

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>	1. CONTRACT ID CODE	PAGE OF PAGES
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2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
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6. ISSUED BY CODE	7. ADMINISTERED BY (If other than Item 6) CODE
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8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)	(X)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
		10A. MODIFICATION OF CONTRACT/ORDER NO.
		10B. DATED (SEE ITEM 11)
CODE	FACILITY CODE	

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment your desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

**13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor  is not,  is required to sign this document and return \_\_\_\_\_ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	16B. UNITED STATES OF AMERICA  (Signature of Contracting Officer)
15C. DATE SIGNED	16C. DATE SIGNED

## INSTRUCTIONS

Instructions for items other than those that are self-explanatory, are as follows:

(a) Item 1 (Contract ID Code). Insert the contract type identification code that appears in the title block of the contract being modified.

(b) Item 3 (Effective date).

(1) For a solicitation amendment, change order, or administrative change, the effective date shall be the issue date of the amendment, change order, or administrative change.

(2) For a supplemental agreement, the effective date shall be the date agreed to by the contracting parties.

(3) For a modification issued as an initial or confirming notice of termination for the convenience of the Government, the effective date and the modification number of the confirming notice shall be the same as the effective date and modification number of the initial notice.

(4) For a modification converting a termination for default to a termination for the convenience of the Government, the effective date shall be the same as the effective date of the termination for default.

(5) For a modification confirming the contracting officer's determination of the amount due in settlement of a contract termination, the effective date shall be the same as the effective date of the initial decision.

(c) Item 6 (Issued By). Insert the name and address of the issuing office. If applicable, insert the appropriate issuing office code in the code block.

(d) Item 8 (Name and Address of Contractor). For modifications to a contract or order, enter the contractor's name, address, and code as shown in the original contract or order, unless changed by this or a previous modification.

(e) Item 9, (Amendment of Solicitation No. - Dated), and 10, (Modification of Contract/Order No. - Dated). Check the appropriate box and in the corresponding blanks insert the number and date of the original solicitation, contract, or order.

(f) Item 12 (Accounting and Appropriation Data). When appropriate, indicate the impact of the modification on each affected accounting classification by inserting one of the following entries.

(1) Accounting classification \_\_\_\_\_  
Net increase \$ \_\_\_\_\_

(2) Accounting classification \_\_\_\_\_  
Net decrease \$ \_\_\_\_\_

NOTE: If there are changes to multiple accounting classifications that cannot be placed in block 12, insert an asterisk and the words "See continuation sheet".

(g) Item 13. Check the appropriate box to indicate the type of modification. Insert in the corresponding blank the authority under which the modification is issued. Check whether or not contractor must sign this document. (See FAR 43.103.)

(h) Item 14 (Description of Amendment/Modification).

(1) Organize amendments or modifications under the appropriate Uniform Contract Format (UCF) section headings from the applicable solicitation or contract. The UCF table of contents, however, shall not be set forth in this document

(2) Indicate the impact of the modification on the overall total contract price by inserting one of the following entries:

(i) Total contract price increased by \$ \_\_\_\_\_

(ii) Total contract price decreased by \$ \_\_\_\_\_

(iii) Total contract price unchanged.

(3) State reason for modification.

(4) When removing, reinstating, or adding funds, identify the contract items and accounting classifications.

(5) When the SF 30 is used to reflect a determination by the contracting officer of the amount due in settlement of a contract terminated for the convenience of the Government, the entry in Item 14 of the modification may be limited to --

(i) A reference to the letter determination; and

(ii) A statement of the net amount determined to be due in settlement of the contract.

(6) Include subject matter or short title of solicitation/contract where feasible.

(i) Item 16B. The contracting officer's signature is not required on solicitation amendments. The contracting officer's signature is normally affixed last on supplemental agreements.

N00173-13-R-JH01

#### Amendment 1

The purpose of this amendment is to provide answers to the questions presented by potential offerors. This amendment also provides modification to sections L & M that were made in response to the questions.

#### Questions and Answers

Q1. Since no reference is made in Section K-2 to the 541712 Exception C and the resulting size standard of 1000 employees for small business, please clarify NRL's intention with respect to Exception C for the size standard of 1000 employees.

A1. Exception C is not relevant nor appropriate here because we are not designing space vehicles or guided missiles nor are we designing their propulsion units, propulsion unit parts or related auxiliary equipment.

Q2. It appears that instructions are missing in Section L-17 that provides direction for the Technical/Management proposal development with regard to the elements described in Section M: Factor 1 – Qualifications of Project Personnel, Factor 2 – Technical Key Performance Parameters, Factor 3 – Corporate Experience and Capability, and Factor 4 – Management Plan.

A2. Sections L and M have been edited see attachments for revised versions.

Q3. There are no instructions or references to the Labor Category Rate Tables in the cost proposal instructions of the solicitation. Is completion of these forms required in the business proposal, Volume II?

A3. Please include the Labor Category Rate Tables in the business proposal, Volume II.

Each of the labor categories have a related government site and contractor site (on and off site) rates that you are proposing. Please complete the tables with the corresponding labor rates for each category.

**SECTION L**  
**INSTRUCTIONS CONDITIONS AND NOTICES**  
**TO OFFERORS OR RESPONDENTS**

**L-1 FAR 52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FEB 1998)**

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this/these address(es):

<http://www.acqnet.gov/far>

<http://heron.nrl.navy.mil/contracts/home.htm>

<b><u>FAR CLAUSE</u></b>	<b><u>TITLE</u></b>	
52.215-1	Instructions To Offerors- Competitive Acquisition	(JAN 2004)
52.215-16	Facilities Capital Cost Of Money	(JUN 2003)
52.219-24	Small Disadvantaged Business Participation Program – Targets	(OCT 2000)
52.222-24	Preaward On-Site Equal Opportunity Compliance Evaluation	(FEB 1999)
52.237-1	Site Visit	(APR 1984)
52.237-10	Identification Of Uncompensated Overtime	(OCT 1997)

<b><u>DFARS CLAUSE</u></b>	<b><u>TITLE</u></b>	
252.209-7001	Disclosure Of Ownership Or Control By The Government Of A Terrorist Country	(JAN 2009)
252.211-7005	Substitutions For Military Or Federal Specifications And Standards	(NOV 2005)
252.225-7003	Report Of Intended Performance Outside The United States And Canada – Submission With Offer	(OCT 2010)

**L-2 INSTRUCTIONS FOR SUBMISSION OF PROPOSALS/OFFERS**

All proposals shall be submitted in accordance with FAR 52.215-1- *Instructions to Offerors-Competitive Acquisition*. Proposals/offers submitted in paper media through the United States Postal Service (USPS) or delivery services shall be addressed:

Contracting Officer, ATTN: Code3230 JH

RFP No. N00173-13-R-JH01                      Closing Date: 03 June 2014                      Time:12:00 PM

Naval Research Laboratory

4555 Overlook Avenue, S.W.

Washington, D.C. 20375

Proposals may be hand delivered to the Contracting Office, NRL, 4555 Overlook Avenue, S.W., Washington, D.C. 20375, Building 222, Room 115 between the hours of 8AM until 4PM, local time, excluding weekends and federal holidays. NRL is a controlled-access facility. Photo identification will be required. Report first to Building 72, Visitor Control for access to NRL. After receiving a Visitor Pass, proceed directly to Building 222, Room 115, Contracting Office Receptionist to deliver the proposal. All offerors shall allow sufficient time for delivery of their proposal to the Contracting Office prior to the closing date and time announced in the solicitation. Directions and additional information about NRL is available [here](#).

**L-3 FAR 52.211-14 - NOTICE OF PRIORITY RATING FOR NATIONAL DEFENSE, EMERGENCY PREPAREDNESS, AND ENERGY PROGRAM USE (APR 2008)**

Any contract awarded as a result of this solicitation will be  DX rated order;  DO rated order certified for national defense, emergency preparedness, and energy program use under the Defense Priorities and Allocations System (DPAS) (15 CFR 700), and the Contractor will be required to follow all of the requirements of this regulation.

#### **L-4 FAR 52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 2010)**

(a) *Exceptions from cost or pricing data.* (1) In lieu of submitting cost or pricing data, offerors may submit a written request for exception by submitting the information described in the following subparagraphs. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable.

(i) *Identification of the law or regulation establishing the price offered.* If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.

(ii) *Commercial item exception.* For a commercial item exception, the offeror shall submit, at a minimum, information on prices at which the same item or similar items have previously been sold in the commercial market that is adequate for evaluating the reasonableness of the price for this acquisition. Such information may include--

(A) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), e.g., wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities.

(B) For market priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market.

(C) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.

(2) The offeror grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this provision, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the offeror's determination of the prices to be offered in the catalog or marketplace.

(b) *Requirements for certified cost or pricing data.* If the offeror is not granted an exception from the requirement to submit certified cost or pricing data, the following applies:

(1) The offeror shall prepare and submit certified cost or pricing data, and data other than certified cost or pricing data, and supporting attachments in accordance with the instructions contained in Table 15-2 of FAR 15.408, which is incorporated by reference with the same force and effect as though it were inserted here in full text. The instructions in Table 15-2 are

incorporated as a mandatory format to be used I this contract, unless the Contracting Officer and the Contractor agree to a different format and change this clause to use Alternate I.

(2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions such as letter contracts), the offeror shall submit a Certificate of Current Cost or Pricing Data, as prescribed in FAR 15.406-2.

#### **L-5 FAR 52.216-1 - TYPE OF CONTRACT (APR 1984)**

The Government contemplates award of a **Cost Plus Fixed Fee Term** contract resulting from this solicitation.

#### **L-6 52.222-46 -- EVALUATION OF COMPENSATION FOR PROFESSIONAL EMPLOYEES (FEB 1993)**

(a) Recompensation of service contracts may in some cases result in lowering the compensation (salaries and fringe benefits) paid or furnished professional employees. This lowering can be detrimental in obtaining the quality of professional services needed for adequate contract performance. It is therefore in the Government's best interest that professional employees, as defined in 29 CFR 541, be properly and fairly compensated. As part of their proposals, offerors will submit a total compensation plan setting forth salaries and fringe benefits proposed for the professional employees who will work under the contract. The Government will evaluate the plan to assure that it reflects a sound management approach and understanding of the contract requirements. This evaluation will include an assessment of the offeror's ability to provide uninterrupted high-quality work. The professional compensation proposed will be considered in terms of its impact upon recruiting and retention, its realism, and its consistency with a total plan for compensation. Supporting information will include data, such as recognized national and regional compensation surveys and studies of professional, public and private organizations, used in establishing the total compensation structure.

(b) The compensation levels proposed should reflect a clear understanding of work to be performed and should indicate the capability of the proposed compensation structure to obtain and keep suitably qualified personnel to meet mission objectives. The salary rates or ranges must take into account differences in skills, the complexity of various disciplines, and professional job difficulty. Additionally, proposals envisioning compensation levels lower than those of predecessor contractors for the same work will be evaluated on the basis of maintaining program continuity, uninterrupted high-quality work, and availability of required competent professional service employees. Offerors are cautioned that lowered compensation for essentially the same professional work may indicate lack of sound management judgment and lack of understanding

of the requirement.

(c) The Government is concerned with the quality and stability of the work force to be employed on this contract. Professional compensation that is unrealistically low or not in reasonable relationship to the various job categories, since it may impair the Contractor's ability to attract and retain competent professional service employees, may be viewed as evidence of failure to comprehend the complexity of the contract requirements.

(d) Failure to comply with these provisions may constitute sufficient cause to justify rejection of a proposal.

(End of Provision)

**L-7 FAR 52.233-2 - SERVICE OF PROTEST (SEP 2006)**

Protests, as defined in Section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the Government Accountability Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from the Control Desk, Code 3200, Bldg. 222, Rm. 115, Naval Research Laboratory, 4555 Overlook Ave., S.W., Washington DC 20375-5326.

The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

**L-9 DFARS 252.215-7009 – PROPOSAL ADEQUACY CHECKLIST (MAR 2013)**

The offeror shall complete the following checklist, providing location of requested information, or an explanation of why the requested information is not provided. In preparation of the offeror's checklist, offerors may elect to have their prospective subcontractors use the same or similar checklist as appropriate.

## PROPOSAL ADEQUACY CHECKLIST

	REFERENCES	SUBMISSION ITEM	PROPOSAL PAGE No.	If not provided EXPLAIN (may use continuation pages)
<b>GENERAL INSTRUCTIONS</b>				
1.	FAR 15.408, Table 15-2, Section I Paragraph A	Is there a properly completed first page of the proposal per FAR 15.408 Table 15-2 I.A or as specified in the solicitation?		
2.	FAR 15.408, Table 15-2, Section I Paragraph A(7)	Does the proposal identify the need for Government-furnished material/tooling/test equipment? Include the accountable contract number and contracting officer contact information if known.		
3.	FAR 15.408, Table 15-2, Section I Paragraph A(8)	Does the proposal identify and explain notifications of noncompliance with Cost Accounting Standards Board or Cost Accounting Standards (CAS); any proposal inconsistencies with your disclosed practices or applicable CAS; and inconsistencies with your established estimating and accounting principles and procedures?		

4.	FAR 15.408, Table 15-2, Section I, Paragraph C(1) FAR 2.101, "Cost or pricing data"	<p>Does the proposal disclose any other known activity that could materially impact the costs?</p> <p>This may include, but is not limited to, such factors as—</p> <ul style="list-style-type: none"> <li>(1) Vendor quotations;</li> <li>(2) Nonrecurring costs;</li> <li>(3) Information on changes in production methods and in production or purchasing volume;</li> <li>(4) Data supporting projections of business prospects and objectives and related operations costs;</li> <li>(5) Unit-cost trends such as those associated with labor efficiency;</li> <li>(6) Make-or-buy decisions;</li> <li>(7) Estimated resources to attain business goals; and</li> <li>(8) Information on management decisions that could have a significant</li> </ul>		
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		bearing on costs.		
5.	FAR 15.408, Table 15-2, Section I Paragraph B	Is an Index of all certified cost or pricing data and information accompanying or identified in the proposal provided and appropriately referenced?		
6.	FAR 15.403-1(b)	Are there any exceptions to submission of certified cost or pricing data pursuant to FAR 15.403-1(b)? If so, is supporting documentation included in the proposal? (Note questions 18-20.)		
7.	FAR 15.408, Table 15-2, Section I Paragraph C(2)(i)	Does the proposal disclose the judgmental factors applied and the mathematical or other methods used in the estimate, including those used in projecting from known data?		
8.	FAR 15.408, Table 15-2, Section I Paragraph C(2)(ii)	Does the proposal disclose the nature and amount of any contingencies included in the proposed price?		

9.	FAR 15.408 Table 15-2, Section II, Paragraph A or B	Does the proposal explain the basis of all cost estimating relationships (labor hours or material) proposed on other than a discrete basis?		
10.	FAR 15.408, Table 15-2, Section I Paragraphs D and E	Is there a summary of total cost by element of cost and are the elements of cost cross-referenced to the supporting cost or pricing data? (Breakdowns for each cost element must be consistent with your cost accounting system, including breakdown by year.)		
11.	FAR 15.408, Table 15-2, Section I Paragraphs D and E	If more than one Contract Line Item Number (CLIN) or sub Contract Line Item Number (sub-CLIN) is proposed as required by the RFP, are there summary total amounts covering all line items for each element of cost and is it cross-referenced to the supporting cost or pricing data?		
12.	FAR 15.408, Table 15-2, Section I Paragraph F	Does the proposal identify any incurred costs for work performed before the submission of the proposal?		
13.	FAR 15.408, Table 15-2, Section I Paragraph G	Is there a Government forward pricing rate agreement (FPRA)? If so, the offeror shall identify the official submittal of such rate and factor data. If not, does the proposal include all rates and factors by year that are utilized in the development of the proposal and the basis for those rates and factors?		
<b>COST ELEMENTS</b>				
<b>MATERIALS AND SERVICES</b>				

14.	FAR 15.408, Table 15-2, Section II Paragraph A	Does the proposal include a consolidated summary of individual material and services, frequently referred to as a Consolidated Bill of Material (CBOM), to include the basis for pricing? The offeror's consolidated summary shall include raw materials, parts, components, assemblies, subcontracts and services to be produced or performed by others, identifying as a minimum the item, source, quantity, and price.		
<b>SUBCONTRACTS (Purchased materials or services)</b>				
15.	DFARS 215.404-3	Has the offeror identified in the proposal those subcontractor proposals, for which the contracting officer has initiated or may need to request field pricing analysis?		
16.	FAR 15.404-3(c) FAR 52.244-2	Per the thresholds of FAR 15.404-3(c), Subcontract Pricing Considerations, does the proposal include a copy of the applicable subcontractor's certified cost or pricing data?		
17.	FAR 15.408, Table 15-2, Note 1; Section II Paragraph A	Is there a price/cost analysis establishing the reasonableness of each of the proposed subcontracts included with the proposal?  If the offeror's price/cost analyses are not provided with the proposal, does the proposal include a matrix identifying dates for receipt of subcontractor proposal, completion of		

		fact finding for purposes of price/cost analysis, and submission of the price/cost analysis?		
<b>EXCEPTIONS TO CERTIFIED COST OR PRICING DATA</b>				
18.	FAR 52.215-20 FAR 2.101, “commercial item”	<p>Has the offeror submitted an exception to the submission of certified cost or pricing data for commercial items proposed either at the prime or subcontractor level, in accordance with provision 52.215-20?</p> <p>a. Has the offeror specifically identified the type of commercial item claim (FAR 2.101 commercial item definition, paragraphs (1) through (8)), and the basis on which the item meets the definition?</p> <p>b. For modified commercial items (FAR 2.101 commercial item definition paragraph (3)); did the offeror classify the modification(s) as either—</p> <p>i. A modification of a type customarily available in the commercial marketplace (paragraph (3)(i)); or</p> <p>ii. A minor modification (paragraph (3)(ii)) of a type not customarily available in the commercial marketplace made to meet Federal Government requirements not exceeding the thresholds in FAR 15.403-1(c)(3)(iii)(B)?</p> <p>c. For proposed commercial items “of a type”, or “evolved” or modified (FAR 2.101 commercial item definition paragraphs (1) through (3)), did the contractor provide a technical description of the differences between the proposed item and the comparison item(s)?</p>		

19.	FAR 15.408, Table 15-2, Section II Paragraph A	Does the proposal include a price analysis for all commercial items offered that are not available to the general public?		
20.	FAR 15.408, Table 15-2, Section II	Does the proposal support the degree of competition and the basis for		
	Paragraph A(1)	establishing the source and reasonableness of price for each subcontract or purchase order priced on a competitive basis exceeding the threshold for certified cost or pricing data?		
<b>INTERORGANIZATIONAL TRANSFERS</b>				
21.	FAR 15.408, Table 15-2, Section II Paragraph A.(2)	For inter-organizational transfers proposed at cost, does the proposal include a complete cost proposal in compliance with Table 15-2?		
22.	FAR 15.408, Table 15-2, Section II Paragraph A(1)	For inter-organizational transfers proposed at price in accordance with FAR 31.205-26(e), does the proposal provide an analysis by the prime that supports the exception from certified cost or pricing data in accordance with FAR 15.403-1?		
<b>DIRECT LABOR</b>				
23.	FAR 15.408, Table 15-2, Section II Paragraph B	Does the proposal include a time phased (i.e.; monthly, quarterly) breakdown of labor hours, rates and costs by category or skill level? If labor is the allocation base for indirect costs, the labor cost must be summarized in order that the applicable overhead rate can be applied.		

24.	FAR 15.408, Table 15-2, Section II Paragraph B	For labor Basis of Estimates (BOEs), does the proposal include labor categories, labor hours, and task descriptions, (e.g.; Statement of Work reference, applicable CLIN, Work Breakdown Structure, rationale for estimate, applicable history, and time-phasing)?		
25.	FAR subpart 22.10	If covered by the Service Contract Labor Standards statute (41 U.S.C. chapter 67), are the rates in the proposal in compliance with the minimum rates specified in the statute?		
<b>INDIRECT COSTS</b>				

26.	FAR 15.408, Table 15-2, Section II Paragraph C	Does the proposal indicate the basis of estimate for proposed indirect costs and how they are applied? (Support for the indirect rates could consist of cost breakdowns, trends, and budgetary data.)		
<b>OTHER COSTS</b>				
27.	FAR 15.408, Table 15-2, Section II Paragraph D	Does the proposal include other direct costs and the basis for pricing? If travel is included does the proposal include number of trips, number of people, number of days per trip, locations, and rates (e.g. airfare, per diem, hotel, car rental, etc)?		
28.	FAR 15.408, Table 15-2, Section II Paragraph E	If royalties exceed \$1,500 does the proposal provide the information/data identified by Table 15-2?		
29.	FAR 15.408, Table 15-2, Section II Paragraph F	When facilities capital cost of money is proposed, does the proposal include submission of Form CASB-CMF or reference to an FPRA/FPRP and show the calculation of the proposed amount?		
<b>FORMATS FOR SUBMISSION OF LINE ITEM SUMMARIES</b>				

30.	FAR 15.408, Table 15-2, Section III	Are all cost element breakdowns provided using the applicable format prescribed in FAR 15.408, Table 15-2 III? (or alternative format if specified in the request for proposal)		
31.	FAR 15.408, Table 15-2, Section III Paragraph B	If the proposal is for a modification or change order, have cost of work deleted (credits) and cost of work added (debits) been provided in the format described in FAR 15.408, Table 15-2.III.B?		
32.	FAR 15.408, Table 15-2, Section III Paragraph C	For price revisions/redeterminations, does the proposal follow the format in FAR 15.408, Table 15-2.III.C?		
OTHER				
33.	FAR 16.4	If an incentive contract type, does the proposal include offeror proposed target cost, target profit or fee, share		
		ratio, and, when applicable, minimum/maximum fee, ceiling price?		
34.	FAR 16.203-4 and FAR 15.408 Table 15-2, Section II, Paragraphs A, B, C, and D	If Economic Price Adjustments are being proposed, does the proposal show the rationale and application for the economic price adjustment?		
35.	FAR 52.232-28	If the offeror is proposing Performance-Based Payments did the offeror comply with FAR 52.232-28?		

36.	FAR 15.408(n) FAR 52.215-22 FAR 52.215-23	Excessive Pass-through Charges— Identification of Subcontract Effort: If the offeror intends to subcontract more than 70% of the total cost of work to be performed, does the proposal identify: (i) the amount of the offeror’s indirect costs and profit applicable to the work to be performed by the proposed subcontractor(s); and (ii) a description of the added value provided by the offeror as related to the work to be performed by the proposed subcontractor(s)?		
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(End of provision)

**L-10 DFARS 252.227-7017 - IDENTIFICATION AND ASSERTION OF USE, RELEASE, OR DISCLOSURE RESTRICTIONS (JAN 2011)**

The terms used in this provision are defined in following clause or clauses contained in this solicitation—

- (1) If a successful offeror will be required to deliver technical data, the Rights in Technical Data-Noncommercial Items clause, or, if this solicitation contemplates a contract under the Small Business Innovation Research Program, the Rights in Noncommercial Technical Data and Computer Software--Small Business Innovation Research (SBIR) Program clause.
- (2) If a successful offeror will not be required to deliver technical data, the Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation clause, or, if this solicitation contemplates a contract under the Small Business Innovation Research Program, the Rights in Noncommercial Technical Data and Computer Software--Small Business Innovation Research (SBIR) Program clause.

The identification and assertion requirements in this provision apply only to technical data, including computer software documents, or computer software to be delivered with other than

unlimited rights. For contracts to be awarded under the Small Business Innovation Research Program, the notification requirements do not apply to technical data or computer software that will be generated under the resulting contract. Notification and identification is not required for restrictions based solely on copyright.

Offers submitted in response to this solicitation shall identify, to the extent known at the time an offer is submitted to the Government, the technical data or computer software that the Offeror, its subcontractors or suppliers, or potential subcontractors or suppliers, assert should be furnished to the Government with restrictions on use, release, or disclosure.

The Offeror's assertions, including the assertions of its subcontractors or suppliers or potential subcontractors or suppliers shall be submitted as an attachment to its offer in the following format, dated and signed by an official authorized to contractually obligate the Offeror:

Identification and Assertion of Restrictions on the Government's Use, Release, or Disclosure of Technical Data or Computer Software.

The Offeror asserts for itself, or the persons identified below, that the Government's rights to use, release, or disclose the following technical data or computer software should be restricted:

Technical Data or Computer Software to be Furnished Basis for Rights Asserting With Restrictions*	Basis for Assertion**	Asserted Rights Category***	Name of Person Asserting Restrictions****
(List)*****	(List)	(List)	(List)

\* For technical data (other than computer software documentation) pertaining to items, components, or processes developed at private expense, identify both the deliverable technical data and each such items, component, or process. For computer software or computer software documentation identify the software or documentation.

\*\* Generally, development at private expense, either exclusively or partially, is the only basis for asserting restrictions. For technical data, other than computer software documentation, development refers to development of the item, component, or process to which the data pertain. The Government's rights in computer software documentation generally may not be restricted. For computer software, development refers to the software. Indicate whether development was accomplished exclusively or partially at private expense. If development was not accomplished at private expense, or for computer software documentation, enter the specific basis for asserting restrictions.

\*\*\* Enter asserted rights category (e.g., government purpose license rights from a prior contract, rights in SBIR data generated under another contract, limited, restricted, or government purpose rights under this or a prior contract, or specially negotiated licenses).

\*\*\*\* Corporation, individual, or other person, as appropriate.

\*\*\*\*\* Enter "none" when all data or software will be submitted without restrictions. Date Insert description



(1) Information for the technical/management proposal shall be placed in Volume I and be completely separate from the business proposal (Volume II).

(2) Proposal Format and Length - No attempt is made to restrict the proposal format and style. However, the proposal should be written and organized so as to be compatible with the RFP, the Statement of Work, company's organization and accounting structure, and proposed cost estimate. Offerors are encouraged to use recycled paper and maximize the use of double sided copying when preparing responses to solicitations.

#### **L-15 SECURITY REQUIREMENTS**

Access to classified information is not required to submit a proposal for this statement of work. However, prospective offerors shall have the required facility clearance in accordance with attached DD254 at the time of proposal and personnel available with final DoD granted personnel security clearances required for performance of the contract.

#### **L-16 ANTICIPATED DISTRIBUTION OF DIRECT LABOR HOURS BY LABOR CATEGORIES**

The anticipated distribution by labor category of the estimated level of effort is discussed in section H. This distribution shall be used by the offeror in preparing the cost proposal. If the offeror uses labor category terminology other than that used in this provision, the offeror must provide a matrix clearly relating their proposed labor categories to those in this provision.

#### **L-17 VOLUME I - TECHNICAL/MANAGEMENT PROPOSAL**

REQUIRED COPIES: 1 ORIGINAL AND 5 COPIES.

(1) The offeror must propose the labor categories in accordance with the Level of Effort Breakdown in Section H. If the offeror uses labor category terminology other than that used in Section H, the offer must provide a matrix clearly relating their proposed labor categories to those stated.

(2) The following information is required for evaluation of your technical/management proposal:

##### ***Factor 1 – Qualifications of Project Personnel***

The contractor shall submit sufficient information, including resumes, to support key personnel experience in managing and executing programs similar in nature, size, scope and complexity to those contained in the SOW with industry or Government Agencies. The proposal's information shall support their key personnel commitment and include key personnel names along with the labor category which they are proposing them for. Please note, that while the pricing sheets will not be provided to the technical evaluators, the pricing sheets shall include the names of the key personnel committed to the project per labor category. These names, labor categories and labor hours will be submitted to the technical evaluators, once sanitized of price, for technical evaluation purposes. Commitment proof may include but is not limited to commitment letters for all key personnel or proof of current employment with the company. While not required, these

commitment documents (commitment letter and corporate commitment letter) will help solidify a favorable rating.

## **Factor 2: Technical Key Performance Parameters**

The offeror shall demonstrate that they have the technical expertise to meet the requirements outlined in the SOW. The offeror shall also propose an approach towards meeting those requirements. Such an approach may include specific software and hardware tools that the offeror will apply to accomplish the research. Specific examples of how these tools can be, or have been, used to solve similar problems shall be evaluated. This Factor also includes the ability to meet specific research and engineering deadlines in a timely fashion.

## **Factor 3 – Corporate Experience and Capability**

(a) Management, Control and Reporting – The offeror shall provide a discussion that demonstrates prior experience in supporting R&D efforts such as concept development, and the development of technical documentation associated with the development process.

(b) Systems Engineering The offeror shall provide a discussion that demonstrates prior experience in developing scientific objectives, mission requirements and technical concepts for instruments systems, flight systems, ground systems and launch systems

(c) Hardware Engineering -- The offeror shall provide a discussion that demonstrates prior experience in hardware engineering, including interface and data handling electronics, circuit card design, optical design services and detector design and development services.

(d) Software Engineering-- The offeror shall provide a discussion that demonstrates prior experience in providing software engineering support and technical assistance including flight, ground software and modeling and simulation software, ground data analysis software (GDAS) and mission planning, scheduling and display software.

(e) – Laboratory and Operations Support-- The offeror shall provide a discussion that demonstrates experience in testing and characterizing new instrumentation and experimental payloads under ambient and stressing conditions. This includes calibration, payload processing and mission operations and data analysis.

(f) Mission Assurance, The offeror shall provide a discussion that demonstrates experience in establishing requirements for a mission assurance program commensurate with flight instrumentation and experimental payload mission requirements. This includes electronic parts assurance, quality assurance, reliability assurance, material and processes control, contamination control and experience will all major reviews for flight electronics and ground support equipment.

(g) Other Related Experience - - Proposals may provide a discussion demonstrating experience other than that given above that the offeror believes is specifically applicable to these NRL requirements. Offerors are cautioned not to include standard capability packages not applicable in the proposal. All applicable experience shall be described in detail and the sponsoring organization(s) shall be identified.

#### **Factor 4 – Management Plan**

The offeror shall provide a detailed transition plan that outlines his strategy for assuring a smooth and effective transition. The Transition Plan shall describe how the offeror's organization will be staffed, trained, managed and ready to meet the requirements of the SOW at the end of the transition period. NOTE: The plan shall be submitted with the technical proposal.

(a) The Transition Plan shall identify, via a network schedule and a milestone chart, the proposed approach to the phase-in of management and technical personnel and the implantation of control procedures and methods. The offeror shall indicate major interrelationships between transition events on the network schedule. The impact of these interrelationships on the transition schedule, as well as a description of how transition delays will be mitigated, shall be explained in the offeror's Transition Plan. All transition activities shall be completed within six months after contract award (ACA).

(b) Management Transition Phasing -- A smooth and effective transition of ongoing management tasks are of critical importance. The offeror shall establish the management controls, procedures and methods necessary to assure the accomplishment of procurement, subcontracting, status reporting, security and personnel staffing. The offeror shall provide convincing evidence that complete transition can be completed within 45 days after contract award (ACIA).

(c) In-house Priority -- The offeror shall discuss how he will treat this requirement in relation to the company's other commitments' that compete for the same company resources.

#### **PAST PERFORMANCE INFORMATION**

(a) Offerors shall submit the following information as part of their proposal. (Offerors are encouraged to submit the information prior to other parts of the proposal to assist the government in reducing the length of the evaluation period.) List the last 5 contracts or subcontracts completed by the offeror or predecessor companies during the past 3 years years for services similar in nature to this requirement. Include in the 5 any current contracts or subcontracts for similar services that were awarded at least one year prior to the date of this solicitation. Offerors that have no similar previous or current contracts should provide the requested information for proposed subcontractors that will perform major or critical aspects of the requirement or for the proposed project manager or key personnel responsible for major or critical aspects of the requirement.

1. Name of contracting organization.
2. Contract number
3. Contract type

4. Total contract value
5. Description of the contract work
6. Contracting Officer and telephone number
7. Contracting Officer's representative, program manager, or similar official's name and telephone number

(b) Offerors shall contact the contracting organizations identified pursuant to paragraph (a) as soon as possible and request them to send past performance information on the identified contracts to the address in Block 7 of the face page of this solicitation. The past performance report which is available electronically in full text at [http://heron.nrl.navy.mil/contracts/4335\\_1.pdf](http://heron.nrl.navy.mil/contracts/4335_1.pdf) is to be provided to the contracting organization for this purpose. If the contracting organization has already collected past performance information on the contract pursuant to FAR Subpart 42.15, the format used to collect the information may be used instead of the past performance report.

(c) Offerors may include in their proposals specific information relating to problems encountered in performing the identified contracts and any corrective actions by the offeror. Offerors should not provide general information on their performance on the identified contracts as this will be obtained from the contracting organizations.

## **L-18 VOLUME II - BUSINESS PROPOSAL**

REQUIRED COPIES: 1 ORIGINAL AND 2 \*\* COPIES, AS WELL AS AN ELECTRONIC COPY COMPATIBLE WITH MICROSOFT OFFICE.

### **(1) COST PROPOSAL**

The offeror shall submit a business proposal that includes a cost proposal with supporting information for each cost element consistent with offeror's cost accounting system. The supporting breakdown should include such elements as materials, direct labor, indirect cost, and other costs such as travel. The offeror shall provide exhibits as necessary to substantiate each cost element. Should rates be used in the proposal which are not DCAA approved, the offeror shall provide complete documentation and the rationale for their use at time of proposal submission. However, offerors are advised to use actual labor rates of proposed personnel as the basis for estimating labor costs when practicable.

The contractor shall furnish a copy of the cost proposal to their cognizant DCAA office. The cover page of the proposal shall clearly indicate the RFP Number, the Contracting Officer's name and phone number and the following statement:

**“The Contracting Officer has directed that this advance copy be sent to you in anticipation of the RATE CHECK that will be requested in order to determine cost realism in accordance with FAR 15.305 and 15.404(d).”**

### **(2) SMALL BUSINESS PARTICIPATION**

(a) In addition to complying with the clause at FAR 52.219-9, Small Business Subcontracting Plan with its Alternate II, proposals must include information to permit evaluation of the extent

of participation of small businesses and historical black colleges or universities and minority institutions in performance of the contract. Participation to be identified may be in the form of a joint venture, teaming arrangement, or subcontract. Small business concerns that are not required by FAR 52.219-9 to submit a subcontracting plan must indicate the extent to which proposed joint ventures, teaming arrangements, or subcontracts are with historically black

colleges or universities and minority institutions. Information provided should include the extent of participation of such firms in terms of the value of the total acquisition and the complexity and variety of the work such firms are to perform.

(b) Proposals must also include information to permit evaluation of the extent of participation of small disadvantaged business concerns in performance of the contract. See the provision at FAR 52.219-24, Small Disadvantaged Business Participation Program--Targets, and the clause at 52.219-25, Small Disadvantaged Business Participation Program--Disadvantaged Status and Reporting. Any targets will be incorporated into and become part of any resulting contract. Information provided should include the extent of participation of such firms in terms of the value of the total acquisition and the complexity and variety of the work such firms are to perform.

(c) All offerors shall provide the level of small business commitment that they are demonstrating for the proposed acquisition, and their level of commitment to utilizing small businesses in performance of prior contracts. The following shall evidence small business participation:

- a. The extent to which such firms, as defined in FAR Part 19, are specifically identified in proposals;
- b. The extent of commitment to use such firms (enforceable commitments will be weighted more heavily than non-enforceable ones);
- c. The complexity and variety of the work small firms are to perform;
- d. The realism of the proposal;
- e. Past performance of the offeror in complying with requirements of the clauses at FAR 52.219-8, Utilization of Small Business Concerns, and, for all large business offerors, FAR 52.219-9, Small Business Subcontracting Plan;
- f. The extent of participation of such firms in terms of the value of the total acquisition;
- g. The extent to which the offeror provides detailed explanations/documentation supporting the proposed participation percentages, or lack thereof. The Department of Defense (DoD) has established small business goals as an assistance to assure small business receives a fair proportion of DoD awards. The goals for this procurement are as follows: Small Business: 31.7% of the total contract value; Small Disadvantaged Business: 5.0% of the total contract value; Woman-Owned Small Business: 5.0% of the total contract value; Historically Underutilized Business Zone (HUBZone) Small Business: 3.0% of the total contract value; Service Disabled Veteran Owned Small Business: 3.0% of the total contract value. (Note, for example, that a participation plan that reflects 5.0% for Small Disadvantaged Business would also count toward the overall Small Business Goal).

All Offerors are required to submit Small Business Participation Plan information in accordance with DFARS 215.304 that shall include the following:

1. Total Contract Value (including options): \$\_\_\_\_\_
2. Dollar Value of your participation as a prime contractor: \$\_\_\_\_\_
3. Dollar Value and Percentage of Total Contract Value of Subcontracts Planned for:

	Dollar Value	Percentage of Total Contract Value
Large Business	\$	%
Total Small Business	\$	%
Small Non-Disadvantaged Small Business	\$	%
Small Disadvantaged Small Business	\$	%
Woman-Owned Small Business	\$	%
Service-Disabled Veteran-Owned Small Business	\$	%
HUBZone Small Business	\$	%

Each percentage above shall be accompanied by detailed supporting documentation regarding individual commitments. Detailed explanations shall also be provided when the percentage falls short of the DoD goals.

NOTE: The sum of the dollar values and percentages of Small Non-Disadvantaged and Small disadvantaged Businesses should equal the Total Dollar Value entry for the Total Small Business Participation category. However, the sum of all the percentages under Paragraph 3 need not equal 100% since the prime is not included and because individual subcontractors may be counted towards more than one category. All percentages should use the TOTAL CONTRACT VALUE as a baseline.

- a. List principal supplies/services (be specific) to be subcontracted to:

	Name of Company	Type of Service/Supply
Large Business		
Total Small Business		
Small Non-Disadvantaged Small Business		
Small Disadvantaged Small Business		
Woman-Owned Small Business		
Service-Disabled Veteran-Owned Small Business		
HUBZone Small Business		

NOTE: For purposes of subcontracting, Historically Black Colleges and Universities/Minority Institutions (HBCUs/MIs) are considered as disadvantaged and should be broken out separately.

- b. Prior Performance Information: Provide any information substantiating the Offeror's track record of utilizing small business on past contracts. Any information concerning long-term relationships with Small Business subcontractors, such as mentor-protégé relationships should be provided.

- c. Extent of Commitment: Provide documentation regarding enforceable commitments to utilize any small business category, as defined in FAR Part 19 as subcontractors.

## **L-20 COST CONTRACT (NO FEE) AND COST-SHARING PROPOSALS**

- (a) If a cost-reimbursement contract without fee is proposed by the offeror and accepted by the Government, the following changes will be made in the contractual award document:
  - (1) Section B will be revised to delete the columns "Fixed Fee" and "Total Est Cost Plus Fixed Fee."
  - (2) Section G will be revised to delete the clause, "Payment of Fixed Fee (Completion Form)."
  - (3) Section I will be revised to substitute the clause FAR 52.216-11, Cost Contract-No Fee for the clause FAR 52.216-8, Fixed Fee .
- (b) If a cost-sharing contract is proposed by the offeror and accepted by the Government, the following changes will be made in the contractual award document:
  - (1) Section B will be revised to delete the columns "Estimated Cost", "Fixed Fee" and "Total Est Cost Plus Fixed Fee" and insert in lieu thereof columns entitled "Estimated Allowable Cost" and "Estimated Cost to the Government."
  - (2) Section G will be revised to delete the clause, "Payment of Fixed Fee (Completion Form)"
  - (3) Section H will be revised to include the following clause:

### **COST SHARING**

Both the estimated allowable cost of performing each CLIN and the estimated cost to the Government of each CLIN are set forth in Section B of this contract. The difference between these amounts represents the contractor's share of the estimated allowable cost of the CLIN. In order to accomplish this sharing by the parties, the Contractor shall be reimbursed by the Government for incurred allowable costs of performing each CLIN in the same proportion as the total estimated cost to the Government of the CLIN is to the total estimated allowable cost of the CLIN.

- (4) Section I will be revised to substitute the clause FAR 52.216-12, Cost Sharing Contract - No Fee , for the clause FAR 52.216-8, Fixed Fee .

## **L-21 CRITERIA FOR ALTERNATE PROPOSALS**

Proposals submitted in response to this solicitation are not limited to the suggested approaches of

the acquisition data furnished. In order to be evaluated, alternate proposals must offer technical improvements or modifications which are to the overall benefit of the Government. Offerors are encouraged to submit alternate proposals containing new ideas, unique approaches or other significant beneficial program improvements. The alternate proposal will be evaluated in accordance with the evaluation criteria. If the alternate proposal is considered most advantageous to the Government but involves a substantive or material departure from the stated basic proposal requirements or the stated evaluation criteria, all offerors shall be given an opportunity to submit new or amended proposals on the basis of the revised requirements provided this can be done without revealing to the other offerors innovative solutions or techniques or other information entitled to protection from disclosure. The Government reserves the right to award a contract based upon an alternate proposal which meets the government's technical requirements and is otherwise awardable in accordance with the evaluation and award criteria.

## **L-22 POTENTIAL ORGANIZATIONAL CONFLICTS OF INTEREST**

Pursuant to FAR 9.5 and the definitions provided therein:

### **Definitions**

**Organizational Conflict of Interest:** FAR 2.1 defines "Organizational Conflict of Interest" as a situation in which "...because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the government, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage." For the purposes of this contract, the term Organizational Conflict of Interest means that a relationship exists between the contractor (including the successor-in-interest, assignee or affiliated divisions, subsidiaries, employees, consultants, or subcontractors, hereinafter referred to as "Contractor") and another in which the underlying interests of the contractor and the other party directly or indirectly (1) may influence, affect or diminish the contractor's ability to give impartial, technically sound, objective assistance, conclusions, advice or recommendations, or may otherwise result in a biased work product to or for the Government, or (2) may result in an unfair competitive advantage.

### **Purpose**

The primary purpose of this clause is to ensure that the Contractor (1) does not obtain an unfair competitive advantage over other parties by virtue of its performance of this contract, and (2) is not biased because of its current or planned interests (financial, contractual, organizational or otherwise) which relate to the work under this contract.

### **Description of the Effort**

This contract is for research and development activities in support of various NRL Programs. In the performance of this contract, the contractor may be required to make certain findings, conclusions and recommendations to the Government. The Contractor may also be required to

have access to other Contractor's proprietary data in order to make those findings, conclusions and recommendations to the Government. Because the Government requires total objectivity and

impartiality in performance of this contract, the contractor must be free from any biased influences and interests which will impact, directly or indirectly, on the contractor's decision making process.

Nature of Conflict Insert description

Disclosure Statement

If the Offeror **is** aware of circumstances that may hinder its ability to render impartial, technically sound, and unbiased assessments, recommendations and/or evaluations; or that circumstances exist that may result in the appearance that it may have any unfair competitive advantage, the offeror shall provide a full disclosure statement. The statement must describe in a concise manner all relevant facts concerning any past, present or currently planned interest (financial, contractual, organizational, or otherwise) relating to the work to be performed hereunder and bearing on whether the offeror has a possible organizational conflict of interest with respect to (1) impartial, technically sound, and unbiased assessments, recommendations and/or evaluations, or (2) being given an unfair competitive advantage. Prospective Offerors should refer to FAR 9.5 for policies and procedures for avoiding, neutralizing, or mitigating organizational conflicts of interest. If the Offeror **is not** aware of any circumstances of this nature, then the Offeror shall provide a statement stating such.

The government will review the statement submitted and may require additional relevant information from the offeror. All such information and any other relevant information will be used by the government to determine whether an award to the offeror may create an organizational conflict of interest. If found to exist, the Government may (1) impose appropriate conditions which avoid such conflict, (2) disqualify the offeror, or (3) determine that it is otherwise in the best interest of the Government to contract with the offeror by including appropriate conditions mitigating such conflict in the contract awarded.

The refusal to provide the disclosure of any additional information as required shall result in disqualification of the offeror for award. The nondisclosure or misrepresentation of any relevant interest may also result in the disqualification of the offeror for award, or if such nondisclosure or misrepresentation is discovered after award, the Government may terminate the contract for default, recommend that the contractor be disqualified from subsequent related contracts, or be subject to such other remedial actions as may be permitted or provided by law. The attention of the offeror in complying with this provision is directed to 18 U.S.C. 1001 and 31 U.S.C. 3802(a)(2).

Depending on the nature of the contract activities, the offeror may, because of possible organizational conflicts of interest, propose to exclude specific kinds of work from the statement, unless the solicitation specifically prohibits such exclusion. Any such proposed exclusion by an offeror shall be considered by the Government in the evaluation of proposals, and if the Government considers the proposed excluded work to be an essential or integral part of the required work, the proposal may be rejected as unacceptable.

No award shall be made until the disclosure has been evaluated by the Government. Failure to provide the disclosure will be deemed to be a minor informality and the offeror or contractor shall be required to promptly correct the omission.

If the Contracting Officer determines that a potential conflict exists, the prospective offeror shall not receive an award unless the conflict can be avoided or otherwise resolved through the inclusion of a special contract clause or other appropriate means. The terms of this clause are subject to negotiation.

**SECTION M**  
**EVALUATION FACTORS FOR AWARD**

**M-1 EVALUATION**

Award will be made to that offeror whose proposal is determined to be the best value to the Government, evaluated cost and other factors considered. The Government reserves the right to make award to other than the low offeror. The technical considerations are more important than the cost factor. The closer the technical scores of the various proposals are to one another, the more important the cost considerations become. The Technical factor is more important than the Cost factor.

**ADJECTIVAL RATINGS/DEFINITIONS**

The Government will perform an evaluation of each Offeror’s proposal with regard to the technical/management factors and Small Business Participation factor. This evaluation focuses on strengths and weaknesses of the offerors proposal, resulting in the assignment of an adjectival rating for each factor. Cost will be separately evaluated and will not be assigned an adjectival rating.

The following adjectival ratings and rating definitions will be used to assign a rating for each factor (other than past performance)

<b>Table 1. Combined Technical/Risk Ratings</b>		
Color	Rating	Description
Blue	Outstanding	Proposal meets requirements and indicates an exceptional approach and understanding of the requirements. Strengths far outweigh any weaknesses. Risk of unsuccessful performance is very low.
Purple	Good	Proposal meets requirements and indicates a thorough approach and understanding of the requirements. Proposal contains strengths which outweigh any weaknesses. Risk of unsuccessful performance is low.
Green	Acceptable	Proposal meets requirements and indicates an adequate approach and understanding of the requirements. Strengths and weaknesses are offsetting or will have little or no impact on contract performance. Risk of unsuccessful performance is no worse than moderate.

Yellow	Marginal	Proposal does not clearly meet requirements and has not demonstrated an adequate approach and understanding of the requirements. The proposal has one or more weaknesses which are not offset by strengths. Risk of unsuccessful performance is high
Red	Unacceptable	Proposal does not meet requirements and contains one or more deficiencies. Proposal is unawardable.

2. Definitions: The following definitions are provided to assist evaluators in the evaluation of each factor.

<b>Definitions</b>	
Strength	A proposed method or technique in the proposal that exceeds the solicitation requirements and is of value to the Government.
Weakness	A flaw in the proposal that increases the risk of unsuccessful contract performance.
Significant Weakness	A flaw that appreciably increases the risk of unsuccessful contract performance.
Deficiency	A material failure of a proposal to meet a Government requirement or a combination of significant weaknesses in a proposal that increases the risk of unsuccessful contract performance to an unacceptable level.

## **M-2 EVALUATION FACTORS FOR AWARD**

Proposals will be evaluated in accordance with the following criteria.

All evaluation factors other than cost or price, when combined, are in Relative order of importance: The evaluation will be based on a complete assessment of the offeror's technical proposal, past performance information and price proposal. The following factors are listed in descending order of importance:

- (1) **Technical Factors**
  - Factor 1 – Qualifications of Project Personnel***
  - Factor 2 – Technical Key Performance Parameters***
  - Factor 3 – Corporate Experience and Capability***
  - Factor 4 – Management Plan***

- (2) Past Performance Factor
- (3) Small Business Participation Factor
- (4) Price Factor

Factor (4) Corporate Experience and Capability and Factor (5) Management Plan are of equal weight.

All evaluation factors other than cost or price, when combined, are significantly more important than price. As competing proposals approach equality in non-Price factors, Price will increase in importance.

### ***M-2-1 TECHNICAL FACTORS***

#### ***Factor 1 – Qualifications of Project Personnel***

The proposal will be evaluated on the offeror's demonstrated ability to provide the personnel with (1) the appropriate qualifications set forth in the Personnel Qualifications provided for in the Solicitation; and (2) actual relevant experience in the technical and scientific areas set forth in the Statement of Work and (3) the ability of all contractor personnel assigned to this contract to have a final favorable DoD adjudicated clearance commensurate with the level of access required for the performance of this contract prior to commencing work. Please note that all personnel assigned to this contract must also be US citizens. Further, the proposal will be evaluated on the availability of personnel. Evaluation will also be based on how the offeror responds to diverse situations - i.e., how will the offeror handle this NRL requirement in competition with other company commitments of the personnel's time.

The experience of key personnel is deemed much more important than corporate experience. It is critical that the contractor has properly committed key personnel with relevant experience and qualifications to complete the proposed work rather than just "corporate history" that does not transfer to the existing personnel who will perform the proposed work. The key personnel commitments should be adequate to complete the proposed tasks and technical milestones in a timely manner as required per the SOW

The contractor shall submit sufficient information, including resumes, to support key personnel experience in managing and executing programs similar in nature, size, scope and complexity to those contained in the SOW with industry or Government Agencies. The proposal's information shall support their key personnel commitment and include key personnel names along with the labor category which they are proposing them for. Please note, that while the pricing sheets will not be provided to the technical evaluators, the pricing sheets shall include the names of the key personnel committed to the project per labor category. These names, labor categories and labor hours will be submitted to the technical evaluators, once sanitized of price, for technical evaluation purposes. Commitment proof may include but is not limited to commitment letters for all key personnel or proof of current employment with the company. While not required, these commitment documents (commitment letter and corporate commitment letter) will help solidify a favorable rating.

#### **Factor 2: Technical Key Performance Parameters**

The objective of this criterion is to establish the offeror's technical understanding of the key considerations of atmospheric, space and solar physics theoretical, experimental and applied research as outlined in the SOW. The offerer shall demonstrate that they have the technical expertise to meet the requirements outlined in the SOW. The offerer shall also propose an approach towards meeting those requirements. Such

an approach may include specific software and hardware tools that the offeror will apply to accomplish the research. Specific examples of how these tools can be, or have been, used to solve similar problems shall be evaluated. This Factor also includes the ability to meet specific research and engineering deadlines in a timely fashion.

### ***Factor 3 – Corporate Experience and Capability***

The proposal will be evaluated on the offeror's demonstrated corporate experience and capability in performing projects requiring scientific and technical effort which is closely similar or related to the effort required by the Statement of Work. Specifically, each of the following areas will be evaluated:

(a) Management, Control and Reporting -- Evaluation will be based on the discussion demonstrating prior experience in supporting R&D efforts such as concept development, and the development of technical documentation associated with the development process.

(b) Systems Engineering -- Evaluation will be based on the discussion demonstrating prior experience in developing scientific objectives, mission requirements and technical concepts for instruments systems, flight systems, ground systems and launch systems

(c) Hardware Engineering -- Evaluation will be based on the discussion demonstrating prior experience in hardware engineering, including interface and data handling electronics, circuit card design, optical design services and detector design and development services.

(d) Software Engineering-- Evaluation will be based on the discussion demonstrating prior experience in providing software engineering support and technical assistance including flight, ground software and modeling and simulation software, ground data analysis software (GDAS) and mission planning, scheduling and display software.

(e) – Laboratory and Operations Support-- Evaluation will be based on the discussion of experience in testing and characterizing new instrumentation and experimental payloads under ambient and stressing conditions. This includes calibration, payload processing and mission operations and data analysis.

(f) Mission Assurance, Evaluation will be based on the discussion of experience in establishing requirements for a mission assurance program commensurate with flight instrumentation and experimental payload mission requirements. This includes electronic parts assurance, quality assurance, reliability assurance, material and processes control, contamination control and experience will all major reviews for flight electronics and ground support equipment.

(g) Other Related Experience - - Proposals may provide a discussion demonstrating experience other than that given above that the offeror believes is specifically applicable to these NRL requirements. Offerors are cautioned not to include standard capability packages not applicable in the proposal. All applicable experience shall be described in detail and the sponsoring organization(s) shall be identified.

### ***Factor 4 – Management Plan***

The proposal will be evaluated on the offeror's demonstrated ability to provide: (1) An appropriate transition plan, and (2) A demonstrated ability to effectively prioritize workload in such a manner to place this requirement as a high priority.

The offeror shall provide a detailed transition plan that outlines his strategy for assuring a smooth and effective transition. The Transition Plan shall describe how the offeror's organization will be staffed, trained,

managed and ready to meet the requirements of the SOW at the end of the transition period. NOTE: The plan shall be submitted with the technical proposal.

(a) The Transition Plan shall identify, via a network schedule and a milestone chart, the proposed approach to the phase-in of management and technical personnel and the implantation of control procedures and methods. The offeror shall indicate major interrelationships between transition events on the network schedule. The impact of these interrelationships on the transition schedule, as well as a description of how transition delays will be mitigated, shall be explained in the offeror's Transition Plan. All transition activities shall be completed within six months after contract award (ACA).

(b) Management Transition Phasing -- A smooth and effective transition of ongoing management tasks are of critical importance. The offeror shall establish the management controls, procedures and methods necessary to assure the accomplishment of procurement, subcontracting, status reporting, security and personnel staffing. The offeror shall provide convincing evidence that complete transition can be completed within 45 days after contract award (ACIA).

(c) In-house Priority -- The offeror shall discuss how he will treat this requirement in relation to the company's other commitments' that compete for the same company resources.

### **M-2-2 PAST PERFORMANCE**

Past performance will be evaluated on the basis of the quality of the work performed, timeliness of performance, cost control, and business relations. The evaluation will be based on the information provided pursuant to Section L and other sources if available. The evaluation will take into account past performance information regarding predecessor companies, subcontractors that will perform major or critical aspects of the requirement, or the proposed project manager or key personnel responsible for major or critical aspects of the requirement. Offerors that have no relevant performance history or for which past performance information is not available will not be evaluated favorably or unfavorably on past performance. The government may begin proposal evaluation prior to receipt of past performance information. If, after completion of proposal evaluation except evaluation of past performance, the contracting officer determines that evaluation of past performance will not affect the outcome of competitive selection, the contracting officer may waive its evaluation in accordance with FAR 15.304(c)(3)(iv).

### **M-2-3 Evaluation of Small Business Participation**

All offerors (both large and small businesses) will be evaluated on the level of small business commitment that they are demonstrating for the proposed acquisition, and their level of commitment to utilizing small businesses in performance of prior contracts. The following shall evidence small business participation:

- h. The extent to which such firms, as defined in FAR Part 19, are specifically identified in proposals;
- i. The extent of commitment to use such firms (enforceable commitments will be weighted more heavily than non-enforceable ones);
- j. The complexity and variety of the work small firms are to perform;

- k. The realism of the proposal;
- l. Past performance of the offeror in complying with requirements of the clauses at FAR 52.219-8, Utilization of Small Business Concerns, and, for all large business offerors, FAR 52.219-9, Small Business Subcontracting Plan;
- m. The extent of participation of such firms in terms of the value of the total acquisition;
- n. The extent to which the offeror provides detailed explanations/documentation supporting the proposed participation percentages, or lack thereof. The Department of Defense (DoD) has established small business goals as an assistance to assure small business receives a fair proportion of DoD awards. The goals for this procurement are as follows: Small Business: 31.7% of the total contract value; Small Disadvantaged Business: 5.0% of the total contract value; Woman-Owned Small Business: 5.0% of the total contract value; Historically Underutilized Business Zone (HUBZone) Small Business: 3.0% of the total contract value; Service Disabled Veteran Owned Small Business: 3.0% of the total contract value. (Note, for example, that a participation plan that reflects 5.0% for Small Disadvantaged Business would also count toward the overall Small Business Goal).

All Offerors, both small and large businesses, are required to submit Small Business Participation Plan information in accordance with DFARS 215.304 that shall include the following:

- 4. Total Contract Value (including options): \$ \_\_\_\_\_
- 5. Dollar Value of your participation as a prime contractor: \$ \_\_\_\_\_
- 6. Dollar Value and Percentage of Total Contract Value of Subcontracts Planned for:

	Dollar Value	Percentage of Total Contract Value
Large Business	\$ _____	_____ %
Total Small Business	\$ _____	_____ %
Small Non-Disadvantaged Small Business	\$ _____	_____ %
Small Disadvantaged Small Business	\$ _____	_____ %
Woman-Owned Small Business	\$ _____	_____ %
Service-Disabled Veteran-Owned Small Business	\$ _____	_____ %
HUBZone Small Business	\$ _____	_____ %

Each percentage above shall be accompanied by detailed supporting documentation regarding individual commitments. Detailed explanations shall also be provided when the percentage falls short of the DoD goals.

NOTE: The sum of the dollar values and percentages of Small Non-Disadvantaged and Small disadvantaged Businesses should equal the Total Dollar Value entry for the Total Small Business Participation category. However, the sum of all the percentages under Paragraph 3 need not equal 100% since the prime is not included and because individual subcontractors may be counted towards more than one category. All percentages should use the TOTAL CONTRACT VALUE as a baseline.

- d. List principal supplies/services (be specific) to be subcontracted to:

	Name of Company	Type of Service/Supply
Large Business		
Total Small Business		
Small Non-Disadvantaged Small Business		
Small Disadvantaged Small Business		
Woman-Owned Small Business		
Service-Disabled Veteran-Owned Small Business		
HUBZone Small Business		

NOTE: For purposes of subcontracting, Historically Black Colleges and Universities/Minority Institutions (HBCUs/MIs) are considered as disadvantaged and should be broken out separately.

- e. Prior Performance Information: Provide any information substantiating the Offeror's track record of utilizing small business on past contracts. Any information concerning long-term relationships with Small Business subcontractors, such as mentor-protégé relationships should be provided.
- f. Extent of Commitment: Provide documentation regarding enforceable commitments to utilize any small business category, as defined in FAR Part 19 as subcontractors.

#### **M-2-4 COST TO THE GOVERNMENT**

The Government may adjust the proposed cost for purposes of evaluation based upon an evaluation of cost realism. Cost Realism means that the costs in an offeror's proposal are realistic for the work to be performed; reflect a clear understanding of the requirements; and are consistent with the various elements of the offeror's technical proposal. The cost realism evaluation includes an analysis of the adequacy of the hours, labor mix, and other direct costs to perform the work as proposed in the technical proposal as well as the proposed labor and indirect rates. It also includes evaluation of the likelihood that the risks inherent in the offeror's technical approach will result in higher actual costs than anticipated.

#### **M-3 FAR 52.217-5 - EVALUATION OF OPTIONS (JUL 1990)**

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).