the offeror's response and determine what weight to apply, based on the facts obtained from the questionnaire, interview, or other sources. The file must be documented to explain

why the procurement team assigned a particular rating. This is especially important in situations involving unresolved disputes.

d. Obtaining Information on an Offeror's Past Performance.

(1) Applicability. There are various methods of obtaining information on a contractor's past performance.

(2) Reference Checks. The most commonly used method of obtaining past performance is to conduct reference checks from a variety of sources, including previous FAA program and contracting personnel, other Federal agencies, state and local governments, and commercial contractors.

(3) Other Sources. Dun & Bradstreet can obtain information on past performance on specific contractors for the FAA (Dun & Bradstreet charges for this information). In lieu of FAA paying for the report, the SIR may require offerors to provide a copy of a recent past performance report prepared by Dun & Bradstreet. In this case, the offerors would see the report and have an opportunity to resolve any disputed data before the report is submitted to FAA. Using this process could save time and money, but should not be relied on as the only source of data. Quality certifications and awards can also serve as a useful source of past performance information.

(4) Timetable. The process of collecting information should begin as soon as the proposal evaluation begins. Collecting information can be time consuming. Researchers must locate and question sources of information, either in person, by telephone or in writing. Obtaining this information as early as possible in the evaluation process gives the procurement team invaluable information in determining the viability of the individual offerors. If the information shows a history of poor performance, the procurement team can eliminate the proposal from the competition as non-responsible. It may be best to establish a team devoted entirely to this task during the screening, especially if FAA anticipates receiving a large number of proposals.

(5) Questionnaire or Survey Form. The first step in obtaining information from sources is to develop a questionnaire, or survey form, that reflects the evaluation rating system that will be used to assess the offerors strengths and weaknesses for the contract being considered. Questions should be worded so that interviewees understand precisely what they are being asked to describe. To maintain accurate records and facilitate verification, the questionnaire (survey) record form should include: Interviewer's name, company name, reference's name (to be held in confidence), full mailing address and telephone number, date and time of the call, and description of the contract effort discussed. An example of a questionnaire is found in Appendix 2.4 Sample 3B.

(6) Information Collection. Once the questionnaire is prepared, the procurement team should contact references. For all interviews, the questions should be stated to the interviewees exactly as on the questionnaire. There are various ways to collect the

information: Face-to-face interviews, mailing the questionnaires, telephone interviews, electronic mail (ensuring security measures are taken), or some combination of these.

(7) Number of References. At least two references should be contacted on each previous contract effort. This should be specified in the instruction to offerors. Additional references may often be identified during the interviews. It is also important to survey reasonably large numbers of references in order to look for patterns in their description of performance - individual ratings may be personal and biased. Numerous ratings can show patterns and are therefore much more likely to be a valid indicator.

(8) Setting Up Interviews. Being well organized and efficient is important when conducting the interview so as not to waste the interviewee's time. It is helpful to call the reference to make an appointment to conduct an interview, rather than telephoning the references unannounced, thereby catching them unprepared or with little time to respond. If possible, the questionnaire should be mailed or faxed to the reference in advance of the appointment. Interviewers should take copious notes on the questionnaire to ensure that all information is captured. Tape recording is a good means for capturing all of the conversation, however, tape recording the conversation may cause the interviewee discomfort and reduce the amount of information provided. If tape recording is used during the interview, ensure the interviewee is aware of and agrees to the use of recording devices.

(9) Conducting Interviews. Evaluators should look for patterns of either favorable or unfavorable overall performance, rather than focusing on individual successes or failures. It is important to look for actions that demonstrate high performance and not just unfavorable performance. This will help to get away from the old responsibility determination mode of just looking at performance problems. There appears to be a tendency for references to give an upward bias to ratings. The interviewer should ask enough questions to discriminate between "good" and "excellent." Evaluators should request any existing documentation in support of excellent or negative findings (i.e., correspondence, modifications, determinations, etc.). Investigating negative findings in-depth prior to presenting them to offerors, in discussions if held, will alleviate unnecessary delays. Prior to concluding the interview, the evaluator should ask the reference for a summary opinion, e.g., how would the interviewee rate the contractor's overall performance and would the interviewee like to do business with the contractor again?

(10) Concluding Telephone and Face-to-Face Interviews. Immediately following a telephone or face-to-face interview, the interviewer should prepare a narrative summary of the conversation (this can be the questionnaire as filled in by the interviewer) and send it to the reference for verification, preferably by certified mail return-receipt requested, fax, or electronic mail. The narrative should state explicitly that if the reference does not object to its content within the time specified, it would be accepted as correct. If the reference indicates that the narrative is incorrect, then a corrected narrative should be sent for verification. If a reference will not agree to the record and satisfactory corrections

cannot be agreed upon, the record cannot be relied upon and should not be included in the offeror's rating. Another source may provide the same information, however.

(11) Mailing Questionnaires. If mailing questionnaires is the chosen method for collecting past performance information, mail the questionnaires to the references, provide a time-frame for return of responses, and wait for the responses. If mailed questionnaires are not received in a timely manner, follow-up telephone interviews are suggested (following guidance above if telephone interview occurs).

~~e.—Past Performance Database. (1) Past Performance Information Retrieval System (PPIRS). The Past Performance Information Retrieval System (PPIRS) is the single, Government-wide repository for contractor performance information, and contains performance information on current and previous Federal contractors. The procurement team may use PPIRS evaluations to screen offerors and assess the probability of success based on an offeror's past record as a contractor. Upon request, FAA may also supply past performance evaluation information to personnel of other Government agencies evaluating offerors who have performed on FAA contracts (see "Release of Information" subsection below). Headquarters Procurement Information and Services Team (AAP-130) is FAA's liaison to PPIRS. (2) The procurement team is strongly encouraged to use PPIRS to record performance data on FAA contracts. Examples of FAA acquisitions for which PPIRS may be appropriate are the following (individually or in combination): (a) Technically complex; (b) High dollar value; and/or (c) More than one year in duration. PPIRS evaluations may also be done on Federal Supply Schedule orders, and orders placed under any other contract awarded by another Government agency. Excluded from PPIRS evaluations is any procurement awarded under the Javits-Wagner O'Day Act (JWOD). (3) Evaluation System. The Department of Defense's (DoD) Contractor Performance Assessment Reporting System (CPARS) is the sole "feeder" system for transmitting evaluations to PPIRS. Because the CPARS is the "feeder" system for PPIRS, the evaluation processes described on the CPARS website at <http://www.epars.esd.disa.mil> must be used for all PPIRS evaluations. The three modules of CPARS are as follows: (a) Construction Contractor Appraisal Support System (CCASS) module—assesses performance on construction contracts; (b) Architect-Engineer Contract Administration Support System (ACASS) module—assesses performance on architect-engineer contracts; and (c) CPARS module—assesses performance for all other types of contracts. (4) Creation and Disposition of Records. FAA CPARS Focal Points are responsible for the registration of all newly awarded contracts for which CPARS will be used. For such contracts, PPIRS evaluations must be prepared in CPARS at the completion of contract performance and annually by the anniversary date of contract award, and, if appropriate, after a significant event on a contract or a change in program management or CO. An initial report is required if the period of performance is less than one year. The evaluation report process, various roles of the FAA and the contractor, and rating areas are detailed in Appendix 3 to this Guidance, AMS Clause 3.10.1-26 "Contractor Performance Assessment Reporting System, and under the CPARS web site. Copies of the evaluation, the contractor's response, and review comments, if any, must be marked and treated as "source selection information" and retained in the contract file. As use of the PPIRS becomes common throughout FAA, SIRs will need only ask offerors to provide, in the proposal, a list of past contracts they have performed that were similar to the potential contract. The need for a section in the proposal on the offeror's past performance may not be necessary. Evaluation files from PPIRS Government references~~

~~will provide much, if not all, of the information necessary to evaluate the offeror on past performance. The need for procurement team to conduct extensive interviews with the contract administrators, or conduct other investigations to verify a offeror's past performance should be greatly reduced. Because the contractor will have been offered the opportunity to comment on the ratings as they were prepared, further comment in the proposal or during discussions, if held, will usually not be necessary. (5) In addition to automatic transmittal to PPIRS, the completed evaluations must also be filed in the contract file. The evaluations will be retained in the PPIRS for not more than three years after completion of contract performance. Evaluations for construction and architect-engineer contracts will be retained in the PPIRS not more than six years past the date of the evaluation. (6) When another agency asks for a reference, the responsible CO should provide all evaluations, extracted from PPIRS, for the period desired by the requesting organization. If the applicable contract is not in PPIRS, an evaluation should be done for the file as requested. (7) Effective Date. The effective date for this CPARS requirement is October 1, 2011. Prior to then, performance data may be entered into CPARS for new contracts if the CO determines that there is a basis for using CPARS, and Clause 3.10.1-26 is in the contract. CPARS may similarly be used on existing contracts if the contract is bilaterally modified to add Clause 3.10.1-26. f. Release of Information. The FAA and other agencies should use contractor evaluations to support future award decisions. Solicitations for requirements expected to result in an FAA past performance evaluation should require the contractor to identify the FAA resultant contract on any Government contract solicitation that requests past performance information, that is issued during performance or up to three years after performance, and is for similar items/services. The completed evaluation must be released to other FAA evaluators, other Government personnel authorized to receive such reports, and the contractor whose performance is being evaluated only. Improper disclosure of such information could harm both the commercial interest of FAA and the competitive position of the contractor being evaluated, as well as impede the efficiency of FAA operations.~~

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