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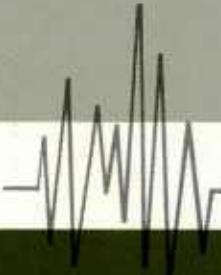
A PREPARATION GUIDE FOR
REQUESTS FOR QUOTATION
FOR TACTICAL DATA SYSTEM
COMPUTER PROGRAMS

November 1966

Prepared for
FLEET COMPUTER PROGRAMMING CENTER, PACIFIC
San Diego, California

Under Contract N123(61756)56869A

Publication No. 414-04-1-689



ARINC RESEARCH CORPORATION

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Publication No. 414-04-1-689

RECORD OF CHANGES

CHANGE NO.	DATE	TITLE OR DESCRIPTION	SIGNATURE OF VALIDATING OFFICER

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FOREWORD

This document was prepared in close coordination with the Fleet Computer Programming Center, Pacific, as part of a complete set of documentation for the procurement and management of computer programs. As such it can be considered an integrated part of a total system approach to computer program development and procurement. In the development of this approach, it was necessary to prepare each package incrementally. Then the increments were integrated into the whole through an iterative process.

At the time of publication, several iterations have been completed, with coordinated inputs from all known sources. However, the process of updating and refining this document should be a continuous one so that it will be a viable document incorporating all advances and evolutionary changes in computer programming.

This manual is intended as a guide for the TDS Computer Program Manager's staff when preparing inputs for an RFQ, and will be updated as additional contracting experience is gained.

Certain aspects of an RFQ are standard contractual requirements as defined by Armed Services Procurement Regulations (ASPR). Sufficient knowledge is available in the contracting organization; therefore the technical branches need only be familiar with the task of understanding the contracting perspective. Other portions of an RFQ are strictly technical and, as such, can be prepared more efficiently by personnel associated with the technical task. With the two responsible organizations cooperating, an RFQ can be prepared so that the contracting statement of work will define the tasks to assure procurement of adequate product, while adhering to all the regulations concerned with procurement.

This manual also discusses the RFQ with respect to the rest of the procurement cycle beginning with the technical requirements

resulting from a suggestion or a requirement for a new product, and terminating with the negotiation of a contract and the performance of work by a contractor. To cope with this situation, a total management plan has been developed, for the procurement of computer software. Each of the items required in this plan were designed to be integrated and to provide a smooth flow throughout the process.

As a general document, the RFQ is divided into ten sections as follows:

1. Supplies and Services
2. Description or Specification
3. Packing and Packaging
4. Delivery and Completion Schedule
5. Inspection and Acceptance
6. Reference Provisions
7. Other Provisions
8. Format and Completion of the Proposal
9. Miscellaneous Information and Data
10. Submission of the proposal

Appendix A to this manual is a sample of the style and format to be used in the final RFQ.

The following documents, of which this is one, comprise the system documentation package:

<u>Title</u>	<u>Publication No.</u>
A Preparation Guide for Request for Quotation for Tactical Data System Computer Programs	414-04-1-689
A Procurement Specification for Tactical Data System Computer Programs	414-04-2-690
A Guide for Preparation of Tactical Data System Operational Specifications	414-04-3-691
Tactical Data System Computer Programming Specification	414-04-4-692
A Specification for Tactical Data System Computer Program Documentation	414-04-5-693
A Management Manual for Tactical Data System Computer Programs	414-04-6-694

1.0 SUPPLIES AND SERVICES

Section 1.0 is a precise statement of the task to be performed. In this section, the scope of proposed work is defined as "Prepare _____ for _____ in accordance with the Specifications listed in Section 2.0."

The precise definition enables the potential contractor to make a rapid appraisal of the required scope of effort to determine whether he is capable or interested in responding. Additionally, it provides a source of wording for the advertisement of the intended procurement (required in most cases).

The statement is usually limited to a single paragraph, and should have as its source the information in the procurement-specification statement of work. With the requirement for the preparation of a procurement specification, the task of preparing Sections 1 and 2 of the RFQ is reduced considerably.

The following wording illustrates a typical Section 1.0:

SECTION 1.0 - SUPPLIES AND SERVICES

- 1.1 The contractor shall provide computer program design, source program preparation, and supporting documentation relative to an operational computer program for the _____ Tactical Data System (_TDS) configured with a micro-electronic, general purpose, digital computer.
- 1.2 Services shall be completed and supplies furnished in accordance with the requirements of Section 2.0, consistent with the other conditions and requirements set forth herein.

2.0 DESCRIPTION OR SPECIFICATION

If the material in the procurement specification is prepared properly, Section 2.0 of the RFQ is a fairly simple task. The following statement can be inserted:

"Prepare supplies and services in accordance with procurement specification (name and number) (attached)"

The work associated with the preparation of Section 2 for an RFQ includes editing and reviewing the procurement specification to ensure that it adequately and concisely defines the task, that it breaks the task into subtasks which are sufficiently well defined so they can be used as end items or milestones in the contract, and that the Equipment Description cited in the procurement specification is truly the current configuration for which the procurement is anticipated.

3.0 PACKING AND PACKAGING

3.1 Requirements

In the past, the practice has often been to denote Section 3.0 of the RFQ "Not Applicable". Even so, there are several packing and packaging requirements that can increase the efficiency of handling and storing products such as tapes, cards, and documents. The following suggested requirements should be examined by the Program Manager to determine whether they would be advantageous to his operation. Those of definite value should be included in Section 3 of the RFQ.

3.1.1 Location

The location at which the computer programs, documentation, or reports will be utilized will influence the method of packing. If these items will be transported for long distances (e.g., overseas) then the packing container must be designed accordingly. Light packing cases might be suitable for delivery to a Government facility by automobile, but would not survive extensive handling and shipment. For long shipments, the expected environmental conditions should be established so that shipping containers can be designed accordingly. For example, electronic accounting machine cards are especially susceptible to humidity and would need to be packed in airtight containers.

3.1.2 Storage Time

The expected length of time that the items will be stored in the contractor's container will also have an influence on packing. Short-term storage will not require the same quality of container as long-term storage.

3.1.3 Storage Facilities

Storage facilities at the user's activity may also affect packaging. The physical dimensions of the storage facilities that are expected to be used could limit the size and shape of the container to be stored. For example, packages containing 50 manuals could be stored in cabinets while packages containing 100 could not.

3.1.4 Expected Utilization

The expected utilization of the contractor-furnished material may determine the manner in which they should be packaged. For example, when one roll of magnetic tape, one deck of cards, and one instruction manual are to be used together, it might be more efficient to package them together rather than separately. Thus, only one container would have to be unpacked, rather than three.

3.2 Exceptions

Not all of these packing and packaging considerations (if any) will be applicable to a particular program. However, they should be considered prior to the preparation of an RFQ.

4.0 DELIVERY AND COMPLETION SCHEDULE

4.1 Schedule

Section 4.0 of the RFQ contains information pertaining to the anticipated delivery and completion schedule for the contract. The schedule should include realistic dates for the following milestones:

- (1) Expected duration of contract.
- (2) Delivery dates for milestone and PERT-controlled documents.
- (3) Expected date of contract award.
- (4) Expected date of contract initiation.
- (5) Expected phase-in period.
- (6) Expected design review date.
- (7) Expected program testing dates.

4.2 Schedule Detail

Schedule information must be established by the TDS Computer Program Manager based upon his project requirements, and must then be supplied to the Contracting Officer. A discussion of each of the schedule elements follows.

4.2.1 Expected Duration of Contract

An estimate of the duration of the contract is necessary to ensure that the contractor's proposed level of effort will satisfy program objectives. However, a schedule that is unnecessarily short can increase contract cost by requiring the acquisition of additional personnel and facilities. The same effort might be accomplished with existing capability over an extended period of performance.

4.2.2 Delivery Dates

The delivery date for all final contractual products should be specified and should be a function of the contract duration. Provisions should be made in the schedule for the submission of preliminary documentation, and for final inspection and acceptance.

Exact dates for submission of interim progress reports may be specified in the RFQ or established during contract negotiations. However, the contractor should be aware of the quantity and magnitude of the progress reports that will be required so that the preparation effort can be included in the cost and schedule proposal. A discussion of the importance of program reporting and monitoring is presented in Section 5.0, Inspection and Acceptance.

4.2.3 Date of Contract Award

The amount of time required to evaluate proposals and select the successful contractor should be estimated and included in the RFQ. This information is needed for both Government and contractor planning. It is the responsibility of the TDS Computer Program Manager to provide the Contracting Officer with such an estimate.

4.2.4 Contract Initiation

A period of time between the announcement of contract award and actual initiation of work will be required to complete final negotiations and obtain necessary signatures. An estimate of the length of this period is useful for planning. This information will be supplied by the Contracting Officer.

4.2.5 Phase-In Period

If a period of time after contract initiation will be required for the contractor to establish the desired level of effort, the length of this period should be established, and may be set by the TDS Computer Program Manager in the RFQ. In some situations, it may be more desirable to request that the contractor state the phase-in requirements in his proposal.

Extremely short phase-in periods usually result in increased costs. Therefore, the TDS Computer Program Manager should establish the phase-in requirements most advantageous to the Government, and notify the Contracting Officer accordingly.

4.2.6 Design Review Target

The Critical Design Review is one of the most significant milestones in the development of a TDS computer program. Its timing is most important to both contractor and Government management in that it marks the end of program design and the beginning of program preparation. An estimated or target date for this event is necessary for good management. In some situations, it may be more desirable to request the contractor to state a proposed target date in the proposal.

4.2.7 Program Testing Targets

The use of Government-owned facilities usually is required during the Program Testing Phase. It is necessary that these facilities be scheduled in advance. Therefore, the RFQ should include target dates for the scheduling of Program Testing. This is particularly true for field tests that require using vehicles from the operational forces.

5.0 INSPECTION AND ACCEPTANCE

5.1 Criteria

The criteria that will be used in the inspection and determination of acceptability of the contractor's performance or products (i.e., computer software or documents) must be identified. This inspection should include the evaluation of interim milestone achievements as well as preliminary and final accomplishments. Interim progress should be monitored to ensure that milestones are being satisfactorily accomplished. This monitoring is accomplished through the documentation control procedures.

5.2 Definition

Prior to the release of the RFQ, the TDS Computer Program Manager must define the standards of contractor performance, and how the standards will be measured. These requirements should be examined with the Contracting Officer to ensure legality and enforceability. Extremely complex inspection and acceptance procedures should be avoided because the program management could become unnecessarily burdened or the administrative cost of implementing the associated procedures might be too high. Rigid, yet fair, acceptance requirements that are not subject to varying interpretations must be established. The inspection and acceptance criteria become extremely important when performance incentives are involved.

5.3 Monitoring

PERT control and other program monitoring techniques should be considered for use to ensure that the contractual effort progresses satisfactorily. Progress not effectively monitored can result in last minute crash efforts, contract extensions, or both. Both of these consequences are costly in money and in the sacrifice of quality.

5.4 Inspection Site

The computer software must be compatible with the Government data processing equipment with which it is to be used. Therefore,

the interim and final programs and the supporting documentation (i.e., field use manuals) should be checked out on the users equipment. A checkout on identical equipment is usually not sufficient to ensure complete compatibility.

6.0 REFERENCED PROVISIONS

6.1 Standards

This section consists of a list of standard ASPR contract provisions that would become a part of a resulting contract. These provisions are applicable to most contracts and most contractors are familiar with their content; therefore, they are referenced rather than included in the RFQ. Copies of the provisions are supplied by the Contracting Officer. These provisions are usually concerned with requirements such as:

- (1) Utilization of Small Business Concerns.
- (2) Buy American Act.
- (3) Equal Opportunity.
- (4) Patent rights.
- (5) Competition in subcontracting.
- (6) Basic Data Clause.

The ASPR contains a list of mandatory and optional provisions for fixed-price and cost-reimbursement contracts. This section of the RFQ will be prepared by the Contracting Officer in conjunction with the TDS Computer Program Manager. The Program Manager must examine the list of optional provisions in the ASPR, determine which provisions are applicable to his project, and provide this information to the Contracting Officer. Some other provisions which may be desired but which are not listed in ASPR are included in Section 7.0, Other Provisions.

7.0 OTHER PROVISIONS

7.1 Objective

This section provides guidelines for the preparation of Section 7.0 (Other Provisions) of the RFQ. Section 7.0 establishes important contractor requirements and obligations which do not logically fall into any of the other sections.

A list of provisions that would appear in this section, together with a discussion of the purpose of each provision, and the advantages and disadvantages of applying the provision, follows.

7.2 Rationale

It is not anticipated that all of the following provisions will or should be used in any one RFQ. Rather, the provisions are included to be used by persons preparing Section 7 as a check-list when determining whether the provisions are applicable to their particular RFQ. Establishing contractor requirements or obligations that are unnecessary can result in higher cost. This cost can be in the form of increased Government administrative activities to monitor the provision, or increased contract cost. On the other hand, the inclusion of certain provisions may (1) provide more confidence in the successful contractor, (2) ensure a better Government/contractor relationship, and (3) facilitate high quality and timely performance. Therefore, all provisions should be examined before being used to determine whether they are in the best interests of the Government.

7.3 Compliance Provisions

7.3.1 Security

"The performance of this contract may involve the use of classified information; therefore, it is the responsibility of the contractor to comply with all security regulations. This requirement includes ensuring that all of the facilities to be used and

the personnel having access to classified material have been cleared to the security level required."

The purpose of this provision is self-explanatory. If there is any possibility that the contractor will have access to classified material, related to the contract or not, then a security provision should be included in the RFQ.

7.3.2 Proprietary Information

"The performance of this task may require access to information that is proprietary to other contractors. For this reason, potential contractors should not have any conflict of interest with the associate contractors and should guarantee to protect all proprietary information. In addition, the contractor should have a good reputation within the industry for protecting this information."

Often, several contractors and a Government agency are working together to perform large projects. In these situations, special provisions must be made to ensure a harmonious working relationship among the various contractors. The lack of a free interchange of information can seriously disrupt a program and can result in additional expenditures of time and funds.

7.3.3 News Releases

"The contractor shall not release, in any form, any information concerning the objectives, performance, or results of the proposed contract without prior written approval of the Contracting Officer. This includes press releases to the news media, technical papers, or speeches."

Premature release of information concerning a program can adversely affect the future of that program. For example, premature release of information would be detrimental in the following situations:

- (1) The information was later determined to be classified.
- (2) The information was incorrect.
- (3) Proper recognition was not given to all concerned organizations or personnel.

This provision is applicable to almost every contract and its inclusion will result in negligible additional cost.

7.3.4 Conflicts of Interest

"The contractor shall identify any contracts on which he is working that may conflict, either directly or indirectly, with the proposed effort. A conflict would exist when the performance of the effort in the contract resulting from this RFQ would be biased, intentionally, because of other contracts or interests."

This provision is applicable to almost every contract and can be used to ensure contractor objectivity. It should be the obligation of the potential contractor to establish objectiveness in regard to conflict of interest.

The inclusion of this provision will not result in any direct or indirect expense to the Government.

7.3.5 Government-Furnished Information

"The performance of this effort will require specific input data. These data will be supplied by the Government; therefore, the generation of these data shall not be considered when planning or submitting costs for this task."

The objectives of a specific contract may require the use of information or data periodically generated in accordance with other contracts or by other organizations. It may be necessary to ensure that this information be utilized and that new information not be generated. When it would be faster or cheaper to regenerate the information, the contractor should be restricted to converting the information to the desired form (if feasible).

7.3.6 Government Property

"The contractor's bid shall describe any Government property in his possession that will be used to perform this task. Also, the contractor shall state whether the submitted quotation is based on the rent-free use of this property."

The inclusion of this requirement could result in lower contract cost by inducing the contractor to utilize all available

Government property. Without this requirement, a contractor could conceivably charge for the use of Government property obtained through a previous contract.

7.3.7 Equipment Compatibility

"The computer programs prepared for this must be compatible with the data processing equipment listed in the equipment description attachment to the procurement specification."

Programs that could not be run on existing equipment obviously would be useless. The contractor must be required to prepare all programs and routines to satisfy equipment specifications regarding program language, memory or storage capacity, and computational speed.

This provision should be applied in every situation where a product is generated for use with Government equipment. It is desirable that Section 5.0, Inspection and Acceptance, require that milestone and final acceptance be based on a checkout of the computer programs on Government facility data processing equipment.

7.3.8 Computer Service Center

"If the contractor plans to utilize a commercial computer service center to perform this effort, the following information should be included in the proposal:

- (1) The name and address of the service center and a list of their equipment (make and model) that will be used.
- (2) The portion of the total data processing service required for this effort that will be supplied by the center; i.e., computational, keypunching, sorting, listing.
- (3) The average amount of time required by the center to complete and return a typical computer run.
- (4) The service center facility security clearance."

The information requested in this section is necessary to evaluate the procedure that will be used to provide data processing

capability. This evaluation will indicate the efficiency with which the data processing services will be provided. For example, a service center which is not geographically convenient to the contractor's facility would necessitate the expenditure of additional time and funds for travel. Also, a service center with a slow response time might delay the timely completion of the task.

7.3.9 Liquidated Damages

"Liquidated damages will be imposed on the contractor in case of the late delivery of a satisfactory product as outlined in this RFQ. These damages will be calculated at the rate of () percent of contract price for each day late in delivery, not to exceed () percent of the total contract price."

This provision, normally used only in cost plus fixed-fee (CPFF) or fixed-priced (FP) contracts, is an economic inducement for the contractor to meet the established schedule. However, it should not be used to impose unreasonable schedules and cannot be used to hold a contractor to a schedule which has become unreasonable because of a change in scope or other contract modification.

7.3.10 Incentives

Any provisions for incentive fees (IF) intended to be incorporated into the contract should be included in this part of the RFQ. These apply to FPIF, CPIF, and CPAF contracts. Incentive provisions become clauses in the contract.

Performance incentive contracts include an incentive to the contractor to surpass stated targets by providing for increases in the fee or profit to the extent that such targets are surpassed and for decreases to the extent that such targets are not met. Usually, they are used in conjunction with an incentive provision based on cost, either FP or CPIF. Performance on this type of contract refers not only to the performance of the item being procured, but also to the performance of the contractor. It includes timeliness of delivery, capability and serviceability of

the product, ease and simplicity of operation, and economy of maintenance. The incentive provision may be tied to targets such as delivery schedules, performance of the end item, the reliability of components or the system, or in the case of research and development contracts, as milestones of accomplishment.

The word "performance" in performance incentive contracts refers to desired rather than mandatory performance, and to performance goals rather than performance requirements. Mandatory contractual requirements must be accomplished within the established price limitation.

ASPR 3-407.2 states that this type of contract is considered most suitable for use to procure major weapons systems when substantial development goals or potentialities for improved performance exist. However, performance incentive provisions can be used in any contract when there is an opportunity for the contractor to make improvements desired by the Government and when the contractor is responsible for the areas where possible improvement can be made. Since overall performance of the end item is a primary objective of such contracts, the incentive features must reflect a balancing of the characteristics together with the overall performance so that no one characteristic will be exaggerated to the detriment of the end item as a whole.

Incentive provisions should only be applied to areas in which the buyer desires improvement. For instance, it would be useless to provide an incentive to accelerate delivery schedules when such speed could cause increased costs that would outweigh the benefit from the accelerated delivery schedule. Accelerated delivery schedules could also cause production problems, obligate too much of the funds, or interfere with the production schedules of other contracts.

7.3.10.1 Incentives Restricted to Areas of Contractor Responsibility

Performance incentives are most appropriately used when the contractor is responsible for the design of the end item. Often,

Government personnel participate in matters affecting performance and the contractor does not have complete control of the design. Because of this, performance incentives should be tailored to the contractor's area of responsibility. Also, recognition should be given to the limitations placed on the contractor's authority because of the participation of Government personnel in design specifications or by the use of Government-furnished components.

7.3.10.2 Relationship of Cost, Performance, and Delivery

Usually, performance incentive contract provisions are used with FPIF or CPIF contracts. The effect of both incentives on cost reduction and performance must be carefully weighted to provide incentives in the correct area for the type of item and the stage of its development. For an R&D contract, the emphasis usually is placed on the quality of the product and speed of accomplishment of the assigned task.

If the cost incentive provision is large in relation to the performance incentive provision, the contractor may be encouraged to place the emphasis on cost savings and produce a minimum product rather than develop the best possible item in the shortest possible time. This weighting should be accomplished by arranging both the cost and the incentive provisions to provide the appropriate emphasis. The contract provisions can be arranged so that the total incentive dollars that the contractor can earn, on both the incentive and performance provisions, are shared in accordance with the relative importance that the procuring agency feels should be given to product improvement, delivery, and cost. For R&D contracts, this might result in one-half of the incentive dollars being applied against product performance; one-third on schedule; and the remainder on cost.

When the product design is almost complete and production becomes more important, the emphasis may be shifted to achieving decreases in cost and in accelerating the schedule. The performance criteria should be designed to ensure that the contractor's

potential extra profit derived from the cost and performance incentive provisions is in proportion to the significance attached to performance, schedule, and cost at the current phase of the program.

7.3.10.3 Maintaining Balance in Performance Characteristics

In addition to giving proper emphasis to establishing appropriate cost and performance incentive provisions in order to improve the product, it is necessary to ensure that the performance incentive does not lead to an undesirable balance with regard to the performance requirements of the end items. Each item has a number of performance characteristics which are desirable and, to some degree, complementary. Accordingly, the incentive provision should reflect a balancing of the various characteristics which together account for overall performance so that no one characteristic will be exaggerated to the detriment of the end item as a whole. However, the end result desired is an instrument whose performance is most ideally suited to its mission. This may require that a balance be struck and concessions made between a number of performance characteristics. An improvement in any one performance objective, while desirable in itself, may be undesirable if it is made at the expense of other desirable objectives. The performance incentive provisions should be developed to ensure an overall balancing of all desirable characteristics in accordance with the specific minimum requirements for the end product.

7.3.11 Award Fee Provision

For CPAF contracts, an award fee may be included as a special provision in the RFQ. This may be apart from or in conjunction with incentive fees. It is intended that specifying award fees in the RFQ provides an additional profit incentive to the contractor for performance excellence. The following example of a contract provision is considered to provide insight into the structure and functioning of the award fee.

7.3.11.1 Award Fee

7.3.11.1.1 In addition to the fixed fees set forth in Section ____, the contractor may, during the performance of the contract, earn and be paid all or part of an award fee not to exceed _____ for the contract period provided herein, or such other amount as may be determined in accordance with the provisions that follow:

- (1) The _____ to _____ ratio between the maximum possible award fee which may be earned by the contractor and the fixed fee payable under the contract, as amended, shall remain constant if the fixed fee payable hereunder is increased or reduced proportionately.
- (2) The determination and payment of any award fee earned by the contractor shall be made twice during the term of the contract: at the end of the first 15 months of the contract period (First Award Fee Period), and at the end of the second 12 months of said term (Second Award Fee Period).
- (3) The portion of the award fee that may be earned during the First Award Fee Period shall not exceed the amount of fixed fee approved for payment during that period multiplied by the ratio existing between the fixed fee and the award fee as established herein. The remaining portion of the award fee available for award for the Second Award Fee Period shall be the maximum award fee provided by the terms of the contract, including any amendments, less that portion available for award for the First Award Fee Period.
- (4) In no event shall the total of all fees paid hereunder, including any fixed or award fee payments, exceed () percent of the total estimated cost ultimately established in this contract.

- (5) Payment of any award fee earned by the contractor hereunder shall not be subject to the withholding provisions of the clause of this contract entitled, Allowable Cost, Fixed Fee and Payment.

7.3.11.2 Standards

Minimum, standard, and superior performance shall be the comparative criteria in determining whether and to what extent the contractor has earned and is entitled to receive any award fee.

Minimum performance shall be that performance which barely meets the contract requirements and which if furnished by the contractor at a lower level would constitute a failure to meet the contractual requirements. For performance at this level, the contractor shall not earn any portion of the award fee provided herein.

Standard performance shall be average satisfactory performance, substantially equivalent or comparable to the level of performance attained by the contractor under contract _____ for similar services. For performance within the range from minimum to standard, as described, the contractor shall be entitled to receive an award fee within the spread from no award fee to _____ percent of the maximum award fee available for that period.

Superior performance shall be better than standard or average performance and shall entitle the contractor to receive an award fee for the period involved which shall be greater than _____ but not more than the maximum award fee available for that period. Superior performance shall be the highest or maximum level of performance considered reasonably attainable in view of the current state of the profession and the conditions under which the contractor must perform other than those conditions normally expected to be controlled by the contractor.

7.3.11.3 Description of Performance Evaluation Areas

In the evaluation of the contractor's performance, the following major areas shall be considered:

- (1) Technical contribution.
- (2) Effective documentation.
- (3) Estimating manpower and schedules and performing to these estimates.
- (4) Oral presentations.
- (5) Contractor cooperation.

Evaluations shall be performed in accordance with Regulation 252-52939A, "Procedures Manual, Management and Administration of Award Fee Provisions."

7.3.11.4 Award Fee Procedures

7.3.11.4.1 Performance Report

The TDS Computer Program Manager shall designate on-site technical and administrative personnel of his staff to observe, examine, review, and report on contractor performance. Such performance reports shall be prepared quarterly in a format prescribed by the TDS Computer Program Manager.

7.3.11.4.2 Performance Evaluation Board

The TDS Computer Program Manager shall establish a Performance Evaluation Board to evaluate contractor performance reports as described in 7.3.11.4.1. This Board shall consist of technical and administrative personnel from an echelon higher than those preparing the performance reports and may include a representative of the Contracting Officer. It shall meet as soon as possible after receipt of the first performance reports. Based on such performance reports and such other information obtained concerning the contractor's performance, the Board shall prepare and submit a preliminary summary narrative evaluation to the TDS Computer Program Manager. This evaluation shall concern the extent to which the contractor's performance during that period

met, exceeded, or failed to meet standard performance. The Board shall notify the contractor in writing of any such evaluations in which the contractor's performance was below standard. Within 15 days from receipt of such notification, the contractor may submit a written statement with respect to correcting any inaccurate data upon which the evaluation was made or as to his actions to be taken to improve performance. Also, the Board may advise the contractor of areas or instances of superior performance during such period.

7.3.11.4.3 At the end of each of the First and Second Award Fee Periods, the Board shall submit an evaluation of the contractor's performance during such period to the TDS Computer Program Manager. The evaluation report shall include recommendations for award fees.

7.3.11.4.4 The TDS Computer Program Manager shall determine the amount of award fee to be granted to the contractor after the end of each Award Fee Period. The amount of any award fee to be payable shall be incorporated into the contract unilaterally by the Contracting Officer. The decision as to granting award fees, or amount thereof, shall be final and shall not be subject to the "Disputes" clause of this contract.

7.3.11.4.5 Nothing contained in the procedures in 7.3.11.4 shall be construed to alter, modify, revise, or waive any of the provisions in the contract clause entitled, "Inspection of Supplies and Correction of Defects," or of any other clause or provision thereof.

7.4 Restrictive Provisions (To be used only with the greatest discretion)

7.4.1 Facility Location

"The nature of the effort described in this RFQ requires a close working relationship between contractor and Government personnel. Therefore, to successfully complete this effort, the work shall be performed within a 50-mile radius of the contracting facility."

There may be situations when day-to-day contact between contractor and Government personnel is necessary for coordination of effort. This is especially true for quick-response tasks. This provision should be used with extreme discretion since it will have important consequences relative to selecting a contractor. Contractors that do not maintain facilities within the desired area may be eliminated from the competition or may have to establish an on-site facility after the contract has been awarded. The establishment of a special office could significantly affect the costs, particularly if Government facilities are not available to the contractor. In addition, the costs of transferring personnel, either temporarily or permanently, must be considered. However, if the contractor best qualified technically to accomplish the effort outlined in the RFQ does not meet the location criterion, the additional costs may be more than justified.

The TDS Computer Program Manager must evaluate the requirements for coordination with the contractor and weigh these requirements against contractor performance and expected costs. He must be prepared to justify completely the need for this restriction if specified in the RFQ. This will result in a decision as to the inclusion of the provision that is in the best interests of the Government.

7.4.2 Special Qualifications for Key Personnel

"The effort described in this RFQ will require close personal liaison and coordination with the other military branches of the Government. Therefore, the contractor's key personnel should be familiar with the organization, operating procedures, and specifications for all of the services."

The use of personnel with these qualifications will greatly facilitate the coordination of a multiservice project and possibly preclude misunderstandings. This smooth coordination would result in savings of time and money. The inclusion of this provision could increase the cost of the contract by requiring the use of

high-level personnel that would otherwise not be needed. Therefore, this provision should be used only when the need for these qualifications justifies an increase in cost.

7.4.3 Consultants

"Highly specialized consultants may be utilized to provide temporary specific capabilities, with the prior approval of the Technical Director and Contracting Officer."

It is not feasible to require an individual contractor to have personnel with rigorous training and experience in every technical discipline that may be required during the course of a study. In certain circumstances, it may be technically and economically advantageous to utilize consultants to fill temporary or unexpected needs. Care should be taken to ensure that this provision is not abused.

7.4.4 Personnel Qualification Requirements

"The contractor shall provide only personnel fully qualified and competent to perform the assigned tasks as set forth herein. Personnel to be assigned shall meet the following minimum requirements:

- (1) Scientist: Doctorate in mathematics, science, engineering or related field, plus five years of experience in a related data system field.
- (2) Senior Analyst: Masters Degree in mathematics, science, engineering or related field, plus seven years of experience in a related data system field.
- (3) Analyst: Bachelor's Degree in mathematics, science, engineering or related field, plus nine years of experience in a related data system field.
- (4) Analyst/Programmers: Bachelor's Degree or equivalent experience, plus three years experience in a related data system field.

- (5) All replacement personnel will be subject to the approval of the Commanding Officer, Fleet Computer Programming Center, or his duly authorized representative, to ensure that the contractor's work force possess substantially the same qualifications (education, experience, and capability) as those proposed by the contractor as a basis for contract award."

...and/or:

"The successful performance of the work outlined in the RFQ will require exceptionally well qualified personnel. Therefore, the Government reserves the right to interview contractor personnel to be assigned to this effort in the event of contract award. The purpose of these interviews will be to verify qualifications listed in their resumes."

This provision may be included when specific training and experience is necessary for the accomplishment of the tasks. The inclusion of this provision will ensure that the contractor designate his top people and will preclude exaggeration in resumes. As a result, greater confidence in the contractor will be gained, even without carrying out the interviews. If the interviews are conducted, time and funds must be allocated for this purpose.

7.4.5 Personnel Training

"The efficient performance of the effort outlined in the RFQ requires that the contractor be familiar with the following aspects of the task:

- (1) The design and operation of the system.
- (2) The organization of the Government facility utilizing the system.
- (3) Applicable Government specifications.

As a result of these requirements, the contractor should include in his quotation a provision for 40 manhours of personnel training to provide capability in these areas."

This provision is applicable when contractors may not have the required specific knowledge or experience. The mandatory inclusion of training will increase the initial cost of the contract; however, this may be more than offset by the increased level of performance. For example, such training might eliminate time (and as a result, money) lost caused by the contractor's not understanding the contractual requirements.

If there is an incumbent contractor whose personnel possess these skills, it may be desirable to exempt him from the training requirement. This would reflect the value of his on-the-job experience and place all bidders on an equal basis. Quite often, the cost of bringing a new contractor up to the experience level of the incumbent, is significant, yet not apparent. In addition, this provision may induce a potential contractor to submit his most competitive bid, since he knows that the incumbent's bid will be reduced by the cost of the training.

If the program technical director includes this provision in the RFQ, then he must determine the amount of training required for his particular effort.

7.4.6 Hardware Contractor Exclusion

"The contractor shall be multi-disciplined, having proven capability in the areas of operational analysis, selection, and evaluation of automatic data processing systems and equipment, and analysis and production of computer programs for multicomputer real-time data systems (such as the Naval Tactical Data System). Due to the nature of the services that will require investigation and review of design, development, and production stages, and evaluations of reliability aspects and efforts of Department of Defense contractors at their plant facilities, the award of the contract for this RFQ will be restricted to firms not engaged in, or affiliated with, the design, development, and production of automatic data processing equipment. This is necessary to avoid the creation of conflicts of interest with and the invasion of the proprietary rights of competitor concerns."

The phrasing of this provision is self-explanatory. It is used in RFQ's where inclusion of hardware producers and their affiliates are not in the best interests of the Government.

7.4.7 Notice of Small Business Set-Aside (July 1965)

"Bids or proposals under this procurement are solicited from small business concerns only, and this procurement is to be awarded only to one or more small business concerns. This action is based on a determination by the Contracting Officer that it is in the interest of maintaining or mobilizing the Nation's full productive capacity, in the interest of war or national defense programs, or in the interest of assuring that a fair proportion of Government procurement is placed with small business concerns. Bids or proposals received from firms which are not small business concerns shall be considered nonresponsive and shall be rejected.

For this procurement, small business concerns, including their affiliates, must be independently owned and operated and not dominant in the field of operation in which they are bidding on Government contracts. A firm shall be classified as small if its average annual sales or receipts for its preceding three fiscal years did not exceed \$5 million. NOTE: The contractor shall certify in his proposal that he is a small business concern according to the above definition. In addition to meeting these criteria, a manufacturer or dealer submitting bids or proposals in his own name must agree to furnish (in the performance of the contract) end items manufactured or produced by small business concerns in the United States, its possessions, or Puerto Rico." This additional requirement shall not apply to construction or service contracts.

This special provision is used when the Contracting Officer determines that the proposed contract is appropriately a "Small Business Set-Aside."

8.0 FORMAT AND COMPOSITION OF PROPOSAL

The RFQ should include a detailed outline of the content and format of the proposal to be submitted by the contractor. All proposals should be prepared according to this outline to ensure that:

- (1) All required information will be included.
- (2) Desired information may be easily located.
- (3) All of the proposals may be easily and fairly compared and evaluated.

For example, it would be difficult to compare two proposals containing identical information if they were organized in different formats.

8.1 Example

The following is presented as an example of an efficient organization of the information needed to effectively evaluate a proposal. This example may be modified to meet the needs of a specific program.

"8. Format and Completion of Proposal

- A. Proposals submitted for the performance of the effort outlined in this request must be submitted in two separate volumes: (1) a technical and management volume, and (2) a cost volume. These two volumes must contain all information to be considered in the evaluation of the proposal.

The technical and management volume should be prepared in two major sections as indicated by the title.

- B. Technical Section. This section should include:

- (1) A demonstration of an understanding of the proposed task.
- (2) The proposed method of performing the task. Expected problems should be defined and methods of solution outlined. In addition, unique approaches should also be mentioned.

- (3) Corporate experience on identical or related programs should be identified, including a description of the effort, customer, contract number, and contract cost.
- (4) Resumes of the personnel to be assigned to the program with clear outlines of their technical qualifications for this task. The resumes should include a description of education and experience relative to this and related work. The amount of time that each person would be expected to participate in this contract should be included. In addition, the same personnel should be available for the duration of the contract to maintain a continuity of effort.
- (5) Any additional information that would contribute to the support of the technical proposal and that should be considered in the evaluation.

C. Management Section. The management section should contain the following information in this order:

- (1) A brief summary of the company's history.
- (2) An outline of the company's interests and goals.
- (3) The identification of significant technological contributions in related areas including the development of new techniques or procedures.
- (4) The organization of the company showing the relationship of the proposed project to other projects and identification of management personnel.
- (5) The organization and staffing plan for the proposed contract.
- (6) Other management information that should be considered in the evaluation of this proposal.

D. Cost Volume. The cost proposal should consist of:

- (1) The total amount of the quotation for this contract.
- (2) A complete breakdown of the cost by category.

- (3) A description of the labor grades proposed, the cost per manhour, and the number of man-hours to be utilized in each labor grade.
- (4) The overhead cost, overhead rate, and name and address of the cognizant Government auditing agency.
- (5) General and administrative rates and total amount.
- (6) Profit rate and total amount.
- (7) Identification of expected travel and the associated travel and subsistence costs.
- (8) Identification of any other factors which affect cost."

8.2 Comment

The exact format of the cost proposal will depend on the type of contract anticipated (i.e., CPFF, CPIF, FP, or CPAF). Therefore, the information to be included in the proposal should be established in conjunction with the Contracting Officer.

9.0 MISCELLANEOUS INFORMATION AND DATA

This section contains additional information that the contractor should consider when planning his proposed effort and preparing his proposal. The information included will not become provisions of the contract (as is the case with Sections 6.0 and 7.0), but should be supplemental information not presented in other sections of the RFQ.

Many of the items included in this section are common to most procurement requests and are prepared by the Contracting Officer. The TDS Computer Program Manager will be required to participate in the preparation of several items (such as the evaluation criteria) to reflect the requirements of his program. Other items of information and data which are unique to the subject effort will not be known by the Contracting Officer and must be prepared by the Program Manager.

9.1 Examples

Typical examples of the type of information usually included in this section follow. Each item of information is discussed to outline the requirements and conditions for its use.

9.1.1 Technical Briefing

"A technical briefing for potential bidders will be held on (date, time, and place). At that time, the contractor's questions regarding the objectives, scope, or performance of the proposed work will be answered. The contractor's questions should be submitted to the TDS Computer Program Manager prior to that date. Attendance will be limited to two representatives from each contractor."

The purpose of this briefing is to ensure that all contractors have a clear understanding of the objectives and requirements of the objective end requirements of the RFQ. Such a meeting will result in additional expense for both the Government and the contractors. However, this cost would probably not be as great

as the cost of having to rebid because of a misinterpretation of the RFQ. The use of this provision will depend on the complexity of the RFQ. If the RFQ is simple or straightforward, with no possibility for misinterpretation, then a technical briefing would not be necessary. After reviewing the RFQ, the TDS Computer Program Manager can determine whether such a briefing would be necessary.

9.1.2 Transfer of RFQ

"This RFQ is not transferable by the addressee and shall not be given to any potential contractor."

An RFQ is usually submitted only to a selected group of contractors. This group is selected on the basis of interest, demonstrated capability, and contract performance. The transfer of the RFQ could result in the preparation of a bid by a contractor that would not be considered for the particular effort. The administrative problems and cost of handling an undesired bid, and the contractor's cost in preparing the bid, would be eliminated.

9.1.3 Special Conditions

"The contractor should state, in his bid, any special terms and conditions that would be included in a resulting contract. In addition, the contractor should outline any special circumstances or conditions that should be considered when his bid is being evaluated."

This provision is used to benefit the Government and the potential contractor. Identifying special terms or conditions to be considered during evaluation will preclude problems from occurring at a later stage of negotiation. Certain terms and conditions could alter the selection of a specific contractor.

The contractor should also state any special circumstances which might place him in an advantageous position during evaluation. This should be obvious to any potential contractor, and would include such factors as:

- (1) Previous corporate experience.

- (2) Highly experienced personnel.
- (3) Possession of applicable patents or patent rights.
- (4) Availability of special equipment.

These factors may affect the cost and technical preference of the contract.

9.1.4 Pricing Information

"The bidder shall include a brief summary of the contractor's pricing structure (in addition to the detailed price breakdown included in the cost section)."

This provision can be included to provide a summary of the contractors overall financial procedures and policies. This information may provide an indication of the economic efficiency of the contractor.

9.1.5 Quotation Acceptance Time

"Each submitted bid should be valid for a period of (___) days or longer to allow sufficient time to evaluate all bids. The submission of a bid which is valid for a period less than (___) days may result in the rejection of that bid."

This provision can be used to ensure that the evaluation board has sufficient time to adequately evaluate, both financially and technically, all proposals. The responsible technical director and Contracting Officer should determine the amount of evaluation time required for their particular situation.

9.1.6 Evaluation Criteria

"The selection of a successful contractor shall be based on the following evaluation criteria:

- (1) Understanding of the program objectives and requirements.
- (2) Technical approach to the solution.
- (3) Related corporate experience.
- (4) Personnel qualifications.
- (5) Proposed schedule.
- (6) Cost.

The Government reserves the right to make an award based upon the proposal which is the most advantageous to the government, cost and other factors not withstanding."

An outline of the evaluation criteria that will be used in selecting a contractor should be included in the RFQ. This information will help the contractor in preparing a responsive proposal and will preclude a multitude of questions in this area. Also, the advance identification of the evaluation criteria may eliminate (or answer) a contractor challenge of the award decision by establishing a firm basis for the decision.

The establishment of sound evaluation criteria in advance of proposal submittal will facilitate the evaluation and award process.

The details of the evaluation criteria are extremely important and can have serious legal implications. Therefore, they should be established through a joint effort of the Program Manager and the Contracting Officer. This aspect of procurement is so important that it will be discussed in detail in Section 11.

10.0 SUBMISSION OF PROPOSAL

This section of the RFQ is a straightforward description of the submission procedure and is prepared by the Contracting Officer. The information in this section usually consists of the name and address to which the proposal should be submitted, the submission deadline, and the required number of copies.

11.0 REVIEW AND EVALUATION OF PROPOSALS

11.1 ASPR 4-205.4 Provisions

Regarding evaluations preliminary to the award of an R&D contract, ASPR 4-205.4 stipulates the requirements that follow.

- (1) Generally, R&D contracts should be awarded to those organizations, including educational organizations, which have the highest competence in the specific field of science or technology involved. However, awards should not be made for R&D capabilities that exceed those needed for the successful performance of the work.
- (2) Before determining the technical competence of prospective contractors and concerns that they consider most technically competent, cognizant technical personnel shall consider the following:
 - (a) The contractor's understanding of the scope of work as shown by the scientific or technical approach proposed.
 - (b) Availability and competence of experienced engineering, scientific, or other technical personnel.
 - (c) Availability, from any source, of necessary computer facilities.
 - (d) Experience or pertinent novel ideas in program design or programming technique.
 - (e) The contractor's willingness to devote his resources to the proposed work with appropriate diligence.
- (3) When determining to whom the contract should be awarded, the evaluation board shall consider the technical competence and all other pertinent factors including management capabilities. Each factor shall be weighted in accordance with the requirements of the particular procurement.

11.2 Purpose

One of the purposes for this Section is to discuss the techniques for the evaluation and weighting of the factors that are considered in the technical evaluation of proposals.

11.2.1 ASPR Requirement

ASPR 4-205.7 requires that the basis of the selection of a contractor for the award of a research and development contract be fully documented as follows:

"Contract files for R&D procurement shall be fully documented to include the basis and reasons for the selection of the sources solicited and for the award. Such documentation should be adequate to justify the selection of one contractor over others whose proposals, from the standpoint of factors such as lower estimated cost or shorter performance time, might appear more advantageous to the Government."

11.2.2 Experience Comment

In commenting on this subject, one of the major R&D procurement activities stated the following:

"The lack of specific rules governing many of the circumstances involved in awarding negotiated procurements automatically creates a problem of adequate safeguards. When procurement rules are rigid, the Contracting Officer's actions are almost automatic and need little substantiation. However, when rules are few and flexible, the decision for making awards must be unusually clear, convincing, and complete. This is particularly important when a contract is awarded to other than the low bidder."

11.2.3 General Procedures

The procuring activities contract file must be completely documented to show how and why a particular award was made. One of the most important documents in making and supporting the award

is the technical evaluation report. Procurement and contracting personnel are not qualified to evaluate proposals technically, but must rely on scientific and engineering personnel for this function. Therefore, it is imperative that technical evaluation be clear, decisive, complete, and well documented.

11.2.3.1 Purpose

The purpose of this Section is to discuss the procedures for evaluation and to show some of the considerations that are used when developing a technical evaluation report. To make the material as useful as possible, specific techniques are discussed. The weight to be given to each of the proposal evaluation factors should be structured in advance of receipt of proposal, whether or not the weighting factors are cited in the RFQ. The evaluation board should thoroughly understand the weighting formula prior to the conduct of the evaluation.

11.2.4 Specific Procedures for Evaluating Computer Programming

Computer programming proposals will be evaluated on the basis of the following primary evaluation factors:

- (1) The technical approach.
- (2) The organization, personnel, and facilities of the bidder.
- (3) The general quality and responsiveness of the proposal.

In the majority of cases, all three factors will be involved in the selection; however, the relative importance of the factors, and therefore their assigned weights, will vary for different RFQ's.

11.2.4.1 Evaluation Objectivity

To obtain the greatest possible objectivity in the evaluation, these primary evaluation factors are not rated directly, but in terms of detailed supporting subfactors. For example, rather than evaluate directly on the basis of the general quality and responsiveness of proposals, the evaluation will list such subfactors as completeness and thoroughness, grasp of the problem,

responsiveness to terms, conditions, and time of performance. Similarly, rather than to attempt to evaluate "organization, personnel, and facilities" as a single factor, the TDS Computer Program Manager will develop a detailed evaluation plan which would include such subfactors as evidence of good organizational and management practices, qualifications of personnel, adequacy of facilities, experience in similar or related fields, etc. If the procurement includes a second phase that will not be contracted for immediately, and separate information is required on the second or succeeding phases from the bidder, a separate evaluation plan will be developed for each of the phases involved. The plan will take into consideration the effect of the various phases on each other. Table 1 contains a list of the evaluation factors.

TABLE 1 TYPICAL EVALUATION FACTORS	
Evaluation Factors	Weight
I. General Quality and Responsiveness of Proposal	
A. Completeness and Thoroughness	5
B. Grasp of Problem	20
1. Does the proposal recognize and differentiate between the simpler and the more difficult performance requirements?	
2. Does it demonstrate an awareness of human and environmental factors affecting the scope of work?	
3. Does it evidence a recognition of relationships with other programs or parts of programs and the coordination and liaison problems involved?	
4. Is the estimate of professional, technical, and administrative manpower requirements in consonance with the project requirements? Is there a reasonable balance between program design personnel and programmers?	

TABLE 1 (Continued)

Evaluation Factors	Weight
<p>5. Is there evidence of appropriate utilization of program design personnel; or conversely are programmers offered where high qualified professional specialists are required?</p>	
<p>C. Responsiveness to Terms, Conditions, and Time of Performance</p>	20
<p>1. Is there adequate evidence of intent to meet all terms and conditions specified in the RFQ with regard to reporting requirements, proprietary rights, documentation disclosures, and any other special technical conditions cited in the RFQ?</p>	
<p>2. Does the proposed delivery schedule conform with mandatory or target schedule requirements? Where time of performance is of the essence and is a competitive evaluation factor, is the proposed delivery schedule adequately supported by the technical proposal?</p>	
<p>3. To what extent is the bidder willing to commit himself on the firm requirements, and on the best efforts portions of the Technical Scope of Work?</p>	
<p>D. Project Planning</p>	10
<p>1. Does the proposal demonstrate detailed and realistic scheduling of the various technical phases of the project?</p>	
<p>2. Does the proposal demonstrate effective review, evaluation and control at specific check-points?</p>	
<p>3. Are proposed schedules in line with available personnel resources?</p>	
<p>4. Are parallel investigations proposed on critical problems, and avoided on more routine problems?</p>	
<p>5. Are tests of the program elements planned early in the program in vital design areas?</p>	

TABLE 1 (Continued)

Evaluation Factors	Weight
E. Technical Data and Documentation <ol style="list-style-type: none"> 1. Does the proposal contain any reservations on full technical disclosure or restrictions on use of such data? 2. Are proposed manhours for program design, coding, drafting, and technical writing consistent with requirements for adequate documentation? 	10
II. Organization, Personnel, and Facilities	
1. Is there evidence of good organization and management practices?	5
2. Are all personnel to work on the contract qualified?	10
3. Are the facilities to be used adequate?	5
4. Does the contractor have verified experience in similar or related fields?	5
5. What is his record of past experience?	5
6. Is the geographic location of the contractor's facilities compatible with requirements?	5

11.2.4.2 Selection of Subfactors

The selection of supporting subfactors for each of the three primary evaluation factors will vary depending upon the nature of the R&D work required. The following outline can be used as a guide when selecting subfactors.

I. GENERAL QUALITY AND RESPONSIVENESS OF THE PROPOSAL

A. Completeness and Thoroughness

1. Have all essential data required by the RFQ been included?
2. Is the proposal legible, well organized, clear, and concise; or is it an uncoordinated collection of unrelated data that was hastily assembled and haphazardly edited?

3. Are all data pertinent and significant, or is much of it irrelevant data collected from past proposals to impress the reader by volume alone?

II. ORGANIZATION, PERSONNEL, AND FACILITIES

A. Good Organization and Management Practice

1. Does the proposal evidence the breadth and depth of management capability appropriate to the project? Is there evidence of stability of job tenure in upper management echelons?
2. How does the proposed task organization integrate into the overall organization in terms of effective lines of authority and communication, and in terms of effective integration of program design, coding, and documentation functions?

B. Qualifications of Personnel

1. Does the proposal include definite plans for the assignment of specific key personnel?
2. Do assigned key personnel possess the experience, educational background, and record of past accomplishment appropriate to the scope of work?
3. Is the proposal dependent upon any substantial recruitment of key personnel? If so, would such recruitment result in high cost of performance?

C. Adequacy of Facilities

1. Are the proposed facilities adequate for the requirements of the Technical Scope of Work?
2. Are the proposed facilities conveniently available to the personnel?
3. Is the proposal contingent upon Government-furnished capital equipment beyond that set out in the RFQ?

D. Experience in Similar or Related Fields

1. Is the normal commercial or Government business of the bidder closely related to the proposed work?
2. Does the company enjoy a respected reputation in the field to which the proposal relates?

E. Record of Past Performance

1. Has the bidder held previous contracts with the agency or other Government establishments?
2. Were schedule commitments generally met?
3. Did the contractor solve his own technical problems, or did he rely heavily upon the technical staff of the agency?
4. Was there an unusually high number of contractual problems which might be attributed to inflexibility, naivete, or lack of cooperation on the part of the contractor?
5. If there were significant cost over-runs, were they due to an inprovidently low initial cost estimate, or to valid problems which could not have been anticipated?

F. Geographic Location

1. Will the location of the facility result in excessive inconvenience, expense and lost time in the conduct of liaison and supervision?

11.2.4.3 Limitation on Subfactors

Only such subfactors will be included as are necessary and desirable for adequate evaluation. The more subfactors included, the more the evaluation in question will be objective. Subfactors should not be included covering the mandatory aspects of the procurement. For example, the compliance of bidders with proprietary rights requirement or with mandatory delivery schedules. Usually, proposals are either responsive or nonresponsive to these requirements and there is no permissible graduation of compliance.

The inclusion of a large number of subfactors to which all bidders must comply if their proposal will be considered has the effect of leveling the final technical rating so that the point spread between the best and worst proposal will be deceptively small. To be of greatest possible value, the evaluation plan should be designed to result in the greatest possible point spread between good and poor proposals.

11.2.4.4 Specifying Relative Weights

The assignment of weights for the three primary evaluation factors and their supporting subfactors is the responsibility of the TDS Computer Program Manager. The numerical weights assigned will depend upon the relative importance of each of the evaluation factors.

11.2.4.5 The Evaluation Board

The Technical Evaluation Board will normally be composed of personnel of the Program Change Coordination Center. The panel may include other types of specialists and consultants to provide necessary coverage for all areas.

11.2.4.5.1 Preliminary Review

Usually, a preliminary superficial review of all proposals by the full Board is made prior to the start of formal evaluation. This preliminary review serves three primary purposes.

- (a) It helps to establish a median level reference for subsequent evaluation.
- (b) It uncovers a need for possible changes in the evaluation plan.
- (c) It may uncover gross inadequacies in the RFQ which may require solicitation of additional data from all bidders.

11.2.4.5.2 Detailed Review

After this initial review, whether the evaluation will be conducted through point-by-point discussion by the entire Board, through individual evaluation of the proposal by each Board member, or by assignment of specific portions of each proposal to specialized Board members, is generally determined on the basis of the particular requirements of the specific procurement. Usually, an individual approach will be more objective and will conserve the time of the members of the evaluation Board. The final evaluation will usually be performed by the full Board whose findings will generally be placed in writing and approved by the TDS Computer Program Manager.

11.2.4.5.3 Review Documentation

Individual members will use the weighting factor sheets developed for the evaluation to record their individual judgment scores on each proposal. This will be done regardless of which alternative is selected under 11.2.4.5.2. These scoring sheets will be signed by the individual member and will be provided with the Board findings as a part of the support documentation of the evaluation.

APPENDIX A
SAMPLE RFQ FOR ATDS
COMPUTER PROGRAM

APPENDIX A
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S A M P L E

U. S. NAVY PURCHASING OFFICE
Los Angeles, California

Program Software Corporation
7777 Octal Place
Binary, Mass.

Gentlemen:

You are hereby invited to submit your quotation for the services and supplies described herein, to the U. S. Fleet Computer Programming Center, Pacific, San Diego, California. Your proposal, in triplicate, must be mailed or otherwise submitted to reach this office not later than _____ p.m., PDST, _____ 1966.

Sections 1 through 10 herein contain general information and basic guidelines for the submission of your proposal. Enclosure 1, with its attachments, constitutes the specifications for the digital computer program to be generated by the successful bidder.

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SECTION 1.0 - SUPPLIES AND SERVICES

1.1 The contractor shall provide computer program design, source programs, and supporting documentation relative to an operational computer program for the Airborne Tactical Data System (ATDS) configured with a micro-electronic, general purpose, digital computer.

1.2 Services shall be completed and supplies furnished in accordance with the requirements of Section 2.0 below, consistent with the other conditions and requirements set forth herein.

SECTION 2.0 - DESCRIPTION AND SPECIFICATIONS

2.1 Work shall be performed in accordance with the Fleet Computer Programming Center, Pacific (FCPCP) Procurement Specification attached hereto as Enclosure 1.

2.2 Task definition and reporting requirements are provided in the attached FCPCP Procurement Specification (Enclosure 1).

2.3 A complete list of documents required for the execution of this contract is provided in Section 2 of Enclosure 1.

2.4 It will be necessary for the contractor to have persons within his employ who are experienced in computer program design, coding, and documentation.

2.6 A listing, by phases, of the end items deliverable under the attached procurement specification, in the quantities indicated follows:

<u>Quantity</u>	<u>Item</u>	<u>Ref. Par., Procure- ment Spec.</u>	<u>Ref. Par., Program- ming Spec.</u>
<u>PHASE I</u>			
4 Sets	Program Flow Diagrams for Each Program Routine	3.2.2	1.3
4 Sets	Functional Description of Logic Flow for Each Program Routine	3.2.3	1.3

<u>Quantity</u>	<u>Item</u>	<u>Ref. Par., Procure- ment Spec.</u>	<u>Ref. Par., Program- ming Spec.</u>
<u>PHASE II</u>			
4 Sets	Source Program Comment Cards for Each Program Routine	3.3.3	3.4
4 Sets	Source Program Comment Cards for Each Driving Routine	3.3.3	3.4
4 Sets	Source Program Card Decks for Each Operational Program Routine	3.3.3	3.5
4 Sets	Source Program Card Decks for Each Driving Routine	3.3.3	3.5
4 Sets	Object Program Card Decks for Each Program Routine	3.3.3	3.5
4 Sets	Object Program Card Decks for Each Driving Routine	3.3.3	3.5
4	Magnetic Tape Containing the Complete Operational Program	3.3.4	---

<u>Quantity</u>	<u>Item</u>	<u>Ref. Par., Procure- ment Spec.</u>	<u>Ref. Par., Spec For TDS PGM Doc</u>
4	ATDS Program Loading Instructions	2.1, Appendix A	Appendix 3
---	ATDS Programmers Reference Manual	3.3.5(7)	Appendix 7
---	ATDS Command and Staff Manual	3.3.5(1)	Appendix 1
---	ATDS Plan Manual	3.3.5(2)	Appendix 2
---	ATDS Operation Manual	3.3.5(3)	Appendix 3
---	ATDS Program Design Manual	3.3.5(4)	Appendix 4
---	ATDS Program Assembly Listing Manual	3.3.5(5)	Appendix 5
---	ATDS Program Maintenance Manual	3.3.5(6)	Appendix 6

SECTION 3.0 - PACKING AND PACKAGING REQUIREMENTS

3.1 Documentation that has been prepared and bound in compliance with Section 5 of Enclosure 1 shall be packed and packaged for

delivery to FCPCP in _____ grade/weight cardboard cartons, in accordance with good commercial standards and practice.

SECTION 4.0 - COMPLETION AND DELIVERY SCHEDULE

4.1 The services to be performed under this procurement shall be accomplished within twenty (20) calendar months from the date of contract.

4.2 Phase I of the services to be performed under this procurement, as delineated in Enclosure 1 hereto, shall be accomplished within eight (8) calendar months from the date of contract.

4.3 Delivery of the program documentation and manuals specified in Section 3 of Enclosure 1 shall be in accordance with Section 5 thereof.

SECTION 5.0 - INSPECTION AND ACCEPTANCE

5.1 All documentation compiled and furnished hereunder, shall be subjected to final inspection and acceptance by the Commanding Officer, Fleet Computer Programming Center, Pacific (CO/FCPCP) or his authorized representative, in accordance with Sections 3 and 4 of Enclosure 1.

5.2 Acceptance of the end-item computer program shall be in accordance with Section 4 of Enclosure 1.

SECTION 6.0 - REFERENCED PROVISIONS

6.1 Any resultant contract shall contain those clauses made mandatory by ASPR or other Government regulations, depending on the type of contract executed, and on those other clauses agreed upon at time of negotiation.

6.2 The mandatory ASPR clauses for cost reimbursement contracts are:

Definitions

Limitations of Cost

Allowable Cost, Fee, and Payment
Standards of Work
Inspection and Correction of Defects
Assignment of Claims
Examination of Records
Subcontracts
Utilization of Small Business Concerns
Termination
Disputes
Renegotiation
Buy American Act
Convict Labor
Walsh-Healey Public Contracts Act
Contract Work Hours Standards Act-Overtime Compensation
Equal Opportunity
Officials Not To Benefit
Covenant Against Contingent Fees
Authorization and Consent
Notice and Assistance Regarding Patent Infringement
Patent Rights
Basic Data Clause
Military Security Requirements
Government Property
Insurance-Liability to Third Persons
Utilization of Concerns in Labor Surplus Areas
Payment for Overtime Premiums
Competition in Subcontracting
Audit and Records
Price Reduction for Defective Cost or Pricing Data
Subcontractor Cost and Pricing Data

SECTION 7.0 - OTHER PROVISIONS

7.1 Security Warning. The performance of the work required by the FCPCP Procurement Specification (Enclosure 1) shall require access to classified information. Accordingly, no employee or

representative of the contractor shall be granted access to such classified material, or assigned to work on any elements of the work hereunder, until satisfactory proof is presented to the effect that appropriate facility and personnel security clearances have been granted. It shall be the responsibility of the contractor to ensure that all employees comply with all security regulations.

7.2 Proprietary Information. The performance of this task may require access to information which is proprietary to other contractors. For this reason, potential contractors should not have any conflict of interest with the associate contractors and should guarantee to protect all proprietary information. In addition, the contractor should have a good reputation within the industry for protecting this information.

7.3 News Release. The contractor shall not release, in any form, any information concerning the objectives, performance, or results of the proposed contract without prior written approval of the contracting officer. This includes press releases to the news media, technical papers, or speeches.

7.4 Conflicts of Interest. The contractor shall identify any current contracts which may conflict, either directly or indirectly, with the proposed effort. A conflict is defined as a situation where the performance of a contract resulting from the RFQ would be biased, intentionally, or unintentionally, by other contracts or interests.

7.5 Government Furnished Information. The performance of this effort will require specific input data. These data will be supplied by the Government and, therefore, the generation of this data shall not be considered in planning or costing the subject task.

7.6 Government Property. The contractor's bid should describe any Government property in his possession that will be used in the performance of this task. Also, it should be stated if the submitted quotation is based on the rent-free use of this property.

7.7 Equipment Compatibility. The computer programs prepared during this effort must be compatible with the data processing equipment described in the Equipment Description included in Enclosure 1 to this RFQ.

7.8 Computer Service Center. If the contractor plans to utilize a commercial computer service center in the performance of this effort, the following information should be included in the proposal:

(1) The name and address of the service center and a list of their equipment (make and model) which will be utilized in their effort.

(2) The portion of the total data processing service required for this effort which will be supplied by the center, i.e., computational, keypunching, sorting, listing.

(3) The average amount of time required by the center to complete and return a typical computer run.

(4) The service center facility security clearance.

7.9 Incentive Fees

7.9.1 Cost Incentives Under Phase I

7.9.1.1 The Government intends to use cost incentives for work under any contract resulting from this RFQ. The cost incentive fee will be determined by the following:

(1) One percent of the fixed fee under Phase I of the contract will be granted to the contractor for each one percent of actual cost below the estimated cost, not to exceed ten percent of the fixed fee.

(2) One percent of the fixed fee under Phase I of the contract will be withheld from the contractor for each two percent of actual cost in excess of the estimated cost, not to exceed five percent of the fixed fee.

(3) One percent of the fixed fee under Phase I of the contract will be withheld from the contractor for each one percent of actual cost in excess of the estimated cost plus ten percent, not to exceed ten percent of the fixed fee.

(4) One percent of the fixed fee under Phase I of the contract will be withheld from the contractor for each one-half percent of actual costs in excess of the estimated costs plus twenty percent, not to exceed twenty percent of the fixed fee.

(5) Forty percent of the fixed fee under Phase I of the contract will be withheld from the contractor when actual costs exceed the estimated costs by more than thirty percent.

7.9.1.2 The cost incentive fees shall apply only to the basic contract work and do not include costs for work under contract change orders or amendments. The cost incentive parameters for work under contract change orders or amendments will be subject to negotiation prior to issuance. Fee penalties are not cumulative.

7.9.2 Schedule Incentives Under Phase I

7.9.2.1 The Government intends to use schedule incentives for work under any contract resulting from this RFQ. The schedule incentive fee will be determined by the following:

(1) One-half percent of the fixed fee under Phase I of the contract will be granted to the contractor for each regular Government working day which intervenes prior to the delivery date specified in 4.2 and the date on which the contractor delivers to the Commanding Officer, Fleet Computer Programming Center, Pacific (CO/FCPCP) all of the end-items specified for Phase I of the contract as set forth in Enclosure 1 which are subsequently accepted by the CO/FCPCP. This portion of the incentive fee is not to exceed ten percent of the fixed fee under Phase I of the contract.

(2) One percent of the fixed fee under Phase I of the contract will be granted to the contractor for each regular Government working day which intervenes prior to five regular

Government working days before the delivery date specified in 4.2 and the date on which the contractor delivers to the CO/FCPCP all of the end items specified for Phase I of the contract as set forth in Enclosure 1 which are subsequently accepted by the CO/FCPCP. This portion of the incentive fee is not to exceed ten percent of the fixed fee under Phase I of the contract.

(3) One-half of one percent of the fixed fee under Phase I of the contract will be withheld from the contractor for each regular Government working day which intervenes after the delivery date specified in 4.2 and the date on which the contractor delivers to the CO/FCPCP all of the end items specified for Phase I of the contract as set forth in Enclosure 1 which are subsequently accepted by the CO/FCPCP. This portion of the incentive fee is not to exceed ten percent of the fixed fee under Phase I of the contract. Excluded from consideration under this provision are any regular Government working days after the delivery date specified in 4.2 which are used by the CO/FCPCP for review and subsequent non-acceptance of any end-items specified for Phase I of the contract as set forth in Enclosure 1.

(4) One percent of the fixed fee under Phase I of the contract will be withheld from the contractor for each regular Government working day which intervenes after ten regular Government working days after the delivery date specified in 4.2 and the date on which the contractor delivers all of the end-items specified for Phase I of the contract as set forth in Enclosure 1 which are subsequently accepted by the CO/FCPCP. This portion of the incentive fee is not to exceed ten percent of the fixed fee under Phase I of the contract. Excluded from consideration under this provision are any regular Government working days after the delivery date specified in 4.2 which are used by the CO/FCPCP for review and subsequent nonacceptance of any end-items specified for Phase I of the contract as set forth in Enclosure 1.

(5) Thirty percent of the fixed fee under Phase I of the contract will be withheld from the contractor if all end-items specified for Phase I of the contract as set forth in Enclosure 1

are not delivered to the CO/FCPCP, and subsequently accepted by him, within thirty regular Government working days after the delivery date specified in 4.2. Excluded from consideration under this provision are any regular Government working days after the delivery date specified in 4.2 which are used by the CO/FCPCP for review and subsequent nonacceptance of any end-items specified for Phase I of the contract as set forth in Enclosure 1.

7.9.2.2 The schedule incentive fees will apply only to the basic contract work and do not include delivery of any work under contract change orders or amendments. The schedule incentive parameters for work under contract change orders or amendments will be subject to negotiation prior to issuance. Fee penalties are not cumulative.

7.9.3 Cost Incentives Under Phase II

7.9.3.1 The Government intends to use cost incentives for work under any contract resulting from this RFQ. The cost incentive fee will be determined by the following:

(1) One percent of the fixed fee under Phase II of the contract will be granted to the contractor for each one percent of actual cost below the estimated cost, not to exceed ten percent of the fixed fee.

(2) One percent of the fixed fee under Phase II of the contract will be withheld from the contractor for each two percent of actual cost in excess of the estimated cost, not to exceed five percent of the fixed fee.

(3) One percent of the fixed fee under Phase II of the contract will be withheld from the contractor for each one percent of actual cost in excess of the estimated cost plus ten percent, not to exceed ten percent of the fixed fee.

(4) One percent of the fixed fee under Phase II of the contract will be withheld from the contractor for each one-half percent of actual costs in excess of the estimated costs plus twenty percent, not to exceed twenty percent of the fixed fee.

(5) Forty percent of the fixed fee under Phase II of the contract will be withheld from the contractor when actual costs exceed the estimated costs by more than thirty percent.

7.9.3.2 The cost incentive fees shall apply only to the basic contract work and do not include costs for work under contract change orders or amendments. The cost incentive parameters for work under contract change orders or amendments will be subject to negotiation prior to issuance. Fee penalties are not cumulative.

7.9.4 Schedule Incentives Under Phase II

7.9.4.1 The Government intends to use schedule incentives for work under any contract resulting from this RFQ. The schedule incentive fee will be determined by the following:

(1) One-half percent of the fixed fee under Phase II of the contract will be granted to the contractor for each regular Government working day which intervenes prior to the delivery date specified in 4.1 and the date on which the contractor delivers to the Commanding Officer, Fleet Computer Programming Center, Pacific (CO/FCPCP) all of the end-items specified for Phase II of the contract as set forth in Enclosure 1 which are subsequently accepted by the CO/FCPCP. This portion of the incentive fee is not to exceed ten percent of the fixed fee under Phase II of the contract.

(2) One percent of the fixed fee under Phase II of the contract will be granted to the contractor for each regular Government working day which intervenes prior to five regular Government working days before the delivery date specified in 4.1 and the date on which the contractor delivers to the CO/FCPCP all of the end items specified for Phase II of the contract as set forth in Enclosure 1 which are subsequently accepted by the CO/FCPCP. This portion of the incentive fee is not to exceed ten percent of the fixed fee under Phase II of the contract.

(3) One-half of one percent of the fixed fee under Phase II of the contract will be withheld from the contractor for each

regular Government working day which intervenes after the delivery date specified in 4.1 and the date on which the contractor delivers to the CO/FCPCP all of the end items specified for Phase II of the contract as set forth in Enclosure 1 which are subsequently accepted by the CO/FCPCP. This portion of the incentive fee is not to exceed ten percent of the fixed fee under Phase II of the contract. Excluded from consideration under this provision are any regular Government working days after the delivery date specified in 4.1 which are used by the CO/FCPCP for operational testing and subsequent nonacceptance of any end-items specified for Phase II of the contract as set forth in Enclosure 1.

(4) One percent of the fixed fee under Phase II of the contract will be withheld from the contractor for each regular Government working day which intervenes after ten regular Government working days after the delivery date specified in 4.1 and the date on which the contractor delivers all of the end-items specified for Phase II of the contract as set forth in Enclosure 1 which are subsequently accepted by the CO/FCPCP. This portion of the incentive fee is not to exceed ten percent of the fixed fee under Phase II of the contract. Excluded from consideration under this provision are any regular Government working days after the delivery date specified in 4.1 which are used by the CO/FCPCP for operational testing and subsequent nonacceptance of any end-items specified for Phase II of the contract as set forth in Enclosure 1.

(5) Thirty percent of the fixed fee under Phase II of the contract will be withheld from the contractor if all end-items specified for Phase II of the contract as set forth in Enclosure 1 are not delivered to the CO/FCPCP, and subsequently accepted by him, within thirty regular Government working days after the delivery date specified in 4.1. Excluded from consideration under this provision are any regular Government working days after the delivery date specified in 4.1 which are used by the CO/FCPCP for operational testing and subsequent nonacceptance of any end-items specified for Phase II of the contract as set forth in Enclosure 1.

7.9.4.2 The schedule incentive fees will apply only to the basic contract work and do not include delivery of any work under contract change orders or amendments. The schedule incentive parameters for work under contract change orders or amendments will be subject to negotiation prior to issuance. Fee penalties are not cumulative.

7.10 Award Fee Provision

7.10.1 The Government intends to obtain the contractor's services for Phase II on a cost-plus-award-fee basis. The remaining portion of the award fee available for award for the Second Award Fee Period shall be the maximum award fee provided by the terms of the contract, less that portion which was available for award for the First Award Fee Period.

7.10.2 In no event, however, shall the total of all fees paid hereunder, including both the fixed fee payments, incentive fee payments, and the award fee payments, if any, exceed 15% of the total estimated cost established in the contract.

7.10.3 Standards. Minimum, standard, and superior standards of performance shall be used as criteria when determining whether and to what extent the contractor has earned and shall be entitled to receive any award fee.

7.10.3.1 Minimum performance shall be that performance which barely meets the contract requirements and which, if furnished by the contractor at a lower level, would constitute a failure to meet the contract requirements. Performance at this level shall not earn for the contractor any portion of the award fee provided herein.

7.10.3.2 Standard performance shall be average satisfactory performance, substantially equivalent or comparable to the level of performance attained by the contractor under contracts for similar services. For performance within the range from minimum to standard, as described, the contractor shall be entitled to receive an award fee within the spread from no award fee to one-half of the maximum award fee available for that period.

7.10.3.3 Superior performance shall be better than standard or average performance and shall entitle the contractor to receive an award fee for the period involved which shall be greater than one-half but not more than the maximum award fee available for that period. Superior performance shall be the highest or maximum level of performance considered reasonable attainable in view of the current state of the profession and the conditions under which the contractor must perform other than those conditions normally expected to be controlled by the contractor.

7.10.4 Description of Performance Evaluation Areas. In the evaluation of the contractor's performance, the following major areas shall be considered:

- (1) Technical contribution
- (2) Effective documentation
- (3) Estimating manpower and schedules and performing to these estimates
- (4) Oral presentations
- (5) Contractor cooperation

7.10.5 Award Fee

7.10.5.1 In addition to the fixed fees proposed by the contractor and the incentive fees set forth in Section 7.9, the contractor may, during the performance of the contract earn and be paid all or a portion of an award fee not to exceed for the contract period provided herein, 50 percent of the fixed fee under the contract, or such other amount as may be determined in accordance with the provisions set forth below.

(1) It is understood that the ratio between the maximum possible award fee which may be earned by the contractor and the fixed fee payable under the contract, which ratio is 1.5 to 1.0, shall remain constant, that is, if the fixed fee payable hereunder is increased or reduced proportionately.

(2) Determination of award fee, if any, earned by the contractor and payment thereof, shall be made twice during the term

of this contract, namely, at the end of the Phase I, which shall be known as the First Award Fee Period, and at the end of Phase II, which shall be the Second Award Fee Period.

(3) The portion of the award fee that may be earned during the First Award Fee Period shall not exceed the amount of fixed fee approved for payment during that period multiplied by the ratio existing between the fixed fee and the award fee. Evaluations shall be performed in accordance with Regulation 252-52939A, entitled "Procedures Manual, Management and Administration of Award Fee Provisions."

7.10.6 Award Fee Procedures

7.10.6.1 Performance Report. The CO/FCPCP shall designate on-site technical and administrative personnel of his staff to observe, examine, review, and report on the performance of the contractor. Reports covering said performance shall be prepared by said personnel for each Award Fee Period in form and manner prescribed by the CO/FCPCP.

7.10.6.2 Performance Evaluation Board. The CO/FCPCP shall establish a Performance Evaluation Board for the evaluation of the performance reports submitted in accordance with 7.10.6.1. This Board will consist of technical and administrative personnel from an echelon higher than those preparing the performance reports and may include a representative of the Contracting Officer. It shall meet as soon as possible after receipt of the first performance reports. Based on such performance reports and other information concerning circumstances and conditions bearing upon or affecting the contractor's performance during said period, the Board shall prepare a preliminary summary narrative evaluation to the CO/FCPCP concerning the extent to which the contractor's performance during that period met, exceeded, or failed to meet standard performance. The Board shall notify the contractor in writing of any such evaluations in which the contractor's performance was below standard. Within 15 days from receipt of such

notification, the contractor may submit a written statement with respect to correcting any inaccurate data upon which the evaluation was made or as to his actions to be taken to improve performance. Also, the Board may advise the contractor of areas or instances of superior performance during such period.

7.10.6.3 At the end of each of the First and Second Award Fee Periods, the Board shall submit an evaluation of the contractor's performance during such period to the Commander, FCPCP. The evaluation report shall include a recommendation for an award fee.

7.10.6.4 The Commander, FCPCP shall determine the amount of award fee to be granted the contractor after the end of each Award Fee Period. The amount of any award fee to be payable shall be incorporated into the contract unilaterally by the Contracting Officer. The decision as to granting award fees shall be final and shall not be subject to the "Disputes" clause of this contract.

7.10.6.5 Nothing contained in the procedures in 7.10.6 shall be construed to alter, modify, revise, or waive any of the provisions in the contract clause entitled, "Inspection of Supplies and Correction of Defects," or of any other clause or provision thereof.

7.11 Special Qualifications for Key Personnel

7.11.1 The effort described in this RFQ will require close personal liaison and coordination with the other military branches of the Government. Therefore, the contractor's key personnel should be familiar with the organization, operating procedures, and specifications for all of the services.

7.11.2 Highly specialized consultants may be utilized to provide temporary specific capabilities, with the prior approval of the Technical Director and Contracting Officer.

7.12 Personnel Qualification Requirements

7.12.1 The contractor shall provide only personnel fully qualified and competent to perform the assigned tasks as set forth herein. Personnel to be assigned shall meet the following minimum requirements:

(1) Scientist: Doctorate in mathematics, science, engineering or related field, plus five years of experience in a related data system field.

(2) Senior Analyst: Masters Degree in mathematics, science, engineering or related field, plus seven years of experience in a related data system field.

(3) Analyst: Bachelors Degree in mathematics, science, engineering or related field, plus nine years of experience in a related data system field.

(4) Analyst/Programmers: Bachelors Degree or equivalent experience, plus three years of experience in a related data system field.

(5) All replacement personnel will be subject to the approval of the Commanding Officer, Fleet Computer Programming Center, or his duly authorized representative, to ensure that the contractor's work force possess substantially the same qualifications (education, experience, and capability) as those proposed by the contractor as a basis for contract award.

7.12.2 The successful performance of the work outlined in the RFQ will require exceptionally well qualified personnel. Therefore, the Government reserves the right to interview contractor personnel to be assigned to this effort in the event of contract award. The purpose of these interviews will be to verify qualifications listed in their resumes.

7.13 Personnel Training

7.13.1 The efficient performance of the effort outlined in the RFQ requires that the contractor be familiar with the following aspects of the task:

- (1) The design and operation of the system.
- (2) The organization of the Government facility utilizing the system.
- (3) Applicable Government specifications.

As a result of these requirements, the contractor should include in his quotation a provision for 40 manhours of personnel training to provide capability in these areas.

7.14 Special Contractor Provision

7.14.1 The contractor shall be multi-disciplined, having proven capability in the areas of operational analysis, selection, and evaluation of automatic data processing systems and equipment, and analysis and production of computer programs for multicomputer real-time data systems (such as the Naval Tactical Data System). Due to the nature of the services that will require investigation and review of design, development, and production stages, and evaluations of reliability aspects and efforts of Department of Defense contractors at their plant facilities, the award of the contract for this RFQ shall be restricted to firms not engaged in, or affiliated with, the design, development, and production of automatic data processing equipment. This is necessary to avoid the creation of conflicts of interest with and the invasion of the proprietary rights of competitor concerns.

SECTION 8.0 - FORMAT AND COMPOSITION OF PROPOSAL

8.1 General. In view of the nature of the work required to accomplish the procurement objectives, it is believed that the best interest of both the Government and the contractor will be served by a fixed-price award-fee contract for Phases I and II

thereof. In this connection, the applicable general provisions for such contracts are attached hereto as Enclosure 2 for your review. Any exceptions taken to the general provisions should be submitted for discussion with the Contracts Administrator.

8.2 Specific. The proposal must be submitted in two parts: a section covering the technical aspects of the work, and a section covering all cost aspects of the work. Together, these two sections must provide all data necessary for a comprehensive technical and cost evaluation.

8.3 Technical Approach. The technical approach to the proposed work must include information to support the following:

(1) Your understanding of the proposed work and your method of approach to obtain the contract objectives. This should include a detailed presentation of any unusual or difficult areas anticipated and any deviations or exceptions taken to Section 2 herein, together with a detailed explanation of the reasons for these deviations and exceptions.

(2) Criteria for the evaluation of proposals will also consist of a demonstrated experience of the contractor personnel in the interest areas set forth.

8.4 Cost Proposal. In order that your proposal may be properly evaluated, it must be accompanied by a complete and detailed cost breakdown. This cost information shall be submitted in triplicate and shall include all elements of cost thereon, with such other cost data as may be considered appropriate to support your proposed price. DD Form 633 is provided as Enclosure 3 to serve as a guide in furnishing the necessary cost information. Pricing shall be on a per-phase basis.

8.4.1 Labor Hours and Labor Rates. Labor costs should be separated by labor classifications to reflect labor to be utilized under each phase of the proposed work.

8.4.2 Applicable Overhead Figures. Advise the FCPCP of the name of the Government audit office having cognizance of your company.

8.4.3 Profit Objective.

8.4.4 Miscellaneous Direct Charge.

SECTION 9.0 - MISCELLANEOUS INFORMATION AND DATA

9.1 Should you desire any special terms or conditions for inclusion in any contract resulting from this solicitation, please indicate same in your proposal.

9.2 Enclosures 4 and 5 should be completed in duplicate and submitted with your proposal.

9.3 Enclosure 6 contains additional information, conditions and requirements which are to be considered as part of this RFQ. It also requests certain data that is to be furnished with your proposal, when applicable.

9.4 Evaluation of proposals will be based on technical approach, compliance with Government-furnished specifications, and price.

9.5 A pre-proposal conference has been scheduled for _____ a.m., PDST, _____ 1966, at the U. S. Fleet Computer Programming Center, 4000 Catalina Blvd., San Diego, California, to discuss the requirement, and to afford you an opportunity to present any questions necessary for its clarification.

9.6 This RFQ is not transferable by the addressee and shall not be given to any other potential contractor.

SECTION 10.0 - SUBMISSION OF PROPOSAL

10.1 Address your reply to the Officer in Charge, U. S. Navy Purchasing Office, 929 South Broadway, Post Office Box 5090, Metropolitan Station, Los Angeles, California 90055, Attention Code _____ referencing Schedule _____.

10.2 Any questions concerning this RFQ should be referred to the undersigned, telephone _____.

s/

Enclosures:

1. FCPCP procurement specification with _____ attachments
2. General Provisions
3. DD Form 633
4. Form 11ND/NPOLA 4270/14
5. NAVEXOS 3445
6. Additional Information, etc.



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