

**U. S. ARMY RESEARCH, DEVELOPMENT AND
ENGINEERING COMMAND
ACQUISITION CENTER**

***CONTRACTING OFFICER'S
REPRESENTATIVE (COR)
HANDBOOK***

March 2004

FOREWORD

Any one individual does not possess expertise in all areas to ensure successful contract completion. The Contracting Officer is required to request and consider the advice of the specialists who may make up the contracting officer's team - - technical, financial, legal, safety, security, small business and others, as applicable. The Contracting Officer's Representative (COR) is the "eyes and ears" of the Contracting Officer.

Because of downsizing and outsourcing, the COR is now playing a more important role than ever in assisting the contracting officer in monitoring contract performance - - to ensure we are receiving our monies' worth and at a standard of quality that will fully support our warfighters.

Depending on the type, complexity and/or size of the contract, the COR may need to provide full-time support or to enlist other technical points of contact to assist him or her.

The contracting office depends on the technical community, in conjunction with its contracting officers, to ensure quality products and services will be provided.

This handbook, along with the COR course training materials, should be regularly reviewed and used to assist the COR in his or her oversight functions. Any questions regarding COR responsibilities should be discussed with the appointing contracting officer.

Any questions or comments on the content of this handbook should be forwarded to RDECOM Acquisition Center Business Management.

JAMES K. WARRINGTON
Executive Director
US Army RDECOM
Acquisition Center

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Section I

Definitions

Acceptance – The act of an authorized representative of the Government acknowledging that the supplies or services are in conformity with the contract requirements.

Acquisition – The acquiring by contract with appropriated funds of supplies or services (including construction) by and for the use of the Federal Government through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated, and evaluated. Acquisition begins at the point where agency needs are established and includes the description of requirements to satisfy agency needs, solicitation and selection of sources, award of contracts, contract financing, contract performance, contract administration and those technical and management functions directly related to the process of fulfilling agency needs by contract.

Administrative Contracting Officer (ACO) - A contracting officer who administers a contract and serves to enforce its provisions. A COR works very closely with this individual.

Agent – An individual (agent) appointed by another party (principal) to enter into a business or contractual relation with third parties. These relations are legally binding on the principal and the third party. A contracting officer when signing a Government contract does so as an agent of the U.S. Government.

Best Value – The expected outcome of an acquisition that, in the Government’s estimation, provides the greatest overall benefit in response to the requirement.

Bundling – Consolidating 2 or more requirements for supplies/services, previously provided or performed under separate smaller contracts, into a solicitation for a single contract that is likely to be unsuitable for award to a small business concern due to – (i) the diversity, size, or specialized nature of the elements of the performance specified; (ii) the aggregate dollar value of the anticipated award; (iii) the geographical dispersion of the contract performance sites; or (iv) any combination of the factors described in paragraphs (i), (ii), and (iii) of this definition.

Change Order – A written order, signed by the contracting officer, directing the contractor to make a change that the changes clause authorizes the contracting officer to order without the contractor’s consent.

Commercial Items (CI) – See FAR 2.101 (a very lengthy description).

Contract – A mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them.

Contracting Officer (KO) – An individual duly appointed with specific authority to enter into, administer and/or terminate contracts and make determinations and findings on behalf of the U.S. Government. Only this individual can change the contract.

Contracting Officer’s Representative (COR) – An individual designated by the contracting officer to act as a representative to assist in managing the contract. The authorities and limitations of a COR appointment are contained in the written letter of designation. Regulatory guidance concerning designation, responsibility, and limitations of authority of the COR is in DFARS and AFARS Subpart 1.602. An alternate contracting officer’s representative (ACOR) may also be appointed to perform the same functions as the COR, but only in the absence of the COR.

Contractor-Acquired Property – property acquired or otherwise provided by the contractor for their use in performing a contract and to which the Government has title (see also GFP).

Cost-Reimbursement Types of Contract – An agreement that provides for payment of allowable incurred costs, to the extent prescribed in the contract.

Default – A contractor’s failure, actual or anticipatory, to perform their obligations under the contract.

Defense Contract Management Command (DCMC) – A DoD agency that performs assigned preaward functions and postaward functions related to the administration of Government contracts assigned.

Delivery Order Contract – A contract for supplies that does not procure/specify a firm quantity (other than minimum/maximum) that provides for issuance of orders for the delivery of supplies during the period of the contract.

Disadvantaged Individuals – Persons who are economically or socially disadvantaged because of their race, sex, religion, or country of origin. This normally includes Black Americans; Hispanic Americans; Native Americans to include American Indians, Eskimos, Aleuts and Native Hawaiians; Asian-Pacific Americans, and Subcontinent-Asian Americans and other groups that the Small Business Administration (SBA) may designate.

Electronic Commerce – Electronic techniques for accomplishing business transactions including electronic mail or messaging, World Wide Web technology, electronic bulletin boards, purchase cards, electronic fund transfer, and electronic data interchange.

Employee-Employer Relationship – Exists under service contracts when contractor personnel are subject to the relatively continuous supervision and control of a Government officer or employee (See Personal Services Contract).

Federal Acquisition Regulation (FAR) – The primary regulation that sets forth uniform policy and procedures for acquisition by all executive agencies. Supplements to this regulation are the Defense FAR Supplement (DFARS) and the Army FAR Supplement (AFARS).

Firm Fixed Price Contract – An agreement to pay a specified price when the items or services called for by the contract have been delivered and accepted within a specified time. The price is not subject to any adjustment on the basis of the contractor’s cost experience in performing the contract.

Full and Open Competition – A procurement environment in which all responsible sources are permitted to compete.

Government-Furnished Property (GFP) – That property which is in the possession of or acquired directly by the Government and subsequently delivered or otherwise made available to the contractor (see also contractor-acquired property).

Head of the Contracting Activity (HCA) – The official who has overall responsibility for managing the contracting activity.

HUBZone – A historically underutilized business zone, which is an area located within one or more qualified census tracts, qualified nonmetropolitan counties, or lands within the external boundaries of an Indian reservation. When the SBA determines a small business as a qualified HUBZone small business, it will issue a certificate to that effect and will add them to the List of Qualified HUBZone Small Business Concerns at its Internet website at <http://www.sba.gov/hubzone>.

Inspection – Examining and testing supplies or services to determine whether they conform to contract requirements.

Job Order Contract (JOC) – An alternative contracting method to fulfill requirements for real property maintenance and repair and minor construction projects at installation level. An indefinite-delivery, indefinite-quantity contract which is awarded on the basis of full and open competition.

Legal Counsel – The Judge Advocate General or Staff Judge Advocate providing legal services to the installation organization concerned.

Letter Contract – A written preliminary contractual instrument that authorizes the contractor to begin immediately manufacturing supplies or performing services.

Market Research - The collecting and analyzing of information about capabilities within the market to satisfy agency needs (FAR Part 10). Results are documented and added to the contract file.

May - Denotes the permissive.

Modification - Any written change in the terms of a contract.

Negotiation – Contracting through the use of either competitive or other than competitive proposals and discussions. Any contract awarded without using sealed bidding procedures is a negotiated contract.

Option – A unilateral right in a contract by which, for a specified time, the Government may elect to purchase additional supplies or services called for by the contract, or may elect to extend the term of the contract.

Orders – Any number of instruments used to order work under a task order or delivery order contract. Orders are written (unless oral orders are authorized in the contract schedule; provided procedures are established for obligating funds and the oral orders are confirmed in writing) and when obligating funds, must be on a form prescribed by the FAR or DFARS. Orders are made a part of the contract file.

Organizational Conflict of Interest – A situation that exists when the nature of the work to be performed under a proposed Government contract may, without some restriction on future activities, result in an unfair competitive advantage to the contractor or impair the contractor's objectivity in performing the contract work.

Principal Assistant Responsible for Contracting (PARC) – An individual assigned to a position that the HCA has established at the contracting activity level to accomplish contracting functions which FAR, DFARS, AFARS or other directive does not require the HCA to perform personally. In our case, the PARC is the Director of the USA Robert Morris Acquisition Center.

Partial Payments – A payment method used to pay the contractor for accepted supplies or services that represent only a part of the contract requirements.

Performance-Based Contracting – Structuring all aspects of an acquisition around the purpose of the work to be performed as opposed to either the manner by which the work is to be performed or broad and imprecise statements of work (the requirements in terms of results required rather than how to perform; the use of measurable performance standards – quality, timeliness, quantity, etc., and quality assurance plans; procedures specified for reductions of fee or for reduction to price of a fixed-price contract when services are not performed or do not meet contract requirements; and, performance incentives are included when appropriate).

Personal Services Contract – A contract that by its express terms or as administered makes contractor personnel appear, in effect, Government employees.

Pre-Award Survey – An evaluation by a surveying activity of a prospective contractor's capability to perform a proposed contract.

Progress Payments – These are a method of contract financing wherein payments are made to a contractor as work progresses under a contract even though supplies or services have not been delivered. They are based either on cost incurred, percentage of completion, or on particular states of completion.

Proposal Evaluation Board (also referred to as Technical Evaluation Team, Evaluation Team or Source Selection Evaluation Board) – One or more technical personnel designated by the Source Selection Authority, who is usually the contracting officer, to evaluate technical proposals.

Purchase Request (PR) – The initial request for any contracting action, normally submitted by the technical/functional area (requesting/user activity).

Quality Assurance (QA) – Various functions, including inspection, performed by the Government to determine whether a contractor has fulfilled the contract obligations pertaining to quality and quantity.

Ratification – After the fact approval by an authorized official of an unauthorized commitment by someone else.

Sealed Bidding – A formal, fixed-price agreement for services or supplies (including construction) in which the services or supplies are precisely defined and award is made to the responsive, responsible bidder.

Shall – Denotes the imperative.

Simplified Acquisition – Procedures, including purchase orders, imprest funds, Government purchase cards and the Federal Acquisition Computer Network (FACNET), used to acquire supplies and services, including construction and research and development, and commercial items, the aggregate amount of which does not exceed the simplified acquisition threshold of \$100,000, (or \$5 million for commercial items).

Small and Disadvantaged Business Utilization Specialist (SADBUS) – A position created under the authority of the Small Business Act, 15 U.S.C. 644, Section 7, and which is responsible for: Overall management and direction of the DoD Small Business Program, advising on matters relating to these programs; providing guidance and periodically reviewing the direction and implementation of DoD activities in promoting contract awards to small businesses; and developing overall command small business goals and consulting with the Small Business Administration (SBA) regarding the establishment of such goals.

Small Business – A business concern which, including its affiliates, is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and meets certain other size-standard criteria set by the SBA.

Small Business Program – A program designed to assure that small businesses, small disadvantaged businesses, 8(a) firms, women-owned businesses, minority colleges, and labor surplus area firms receive a fair share of DoD procurement dollars. In furtherance of economic objectives, various public laws and executive orders have designated that these groups be provided special opportunities in solicitation and award of federal contracts.

Sole Source – A source that is characterized as the one and only source, regardless of the marketplace, possessing a unique and singularly available performance capability for the purpose of contract award.

Specification/Statement of Work (SOW)/Performance Work Statement (PWS)/ Purchase Description – A description of the technical requirements for a material, product, or service that includes the criteria for determining whether these requirements are met. Specifications state only the Government's actual minimum needs and are designed to promote full and open competition, with due regard to the nature of the supplies and services to be acquired. They should be stated in terms of functions to be performed; performance required; or essential physical characteristics.

Supplemental Agreement -- A contract modification which is accomplished by mutual action of the KO and contractor. This is a bilateral agreement and must be executed by both the contractor and the KO.

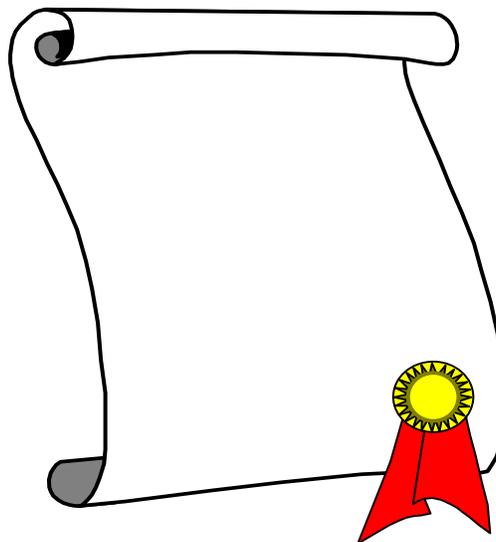
Surveillance Plan – A guide which describes the contract monitoring methods in detail. It is written by the work statement writing team when the work statement is developed. A copy is furnished to the prospective offerors with the solicitation for information purposes only.

Task Order Contract (TOC) – A contract for services that does not procure or specify a firm quantity of services (other than a minimum or maximum quantity) during the contract period and that provides for issuance of orders for the performance of tasks.

Task COR – Appointed by the Contracting Officer at the written request of the basic contract COR to monitor contract performance on individual task orders placed against a TOC. At the discretion of the Contracting Officer, the basic contract COR may be given authority to appoint a Task COR.

Termination – The cancellation of all or a part of the work that has not been completed and accepted under a contract.

Unauthorized Commitment – Occurs when an individual, without proper authority to do so, commits the Government to the purchase of supplies/services. Only KOs, acting within the scope of their authority, may enter into agreements on behalf of the Government. Unauthorized individuals who procure supplies/services for Government use are subject to administrative or disciplinary action under DA civilian personnel regulations. (See Ratification).



Section II

Selection, Appointment, Termination and Duties

- 1. SELECTION:** A KO may select and designate, in writing, a qualified U.S. Government employee to act as a COR in administering a contract. The KO may only select an individual who has qualifications and experience commensurate with the responsibilities to be assigned. The head of the requiring activity, who is familiar with the requirement and the nominee's experience, training, and ability, will normally nominate the COR. The COR nominee may participate in developing the contract specification/work statement.
- 2. AUTHORITY:** Detailed policies, authorities, limitations, responsibilities and COR qualifications are provided in DFARS 201.602, AFARS 5101.602-2 and 5153.9001 and this handbook. The KO will set forth the COR's duties and limitations of authority in an appointment letter. The COR is authorized, within those limits, to ensure timely progress of projects and to provide effective technical guidance and advice to the KO. A COR acting outside the limits of his or her authority may be held personally liable if a contractor incurs expense through unauthorized commitments. While a COR may act for the KO in technical phases of the contract, the COR may not commit the Government in matters which would change contract price, quantity, quality, delivery schedule or other requirements of the contract.
- 3. NOMINATION:** In selecting an individual for designation as an authorized representative, the KO shall ensure that the nominee possesses qualifications and experience commensurate with the authority with which the nominee is to be empowered. To assure this, the using activity shall submit to the KO a resume of the proposed COR's experience, qualifications, and training, certified by the individual's supervisor (see Appendix A).
- 4. APPOINTMENT:** The KO may select and appoint a COR as required to assist with various contract administration tasks. Although the request for nomination is initiated by the requesting activity by submitting a written request for COR nomination to the contracting office, appointment of a COR is the KO's decision/function. It is the Center's policy to transfer specific administration/actions to CORs, as the Center is not sufficiently staffed to perform routine administration functions. Guidance in the Army FAR Supplement (AFARS) shall be followed to tailor and prepare the letter of appointment. The appointment must be specific as to the functions to be performed and as to the limitations of authority delegated to the COR. When a COR serves on more than one contract, separate designations are required. The KO will ensure that the COR, ACOR and TCOR sign and return the appointment letter which will be placed in the contract or delivery order file. Each contract will normally have only one COR and one ACOR and may also have one TCOR for each delivery order. However, no persons other than the COR or the TCOR (if authorized by the appointment) or in the absence of the COR/TCOR, the alternate, may discuss proposed tasks or furnish the monthly report. These persons may use others to help monitor contractor activities. The COR/TCOR may, however, require certification from those persons s/he has assigned to help monitor the contract. This may include evidence of Ethics Training attended, a statement that no conflict of interest exists, etc. A copy of the "do's and don'ts contained in this handbook should be provided assigned monitors.
- 5. ALTERNATE COR:** The KO may appoint an ACOR to perform COR duties. The ACOR must maintain an active role throughout the life of the contract to properly perform COR functions WHEN the prime is absent.

6. APPOINTMENT OF TASK COR. The KO may, upon written request from the COR, appoint or delegate authority to the COR to appoint, TCORs. Requirements for training and experience shall be the same as those of the contract COR. See also Section VIII, Task Order Contracts (TOC). TCORs shall submit reports and provide DO status to the contract COR.

7. TERMINATION OF APPOINTMENT: The KO may revoke the appointments at any time. A COR/TCOR must request relief from duties from the KO sufficiently in advance of reassignment or separation from the Government to permit timely selection and designation of a successor.

8. DUTIES: Individuals designated by the KO are assigned specific responsibilities as set forth in their letter of appointment. Duties established as those of the TCOR will indicate what actions are to be reported to the contract COR and/or concurrently to the KO, as applicable. Therefore, please note that some of the following items may need to be reworded. Specific responsibilities vary, but may include:

- a. Monitoring contractor performance of the technical requirements of the contract to assure that performance is within the scope of the contract;
- b. Confirming all significant technical instructions to the contractor in writing;
- c. Assuring that changes in the work/services, and resulting effects on delivery schedule, are formally made by written supplemental agreement or change order issued by the KO before the contractor proceeds with the change;
- d. Assuring prompt review of all reports and providing approval/disapproval and comments to the contractor through the KO;
- e. Performing or overseeing the performance of acceptance testing required by the contract IAW stated time limits.
- f. Assuring prompt inspection and acceptance or rejection of deliverable items;
- g. Maintaining access to and/or furnishing all technical publications and regulations included in the contract.
- h. Maintaining a contract work file;
- i. Referring to the KO those matters, other than purely technical problems, which may affect the contract.
- j. Furnishing to the KO a copy of Government/contractor conference reports and correspondence, and coordinating with the KO on the content of any contractually significant correspondence addressed to the contractor, in order to prevent possible misunderstandings or the creation of a condition that may be the basis of a later claim;
- k. Requesting the KO to authorize GFP, ensuring property is provided IAW contract terms, and when requested by the KO, furnishing disposition advice on GFP or contractor-acquired property;

- l. Ensuring that when contractor-acquired property is billed to the Government, the contractor has provided evidence of receipt before requesting payment and, when applicable, property accountability records are documented;
- m. Monitoring financial management controls; coordinating with Government resource managers on all actions relating to funding and changes in the contract;
- n. Furnishing the KO a notice of satisfactory or unsatisfactory completion of delivery or performance of a contract, purchase order, delivery order, or any modification thereto;
- o. Reporting promptly and directly to the KO on any suspected procurement fraud, bribery, conflicts of interest, or other improper conduct;
- p. Assuring that the contractor has a current facility security clearance as well as clearances for personnel actually engaged in contract work, to have access to classified information as soon as it is determined that access to classified information will be required. Such a determination should be made in the beginning phase of the procurement process. It should be noted however, that there are absolutely no exceptions authorized for the release of classified information to contractors who do not possess a security clearance;
- q. Providing recommendations to the KO relative to approval/disapproval requests for public release of information regarding work being performed under the contract;
- r. Notifying the KO of contractor inventions during contract performance;
- s. Furnishing the KO a formal request for termination, when required;
- t. Evaluating contractor requests for travel;
- u. Reviewing the contractor's invoices to insure that they reflect accurately the work completed IAW the requirements of the contract and certifying acceptance;
- v. Monthly, unless sooner requested, reporting to the KO to certify that
 - (1) Contractor is on schedule and, where a cost reimbursement, labor hour or time and materials contract is used, within cost, and
 - (2) Personal services have not been requested/used;
- w. Informing the KO when a contractor is known to be behind schedule or not performing within cost, with the reasons therefore, and coordinating with the KO corrective actions necessary to restore the contract schedule;
- x. Reviewing contractor purchases as noted in the contract;
- y. Evaluating monthly cost data on a quantitative and qualitative basis to include trends and projections;

z. Providing appropriate coordination between KO and technical inspectors appropriately assigned to monitor contractor efforts.

aa. Providing KO, prior to award, a surveillance plan detailing contract monitoring procedures and performing the surveillance based upon the plan.

bb. Maintaining a written workload plan in the functional activity's files to be utilized in task order contract management and control under the contract.

cc. Ensuring contractor personnel working on a Government facility:

- Wear identification at all times which visibly identified them as contractor employees.
- Identify themselves as contractor employees when attending meetings, using the telephone and in all correspondence (whether written or electronic).



Section III

Training and Qualifications of the COR, ACOR, and TCOR

1. **TRAINING:** In recognition of the many responsibilities and duties required of COR personnel, the Center requires that, as a minimum, all CORs must complete the USA Logistics Management College's (ALMC) COR course or an equivalent COR training course prior to the KO issuing a letter appointment. Prior experience as a COR cannot be accepted in lieu of ALMC or equivalent training.

a. The ALMC COR course is available in the following modes:

(1) Resident at ALMC. A one-week resident course at Fort Lee, VA. Course application and dates may be obtained through your training representative.

(2) On-Site. A one-week on-site course. It is formal classroom instruction taught off campus by the ALMC faculty. The course is normally identical in content to the resident course. Course locations and dates may be obtained through your training representative.

(3) Satellite Education Network (SEN). On-site training via SEN is formal classroom instruction utilizing a live televised broadcast from ALMC and voice communication via a voice network to permit discussions between the instructor and the students. Other multimedia technologies, which may be used in the course, are full-motion video of selected portions of the course and personal computers. Applicants should contact their training representative for details and information.

(4) Accredited off-campus instruction. This is a mode of formal classroom instruction whereby ALMC provides the appropriate course materials and approved local activity instructors provide the instruction. Using this method, the activity furnishes the students, facilities, and some instructors. ALMC furnishes all of the lesson materials and will augment the instructor team by furnishing ALMC faculty instructors when available. This mode of instruction is determined to be 40 hours in length. Contact your training representative or the local contracting office to find out if this mode of instruction is available or can be made available at your activity.

b. Equivalent Courses. COR courses other than the ALMC COR course are available from a variety of sources including contractors. Arrangement to attend an equivalent course should be made through the training representative. However, before doing so, contact the KO to determine whether or not the training to be provided will be equivalent to the ALMC course and relevant to the duties to be assigned.

c. CORs are required to review training course materials annually.

d. CORs who manage large, complex contracts or contracts requiring full-time oversight, shall retake the ALMC course or its equivalent every 5 years.

e. As part of the COR training process, the Center will regularly provide regulation updates and lessons learned to each contracting office for distribution to their CORs. Unless otherwise instructed, every 2 years (even numbered years) CORs are required to take refresher training of at least 6 (students choice of topics) of the 18 modules offered by the on-line Federal Acquisition Institute (FAI) Mentor course at http://www.disa.mil/D4/cor/annualreq_ie4.shtml. The Center may, from time-to-time, require or provide other training courses offered during odd numbered years.

2. **QUALIFICATIONS:** The KO has sole responsibility for appointment of CORs and must, by regulation, determine that the proposed COR has both the necessary technical and administrative competence and the required training to perform a COR's duties in an effective and responsible manner. Accordingly, supervisors, when requesting appointment of a COR, must complete and submit with the request both the Nomination of Contracting Officer's Representative (Appendix A) to ensure the COR nominee's compliance with DoD 5500.7-R, and a statement of the COR nominee's qualifications to include:

- a. Knowledge of Government contracting processes.
- b. Familiarity with pertinent contract clauses such as changes, inspection and acceptance, Government-furnished property, termination, and the concepts of excusable and nonexcusable delays in contract performance.
- c. Ability to document, analyze, interpret, and evaluate factors involved in contract administration.
- d. Previous on-the-job training or experience as COR.
- e. Any formal education that may demonstrate necessary business acumen.
- f. A listing of contracts under which the COR nominee is currently performing COR duties.
- g. Accomplishment of mandatory COR training, to include completion date and mode of instruction. When submitting a request, which is based on a course other than the ALMC COR course, include with the request enough information about the course to enable the KO to make an informed decision regarding the acceptability of the course as an ALMC COR course equivalent.

3. The COR nominee must have the requisite security clearance and sufficient time available to perform the COR duties. Consideration should be given to the number of contracts currently being managed by the nominee when making a determination.

4. The records of COR qualifications and the Nomination of COR will be maintained with copies of the letters of appointment in the applicable contract file.

5. A COR database will be established and maintained by the contracting office. It will include the data



outlined in Appendix G and be used to provide the CORs with contracting news, best practices and training.

Section IV

Standards of Conduct (Ethics)

1. Code of Ethics: Public Service is a public trust. Each employee has a responsibility to the United States Government and its citizens to place loyalty to the Constitution, laws and ethical principles above private gain. No employee shall engage either directly or indirectly in any action, which conflicts with official duties, represents any private interest, discloses confidential information, obtains privileges for self or others, or benefits financially. A COR must avoid even the appearance of such conflicts. To ensure every citizen can have complete confidence in the integrity of the Federal Government, each employee shall respect and adhere to the principles of ethical conduct set forth in DoD Regulation 5500.7-R, Joint Ethics Regulation. Additional information and the DoD regulation may be found on the Internet: http://www.defenselink.mil/dodgc/defense_ethics/.

DoD employees shall become familiar with the scope of and authority for the official activities for which they are responsible. Sound judgment must be exercised. All DoD employees must be prepared to account fully for the manner in which that judgment has been exercised.

2. CORs shall be familiar with the requirements of DoD 5500.7-R, Joint Ethics Regulation (JER), FAR 3.104, Procurement Integrity, and any supplements. The FAR may be accessed on the Internet at: <http://www.arnet.gov/far/> - and then go to current FAR and then select the preferred format.

3. CORs shall:

a. Report suspected violations of ethics regulations, fraud, bribery, conflicts of interest and other improper conduct) to the KO and/or the ethics counselor.

b. Perform all official duties so as to facilitate Federal Government efficiency and economy.

c. Attend yearly ethics and procurement integrity training.

d. File financial and employment disclosure reports as required.

4. CORs must avoid:

a. Engaging in any personal business or professional activity, having or retaining any direct or indirect financial interest, which places the COR in a position where there is a conflict of interest between his or her private interests and the public interests of the United States as it relates to official duties and responsibilities.

b. Engaging in personal business or professional activity, or entering into a financial transaction which involves the direct or indirect use of "inside information" to further a private gain for himself or others.

c. Using an official position to induce, coerce, or in any manner influence any person, including subordinates, to provide any benefits financial or otherwise, for himself or others.

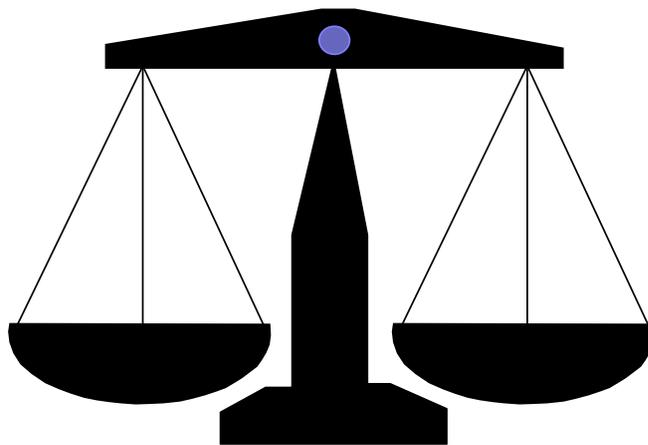
d. Releasing to any individual, or any individual business concern or its representatives, any knowledge acquired in any way concerning proposed procurements by any procuring activity of the Department of the Army.

e. Making any commitment or promise relating to award of contracts or any representation which would be construed as such a commitment.

f. Soliciting or accepting any favors, gratuities, considerations, assistance, or entertainment offered to either the COR or the CORs family from any contractor or subcontractor contemplating doing business, or doing business with the Government.

Situations in which there are no clear answers should be discussed with your KO and ethics counselor.

5. The seriousness with which the Army looks upon the offer of gratuities to personnel concerned with contracts is underscored in the FAR. Contracts may be terminated and penalties applied against the contractor if it is found that s/he has offered gratuities, particularly those which are really bribes, to any Government official. If offered a bribe or gratuity, a Government employee should refuse it and report the incident to the KO or ethics counselor. Penalties for violation of the JER include applicable criminal, civil and administrative sanctions. Be reminded that there are other statutes and regulations that deal with the same or related prohibited conduct.





Section V

Actions to be Taken When a COR Exceeds Authority

1. For the first instance of improper action, the KO will prepare a letter to the COR pointing out the improper action and reminding the COR of the limitations of authority under the appointment. It will specifically reserve the right of the Government to take further action against the individual for improper acts. The letter will be forwarded to the COR through the activity head (Laboratory, Director, PM, etc.). It will be signed by the KO and will contain a warning that if there are further instances of improper actions, the offender's appointment may be terminated. In cases of gross abuse, the KO will revoke the COR appointment immediately without giving the COR a second chance. A copy of the revocation will be included in the contract file and furnished the contractor. An additional copy will be forwarded, for information, to the Chief of the Contracting Office. Additionally, the KO will take any other actions required by law or regulation such as, when appropriate, referring the action to the Contract Adjustment Board (PL 85-804, FAR Part 30), after taking other actions required by AMC/DA.
2. For the second offense by the same COR (whether or not on the same or another contract), the individual's appointment may be revoked for all contracts for which the individual has been named COR. Prior to taking the action, the KO will coordinate, through contracting channels, with the Chief of the Contracting Office.
3. The KO will assure that, when it is proposed to revoke an appointment for improper actions, a list of all contracts for which the revocation applies will be obtained and the termination will be issued for all such actions.
4. If a COR exceeds his or her authority, the procedures in FAR 1.602.3 and AFARS 5101.602-3 concerning ratification dictate what action must be taken. The Chief of the Contracting Office has ratification authority at \$10,000 or less, the PARC at \$100,000 or less, and when over \$100,000, the HCA. Cases that are not ratifiable may be subject to resolution as recommended by the General Accounting Office under its claim procedure, or as authorized by FAR Part 50. The KO will seek legal advice in these cases.

Section VI

Methods of Acquisition

1. **Sealed Bidding (FAR Part 14):** A method of contract that employs competitive bids, public opening of bids, and awards made on a firm-fixed price or a fixed-price with economic price adjustment basis. The following steps are involved:

a. Invitations for bids (IFBs) must describe the Government's requirements clearly, accurately, and completely. Specifications must be clear enough to permit full and open competition without discussions with prospective bidders.

b. IFBs must be publicized through distribution to prospective bidders with sufficient time before public opening of bids to enable prospective bidders to prepare and submit bids.

c. Bidders must submit bids to be opened at the time and place stated in the solicitation for public opening of bids.

d. Bids shall be evaluated without discussions with the bidder.

e. After bids are publicly opened, an award will be made to that responsive, responsible bidder whose bid, conforming to the IFB, will be the most advantageous to the Government, considering only price and the price related factors included in the solicitation.

2. **Negotiation (FAR Part 15):** A competitive or noncompetitive contract award that uses other than sealed bidding procedures. This procedure permits negotiations and tradeoffs, and may afford offerors an opportunity to revise their offers before award of a contract. Bargaining may apply to price, schedule, technical requirements, type of contract, or other terms of a proposed contract. In acquisitions where requirements are clearly defined and the risk of unsuccessful contract performance is minimal, cost or price may play a dominant role. The less definitive the requirement, the more development work is required, or the greater the performance risk, the more technical or past performance considerations may play a dominant role in source selection. Negotiated acquisitions are also used whenever other than a fixed price contract is contemplated or where limited or no competition is expected.



Section VII

Selection of Contract Type

1. The complexity and variety of DoD contracting has led to the development and use of a wide variety of contract types and the use of more than one type within one document. Types vary in terms of pricing arrangement, delivery arrangement, form or format, and associated contractor risk. When developing the statement of work, the requestor must consider the most appropriate contract type(s) for the work to be accomplished. While the KO is responsible for obtaining the most favorable contract type, the following general information is provided to assist the COR in preparing the SOW and in identifying the strengths and weaknesses associated with the contract types they may encounter. To learn more about these, as well as other types, review FAR Part 16.

2. There are two families of contract types by pricing arrangement:

a. Fixed price contracts: require delivery of a completed item or service for the price stipulated in the contract within a specified time. The contractor bears the primary risk for contract completion. If the contractor encounters difficulty, s/he may not, except for limited exceptions, turn to the Government for additional funding or extended time.

b. Cost reimbursement: usually requires the contractor's best efforts to complete the service or item. The contractor is reimbursed for all costs incurred within the dollar amount stipulated in the contract. If the contractor is unable to complete the contract within that amount, the Government has the option of providing additional funding. If the Government does not, the contractor has no obligation to continue the work and the contract is normally terminated for convenience. Therefore, the Government bears the primary risk of completion.

c. Paragraphs 3 and 4 below list some of the more common types of contracts. For a complete list with descriptions, refer to FAR Part 16.

3. The fixed price contract is normally used when definite design or performance specifications are available. Definite requirements negate the need to conduct discussions with contractors and eliminate contingency factors commonly used by contractors to protect themselves from perceived uncertainty. Firm-fixed price contracts may take several forms:

a. Firm-Fixed Price (FFP): An agreement to pay a contractor a specified price in return for a specified performance. The price paid is not normally subject to adjustment. A contractor's profit or loss is related entirely to the contractor's ability to perform within the price stated in the contract. This contract type is most appropriate for commercial items, modified commercial items and items made to adequate specifications. This is the most favorable contract type as it minimizes Government cost risk.

b. FFP with Economic Price Adjustment: An agreement that provides for upward or downward revision of the contract price under certain well defined parameters set forth in the contract. It is most appropriate for unstable markets or long-term contracts. It avoids paying for "contingencies," such as inflation, which may or may not occur.

c. FFP Redeterminable: This contract type provides for setting the contract price at set milestones throughout the term of the contract or after contract performance has been completed.

d. Fixed Price Incentive Contract (FPI): A fixed price contract that provides for adjusting profit and establishing the final contract price by application of a formula based on the relationship of total final negotiated cost to total target cost. The final price is subject to a price ceiling, negotiated at the outset.

e. FFP Level of Effort Term: This is essentially a “best efforts” contract which requires the contractor to devote a specified level of effort over a stated period of time in return for payment of a firm fixed price. This type is most often used for small research and development studies. In return for reports of results, the contractor is paid on the basis of the effort expended.

f. Fixed Price Award Fee (FPAF): This is a fixed price contract providing an award fee as motivation. It consists of an established fixed price (including normal profit). This price is paid for satisfactory performance. The award fee earned (if any) will be paid in addition to the fixed price based on periodic evaluation of contractor’s performance against an award-fee plan.

4. Cost reimbursement (CR) contract types are as follows:

a. Cost: This type of CR contract provides for reimbursement of all allowable costs, but not for any fee. It is principally used for procuring research and development work from nonprofit educational institutions or other nonprofit organizations and for facilities contracts.

b. Cost Sharing: Provides for reimbursement to the contractor of only a portion of performance costs and no fees. This type provides an incentive to the contractor for efficient operation and is used primarily for basic and applied research of such nature that the contractor is expected to receive a direct future benefit.

c. Cost Plus Fixed Fee (CPFF): The CPFF contract is the most extensively used of CR contracts and provides for reimbursement of the contractor’s allowable costs of performance as well as fixed fee (profit). The fee earned has no relation to the contractor’s actual cost efficiency, and thus, this type is considered to contain little incentive to control costs. It is used primarily for research and development work. The CPFF may be one of two forms: Term or completion. The term form describes the work in general terms and calls for a certain level of effort to be applied over a stated period of time. The completion type calls for completion of a finite task - - to receive the entire fixed fee, the contractor must deliver the completed end product.

d. Cost Plus Award Fee (CPAF): This is a CR contract with special incentive fee consisting of a base amount fixed at the start of the contract and an award amount that may be earned in whole or in part during performance. The fee is determined by a subjective evaluation by the Government of the quality of the contractor’s performance. Quality criteria, although subjective, are set forth in the contract. Performance criteria usually cover quality of service, timeliness and cost effectiveness.

e. Time and Materials (T&M) and Labor Hour (LH): The T&M contract provides for the procurement of services and supplies on the basis of direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses and profit and materials at cost, including, if appropriate, material handling costs as part of material costs. A ceiling price is established which the contractor may not exceed. Substantial surveillance on the Government’s part is required to insure inefficient methods are not used. The labor hour contract is identical to the T&M with the exception that it does not provide for materials. T&M and LH are used primarily for repair, maintenance and overhaul work as well as other services, when the cost or extent or duration of work cannot be determined at the outset.

5. Contract Type by Delivery Arrangement: While contracts drafted conventionally call for delivery of a specified quantity of supplies or services by a certain date, indefinite delivery contracts are used where the timing of multiple deliveries is uncertain. Indefinite delivery contracts comprise three types: the definite quantity (DQ), the requirements contract, and the indefinite quantity (IQ) contract.

a. Definite quantity contracts call for a specific number of items, services or labor hours to be furnished for a fixed period. Time, method and place of delivery remain uncertain. When specifics become known, they are communicated to the contractor by use of a delivery order, which authorizes performance.

b. Requirements contracts set forth an estimated (rather than guaranteed) quantity of items, services or labor hours to be furnished for a fixed period. The Government activity binds itself to order all of its requirements for the specified items, services or labor hours arising within that fixed period from that contractor. This contract type is used where quantities needed are uncertain.

c. Indefinite quantity contracts set forth an estimate for the entire period, obligating the Government to order only a specified minimum amount. Further, a specified maximum limits the contractor's obligation to deliver. Delivery orders are used to authorize delivery. This contract type is used when it is not advisable for the Government to commit itself to more than a minimum quantity.

6. Other Methods of Acquisition:

a. When a procurement is so urgent that there is not time to negotiate a definitive contract, a letter contract may be authorized. A letter contract is a written contractual instrument containing sufficient provisions to permit the contractor to begin performance. It stipulates the maximum Government liability, method of pricing and payment terms. It requires immediate commencement of work, contractor cost and pricing data, and that both parties enter into negotiations in good faith. It is entered into with the agreement that a definitive contract will be negotiated as soon as possible.

b. A basic agreement is a written understanding between the Government and a contractor with whom repeated separate contracts are contemplated. Basic agreements are not contracts, but simply set forth agreed to clauses, which can be incorporated by reference in any subsequent contract. Subsequent contracts will specify statements of work, price, delivery and other specifics. Basic agreements do not obligate the Government to order nor do they obligate the contractor to deliver.

c. A basic ordering agreement (BOA) is similar to a basic agreement except that it also contains a specific description of the supplies or services to be procured, and a description of the method of determining prices. Both basic agreements and BOAs are methods used to reduce negotiations, paperwork and time. Neither may be used to limit competition. The fact that a contractor holds a basic agreement or a BOA does not justify noncompetitive procurement.

d. Several simplified acquisition procedures are also available. The most often used are the purchase order (PO) and the Government purchase card.

(1) A purchase order is a fixed price offer made by a Government agent for supplies or services, including construction and research and development, in the amount not exceeding the simplified purchase threshold of \$100,000.

(2) Government purchase cards, similar in nature to commercial credit cards, are issued to authorized agency officials for their use in acquiring supplies and services up to the micro-purchase threshold (\$2500); for procurement officials and specifically authorized officials, up to \$25,000.

7. Contract Type Determines Who Bears the Risk of Defective Supplies:

a. The contract type selected determines which party will bear the financial risk of performance. Generally, with firm-fixed price contracts the contractor cannot recover costs in excess of contract price to correct defective supplies.

b. Under fixed price incentive contracts the Government is obligated to pay costs in excess of the target price up to the ceiling price. The higher the ceiling price above the target price, the greater financial risk the Government bears for defective supplies.

c. Even greater financial risk is assumed by the Government in CR contracts. The Army may reject defective supplies before acceptance and up to 6 months after acceptance. The cost of correction of defective items is an allowable cost that the contractor may recover unless the deficiency resulted from fraud, lack of good faith, or willful misconduct on the part of the contractor's personnel.



Section VIII

Task Order Contracts (TOC)

1. TOCs are an essential ingredient of mission accomplishment in the face of limited resources. These contracts are used to support, not directly perform, an organization's mission, and are normally available for use by the entire customer organization, rather than a segment thereof. These contracts permit relatively quick response and performance of tasks for which no in-house capability exists, or of effort that is beyond the workload capacity of an organization. Because of the very nature of such contracts, however, they provide opportunity for abuse and/or abrogation of the tradition of checks and balances in DoD procurement. For this reason, it is desirable to have policies and procedures established toward assuring that control of TOCs remains within the contracting activity. No regulation or procedures, however, can be substituted for the common sense, diligence, and the firm and proper application of authority by the KO.

2. TOCs must be managed in a manner to prevent the appearance of personal services, employee-employer relationships between Government and contractor employees, co-mingling or co-locating Government and contractor employee in ways which induce personal service relationships, and organizational conflict of interest. The intent is that we do not tell the contractor how to perform the work, that we do not require or allow the contractor to make Government decisions, and that we do not require or allow the contractor to perform tasks inherently Governmental in nature.

3. Conditions for Use: A TOC is appropriate when:

a. Services to be required during the period of the contract can be reasonably described, but the exact quantity and/or time of delivery cannot;

b. Evaluation criteria can be established that will: (1) fairly discriminate among contractors, and (2) encompass the full range of services to be required; and,

c. The use of individual contracts in lieu of tasks would, in the judgment of the KO, be prohibitively expensive to award and manage and would be prohibitively slow.

4. Form of TOCs: To the extent that TOCs cannot specifically identify the exact quantity, mix or time of delivery of required services, they are of the character of an indefinite delivery contract. In that context, they may be of a definite quantity, indefinite quantity, or requirements type.

5. Pricing Structure: Both the basic contract and tasks issued against it will be of a pricing structure that places maximum feasible motivation on the contractor to perform well and to control costs. TOCs may be of a fixed price type or a cost reimbursement type or may contain characteristics of both types, provided that costs may be segregated and identified to tasks, and provide the needed contractor motivation. Whenever practical, individual tasks should be of the completion type, even where the basic contract is of the term type.

6. Multiple Award Preference: The KO shall make a determination as to whether multiple awards are appropriate. Each awardee under multiple award contracts shall be provided a fair opportunity to be considered for each order in excess of \$2500. Procedures and selection criteria covering order issuance

shall be set forth in the solicitation and contract. The KO shall document this determination when awardees need not be given an opportunity to be considered for a particular order (exceptions: urgency, only one source capable, follow-on, or to satisfy minimum guarantee).

7. Duration of the Contract: It is the goal of the contracting activity to obtain the most reasonable mix of technical competence and cost effectiveness available from the offerors at the time a contract is awarded. It is recognized that, over time, a better mix might subsequently be available from one or more other contractors. In determining the duration of a TOC, the likelihood of a better mix must be measured against the expense and loss of efficiency encountered in bringing new contractor employees on board and going through the learning curve process.

8. Assignment of Tasks:

a. Task orders are normally assigned by the KO. However, when workload or other particular circumstances dictate, responsibility for task assignments and modifications thereto may be delegated to the COR subject to review and approval of the KO. Any task assignment authority given to the COR must be clearly spelled out in the COR appointment letter including the limitation of that authority.

b. COR discussion with contractors on proposed tasks will be limited to factors that have been prepriced in the basic contract, to the manner in which requirements are to be delivered, and to the time in which requirements are to be delivered. The independent government cost estimated (IGCE) for each task shall be prepared in the same format as the contractor's basic proposal, independent of the contractor's input. Any discussions are subject to final review and approval by the KO prior to issuance of a task.

c. Proposals submitted by the contractor must include the hours of effort to accomplish the task and a breakout of cost for all materials to be obtained. The contractor may be required to obtain and present evidence of competitive price quotations for materials proposed.

d. Tasks, which obligate monies, must be issued by and with the signature of the KO.

9. CORs for TOCs. The KO appoints one COR and perhaps an alternate. However, as required by the diversity of tasks, task performance location, or other justifiable reason, the KO may determine it necessary to appoint a contract COR and one for each task having them provide input to the contract COR. Task Order CORs must complete all required training and be appointed in writing outlining their responsibilities.



Section IX

Protests, Disputes, and Appeals

1. **Protests:** The laws and regulations that govern contracting with the Federal Government are generally designed to assure that Federal procurements are conducted fairly and whenever possible, in a way that maximizes competition. On occasion, however, bidders or others interested in Government procurements may have reason to believe that an acquisition process has been handled improperly or illegally.

a. It is preferable that the first attempt to resolve concerns is made with the responsible contracting officer through open and frank discussion.

b. Alternate dispute resolution (ADR) techniques are also available. Under the USA Research, Development and Engineering Command Acquisition Center (RDECOMAC), the ADR process permits protests to the Army Materiel Command (AMC). This is intended to encourage interested parties to seek resolution there rather than filing a protest with the General Accounting Office (GAO) or other external forum.

c. Protests may also be filed directly with the GAO.

d. Failure to maintain adequate documentation is a sure way to lose a protest. The area where most protests are received is the area of the proposal evaluation process.

2. **Disputes:** Disputes between a contractor and the KO may occur under a contract. All contracts contain a disputes clause that presents the procedures to be followed in case of any unresolved disagreements between the contractor and the KO. The COR will play a key role in advising the KO as to the intent of specifications or provisions of the contract that may be the subject of dispute. Therefore, the COR should know the contract and create and keep the necessary documentation required to state a position, in writing, to the KO, who must respond promptly with a written decision including the reasons for each dispute received. Unless appealed within certain time limits, the KO's decision becomes final and is not subject to review. The COR should be aware that the Government has to pay interest on claims that might be in dispute. Therefore, it is imperative that the COR provide the KO with the necessary documentation promptly.

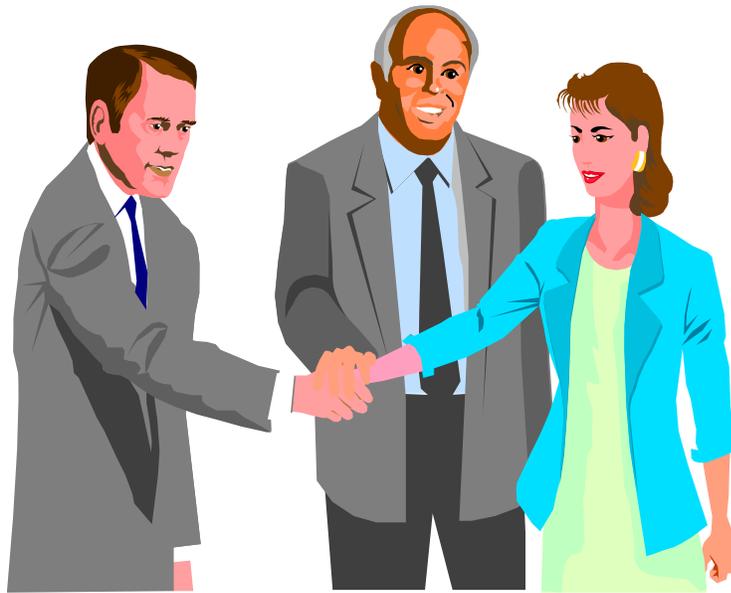
3. The FAR, DFARS and AFARS subparts 33.2 provide specific instructions concerning disputes, KO's decisions, and appeals. CORs should be prepared to be responsive to the need for them to submit various forms of documentation and correspondence developed during the course of an acquisition. Frequently, CORs may be required to provide verbal testimony before a formal board or court.

4. **Rules of Interpretation:** The problem of contract interpretation is a frequent one and normally arises during contract performance. The contractor will generally follow an interpretation that provides the least expense for doing the job. If a COR observes that a contractor's interpretation is questionable, the COR is expected to intercede and resolve the technical question, if possible. In all cases where a COR has questions concerning a contract

language interpretation or where there is disagreement between the contractor and COR, the COR shall seek immediate assistance from the KO.

Any instance of contract ambiguity will generally be resolved by the courts in favor of the contractor. In interpreting Government specifications, the most frequently used rule is: “If a specification can reasonably be interpreted more than one way, then the interpretation least favorable to the drafter of the statement of work will govern.” When there are two reasonable interpretations of a specification, the interpretation of the contractor will normally be accepted.

5. Contractual Action Regarding Disputes: It is important that differences with the contractor which may arise during performance not interfere with timely completion. Disputes or disagreements usually occur over a requirement of the specifications or work statements, acceptability of materials, variation of estimated quantities, price adjustment for a modification, excusability of causes for delay, or other questions of fact. The Disputes clause provides that any difference not resolved by bilateral agreement between the KO and the contractor must be decided unilaterally by the KO. This decision may then be appealed by the contractor to the Board of Contract Appeals specified in the clause. Even though the contractor intends to appeal, s/he is required, pending final decision of the dispute, to proceed diligently with the performance of the contract and in accordance with the KO’s decision.



Section X

Contract Modifications

Changes in the Government's needs often result in modifications to contracts in progress. Modifications include any written alteration in the specification, delivery point, rate of delivery, contract period, price, quantity, or other contract provisions, whether accomplished by unilateral action in accordance with a contract provision or by mutual action of the parties to the contract. This could also include administrative changes, which are unilateral changes, in writing, that do not affect the substantive rights of the parties (e.g., a change in the paying office or appropriation data).

1. **Authority for Contract Changes:** Authority is most often contained in the Changes clause of the contract. To understand what may be changed based upon contract type, see the clauses at FAR 52.243-1 through 52.243-5. The KO has exclusive authority for making changes. Other personnel may not ask the contractor to perform, or commit the Government to pay for, work not required by the contract. Such actions often create unnecessary disputes. Moreover, the KO may not be able to honor the commitments because of funding, planning, or other restrictions.
2. **Unilateral vs. Bilateral:** Unilateral changes or change orders are one-sided changes made by the KO without consent from the contractor obligating the contractor to perform the directed changes. For a bilateral or two-sided modification, consent and agreement of both parties is required. In both cases the changes to the contract must be within the scope of the contract – meaning that the work was contemplated by both parties when they entered into the contract. New work cannot be accomplished by modification unless under certain conditions and a justification and approval (J&A) is signed. As a result of a modification, either the Government or the contractor may be entitled to an equitable adjustment in price and/or the delivery schedule.

For commercial items under FAR 52.212-4, changes in the terms and conditions are made only by written agreement of both parties.

3. **Constructive Changes:** The COR shall not give any guidance to contractors, either orally or in writing, which might be interpreted as a change in the scope or terms of the contract. The COR is responsible only for giving technical guidance to assure that the technical scope and terms of the contract are met. An informal request for additional work caused by some act, or failure to act on the part of the Government which causes a contractor extra work, delay, or expense is known as a constructive change and must be avoided. These types of changes sometimes lead to disputes and claims.
4. **Other Ways to Change the Contract:** Under certain circumstances such as discovery of unanticipated physical conditions of the work site, delays caused by the Government or changes in the Government's requirements, contract modification may be necessary.
5. **Request for Extension of Contract:** Normally, an important factor in contract performance is completion of the work on time. The COR is responsible for evaluating and monitoring the progress and timely completion of the contract. If a time extension is to be granted, in the absence of a situation in which the Government itself has caused the delay, it must be determined to be in the best interest of the Government. The request for extension should include the time for completing all elements of work.

For example, an extension of time for preparing reports should include the time necessary for review, time for evaluating comments, editing, rewriting, printing, and distribution. If a contract cannot be fully completed by its completion date, the COR should notify the KO, in writing, at least 30 days prior to the scheduled completion date. The COR notice will include the items of work requiring performance, the estimated time for completion, and reasons for the extension and recommendation of equitable adjustments in exchange for additional time. When a time extension is granted, the Government will receive some form of consideration or equitable adjustment.

6. Requesting a Contract Change: If the proposed change will not affect the contract cost, the COR may send a memorandum to the KO for approval describing the change and stating that there will be no effect on cost. The KO will then obtain written confirmation from the contractor. Requests for modifications that entail an increase in funding must be detailed on a funding document, and include an IGCE and a statement of impact on the terms of the basic contract to facilitate the KO's negotiation of the modification.

7. Overruns - - Cost Reimbursement Type Contracts:

a. The Limitation of Cost and the Limitation of Funds clauses require a contractor to give advance notice of a possible overrun. The notice must be given when the contractor has reason to believe that 75 percent of the funds available on the contract will have been expended in the next 60 days. Notice is also required if, at any time, the contractor has reason to believe the total cost of performance will substantially exceed, or be less than, the estimated cost. The contractor must provide a revised cost estimate with the notice. The COR and KO should use all available information to anticipate an overrun. The notice requirements described here are only one source of such information. Related cost data are contained in progress reports, and the contractor's monthly vouchers. The COR must avoid informal action that would lead a contractor to exceed the contract cost limitation. Communications from Government personnel should avoid any implications that might justify an assumption by the contractor that costs beyond the existing limitation may be incurred. The KO must take prompt and formal action at the time of being notified or becoming aware that a contractor will exceed the estimated cost of a contract. The KO must obtain the program officer funding and programming information pertinent to the continuation of the contract and promptly notify the contractor in writing that:

- (1) Additional funds have been allocated, or the estimated cost increased, in a specific amount;
- (2) The contract is not to be further funded;
- (3) The contract is to be terminated; or

(4) The Government is considering whether additional funds will be allocated or estimated cost increased; the contractor is entitled by the terms of the contract to stop work when the cost or funding limit has been reached, unless further funds are allocated or the estimated cost increased; and, any work beyond the cost or funding limit is at the contractor's own risk.

All CORs should note that encouraging a contractor to continue work in the absence of funds may result in a violation of financial management statutes and may subject the COR to criminal penalties.

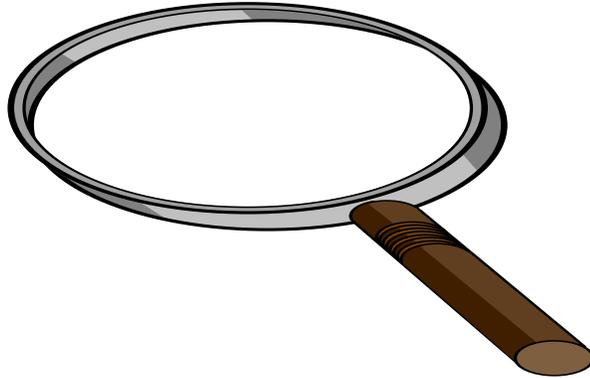
b. Monitoring Contractor's Performance: In monitoring a contractor's performance, the COR should make every effort to prevent overrun situations. When this is impossible, requests for increases in

contract amount, because of overruns, must be supported with a full disclosure of the facts, so that an equitable decision may be made on allowability. These facts will include, as appropriate:

- (1) Reasons for the overrun;
- (2) Formal or informal direction (if any) by the COR relating to the overrun;
- (3) Adequacy of the contractor's cost controls;
- (4) Timeliness of the requests;
- (5) Dates the report drafts and other materials, if any, were submitted and approved;
- (6) Dates the final proposal and other materials were completed and distributed; and,
- (7) Itemization of the work involved in overrun costs.

c. A requisition form must be prepared for any overrun determined to be allowable and submitted to the KO as a request to modify the contract to provide the additional funds.





Section XI

Administration, Surveillance and Acceptance

1. Post Award Conferences:

a. Contract administration is required to ensure that contractors fulfill their obligations. One useful tool to begin with after contract award is a post award orientation conference. It assists in...

- Achieving clear and mutual understanding of the contract requirements;
- Identifying and resolving potential problems;
- Clarifying contract administration procedures that will be applied; and
- Identifying Government and Contractor personnel and their roles.

b. To determine when a post award conference is necessary, the KO will consider such things as contract type, contract complexity, urgency of delivery, services supporting critical programs, safety precautions, etc.

c. Examples of some of the items which may be covered during the conference are the contract type, options, deliverables, Government-furnished property or services, insurance requirements, delivery schedules, invoicing and billing, Department of Labor requirements, safety and security concerns, special or unusual requirements (production tests, subcontracting consent requirements), identification of contractor employees (badges, worksite, correspondence including electronic, use of Government telephones, attendance at meetings), local regulations (driving on the installation, emergency phone numbers, etc.).

2. After Award and Before Acceptance: The COR must actively monitor the performance of assigned contracts through meticulous attention to delegated duties. Active monitoring is more than just reviewing plans, records and reports at a site some distance from the contractor location. The contractor's manufacturing process or operation plan, to include quality control procedures, should

be observed by the COR while it is in operation. On complex service and TOCs, the Government COR should develop and implement a surveillance plan to monitor key aspects of the contractor's performance under the terms and conditions of the contract. The surveillance plan should be developed in conjunction with the SOW and be provided to prospective offerors along with the solicitation document for information purposes.

3. Quality Assurance (QA)(where applicable):

a. Ensure during manufacture that contractors comply with the requirements of the quality program or the inspection system when such requirements are imposed in the contract.

b. If the Government QA will be performed at the contractor's site, request that the contractor notify the Government in advance of when the contractor's tests or inspections will be performed, and witness those tests.

c. Inspect and test all supplies called for by the contract, to the extent practicable, during the period of manufacture.

d. Review and evaluate whether the contractor is preparing and keeping records evidencing all inspections made under the system and the outcome of all inspections.

e. Witness contractor inspections and tests.

f. If the Government will conduct inspections or tests and the supplies are not ready for inspection or test at the time specified by the contractor, charge the contractor the additional cost of inspection or test.

g. Charge the contractor for any additional cost of inspection or test when prior rejection of defective supplies makes reinspection or retest necessary, to include revocation of acceptance.

h. Contracts for CIs rely on the contractor's existing QA system as a substitute for Government inspection and testing before submitting for acceptance unless customary market practices for the CI being acquired include in-process inspection. Any in-process inspection by the Government must be consistent with commercial practice.

4. Use of Contract Surveillance Plans:

a. The objective of surveillance is to determine if and when to intercede and perhaps to terminate a contract, and if and when to exercise contractual options. Options should be exercised after assessing the incumbent's performance under the current contract and testing the market to ensure a fair and reasonable price for conduct of services. In fixed price contracts, the purpose of surveillance is to identify any factors that may delay performance, particularly when it becomes necessary for the Government to accept performance shortfalls from contractually established standards.

b. Surveillance plans will be developed to accomplish the following: (1) Provide Government inspectors with a guide to systematically and effectively monitor a contractor's work performance; (2) Outline the corrective procedures to be taken against the contractor for deficient performance (to include issuance of discrepancy reports requiring corrective action responses, the taking of deductions from

payments in fixed-price contracts (if there is a provision for deductions in the contract), and the submission of recommendations to the KO about the nature and significance of any performance shortfalls); and, (3) Provide a means whereby the KO or contract administrator can evaluate the performance of the Government quality assurance inspectors in monitoring contract performance.

c. These plans will contain sampling guides and activity checklists needed to monitor each of the required services listed on the performance requirements summary (PRS) and any other areas considered essential to contract performance. The plan's primary interest should focus on each discrete service the contractor's workforce is to provide and on the total service, rather than on the details of how the services are accomplished.

d. Because the plan is a tool to be used by the Government, it can be modified at any time as necessary. The decision to change the plan would depend largely on the contractor's demonstrated capability to carry out its quality control plan effectively. PRS, development of the surveillance plan, and surveillance methods are normally handled by the individual who drafts the initial SOW.

Note: Internet sites that may be helpful:

/ [http://www.arnet.gov/Library/OFPP/BestPractices/Performance-Based Service Contracting – Chap 5, QA Plan & Surveillance Guide to Best Practices, Contract Administration, OFPP](http://www.arnet.gov/Library/OFPP/BestPractices/Performance-Based%20Service%20Contracting%20-%20Chap%205,%20QA%20Plan%20&%20Surveillance%20Guide%20to%20Best%20Practices,%20Contract%20Administration,%20OFPP)

/ [http://www.usapa.army.mil/DA PAM 5-20, CA Study Guide, Chap 8, Contract Administration](http://www.usapa.army.mil/DA%20PAM%205-20,%20CA%20Study%20Guide,%20Chap%208,%20Contract%20Administration)

5. Acceptance: Acceptance constitutes acknowledgment that the supplies or services conform to applicable contract quality and quantity requirements, subject to the terms and conditions of the contract. Acceptance may take place before delivery, at the time of delivery, or after delivery, depending on the provisions of the terms and conditions of the contract. Supplies or services shall ordinarily not be accepted before completion of Government QA actions. Acceptance shall ordinarily be evidenced by execution of an acceptance certificate on an inspection or receiving report form or commercial shipping document/packing list. When the KO delegates the responsibility for acceptance of supplies/services to the COR, the COR's acceptance is binding on the Government. Title to the supplies shall pass to the government upon formal acceptance, regardless of when or where the Government takes physical possession, unless the contract specifically provides for earlier passage. When effecting acceptance of supplies and services, the COR should do the following:

a. Require a contractor at the time it tenders supplies for delivery to disclose whether the supplies being tendered were previously rejected or have been corrected and the corrective action taken.

b. Reject or require correction of nonconforming supplies.

c. When necessary, accept nonconforming supplies only in accordance with the contract terms as directed by the KO and only after the contract is formally modified to provide for such acceptance.

d. If the contractor fails to promptly correct any rejected supplies, coordinate with the KO to replace or correct the rejected supplies by contract and charge the cost to the contractor, or terminate the contract for default.

e. Should not use the Changes clause to make any contractor requested changes when the contractor fails to comply with contract requirements unless the change is acceptable to the Army, the change will be made to all units under the contract, and the Army receives valuable consideration for making the change. Close coordination with the KO is required to define the most appropriate course of action.

6. Progress Payments:

a. As a COR you may be tasked with the responsibility for the review and approval of requests for progress payments under the contract. The payment of progress payments during performance must be actively monitored to the same extent as compliance with the QA requirements is monitored. In accordance with the progress payments clause, the following actions should be accomplished:

(1) Payments should be made only in strict accordance with the clause.

(2) COR's must monitor performance to verify actual entitlement to payments.

(3) Payments to the contractor will be in accordance with the contract. The degree of detail and the frequency of supervision should increase dramatically when a contractor begins to experience problems/difficulties in performance, financial strength, management, quality assurance, or its accounting system.

(4) Where there is reason to question the reliability or accuracy of the contractor's certification, or the contract may involve a loss, the COR should coordinate with the KO to ask for a review or audit of the requested progress payment prior to its approval and payment.

(5) When there is a reason to doubt the amount of a progress payment, only the doubtful amount should be withheld, subject to later adjustment after review or audit. Proper and due amounts should be paid without awaiting resolution of the differences.

b. Progress payments should be suspended or reduced whenever any one or more of the following conditions occur:

(1) The contractor fails to comply with any material requirement of the contract.

(2) Performance of the contract is endangered by the contractor's failure to make progress or unsatisfactory financial condition.

(3) Inventory allocated to the contract substantially exceeds reasonable requirements.

7. First Article:

a. The COR may be tasked with the management of first article requirements which may include the following actions pertaining to contractor testing:

(1) Requesting advance written notice of time and location of testing, and witnessing contractor testing as applicable.

(2) Insisting on timely delivery of the First Article Test report.

(3) Approving the first article only when it meets all contractual requirements.

(4) Conditionally approving the first article after coordination with the KO and only when defects are minor and can be corrected during manufacture.

b. If the first article is disapproved, the KO shall require that the contractor: (1) repeat any or all first article tests, (2) make any necessary changes, modifications, or repairs to the first article after each request for additional tests, (3) bear costs related to additional tests, (4) deliver subsequent First Article Test reports, and (5) negotiate an equitable adjustment to the contract price for any delivery schedule extension or additional Army costs related to the tests.

c. The COR should coordinate with the KO to determine if s/he wishes to initiate proceedings under the Default clause on the basis of a failure to make delivery: if the contractor fails to deliver any First Article Test report on time, or if the KO disapproves any first article.

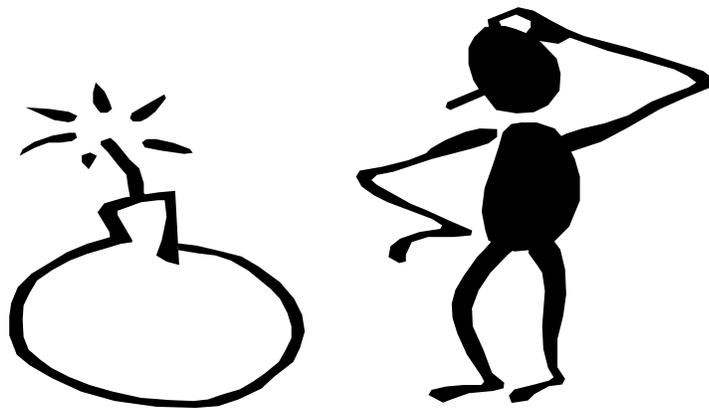
d. Prior to first article approval, ensure that the Army does not pay any production costs in progress payments or termination settlements.

e. Except as provided with full or conditional approval, Government testing and first article approval does not relieve the contractor from complying with all specifications, terms and conditions of the contract.

f. During any first article test, the contractor shall be required to furnish operating and maintenance instructions, spare parts, and repairs unless otherwise provided for in the contract.

g. The Government should not exercise options to add additional quantities until after approval of the first article and initial deliveries of acceptable production units.

h. The delivery of production units to the Army should not be scheduled until after approval of the first article. Sufficient time should be provided for the contractor to acquire materials and components and for the contractor to manufacture production units after it receives first article approval.



i. Inspection and acceptance provisions of the contract should give the Army the express right to cease inspection or acceptance of any production units where any required first article is disapproved or any required first article or first article test report is not delivered on time.

8. Default (FAR Part 49):

a. The COR must notify the KO of any pending or actual failure to make delivery of supplies/perform services within the time specified in the contract; make progress and that failure endangers performance; and perform any other provision of the contract. Any failure by the contractor to establish an acceptable inspection system; to prepare and maintain inspection and test records; or, to pass inspections and test, should be treated as endangering performance. Similarly, default proceedings should be considered for failure to comply with the inspection, quality program or inspection system provisions.

b. COR notification must be made as soon as possible so that the Government may proceed under the Default clause and protect itself from acts that give rise to waiver of the delivery schedule.

9. After Acceptance: The COR shall enforce the terms of any applicable warranty of supplies or services.

a. The firm fixed-price inspection clause provides that acceptance is conclusive except for latent defects, fraud or gross mistakes amounting to fraud. However, whenever defects are discovered in accepted supplies, the circumstances should be thoroughly reviewed by technical, quality assurance, contracting and legal personnel to determine whether one or more of those three grounds exist to revoke acceptance. If so, acceptance should be revoked and proceedings should be initiated under the Inspection clause.

b. During the conduct of failure analysis, the COR should maintain detailed records to include repair costs, photographs, damages incurred, and retain the defective components as applicable.

c. Where defective supplies have been identified, increased emphasis should immediately be given to the inspection and acceptance of the balance of the production quantity not yet accepted.

d. In all instances when contractor caused defective material is discovered after acceptance, and warranty provisions were either non-existent or have expired, and there are no contractual rights for recourse, contractors should, nonetheless, be notified of the defect. Voluntary refunds may not be requested, however, the KO may request that the contractor repair or replace the defective material at no cost to the Government. If monetary restitution is offered, it may be accepted.

10. COR Status Reporting to the KO: Attached as Appendix F is the COR's Report to the PCO. The COR is required to complete it on a quarterly basis, unless otherwise determined by the KO. The completed form will be furnished the KO and a copy placed in the COR's contract file. The KO will take any necessary action required based upon the contents of the report.



Section XII



Payment

1. Types of Payment Under Government Contracts.

a. There are several noncommercial item financing methods available to the Government to include private financing, guaranteed loans and small business loans, progress payments, and advance payments. Private financing is the most preferred contract financing method, while advance payments are least preferred and require special approval. Partial payments may also be utilized as a method of payment.

b. Financing methods available to CIs include commercial advance payment, commercial interim payment, and delivery payment (which includes partial payments). It is the contractor's responsibility normally to finance CIs. However, after conducting market research, in some markets it can be found that the provision of financing by the buyer is a commercial practice.

c. Payment method is subject to negotiation and/or as the result of market research and is ultimately up to the discretion of the KO after thorough consideration has been given to factors such as contract complexity, duration, risk, business size and that which is in the best interests of the Government.

2. COR/POC Invoicing and Receiving Report Instructions.

a. Payment clauses under FAR 32.905 require the contractor to prepare proper invoices.

- Name and address of the Contractor
- Invoice date and invoice number (Contractor should date as close as possible to date of mailing or transmission).
- Contract, delivery order, purchase order and contract line item number (CLIN)
- Description, quantity, unit of measure, unit price and extended prices of supplies delivered or services performed
- Delivery and payment terms (e.g., discount for prompt payment terms)
- Name and address of Contractor official to whom payment is to be sent (must be same as in the contract or a proper notice of assignment)
- Name (where practicable), title, phone number and mailing address of person to be notified in the event of a defective invoice
- Taxpayer Identification Number (TIN)
- Electronic funds transfer (EFT) banking information
- Any other information/documentation required by the contract (i.e., evidence of shipment)

b. In accordance with FAR 4.905, the Contractor must, along with their Taxpayer Identification Number (TIN), include the type of organization and, as appropriate, common parent and its TIN.

c. Upon receipt of a copy of the invoice the POC or COR shall:

- Date-stamp the invoice and any other required documentation when initially received
- Verify whether it is a proper invoice
- Verify accuracy
- Upon receipt and acceptance of the material or the satisfactory completion of the service, sign and date when actually received/performed and date when actually accepted
- Forward the certified invoice in a timely manner to the appropriate DFAS office

d. If the invoice is not proper, return the invoice to the contractor.

e. If the invoice is inaccurate and disapproved, the reason(s) should be stated on the invoice and returned to the contractor with a copy furnished DFAS.

f. When appropriate action is not taken and invoices are not forwarded to DFAS promptly, interest payments will accrue to the POC's or COR's organization.

g. The invoice or receiving report must include the following – everything must be PRINTED except the signature(s). If this documentation is used as a separate sheet to be attached to the invoice, add the contract number, delivery order number or purchase order number and contractor's invoice number for identification should it become separated.

All items/services on this invoice have been received and accepted per the terms of the contract (except as noted).

DATE RECEIVED: _____

DATE ACCEPTED: _____

SIGNATURE: _____

PRINTED NAME: _____

TITLE: _____

MAILING ADDRESS: _____

(including Office Symbol) _____

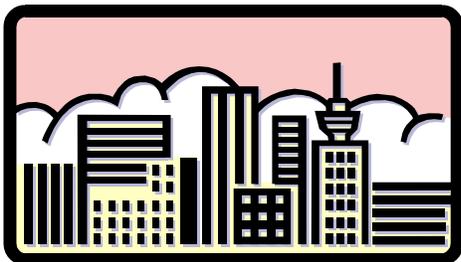
TELEPHONE NUMBER/FAX: _____

EMAIL ADDRESS: _____

Section XIII

Government Property (FAR Part 45)

1. When Government property, whether or not listed in the contract, is required for performance, the COR must submit to the KO a written request for delivery to the contractor. The request will be forwarded to the KO regardless of the source of the property. The KO will normally approve transportation costs as reimbursable if property is assigned on a cost reimbursement type contract. In these cases, shipment will be authorized on a commercial bill of lading.
2. Each request for Government-furnished property (GFP) will identify the items to be furnished, date required, the name and address of the person to receive the property, the name of the contractor, contract number, and the contractor's need for the equipment in performance of the contract.
3. Authorization for delivery of GFP shall be made only by the KO.
4. The COR, unless a full-time Property Administrator is appointed or otherwise stated in an approved property control system, will be responsible for furnishing recommendations to the KO for the disposition of GFP in the hands of the contractor. Before recommending storage for potential future use, consideration will be given to the cost of packaging, transportation, and storage. The COR will communicate the request for GFP disposition to the designated Property Administrator (as applicable).
5. There may be occasions under cost-reimbursement contracts wherein the contractor must acquire property for use in completing the contracts. In such situations, the COR is required to ensure that such property is used for the intended purpose, is returned to the Government in reasonable condition upon contract completion, and is reported to the accountable property book officer (PBO).
6. The contractor may be authorized to use the property on other Government contracts and on commercial work. The contractor is usually charged rent when Government property is used on commercial work. The rent payments received from the contractor should be subjected to periodic audit by the contract auditor.
7. Upon payment of the invoice under which contractor acquired equipment (CAE) was purchased, the COR should coordinate with the cognizant PBO to ensure that the equipment is added to accountable property records.
8. For additional assistance, see DoD Manual for the Performance of Contract Property /Administration, DoD 4161.2-M at: <http://www.dtic.mil/whs/directives/>.



Section XIV

Contracted Advisory and Assistance Services (CAAS)

1. CAAS are services acquired by contract, by DoD, from nongovernmental sources to support or improve organizational policy development, decisionmaking, management, and administration; program and project management and administration; or, research and development (R&D) activities. CAAS consists of the following categories:

Category A – Studies, Analyses, and Evaluations (SAE). Organized, analytic assessments designed to understand and/or evaluate complex issues, to improve policy development, decisionmaking, management, or administration. SAEs result in formal, structured documents containing or leading to conclusions and/or recommendations for use by decisionmakers. Databases, models, methodologies, and related software created in support of SAEs are part of the overall effort. SAEs are performed by personnel from nongovernmental analytic organizations including Federally Funded Research and Development Centers (FFRDCs).

Category B – Management Support Services (MSS). Provide engineering or technical support, assistance, advice, or training for the efficient and effective management and operations of Government organizations, activities, or systems. They are normally closely related to the basic responsibilities and mission of the using organization. Efforts support or contribute to improved organization or program management, logistics management, project monitoring and reporting, data collection, budgeting, accounting, auditing, and administrative and/or technical support for conferences and training programs.

Category C – Engineering and Technical Services (ETS). Contractor provided technical assistance, instruction, and training to DoD personnel in the installation, operation, and maintenance of DoD weapons, equipment, and systems. Services assure that existing weapon systems, equipment, and components operate at design or required specifications and are at a high state of military readiness. These services consist of the following:

- Contractor Plant Services. Provided by a manufacturer of weapon systems, equipment, or components. The services are provided in the manufacturer's facility by its engineers and technicians.
- Contractor Field Services. Provided on-site at DoD locations, by technically qualified DoD contractor representatives. Services include information, instruction, training, and hands-on training.
- Field Service Representatives. Employees of a manufacturer of military equipment or components who provide liaison or advisory services between their company and military users.

2. CAAS requires additional approvals and reports. For information and details, refer to FAR Subpart 37.2 and its supplements, DoD Directive 4205.2 – Acquiring and Managing Contracted Advisory and Assistance Services (CAAS), Army Regulation 5-14 – Management of Contracted Advisory and Assistance Services, and AMC Circular 5-6 – Contracted Advisory and Assistance Services (CAAS) and your organization's CAAS Coordinator.

3. The regulations referred to above require Commanders/Directors of major subordinate commands and separate installations/activities to be responsible for, among other things:

- Appointing the CAAS Director and/or the CAAS Coordinator
- Designating approval authorities for management approval of CAAS

CAAS Coordinators:

- Screening services procurement requests, regardless of dollar value, using Appendix C of AMC Circular 5-6
- Reviewing management decision documents (MDDs) before they are submitted to the contracting office

Approval levels for MDDs:

- Above the Simplified Acquisition Threshold (SAT) (currently \$100,000): a General Officer or member of the Senior Executive Service (SES) or a colonel (0-6) occupying a Commanding Officer position. Where SES personnel are subordinate to a commander at the 0-6 grade, the approval authority to the 0-6 commander. Approval authority may also be delegated to non-GO/SES personnel (GS/GM-15) that are acting or detailed into a GO/SES position.
- Below the SAT, approval authority shall be one level above the requiring activity (levels being branch, division, Deputy Chief of Staff, Chief of Staff, Commander).
- If the cost of a proposed study (SAE, Category II, Identifier 0002) exceeds \$250,000, the service contract must be sent through HQ, AMC (AMCRDA-AC) for HQ, Department of the Army approval.

NOTE: A copy of the Appendix C of AMC Circular 5-6 must be completed by the organization's CAAS Coordinator on each services requirement and a copy furnished with the purchase request submitted to the contracting office.

For access to: AMC Circular 5-6: http://www.amc.army.mil/amc/ci/pub_index.html

AR 5-14 <http://www.usapa.army.mil>

DoDD 4205.2 <http://www.dtic.mil/whs/directives/>



Section XV

Small Business Program

1. It is the policy of the Government to provide maximum practicable opportunities in its acquisitions to small business, veteran-owned small business, service-disabled veteran-owned small business, firms located in historically underutilized business zones (HUBZone), small disadvantaged business, historically black colleges and universities, and women-owned business enterprises. Small and Disadvantaged Business Utilization Specialists (SADBUS) coordinate the establishment of Army goals and assists the contracting offices in identifying suitable procurements through the screening of current and prospective awards.
2. All open market acquisitions for goods or services under \$100,000 are automatically reserved for small business unless otherwise determined by the KO. Acquisitions over \$100,000 shall be set aside where there is a reasonable expectation that offers will be obtained from at least two responsible small business firms offering products of different small business concerns and award will be made at fair market prices.
3. The COR or technical representative, with the assistance of the local SADBUS shall seek, identify, and tailor requisitions to permit participation of qualified small and disadvantaged businesses. The COR shares in the responsibility for meeting small business program goals and can participate actively towards their achievement by:
 - Becoming familiar with the specific goals assigned to the contracting office;
 - Identifying portions of work suitable for performance by firms that can assist in meeting the goals;
 - Searching out emerging firms eligible for participation that may not be on a current bidders' mailing list; and
 - Keeping open the channels of communication with the SADBUS in coordinating activities to assure that the contracting office will meet its goals.
4. Regarding “bundling” – Although it may provide benefits to the Government, because of its potential impact on small business, market research must be conducted in order to determine whether bundling is necessary and justified. Reduction of administrative or personnel costs alone is not sufficient justification for bundling unless the cost savings are expected to be at least 10 percent of the estimated value including options (see FAR 7.107; 19.202).
5. CORs are encouraged to contact their local respective SADBUS for assistance in identifying appropriate requirements for which there may be prospective small and disadvantaged business sources available.

Section XVI

COR Files

1. The COR shall establish and maintain a current file for each contract. Electronic files are encouraged. This file must be available for review by the KO, Inspector General, GAO, or other official authorized by KO. The file should include the following information as a minimum, when applicable:

- a. A copy of the signed and acknowledged COR appointment letter, ACOR appointment and terminations and amendments of designations.
- b. A copy of the contract with any delivery orders and all modifications.
- c. Proof of completion of the ALMC COR training or an approved equivalent.
- d. Names and position titles of individuals who are functioning as technical and administrative assistants (these individuals are NOT the alternate COR).
- e. Any security requirements and guides.
- f. All correspondence between the COR and the contractor, KO, or others concerning performance of the contract.
- g. A copy of the minutes of all meetings and post award conferences with the contractor. These minutes should include: persons present, dates, matters discussed and actions taken.
- h. A copy of the surveillance plan and all related inspection/surveillance reports.
- i. A copy of all approvals the COR has given to the contractor. These approvals can only be within the COR designated authority.
- j. Copies of all data, reports and other documentation furnished by the contractor. The COR's analysis of it, action taken and the date of such action.
- k. Applicable laboratory test reports, if any.
- l. A record of unusually severe conditions that may affect the contractor's performance in accordance with the respective default clause.
- m. Samples, photographs, witnesses' statements and other pertinent factual data, if appropriate, to support documentation if feasible.
- n. Copies of any approvals by the KO in accordance with the material and workmanship clause in construction contracts.
- o. Copies of progress schedules approved by the KO, if applicable.

p. Copies of all invoices and receipt documents processed, to include progress payments as applicable, with all supporting documents.

q. Copies of certificates/evidence of attendance for COR job related training (i.e., COR refresher training, ethics training). Documentation stating that COR course material has been reviewed yearly since appointment, unless COR refresher training has been attended.

r. Monthly certification regarding personal services.

s. Copy of resumes reviewed upon change of contractor employees.

t. Copy of any labor reviews made.

u. Copy of the Checklist for CORs completed by the contracting office reviewer.

2. To enable quick location of essential information, all documents should be filed by group, in chronological order, and in a suitable folder. Upon completion of the contract, the COR must forward the COR file to the KO for retention in the official contract file.

3. A copy of this handbook should be kept available at the COR's worksite.



Section XVII

COR Do's and Don'ts

When the KO has determined that s/he must designate a COR for a given contract, the KO will execute a designation letter setting forth the COR responsibilities. The KO shall also conduct an orientation on the specific Dos and Don'ts in fulfilling the requirements of the delegation. For guidance there is listed below, though not inclusive, Dos and Don'ts for a COR. When the COR has others to assist in monitoring the contract, s/he shall furnish them a copy of this section.



a. THE DO's:

1. DO retain your appointment letter. This letter tells you the exact functions that have been delegated to you. Know its contents.
2. DO understand the limitations of your authority.
3. DO have a complete copy of the contract, any delivery orders, and all modifications readily available.
4. DO immediately familiarize yourself with the terms and conditions of the contract.
5. DO establish and maintain a file for all documents and correspondence pertaining to the contract. This file is to be forwarded to the KO for inclusion in the official contract file.
6. DO give prompt attention to correspondence requiring your approval.
7. DO spot check the contractor's work to see that it is completed in a timely and proper manner.
8. DO complete the required performance reports thoroughly and accurately to enable the KO to properly evaluate the contractor.
9. DO enforce correction of deficient work. Be cautious, however, as you are not authorized to personally supervise any contractor employee.
10. DO assure that the contractor responds in a timely manner when required. Be sure all responses are accurate.
11. DO report personnel deficiencies to the contractor's site supervisor and to the KO.
12. DO verify the need for contractor overtime when requested. Know whether or not you have the authority to approve overtime.
13. DO report all actual overtime.

14. DO track and verify regular hours worked based upon contract type.
15. DO assure satisfactory subcontractor performance by observing contractor's surveillance. Report inadequate surveillance to the KO.
16. DO follow through on corrective actions recommended by any authorized inspector or team of inspectors.
17. DO ascertain that all emergencies are attended to and resolved immediately. Coordinate fully with the KO.
18. DO inform the contractor immediately when you become aware of any unsatisfactory performance. The KO will assist you in obtaining corrective action. Differences of opinion between you and the contractor that cannot be resolved at your level should be referred to the KO. Recommend to the contractor that they also refer the conflict to their superior. Make it clear that both of you must abide by the decisions of the KO.
19. DO report to the KO any labor disputes or problems which have a potential for impairing the contractor's ability to perform.
20. DO put task assignments or instructions to the contractor in writing. Ensure that such assignments or instructions are within the scope of the contract and your authority. Failure to do so may create problems for you, your replacement and the KO.
21. DO document all actions and decisions and date and sign all documents.
22. DO document the date, time, place, and persons involved in all meetings with the contractor or the contractor's personnel.
23. DO ensure that your replacement is thoroughly briefed, both verbally and in writing, on all important issues.
24. DO be aware of your relationship with the contractor and avoid even the appearance of an unethical or illegal action.
25. DO use clear, accurate, performance oriented language and express only the Government's actual minimum needs when writing the work statement.
26. DO protect contractor proprietary information when doing estimates or reports.
27. DO assure that Government-furnished or financed training is not for the basics that should have been provided by the contractor.
28. DO endorse "visit requests" and "need-to-know" documents prior to KO approval. This also includes verification of classification status (SECRET, etc.).
29. DO discuss unusual problems/situations/urgent requirements with a KO prior to taking any actions - - something often can be worked out within the prescribed regulations.

30. DO prepare truly Independent Government Cost Estimates. Don't get them from a contractor or prospective contractor.

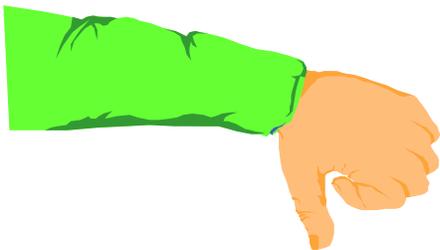
31. DO ensure that contractor employees working on the installation wear identification at ALL times which visibly identifies them as contractor employees. DO instruct contractor employees, even though wearing identification, to introduce themselves as contractor employees when attending meetings and to identify themselves by name and company name when answering a Government phone. DO ensure contractor's workspace contains a sign signifying the space is occupied by "contractor employee(s)" and that all contractor's correspondence (written, facsimile, and email display) include their company name.

32. DO ensure that Government-furnished vehicles and equipment are only provided to contractor employees when the contract specifically provides for its use and then only for contractor's performance of the contract.

33. DO read DoD 5500.7-R and any supplementary instructions which may be issued.

34. DO coordinate all engineering changes affecting a contract with all cognizant segments and agencies. Prior to discussing any change with the contractor, discuss it with the KO. Changes may only be made through modification of the contract.

35. DO notify the KO in sufficient time that a successor needs to be appointed. Thoroughly brief your successor both verbally and in writing.



b. THE DON'Ts:

1. DON'T take any action which will obligate, or give the appearance of obligating, the Government financially or otherwise.

2. DON'T solicit "unsolicited proposals."

3. DON'T assist prospective contractors or contractors in the preparation of offers or quotations.

4. DON'T tell the contractor how to run their operation. That is the contractor's responsibility.

5. DON'T tell the contractor to fire an individual. Terminations of employment are actions for the contractor.

6. DON'T let personalities enter into your discussions with the contractor.

7. DON'T request the contractor to do any work outside the scope of the contract.

8. DON'T permit the contractor to proceed on work outside the scope of the contract. It may be in the contractor's interest to exceed their contractual limitation with the intention of claiming additional consideration for the additional effort. Coordinate immediately with the KO.

9. DON'T commit the equipment, supplies, or personnel of the contractor for use by others. The contractor and the KO control all such matters.

10. DON'T permit the contract to take on the appearance of a personal service contract; e.g., where the contractor personnel appear, in effect, to be Government employees. Do avoid any employee-employer relationship where contractor personnel are subject to relatively continuous supervision and control by a Government employee.

11. DON'T accept any gratuities. To be safe, don't accept any gifts, loans, or favors from a contractor or from their employees.

12. DON'T accept an appointment as a COR if there is a potential conflict of interest. Report the matter immediately to your supervisor and the KO for a determination.

13. DON'T attest to having read and understood DoD 5500.7-R without understanding the contents.

14. DON'T request contractor to procure supplies/equipment/services under the contract that are not for the contractor's use in the performance of the contract UNLESS specifically stated in the contract.

15. DON'T discuss procurement plans or any other advance information that might provide preferential treatment to one firm over another.



APPENDIX A

Nomination of Contracting Officer's Representative (COR)

NOTE: This format is in three parts. All parts must be completed and the nomination signed by the supervisor of the nominee.

PART 1: NOMINATION OF INDIVIDUAL:

The following individual is hereby nominated to perform the duties of indicate "COR", "ACOR" or "TCOR": for (fill in name or title of requirement): .

COR/ACOR/TCOR full name:
Full address (include activity,
office symbol, street address
and building number)
Telephone number/FAX
Email address

PART II: QUALIFICATION OF NOMINEE:

a. The above individual is familiar with pertinent contract clauses such as changes, inspection and acceptance, Government-furnished property, termination, and the concepts of excusable and nonexcusable delays in contract performance. This individual possesses the necessary ability to analyze, interpret, and evaluate factors involved in contract administration. This individual has the technical and administrative abilities and the required security clearance commensurate with the proposed COR duties. In addition, the nominee has the time available to adequately perform such duties.

b. COR Training:

Hours <u>Attended</u>	Date Completed <u>Day/Month/Year</u>
--------------------------	---

Fort Lee ALMC COR Training:
Resident/On-site
Satellite
Accredited Off-campus
Learning Center
Other:

Equivalent Course:
Course Name:
Mode of Instruction:
Source of Instruction:
(Name of School, Contractor)

Nominee is currently attending one of the above. Will notify the Contracting Office by memorandum immediately upon completion of training scheduled for _____ .
(Day/Month/Year)

Nominee is scheduled for training at one of the above. Will notify the Contracting Office by memorandum immediately upon completion of training which is scheduled for _____ .
(Day/Month/Year)

c. Previous experience on most recent contracts:

<u>Contract Number</u>	<u>Contractor</u>	<u>Contract Type</u> (FFP, CPFF, T&M, etc.)	<u>Appointment</u> <u>Period</u>	<u>% of Time</u> <u>Spent on Duties</u>
				%
				%

d. Current contract(s) for which nominee is performing COR/ACOR duties:

%
%

PART III: ADDITIONAL INFORMATION:

Name of Activity Training Coordinator:

Phone Number:

Email Address:

PART IV: CERTIFICATION FOR NOMINATION OF COR/ACOR/TCOR:

DoD 5500.7-R states the basis for determining the need for filing OGE 450, Confidential Financial Disclosure Report. Supervisors of nominees for COR/ACOR/TCOR are required to certify that the nominee is in compliance with DoD 5500.7-R, as follows:

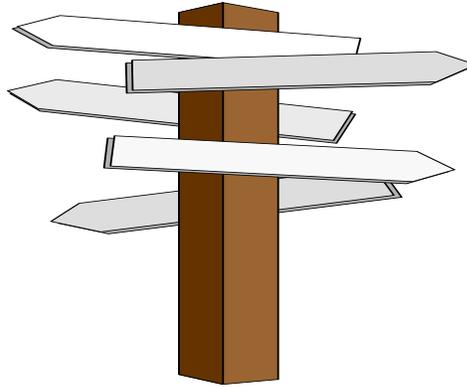
I certify that I am the supervisor of (Name of Nominee: _____) and that this employee has filed an OGE 450 with the appropriate Ethics Counselor. The undersigned certifies there is no conflict of interest or apparent conflict of interest interfering with this appointment.

DATE:

Supervisor's Signature:

Typed Name of Supervisor:

Title:



APPENDIX B – Internet Sites

“Where in Federal Contracting?” may be found at: <http://www.wifcon.com/procurementplanning.htm>

It provides various sites covering:

- Market Research: a Tutorial
- Performance Based Work Statements
- Sample Performance Work Statements
- Guide for Preparation & Use of Performance Specifications
- Available Performance Specifications
- Seven Steps to Performance-Based Services Acquisition
- Guidebook for Performance-Based Services Acquisition in DoD
- Performance-Based Contracting Desk Reference
- Performance-Based Work Statements & Quality Assurance Surveillance Plans
- Navy Turbo Specification Writer
- Military Specifications and Standards
- OFPP Pam 4, Writing and Administering Performance Statements of Work for Service Contracts
- OFPP Guide to Best Practices for Performance-Based Service Contracting
- NASA Users Guide for Preparing Performance Work Statements
- Guidance for Writing Work Statements
- Energy Savings Performance Contracts
- R&D Streamlined Solicitations/Contracts
- Army Service Contracting Guide
- DOE Guide to Award and Administration of Contracts
- Service Contracting: A Desk Guide to Best Practices
- Best Practices for Multiple Award Task and Delivery Order Contract.

Others:

- Access to the FAR, DFARS, AFARS and other supplements:

<http://farsite.hill.af.mil/>

- AMC Specification Writing, A-76, CIs, Market Research, Performance Based Contracting, Source Selection:

<http://www.amc.army.mil/amc/rda/rda-ap/aqntops.html>

- Army lessons learned associated with past/current commercial activities (CA) reviews; service contracting; outsourcing; and privatization actions.

<http://acqnet.saalt.army.mil/>

- Price Analysis Reference Guide – price analysis techniques; related pricing guides. CI pricing is found in Price Analysis Volume I, Section 1.1.

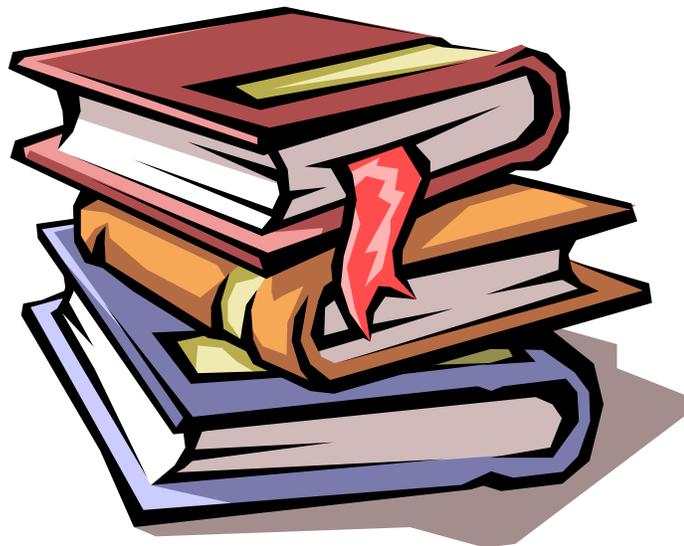
<http://www.gsa.gov/staff/v/guides/volumes.htm>

- Assistant Chief of Staff for Installation Management – PWSs, support info, training tools, etc.

<http://www.hqda.army.mil/acsim/homepage.shtml>

- On-line Market Research training – Federal Acquisition Institute (training – click on Special Items of Interest, FASA CI; training materials – covers CI Contracting Seminar, Making Commerciality Decisions, etc.).

<http://www.gsa.gov/training.htm>



APPENDIX C - MARKET RESEARCH

The Federal Acquisition Streamlining Act of 1994 (FASA) establishes the emphasis on market research (MR) and describing agency needs. The Act prescribes a preference for the acquisition of commercial items (CIs) to satisfy agency needs and requires the MR be conducted prior to:

- Developing new specifications, and
- Soliciting bids/proposals for contracts in excess of the simplified acquisition threshold - - over \$100K.

The purpose of MR **before** is to identify available CIs or nondevelopmental items that:

- Can meet requirements (item currently available that meets agency's function/performance and schedule needs),
- Can be modified to meet requirements (item will/would be available that meets agency's functional/performance and schedule needs),
- Could meet the requirements if the requirements were modified to a reasonable extent (challenge requirements, bring requirements in line with commercial market capabilities, can need be modified).

MR is a continuous process, which can be performed at many points throughout the acquisition including prior to developing a performance spec or making the commerciality determination. It can even continue after the contract award.

The purpose of MR is to arrive at the most suitable approach to acquiring, distributing, and supporting supplies and services. We want to focus on business practices as much as on the attributes of the product. We need to understand how the commercial sector handles such items as warranties, maintenance, marking/packaging, buyer financing, etc.

Who performs MR? **Everyone does!** Ideally, contracting officers or a procurement team should partner with using/requiring activities on MR as soon as needs are forecasted and as part of acquisition planning. If not possible prior to this point, contracting officers and their technical representatives should begin MR upon receipt and acceptance of the purchase request. MR continues throughout the presolicitation and solicitation phases, as new information becomes available and as more decisions are made.

MR has 2 parts: surveillance and investigation. Surveillance can be characterized as active and continuous participation in one's technical profession. Investigation can be characterized as focusing on market knowledge. Some potential sources of information are:

- Active membership in professional organizations such as National Council of System Engineering (NCOSE), etc.
- GSA Advantage on line services - <http://www.gsaadvantage.gov/>
- General Services Administration/Federal Supply Service - <http://www.gsa.gov/>
- Defense Logistics Agency catalogs - <http://www.dla.mil/>
- Dun & Bradstreet
- Thomas Register
- On-site inspections

- Specialized Internet sites -

Market Research Handbook, SD-5 – With input from industry this document is a reference guide for use in preparing commercial terms and conditions. Appendix A provides computer-based resources useful in research.

<http://www.dsp.dla.mil/documents/sd-5/default.htm>

Market Research: A Tutorial -

<http://www.acq-ref.navy.mil/tools/marketresearch/index.html>

Business guide to 46,290 companies in 208 categories –

<http://www.bizweb.com/>

The extent of MR will vary depending on factors such as urgency, estimated dollar value, complexity, where we are in the process, past experience, and the amount of information already available.

MR is not performed just for the sake of MR. It is done to provide information to use to compare to other information. From the comparison, a decision is made. This means the extent of MR will vary. Some Government agencies may have to promote “active” participation of their personnel in professional societies, upgrade their technical libraries, and provide on-line access for their market researchers.

Market research is intended to reduce the paperwork burden on both the Government and industry and become a part of our daily responsibility - - to provide the soldier with what is needed, when it is needed it and at a reasonable cost.



APPENDIX D- COMMERCIAL ITEMS

Understanding commercial business practices became a need with the introduction of the Federal Acquisition Streamlining Act of 1994 (FASA). The Act established a preference for the acquisition of commercial items (CIs).

FAR Part 12 implements the Federal Government's preference for the acquisition of CIs by establishing policies closely resembling those of the commercial marketplace. Market research **must** be conducted in order to determine if CIs or nondevelopmental items (NDIs) could meet the Government's needs. Prime contractors and subcontractors must be required to use CIs or NDIs to the maximum extent practicable. FAR Part 10 covers policies and procedures for conducting market research.

We must use the results of the market research to determine if there are CIs that can satisfy needs, or could be modified to meet our needs. If not, agencies must determine if NDIs meet the need. New development is the last resort!

Data collected through market research is analyzed to determine if the need can be met by:

- a type of item customarily available in the commercial market place; a type of item customarily available in the commercial market place with modifications; or, items used exclusively for government purposes.
- customary practices regarding customizing, modifying, or tailoring to meet customer needs
- customary terms and conditions including warranties, financing, discounts, inspection, quality control, packaging, delivery
- distribution and logistics support capabilities

The market analysis is documented with the commerciality determination and a copy attached to the purchase request supplied to the contracting activity.

Definitions of CIs and NDIs can be found in the Federal Acquisition Regulation (FAR) at 2.101. The Internet has several sites at which to access regulations to include the USARDECOM Internet site.

To learn more about CIs and NDIs, the following is provided:

- Buying Commercial and Nondevelopmental Items, Apr 96 (includes section on Market Research Considerations)
<http://www.dsp.dla.mil/documents/sd-2/default.htm>
- Commercial Acquisition Guide
<http://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/polvault/guides/comacq.doc>
 - Commercial Advocate – covers CIs and Market Research
<http://www.cadv.org/>

Acquisition strategy/planning makes efficient use of commercial industry. We can use the commercial state of the art and put the product in the field years sooner than a new development. Going commercial saves time, money and people.

APPENDIX E – CONTRACTOR EMPLOYEES IN THE WORKPLACE

Changes over recent years have resulted in an increased need of and reliance on contractor employees to meet requirements once accomplished by federal civilian or military personnel. Contractors have offices in our buildings, work on our teams, and go on travel assignments. In too many instances, there is insufficient distinction between those who owe loyalty to the federal government and those whose loyalty is to their employer.

We cannot award contracts that, either by their terms or in the way they are administered, make the contractor personnel appear to be, in effect, Government employees. The problem of an insufficient distinction between government and contractor personnel is not a new issue, but we must continue to emphasize this area and address the potential problems which could be encountered.

The Government employee does not supervise contractor personnel nor should contractor personnel supervise Government personnel. Work assignments are transmitted from the contracting officer or the contracting officer's representative to the contractor's point of contact. All work must be covered by the contract – do not ask the contractor to do anything that is not covered in the statement of work.

CONSIDER THIS:

- Contractor employees are NOT Federal employees and should NOT be treated as if they were. Sensitive information and improper release of certain information to contractor employees could violate Federal criminal law, result in loss of technical data and jeopardize procurements.
- Contractor employees must be identified as such by being required to wear distinctive badges at all times. They must include their company name in their e-mail address, on facsimiles, and in written correspondence. When presenting briefings, conducting or attending meetings/seminars contractor employees must wear identification and introduce themselves as “contractor employees.” Contractor workspace should also be clearly identified to ensure that Federal employees and the public know that they are not Federal employees.
- Respect the employer-employee relationship between contractors and their employees and do not interfere with it by inviting their employees to leave their assigned work station, pressuring the contractor to use “favorite” employees, or insisting on particular personnel actions.
- Be aware of intellectual property rights consequences of contractor employee work product created in the Federal workplace. Generally, the contractor will be able to commercially exploit software or inventions that it creates in the Federal workplace.
- Avoid giving incumbent contractor any unfair competitive advantage by including its employees in meetings to discuss aspects of the re-competition, or by allowing contractor's employees to overhear or gain access to planning information.
- Identify possible conflicts by contractor employees. If it would be a crime (conflict of interest) or violate the Standards of Ethical Conduct (appearances of partiality) for a Federal employee to participate in an official matter, we should require, within the terms of the contract, the contractor to behave to similar standards.
- Safeguard proprietary, Privacy Act, and other sensitive and nonpublic information. Release of

certain types of information to contractors to analyze, create charts and graphs, enter into databases, etc, could violate the procurement integrity law, the trade secrets act, the Privacy Act, or other law or regulation that could subject the releaser to civil and/or criminal penalties to include mandatory removal.

- Beware of gifts from contractor employees. Even if they work in the Federal workplace as part of a government/contractor team, they are “prohibited sources.” The rules relating to gifts from contractors are significantly different from rules governing gifts between federal employees. For example, the Joint Ethics Regulation prohibits federal employees from soliciting gifts from contractor personnel where, under certain circumstances, one federal employee can solicit a gift from another federal employee. A failure to remain aware of the differences between federal and private sector employees can easily lead to mistakes which can subject the federal employee to disciplinary measures.
- Don’t require “out-of-scope” work, personal services, or “inherently governmental functions.” The services that the contractor is required to provide through its employees are set out in the contract ... there are no “and other duties as assigned.” When we contract, we give up control and flexibility.
- Resolve inappropriate appearances created by close relationships between Federal and contractor employees. For example, if a Federal employee develops a close personal relationship with the contractor’s site manager, that Federal employee probably should not be assigned or continue as the COR.
- Discussion about future employment between an Army employee and a contractor employee, whoever initiates it, might require special reports depending on the situation. If the Army employee initiates the inquiry or wishes to pursue it, s/he is automatically disqualified from participating in official matters affecting the contractor and must issue a written notice of this disqualification. The Joint Ethics Regulations provides specific prohibitions relating to use of official position for personal benefit the violation of which provides potential for both criminal and civil penalties.
- Contractor personnel, regardless of how important they are to our mission, how well they perform their duties, how well liked any individual is, are not our responsibility. Management of contractor personnel, to include reward and recognition, is the contractor’s responsibility. Involvement in such matters is not permitted. Further, open recognition of the contractor, as a whole can constitute an official endorsement which is prohibited by the Joint Ethics Regulation. The legitimate result can be the reward of only the government part of a contractor/government team at the end of a job well done.

Keep in mind: When Government facilities, space and property will be provided to a contractor under the terms of the contract, it shall be used only for conducting the work required by the contract. Items should not be purchased by the contractor and turned over to the Government for the Government’s use. All steps shall be taken to limit Government and contractor employees working in the same office space – use trailers, separate offices, off-site offices with meeting areas designated on the installation.

The contracting officer, by written appointment, designates an individual to assist in monitoring a contractor’s performance – the COR. In this appointment the COR’s duties are outlined based upon the needs of the individual contract for which s/he has responsibility. A copy of this appointment is also furnished the contractor. The COR may need to work very closely with and require assistance from various project managers. The COR must ensure that these individuals do not try to manage/supervise contractor employees who may be working on their projects and/or within close proximity of their project areas.

When questions or concerns arise over the subject of personal services, contact the contracting officer who will work closely with the local contracts attorney.

OTHER CONSIDERATIONS:

Personal services have been covered, now we must consider the topic of “Inherently Governmental Functions.” These are functions that are so intimately related to the public interest as to mandate performance by Government employees. They include those activities that require either the exercise of discretion in applying government authority or the making of value judgments in making decisions for the Government. Government functions normally fall into two categories: (1) the act of governing, i.e., the discretionary exercise of Government authority, and (2) monetary transactions and entitlements.

FAR 7.503 states, in part, that contracts shall not be used for the performance of inherently governmental functions. Examples of functions considered to be inherently governmental functions or which shall be treated as such (not all inclusive) are listed in the FAR.

Activities sometimes rely on contractors in a fashion which raises questions whether these individuals are creating Government policy. For additional information and examples relating to inherently Governmental functions and the Management Oversight of Service Contracts, refer to OFPP Policy Letters 92-1 and 93-1.

<http://www.arnet.gov/Library/OFPP/PolicyLetters>

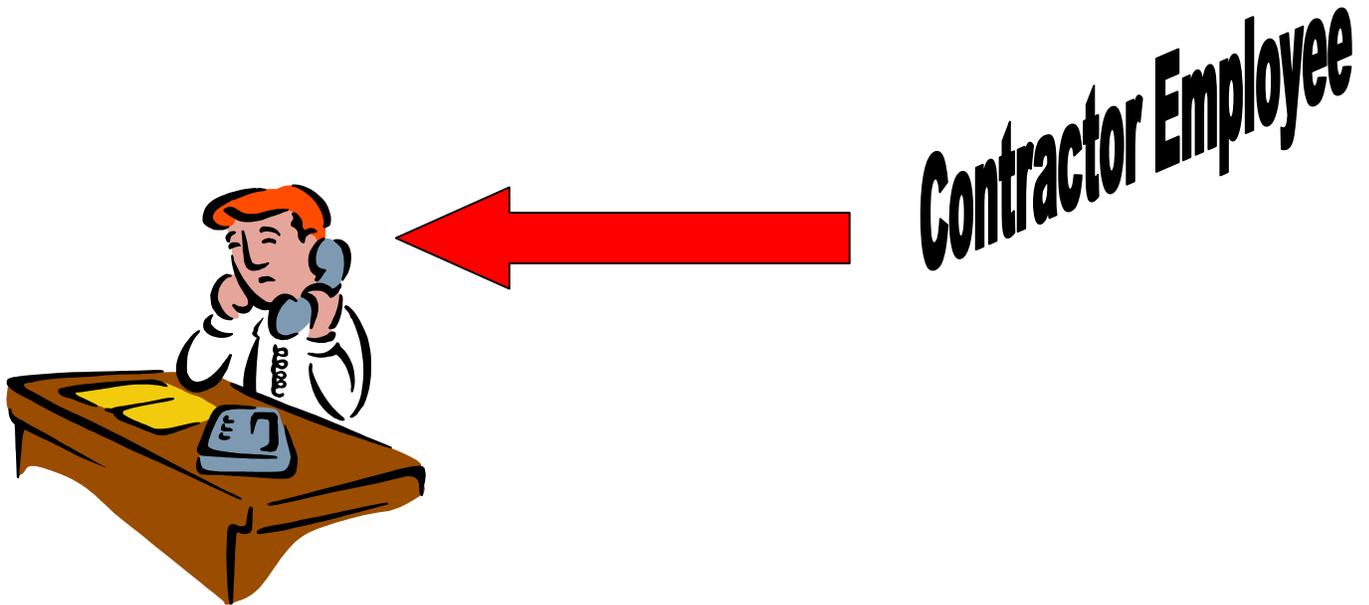
FAR 7.503(e) and AFARS 5107.503 state that requiring officials must provide the contracting officer a written determination that none of the functions required in the proposed scope of work are inherently governmental and that any disagreements regarding the determination must be resolved by the contracting officer prior to issuance of the solicitation.

When contracting for services:

- Program officials (the requiring activity) are responsible for describing the need to be filled or problem to be resolved through service contracting to assure full understanding and responsive performance by contractors, and should obtain assistance from contracting officials, as needed.
- Services are to be obtained and used in ways that ensure that the Government retains inherently governmental decision-making authority.
- Services are to be obtained in the most cost effective manner, without barriers to full and open competition, and free of any potential conflicts of interest.
- Services should be performance-based: describing the end result, rather than the step-by-step process.

- Sufficiently trained and experienced officials are available within the agency to manage and oversee the contract administration function.
- Effective management practices are used to prevent waste, fraud, and abuse.

Service contracts are not to be awarded to any individual or organization that is unable, or potentially unable, to render impartial advice or assistance to the Government, or that has an unfair competitive advantage over competing contractors unless every effort is first taken to mitigate such conflict or advantage – see OFPP Policy Letter 89-1 and Subpart 9.5 of the FAR. Government officials must make judgments on what the requirements must be, the estimated costs, and whether the contractor is performing according to the contract terms and conditions. They must retain control over, and remain accountable for, policy decisions that may be based, in part, on a contractor's performance and work products. They must also provide an enhanced degree of management controls and oversight when contracting for functions that closely support the performance of inherently Government functions.



APPENDIX F - COR'S REPORT TO THE PCO

CONTRACT NUMBER:

DESCRIPTION OF SUPPLY/SERVICE:

CONTRACTOR'S NAME:

PCO NAME:

1. Is a separate COR file for this contract containing a copy of the contract and all modifications, the COR/ACOR/TCOR appointments, copies of trip reports for all visits/meetings, copies of all correspondence between the COR/ACOR/TCOR and the contractor, etc., are available and are maintained current for inspection by the PCO?

YES

NO (If the answer is NO, call your PCO)

2. Are copies of trip reports, minutes of meeting and correspondence not already furnished to the PCO attached?

YES

NO (If the answer is NO, call your PCO)

3. Is the contractor performing in a satisfactory manner from technical, cost, and schedule points of view?

YES

NO

4. Describe any issues with the contractor's performance as they relate to:

a. Technical Area:

b. Cost Areas:

c. Schedule Areas:

d. Other:

5. What specific surveillance have you conducted during the quarter as to the contractor's prudent use of materials and labor to assure efficient or un wasteful methods are used?

6. If this is a time-and-materials labor hour contract, have you done floor checks of contractor's time cards, reviewed labor, materials, equipment purchased/used by the contractor?

YES

NO. If NO, explain:

7. Is labor, materials, and equipment in accordance with the terms of the contract?

YES

NO. If NO, explain:

8. Is use of labor, and purchase and use of material and equipment such as to preclude wasteful or inefficient costs to the Government?

YES

NO. If NO, explain:

9. Were any items, technical reports, services delivered and accepted during the reporting period?

YES

NO

10. Were any inventions first conceived and/or reduced to practice by the contractor during the reporting period?

NO

YES. If Yes, explain:

11. Was any Government-furnished property or material contractually required to be delivered to the contractor during the reporting period?

NO

YES

If Yes, was it delivered on time and per contract terms?

YES

NO. If No, explain:

12. Is a final technical report due under the contract during the reporting period?

- NO
 YES

If Yes, was it delivered per contract requirements?

- YES
 NO. If No, explain:

13. Is there any other matter concerning the contract/contractor under your cognizance as COR (see list of duties in your COR appointment letter) that needs to be surfaced to the PCO applicable to this reporting period?

- NO
 YES. If Yes, explain:

14. Do you have any questions for the PCO applicable to your COR duties during this reporting period?

- NO
 YES. If Yes, explain:

Date of Report:

COR Signature:
Name of COR:

DISTRIBUTION:

Original to PCO
Copy to COR File

APPENDIX G - COR DATABASE FORM

**FULL NAME:
COR/ACOR/TCOR:**

ORGANIZATION:

COMPLETE MAILING ADDRESS (office symbol, street address, building number, zip code):

EMAIL ADDRESS:

PHONE AND FAX NUMBERS:

COR TRAINING:

	<u>Hours Attended</u>	<u>Date Completed Month/Day/Year</u>
ALMC		
Resident (Ft. Lee)		
On-Site (ALMC faculty off campus)		
Satellite Education Network (SEN)		
Accredited Off-Campus Instruction (Classroom with ALMC course material and approved local instructors)		
Other:		

EQUIVALENT COURSES (If approved by the Contracting Officer):

FAI Internet-Based Mentoring Program

Other:

Course Name:

Source of Instruction:

(Name of school, contractor)

Mode of Instruction (resident, onsite, etc.):

REFRESHER TRAINING

Course Name:

Source:

Mode:

Date and Hours Attended:

Hours

CONTRACT NO./DELIVERY ORDER NO.:

PURCHASE ORDER NO.:

CONTRACTING OFFICER: