

ATSP4 Draft RFP Frequently Asked Questions (FAQ)

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Questions have been modified only to provide anonymity

This Q&A document provides responses to questions submitted to DMEA in response to the Draft RFP, which was posted in 25 November 2014. To avoid any misunderstanding with the official RFP, the Draft RFP has been removed from the website, however the responses to the questions are also posted below for responder and public benefit. Please note: Other than the official solicitations (HQ0727-15-R-0001 and HQ0727-15-R-0002), posted information is for informational use only, is non-binding, and is subject to change.

FAQ Contents

Small Business (SB) Plans and Reporting	1
Contract Line Items (CLINs)	2
Performance Evaluation Metrics (PEMs)	3
Allowable Fee and Profit Adjustment (AFPA).....	6
Weighted Guidelines (WGL).....	6
Cost Plus Fixed Fee (CPFF) Ceiling.....	7
Performance Work Statement / Sample Engineering Task (PWS).....	7

Small Business (SB) Plans and Reporting

SB Q1) If a company has an approved company-wide Comprehensive Small Business Plan and can provide periodic (monthly) status thereof, will the task order level reporting still be required?

A) Yes.

SB Q2) If a company with a comprehensive plan meets or exceeds the comprehensive plan goals but does not meet ATSP4 goals, will that incur a negative rating during the next contractor evaluation?

A) Possibly. The overall AFPA rating will be calculated as a single value with input from all metric performance data, but the small business metric calculation will be based on the proposed ATSP4 goals, once approved by the SBA and the ATSP4 source selection team.

SB Q3) If unique ATSP4-specific small business goals are to be established and tracked for each delivery order and DMEA is striving for maximum small business participation, will DMEA waive or relax the FAR requirement concerning excessive pass through?

A) Correction: The ATSP4 goals may be unique from those of the Comprehensive Subcontracting Plans (CSPs), however the goals apply to the performance of the overall ATSP4 contract and are not task order specific. Only task order level subcontracting *data* is provided and it is expected that small business subcontracting performance will vary from task to task. The Department of Defense is looking to set, and have contractors meet, high small business subcontracting goals, however the intent is not primarily to maximize small business participation, but rather to provide incentives for small business utilization. DMEA does not have the authority to waive FAR requirements nor has any desire to incentivize excessive pass-through. In accordance with L-400 paragraph 1.1, “The ATSP4 prime contractors are expected to have a significant technical role in all task orders issued under the ATSP4 contract.”

Note: “L-400”, as referenced above, is now redesignated as “Instructions for Proposal Preparation” (IFPP) in Section L)

SB Q4) Small businesses are generally exempt from the requirement to provide subcontracting plans and utilize other small businesses. In light of this, should the language in [L-400 5.1(a)] above to “small business utilization, in accordance with FAR 15.304(c)(3)(ii)” be removed?

A) That is correct. Small businesses are exempt from the requirement to provide a subcontracting plan or to adhere small business subcontracting goals.

However, DMEA is also interested in the small business utilization from all potential offerors, which includes the small business participation.

Small business participation percentages are calculated similar to those of subcontracting percentages, except that the small business participation dollars are divided by the total business volume, not the total subcontracting volume. Thus, for a small business, not only must this figure be higher than 50% (since small business prime contracts require than more than 50% of the work to be performed by a small business), it would only exclude the subcontracting dollars to large businesses.

Contract Line Items (CLINs)

CLIN Q1) It appears [CLIN 0007] is for technical data that will be delivered with restrictions. Why does it need a separate/different CLIN from 0001 Data? Why is it only applicable to FFP?

A) CLIN 0007 (and therefore CLINs 00014, 0021, 0028, and 0035) are designed to be available for inclusion on RFPs in order to purchase the proprietary technical data and/or software (including software documentation), so that the Government may potentially be able to procure future production competitively, amongst other reasons. In accordance with U.S. Law, the Government cannot force or require the owner of technical data to give or sell the data to the Government. Therefore, this CLIN is designed to be an optional CLIN should the offeror be willing to sell the data/software applicable to and/or required by the proposed technical approach.

Performance Evaluation Metrics (PEMs)

PEM Q1) What is the QASP? What information does it contain?

A) The Quality Assurance Surveillance Plan (QASP) is a document created by the Government that details how the Government is going to implement contractor oversight to ensure satisfactory contract performance. Significant details of the QASP are located in 52.246-9000 (or 52.246-9001), 52.215-9000 (or 52.215-9001), and the PWS (including the CDRLs), but the actual QASP will be implemented at contract award.

PEM Q2) Regarding H-415, on page 35: Is there any criteria for (11) PoP Extension Requests and (12) PoP Extension (total length)? PoP extensions are often driven by the government. Will those be excluded? Would this be covered by the H-416 Stipulations [definition]?

A) Yes. POP extensions that are required as a result of late GFP, GFI, or GFA or changes resulting from additional work modifications will be recorded but not be included in the calculation. All other POP extensions are included. However, as with several other metrics, there is an acceptable quality level for initial levels of occurrence. For such metrics, the AFPA calculation does not negatively affect the AFPA score until the performance drops below the acceptable quality level. After receiving this question, we realize that the definition of “Stipulations” as was written in the Draft RFP, was of no real value added, therefore it has been deleted from the section.

Note: “H-415”, as referenced above, is now renumbered and designated as 52.246-9000 or 52.246-9001 in Section H)

PEM Q3) What is meant in [H-415(a)](14) by “dollars obligated to small business as a percentage of total task order volume?” Unless all of the future ATSP4 CETs specify a CDRL (See H-407) this data is not collected/reported. Will this penalize a contractor for having a Comprehensive Subcontracting Plan?

A) Please see answer to question SB Q4 above regarding the definition of the small business participation goals. There are three CDRLs on the basic contract

that are required to be delivered for those months where there is an active task order. Please see the PWS section of the Draft RFP, specifically on page 80 – 82. The small business participation goals are independent of the small business subcontracting goals, and therefore are not a penalization from CSPs.

PEM Q4) While the contractors will have access to performance data via the Fair Opportunity Pool page, will we have the ability to appeal if we feel the appropriate conditions or factors (H-416 (b)(4) Stipulations) were not considered?

A) Correction: Contractor's will have access to the current, in-process AFPA score for the current, and possibly previous, ordering periods as well as full disclosure of all areas on which performance evaluation metrics are being collected for the purposes of the AFPA calculation (See 52.246-9000 or 52.246-9001, which was numbered as "H-415" in the Draft RFP). The AFPA scores are calculated using a uniform, existing algorithm, which is the same algorithm to be used by all contractors in each pool. The AFPA algorithm and final score is a unilateral determination of the government. However, each piece of metric data will be available to the Performance Determining Official (PDO), who will serve as an unbiased reviewer, for review if he/she so chooses.

PEM Q5) In H-415, the Performance Evaluation Metrics appear very subjective. Can you clarify how performance factors will be quantified?

A) DMEA disagrees. Several of the performance evaluation metrics are stated in terms that are clearly objective (timeliness, dollars, count, length in months, small business performance, etc.) and only require government personnel to enter dates, times, binary data, dollars, etc.). Numerical metric standards, based on historical trends, have been established and will be utilized consistently in the AFPA algorithm (see response to PEM Q4 above) across all contractors within each pool for the purposes of calculating the AFPA scores. The vast majority of the metric standards are largely objective, and are based on numerical data collected throughout the performance period of the contract and tasks orders. Only a few are inherently subjective, such as Program Management Review (PMR) accuracy. In accordance with FAR 15.404-4(d)(2), DMEA is utilizing these metric directly in order to foster achievement of program objectives. The actual algorithm used to calculate the AFPA score is restricted, and will not be disclosed.

PEM Q6) There are times the Government customers drive cost increases, schedule slips or delays in CDRL deliveries. Is it correct to assume these types of events will not negatively impact the contractor's performance evaluation?

A) Government customer driven cost increases, generally, are considered constructive changes and potential ratifications. All offerors considering bidding on any Government contract should clearly understand that only a Contracting Officer, within their delegated limits, has the authority to issue modifications or otherwise change the terms and conditions of this contract. If an individual, other

than the Contracting Officer, attempts to make changes to the terms and conditions of this contract, you shall not proceed with the change and shall immediately notify the Contracting Officer. Occasionally, schedule slips sometimes occur due to Government asset availability. In such cases, these events will not negatively impact the contractor's performance evaluations. However, such a determination is subject to review and consideration of the Contracting Officer and/or the Performance Determining Official.

PEM Q7) Will the contractor be allowed to review and comment on performance evaluations before they are finalized?

A) Offerors should not view the performance evaluation metrics as formal performance evaluations, but rather part of contract oversight in the form of performance data recorded by the Government. Formal performance evaluations through the Contractor Performance Assessment Reporting System (CPARS) are a different type of evaluation process, one that is used and will be used for past performance purposes for subsequent federal acquisitions. The CPARS process allows for the contractor to review and respond to the evaluation ratings assessed by the Government. Such CPARS evaluations are subjective and will be performed whenever required. The main purpose of the ATSP4 performance evaluation metric data, as discussed in H-415 of the Draft RFP (now located in 52.246-9000 or 52.246-9001, is to calculate the AFPA score to reward or further incentivize contractors for the subsequent performance period. Contractors will have access to the running, in-process, real-time AFPA score, therefore will be able to see how current performance events affect the current score. At any time, a contractor can respond to their AFPA score displayed on their view of the Fair Opportunity page by communicating with the cognizant PCO. Only the information captured in CPARS will be available for past performance queries.

PEM Q8) Does the contractor have any recourse to challenge or discuss certain aspects of a performance evaluation with the Government's assessment for an ordering period?

A) See response to PEM Q5 through PEM Q7 above. Contractors who wish to dispute the facts of their performance on the basic contract or a specific task can respond at any time. As mentioned above, the metrics are specified in 52.246-9000 or 52.246-9001, the AQLs will be provided at contract award in the QASP, and each contractor will be able to see the current, real-time AFPA score throughout each two-year performance period. Further, the current real-time AFPA score is only a running total of the score and can be improved upon with further positive performance. Each contractor has the ability to respond to the PCO for the Government's consideration long before any AFPA score is fully implemented in the subsequent ordering period option. It should be reiterated, however, that the AFPA algorithm, metric data, and final score is a unilateral determination of the government. In addition, Contract Disputes Act rights may apply.

Allowable Fee and Profit Adjustment (AFPA)

AFPA Q1) Will the Category and Subcategory Weights be disclosed to the prime contractors? Similarly, will the Nominal Value be disclosed?

A) The specific category weights are subject to minor adjustment until basic contract award, but are uniform for each pool. However, the following information is readily disclosed. For the full and open pool, task performance is the most heavily weighted category, followed by small business and contract performance, not necessarily in order. For the small business pool, again, task performance is the most heavily weighted category, followed by contract performance. The acceptable quality levels for each metric category will be released within the QASP at contract award, however please see the response to PEM Q2, regarding acceptable quality levels.

Weighted Guidelines (WGL)

WGL Q1) Can you clarify why Cost Efficiency would always be zero in Weighted Guidelines for cost type contracts. (Reference Clause H-400 (i)(1)). We believe the following could apply: adoption of process improvements to reduce cost, subcontractors cost reduction efforts, incorporation of commercial items or processes, and investment in new facilities that contribute to better asset utilization or improved productivity.

A) To quote H-400(i)(1):

“The Cost Efficiency Factor will *generally* be zero for cost-type contracts, unless the task order requirement entails a substantial situation warranting the additional consideration of cost efficiency as outlined in DFARS 215.404-71-5.”

The reasons DMEA identifies that the Cost Efficiency Factor (CEF) will generally be zero are twofold. First, the scope of work under ATSP4 extends up to the point of production, allowing only limited production in rare circumstances. Most of the time, only a few proof-of-concept, prototype, or testing units are being engineered, much less produced under the task. The scope of work, therefore, limits what process improvements and cost reductions could be made and accurately identified within a task order proposal. Second, the work to be performed under this contract varies widely from task to task, which tends to reduce repetitious activity where cost efficiencies could produce the highest gains. This is not to say that the CEF is always zero, but only generally,

Cost Plus Fixed Fee (CPFF) Ceiling

CPFF Q1) The draft RFP states that fee for CPFF tasks in the base ordering period (CLIN0002) above the Certified Cost or Pricing Data Threshold will be determined using weighted guidelines. Isn't 15 percent the maximum fee obtainable for CPFF?

A) Yes, DMEA has decided that tasks of a true Experimental, Developmental, or Research (ED&R) nature, using R&D funds, will be allowed to negotiate fixed fee up to the ED&R statutory 15% limit. Please note that above the Certified Cost or Pricing Data Threshold, WGL will be always used. However, the use of WGL below the Certified Cost or Pricing Data Threshold is always at the Contracting Officer's discretion. CPFF statutory limits will only affect the negotiation of a task order fee where the proposed or objective fee is otherwise above the statutory limits.

CPFF Q2) Is the 9 percent cap only for CPFF task orders under the Certified Cost or Pricing Data Threshold?

A) The primary objective feature of the AFPA system is that the AFPA affects the ranges and normal values of the WGL inputs that DMEA will use when negotiating fee, increasing the normal values and lower ranges for any positive AFPA score. For the base ordering period, we have changed course and will allow for the possibility of the 10% and 15% statutory limits for CPFF orders. For subsequent ordering periods, however, the normal contract imposed fee limits will be 9% and 14% and will then be adjusted by the contractor's AFPA score, thus will be increased for any positive AFPA score.

CPFF Q3) The maximum fee as written in CLIN0009 (CPFF option) on pg. 8 is 10% (9% +/- 1% AFPA). Can you confirm if this is in error for task orders where the weighted guidelines warrant a higher fee percentage?

A) Please see the response to CPFF Q2 above. If the task order WGL warrants a fee lower than the AFPA maximum, then the WGL amount will be the Government's negotiation position. If the task order WGL fee is above the AFPA maximum fee, then the AFPA maximum limits the fee. IAW 10 U.S.C. 2306, the ceiling limitation only applies to CPFF orders.

Performance Work Statement / Sample Engineering Task (PWS)

PWS Q1) On Page 66, Sect. 4.1 Distribution List, can you clarify how CDRLs are to be delivered to DMEA? Should CDRLs be delivered to the Delivery Portal, or via email?

A) Clarification: The solicitation has both an official PWS outlining the scope and language of the work under ATSP4, located on pages 76 – 83. Section

4.1 in this document indicates that all CDRLs delivered to DMEA shall use the Contractor Delivery Portal and CDRLs delivered outside of DMEA shall be delivered via email, to the address indicated, unless classified. The Solicitation Example Task (SET) document provides an example task for the exclusive purpose of the ATSP4 source selection, and is located on pages 86 – 93. The section 4.1 in this document (SET) is for example purposes only. This is not a real task to be performed, thus no CDRLs will be submitted for the SET. However, for the purposes of estimating the cost of the SET in accordance with L-400 section 4.1.2(b) and 6.1(b), offerors may assume CDRL distribution via email only.

Note: “L-400”, as referenced above, is now redesignated as “Instructions for Proposal Preparation” (IFPP) in Section L)

PWS Q2) Regarding Performance Requirements 3.2 & 6.2 Factor 2. Technical Capability: Experience: Our firm provides direct Engineering services (eg, Studies, Analysis, Design, Code, Simulation, Fabrication, Packaging/Assembly, Prototyping, Integration, Installation, Testing, and Producibility) within the areas of Integrated Circuit Development, Board/Module Development, Subsystem/System Development, and Development. However, the assembly, prototyping, and manufacturing is done in conjunction with the clients we support (examples: [other companies]). The cost of the equipment associated with fabrication of circuits, transistors, silicon exceeds the revenue limits of a small business. The design can be completed in house, and oversight provided throughout the process, but the prototyping and production may need to be out of house. Can our firm fabricate equipment at a different facility and meet the performance requirements as determined by “in house”?

A) That’s a great question. DMEA is requesting the offeror to summarize their experiences in these areas, with significant production being the true test of the successfulness of the task. In section M of the solicitation, Basis for award, paragraph 6.2(a) states (emphasis added): “Summarize only efforts performed by the prime offeror that are directly related to the evaluation subfactors, *except as specifically directed for production and delivered quantities in subfactor 2.2 and subfactor 2.3.*” Sections 2.2 and 2.3, from sections L & M, contain the following language (emphasis added)”

(From 2.2): “For all of the integrated circuit development experiences identify the production quantities and delivered quantities in years/numbers (including *prime and non-prime production*). ... The proposed experiences in each development phase, *except fabrication and production*, will be confirmed to be in-house resources as identified in response to factor 1.”

(From 2.3): “For all of the board/module development experiences identify the production quantities and delivered quantities in years/numbers (including *prime and non-prime production*). ... The proposed experiences in each

development phase, *except production*, will be confirmed to be in-house resources as identified in response to factor 1.”

Thus, non-in-house production are acceptable for these two subfactors. For subfactors 2.4 and 2.5, in-house fabrication/production, significant to the application, is required for the proposed experiences to be considered valid.

PWS Q3) Regarding 3.2.4 Subfactor 2.4 and 2.5: Our firm has experience with engineering both Systems and Hardware/Software development. The term, “installation” is used in both of the paragraphs. Often times when designing a product, we do not install it in the final system. For example, semiconductors installed in a final computer system. The produced items are proven valid and tested. We can provide installation on a project; however some of our experience may not include final installation. In regards to hardware, installation may not be applicable to a small business. Software projects can be completely installed or created for final install within a different system. Will not having installation on these subfactors weaken our response?

A) No. Upon further consideration, DMEA has removed such requirements for installation.

PWS Q4) In regards to 3.2 Factor 2: Technical Capability: Experience: Our firm’s engineers have worked on each of the Sub Factors in the areas of Analysis/Studies, Integrated Circuit, Board/Module, Subsystem/System Development, and Hardware/Software System. Within these engagements, our firm’s role is focused on Engineering Services not manufacturing, thus we do not know the production volume or schedule. Will not knowing production information weaken our response?

A) Yes. DMEA is requesting the offeror to summarize their experiences in these areas, with significant delivered production being the true test of the successfulness of the task. Without the production information, the resulting production from the proposed experiences cannot be verified, and therefore will not be considered valid.

PWS Q5) Regarding 6.1.3 Subfactor 1.3, can you expand on what you're looking for?

A) For clarity of the response, the referenced section is quoted below:

“6.1.3 Subfactor 1.3: Board/Module Development Resources (a) The response must identify adequate resources to support all of the following development phases: design, simulation, fabrication, packaging/assembly, integration, and testing. The response must identify adequate resources (expertise, facilities and equipment) to support all of the cited development phases.”

The section is requesting the offeror to summarize the in-house personnel, in-house (owned/operated) facilities, and in-house equipment that are currently

available to support the listed development phases. Subfactor 2.3 then requests the offeror to summarize experiences in these development phases that have used these resources. This particular paragraph is from M-400 (now section M, titled “Basis for Award”) , which identifies that method in which the proposal will be evaluated. The proposal instructions for this particular section are in section L, titled “Instructions for Proposal Preparation” paragraph 3.1.3. Please also see the general proposal instructions for this overall factor in section L paragraph 3.1 above the subparagraph.