DEPARTMENT OF DEFENSE

A GUIDE TO
Collection and Use of
PAST PERFORMANCE INFORMATION
(Version 2)

A product of the DoD Past Performance IPT
May 2001

Table of Contents

Foreword iii

Acknowledgments iv

Past Performance Top Ten Tips v

Introduction

PPI Objectives 1

Business Sectors 1

Obtaining Past Performance (PPI) Information

PPI Collection Approaches 2

- Performance Assessment Reports 2
- Collection Thresholds 2
- Performance Assessment Elements 4
- Annual Performance Assessment Reports 4
- Initial Draft Performance Assessment Reports 4
- Final Assessment Reports 4
- Addendum Assessment Reports 4
- Narrative Rationales 4
- Retention of Performance Assessment Reports 5
- Independent Government Review 5

Administrative Information 5

Team Assessment Inputs 6

Performance Ratings 6

Contractor Review and Comment on PPI 6

Handling of PPI 7

- Contractor Access to PPI 7

Automated PPI Systems 7

Orders Issued Under Contracts or Ordering Agreements 7

Use of Past Performance Information in Source Selection Evaluations

Role of Past Performance in Source Selection 8

- Decision to Use PPI in Source Selection 8
- Past Performance versus Experience 8
- Proposal Risk versus Performance Risk 8
- Past Performance versus Responsibility Determinations 8
- Pass/Fail Strategies 9
- De Facto Debarment 9

Planning the Past Performance Evaluation 9

Forming an Evaluation Group 9
Objectives of the Evaluation Group 9
Evaluation Group Membership 9
What Factors or Subfactors Should Be Used? 10
PPI Relevancy 10
How Much Weight to Give Past Performance 11
What Are the Rating Categories 11
How to Evaluate Contractors with No Relevant Past Performance 11
Public versus Private Competitions 12
What to Include in the Solicitation 12
The Past Performance Evaluation Process 13
Evaluation of PPI 13
Currency of PPI 13
Teaming Arrangements 14
Mergers and Acquisitions 14
Subcontractor Past Performance 14
What Sources of Data Are Available? 14
Can the Evaluation Group Use Commercial References? 14
How to Assign Performance Risk Ratings 15
Exchanging Past Performance Information with Offerors 15
What to Include in the Evaluation Assessment Report 15
Reporting the Past Performance Evaluation Results 16
How to Handle Past Performance Information 16
Using Past Performance When Not Required in the Request for Proposals 16
Use of Passive PPI 16

Appendices

A: Definitions, References, and GAO Cases 17
B: Business Sectors 20
C: PPI Evaluation and Report Thresholds 23
D: Performance Assessment Elements 24
E: Construction & Architect-Engineering 26
F: Common DoD Assessment Rating System 28
G: Collection of PPI During Source Selection 29
H: Automated PPI Systems 34

Foreword

This guide is designed to articulate the key techniques and practices for the use and collection of past performance information. It provides guidance to encourage the use of innovative techniques in acquiring best value goods and services. Its purpose is to serve as a practical reference tool regarding the Department of Defense (DoD) past performance policy.

This guide is designed for use by the entire acquisition workforce in both Government and industry. It explains best practices for the use of past performance information during the periods of source selection, ongoing performance, and collection ofinformation. The guide is an ongoing joint effort of members from the Past Performance Integrated Product Team.

ACKNOWLEDGMENTS

The DoD Past Performance Integrated Product Team (PT) was created by the Under Secretary of Defense (Acquisition and Technology) in February I997 to develop a uniform methodology for the collection and use of DoD Past Performance Information (PPI). In November I997, the Under Secretary of Defense (Acquisition and Technology) established a new policy, by memorandum, for the collection ofPPI. This guide, produced by the Past Performance IPT, updates and supersedes that policy memorandum and establishes policy guidance.

The Past Performance IPT is comprised of representatives from the Office of the Under Secretary of Defense (Acquisition Technology & Logistics), the Departments of the Army, Navy, and Air Force, the Defense Logistics Agency, Defense Information Services Agency, Defense Contract Audit Agency, Joint Electronic Commerce Program Office,DoD Inspector General and the Office of Federal Procurement Policy. The team, in coordination with the Defense Acquisition University, the Federal Acquisition Institute, and industry, has developed online training on the topic of past performance.

This guide is designed to provide additional guidance for both the collection and use of past performance. This guide does not supersede nor take precedence over more restrictive Agency procedures. Electronic versions of this guide are available on the Acquisition Reform Web site athttp://www.acq.osd.mil. If you have further questions about this subject, you are encouraged to submit them to the Defense Acquisition Deskbook "Ask a Professor" resource at: http://www.deskbook.osd.mil.

Past Performance Top Ten Tips

The following list contains the 10 most important tips on working with past performance. Following each tip is a page for more information.

1. Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) rules apply to all past performance information PPI), however and whenever collected. This includes ensuring that contractors have the opportunity to comment on adverse PPI on report cards as well as other PPI gathered under less formal collection methods. (Page 1)

2. PPI is "For Official Use Only" and "Source Selection Sensitive Information" should be so marked. (Page 2)

3. The performance assessment process continues through contract performane assessments of award fee and past performance. Normally, the form and content of this assessment continuum should be consistent throughout the contract performance period to ensure successful performance. (Page 2)

4. The narrative is the most critical aspect of PPI assessments. (Page 4)

5. Performance assessments are the responsibility of the program/project/contracting team, considering the customer's input; no single office or organization should independently determine a performance assessment. (Page 5)

6. Performance assessments should be developed throughout the period of contract performance, and not held to the end of the performance period. (Page 5)

7. Use and evaluation of PPI for a specific acquisition should be tailored to fit the needs of each acquisition and clearly articulated in the solicitation. (Page 7)

8. Source selection officials should use the most relevant recent PPI available in making the source selection decisions. They must consider updated information provided by the contractor regarding relevant PPI. (Page 9)

9. Personnel collecting PPI for use in a particular source selection should consider whether the data received comes from reputable and reliable sources. (Page 12)

10. The Government **should** share all relevant PPI with contractors as part of the past performance evaluation during the source selection process, and **must** share adverse PPI on which contractors have not had the opportunity to comment. (Page 12)

THE KEYS TO EFFECTIVE PPI ARE FAIRNESS, OPENNESS, AND A COMMITMENT TO USING THE INFORMATION AS A TOOL TO IMPROVE CONTRACTOR PERFORMANCE.

INTRODUCTION

Confidence in a prospective contractor's ability to perform satisfactorily is an important factor in making a best value source selection decision. One method of gaining this confidence is the evaluation of a prospective contractor's performance on recently completed or ongoing contracts for the same or similar goods or services. The collection and use of Past Performance Information (PPI) motivate contractors to improve their performance because of the potential use of that information in future source selections. PPI is equally useful as a means of communication, providing feedback and additional performance incentives for ongoing contracts. Exceptional past performance also indicates a heightened probability of the delivery of high-quality products and services, which are on time and within cost. Definitions of terms and references used in this guide are set forth in Appendix A.

PPI Objectives

The objective when collecting PPI is to employ a consistent evaluation methodology to identify and describe the performance of the wide array of DoD contractors and suppliers, including foreign companies, educational and non-profit institutions, and other Federal agencies.

PPI may be used with other criteria to:

- enhance market research
- aid in the development of acquisition strategies
- help establish the competitive range and make award decisions
- provide a basis for discussing progress with contractors during contract performance
- help decide whether to exercise contract options
- help decide between different suppliers on multiple award contracts when awarding delivery orders
- recognize good performers

PPI is also essential to ensure enhanced performance on existing contracts, and is not just for future source selections.

Business Sectors

To enable the effective sharing of PPI between Government buying activities, a reasonable degree of uniformity in assessments of contractor performance is essential. This consistency should be applied to report card (annual) assessments as well as to award fee evaluations or other PPI collection methods.

FAR AND DFAR rules apply to all PPI, however and whenever collected. This includes ensuring that contractors have the opportunity to comment on adverse PPI on report cards as well as other PPI gathered under less formal collection methods.

DoD policy is to collect PPI for report cards using a consistent management approach across the designated business sectors categorized as key or unique. This approach includes tailored dollar thresholds, consistent elements used to assess contractors, or other Government agencies, and consistent ratings applied to those elements. DoD's four key business sectors and three unique business sectors are defined in Appendix B.

Source selection authorities must be given maximum latitude to focus on those specific areas of contractor performance that will be the best predictors for successful performance for each specific acquisition.

OBTAINING PAST PERFORMANCE INFORMATION

DoD has established common assessment elements within individual business sectors, and ratings to standardize the methodology used to rate contractor performance under Defense contracts. Government buying activities should share PPI among themselves, while ensuring it is managed as source selection information. PPI collection should be efficient t and effective.

PPI is "For Official Use Only" and, "Source Selection Sensitive Information" and should be so marked.

PPI Collection Approaches

PPI can be obtained through a number of methods, including:

- Government assessments, or report cards
- Published commercial evaluations
- References submitted by the contractor
- Surveys or questionnaires, verbal or written, conducted by Government personnel

PPI from a variety of sources should be considered, including:

- Government contracts
- State, local, or foreign governments
- Commercial companies
- Information regarding predecessor companies, key personnel and subcontractors

Performance Assessment Reports

Annual Performance Assessment Reports, or report cards, may be written more frequently during contract performance but must be written after the end of the annual performance period. Although not mandatory, reports written during contract performance are valuable in improving performance as well as providing contemporaneous documentation. Report cards are prepared by either the Program or Requirements Manager or the Contracting Officer according to agency procedures and should reflect a team assessment of contract performance. This guidance does not apply to procedures used by agencies in determining fees under award or incentive fee contracts. However, the fee amount paid to the contractor should be an indicator of the contractor's performance, and the past performance evaluation should complement the award fee determinations. In short, the goal is to ensure that all performance assessments, award fee determinations, incentive allocations, or any other performance measures be evaluated consistently throughout the contract performance.

The performance assessment process continues through contract performance assessments of award fee and past performance. Normally, this assessment continuum should be consistent as to form and content throughout the contract performance period to ensure successful performance.

Contractor assessments should not be written by support service contractors. Integrity in this assessment process is essential. Contractors must be given the opportunity to comment on their own assessment reports at the time they are written, and those comments shall be maintained as part of the Government record.

Collection Thresholds

The mandatory DoD PPI collection thresholds, by business-sector, are set forth in Appendix C. The FAR requires that past performance information be collected for negotiated competitive acquisitions valued over $100,000.

However, by class deviation from the FAR, DoD has established the thresholds in Appendix C. Buying activities may choose to collect and use performance assessments for contracts under these thresholds.

Performance Assessment Elements

The mandatory DoD assessment elements for the DoD business sectors are set forth in Appendix D.
Construction and Architect-Engineering sector assessment elements and ratings are established under FAR Part 36 (See Appendix E).

For the Science and Technology sector, no dollar threshold has been established; nor is there a requirement to maintain an automated database. Collection of PPI for the Science and Technology sector must be limited to relevant information as determined by the Source Selection team, and must be collected at the time of the particular acquisition. Requests for PPI must be tailored to each procurement during the source selection process with emphasis placed on the expertise of key personnel. As always, contractors must be given the opportunity to comment on any adverse reports.

Annual Performance Assessment Reports

Annual performance assessment reports must be completed for contracts with performance periods exceeding one year and in accordance with the thresholds articulated above. These assessments must be made as close as practicable to each anniversary of the effective date of the contract. However, the agencies will determine the specific dates.

Initial Draft Performance Assessment Reports

The use of draft performance assessment reports provided to the contractor, prior to initial Government assessment, is encouraged. The reports can improve information flow and encourage dialog between the parties.

Final Assessment Reports

Final assessment reports must be prepared upon contract performance completion. For contracts with performance periods exceeding one year, final reports will address only the last period of performance. They must not be used to summarize or "roll up" the contractor's performance under the entire contract. In short, each annual report, together with the final assessment report, will comprise a total picture of the contract performance. The expectation is that source selection evaluation teams will determine an overall performance assessment based on these performance snapshots. Contractor comments on each of these reports must be maintained as a permanent part of the record.

Addendum Assessment Reports

Addendum assessment reports may be made at the assessing official's discretion to record the contractor's performance relative to contract close-out and other administrative requirements (e.g., final indirect cost proposals, technical data). No annual assessment for the period of time between contract performance completion and contract close-out is required, regardless of whether an addendum assessment is prepared. Again, any adverse reports must be provided to the contractor for comment, and those comments must be part of the official records.

Narrative Rationales

Supporting narrative rationales for all performance ratings assigned are **mandatory** in DoD . The narratives are critical to any PPI assessment, and necessary to establish that the ratings are credible and justifiable. These rationales need not be lengthy.But, if there were performance successes or problems, they should be documented. Include a description of the problems or successes experienced; an assessment of whether the problems were caused by the contractor, the Government, or other factors; and how well the contractor worked with the Government to

resolve the problems (including problems with subcontractors, or "partners" in joint venture or teaming arrangements). The narrative rationale is also useful in future acquisitions; it helps assessing officials to establish the relevancy of the work covered by the narrative to the requirement.

The narrative is the most critical aspect of PPI assessments.

Retention of Performance Assessment Reports

Performance assessment reports must not be retained longer than three years after completion of the contract performance (except for Construction and Architect-Engineering reports, which are to be retained for six). The timeframes for retention do not start until contract completion. The performance period is not complete until the end of the warranty period. The completion of the contract, not the age of the annual contract reports, determines the retention period for those reports. Data older than three years may be available on long-term contracts. While such data may be meaningful in developing performance trends in certain source selections, its use should be limited to circumstances in which more current, equally relevant data is not available. In any event, the existence of such data does not relieve Source Selection Authorities (SSAs) of the responsibility to use current PPI.

Independent Government Review

Agencies must provide for an independent review of performance evaluations at a level above the Contracting Officer or assessing official, as determined by the head of agency, to consider disagreements between the parties regarding the evaluation. The ultimate conclusion on the performance evaluation is a decision of the Government.

Administrative Information

Each PPI assessment must include, as appropriate:

Contractor Name and Address

Company Name:

Division Name:

Street Address:

City, State, Zip Code:

CAGE Code:

DUNS+4 Number:

FSC:

NAICS Code:

Report Type:

Period of Performance Being Assessed:
From: _____ to: _____

Contract Number:

Order Number:

DoD Business Sector & Sub-Sector:

Location of Contract Performance:

Contracting Office:

Contracting Officer:

Name:

Phone:

Contract Award Date:

Contract Completion Date

Contract Percent Complete:

Awarded Dollar Value:

Current Dollar Value:

Basis of Award:

Type of Contract:

Program Title and Phase of Acquisition:

Contract Effort Description

Key Subcontractor(s):

Contractor Name:

CAGE Code:

DUNS+4 Number:

Effort

Performed:

Assessing Official:

Name:

Title:

Organization and Code:

Phone: FAX:

Email:

Date:

Contractor Representative:

Name:

Title:

Phone: FAX:

Email:

Date:

Reviewing Official:

Name:

Title:

Phone: FAX:

Email:

Date:

*

Team Assessment Inputs

DoD buying activities should ensure that their PPI assessment procedures provide for input as appropriate, from:

- program management offices
- end users
- contracting offices
- item managers
- DoD Small Business Specialist
- Defense Contract Management Agency (DCMA) Administration offices
- Defense Contract Audit Agency (DCAA) field audit offices

DCMA will notify buying activities whenever it identifies deficiencies or problems in contractors' technical and management systems (e.g., quality control, engineering and systems management, purchasing, small business subcontracting, accounting, billing, and estimating) that it believes will present risks to satisfactory contract performance.

Performance assessments are the responsibility of the program/project/contracting team, considering the customer's input; no single office or organization should independently determine a performance assessment.

Feedback to contractors regarding ongoing performance should be developed through discussions, spot-checks, or reviews on a regular basis.

Performance Ratings

The DoD Components have agreed that there are five mandatory performance rating levels for use in evaluating all performance elements in periodic assessments of contractor performance. These ratings, provided in Appendix F, are mandatory for use by the Science and Technology business sector as well. The only exception to those mandatory ratings would be for the Construction and Architect-Engineering contracts. A fundamental principle for rating is that contractors must not be assessed below a rating of satisfactory for not performing beyond the requirements of the contract. When rating contractors, performance 'beyond the requirements of the contract' refers to the quality level of the performed worknot the scope. A performance assessment may not be used to elicit the performance of tasks or to reflect a failure to perform tasks that are not required by contract.

Contractor Review and Comment on PPI

Contractors must be allowed to review and comment on any past performance assessments and must be provided copies of performance assessments as soon as practicable after they have been prepared. This requirement may be satisfied by giving contractors limited access to the automated systems in which the assessments are stored so that the contractor can download its own

information. Contractors then have 30 days to submit comments, rebutting information, or other information for the buying activity's consideration before the assessments are made final. Any disagreements between the DoD assessing official and the contractor must then be reviewed at a level above the assessor. The original assessment, the contractor's comments, and the reviewer's independent assessment of those comments must be retained together on file. As soon as the Government has completed its review of the contractor's comments, but in no case later than the insertion of the assessment into a PPI automated system, DoD buying activities must send a copy of the completed assessment to the contractor. These procedures provide an opportunity to establish a fair record of a contractor's performance, and thereby ensure that PPI will be a reliable indicator of future performance.

Performance assessments should be developed throughout the period of contract performance, and not held to the end of the performance period.

Handling of PPI

All PPI evaluations and assessments may be used to support future award decisions, and should therefore be marked with the legend "For Official Use Only and "Source Selection Sensitive Information, see FAR 3.104." The completed evaluation must not be released to other than Government personnel and the contractor whose performance is being evaluated. Past performance evaluation information is privileged source selection information. It is also protected by the Privacy Act. Information is not releasable under the Freedom of Information Act. Past performance evaluations may be withheld from public disclosure under Exemption 5 of the Freedom of Information Act.

Contractor Access to PPI

Contractors must be given copies of all annual, final, or addendum PPI assessments, addressing their particular performance. Contractors should also be given copies of surveys, and responses to reference checks as soon as they are completed, to ensure contractors are aware of information being evaluated by the Government. When providing these evaluations do not disclose the evaluator. Only adverse past performance information must be shared with contractors; however, PPI should not be a mystery to the contractor.

Automated PPI Systems

DoD has a central retrieval system for all DoD past performance information, the Past Performance Automated Information System (PPAIS) (see Appendix H). See the web site at: http://dodppais.navy.mil. Completed performance evaluations should be incorporated into automated PPI systems in a timely manner.

Orders Issued Under Contracts or Ordering Agreements

For orders placed against contracts or ordering agreements (e.g., provisioned items orders, task orders, and orders under indefinite-delivery or indefinite-quantity type contracts), DoD buying activities should decide whether to assess contractors' performance on an order-by-order or "total" contract/agreement basis. This will depend on which approach they believe will produce more useful past performance information. In either case, the assessment procedures to be followed should be specified in the basic contract or agreement, particularly when other buying activities may also place orders against those instruments. The goal of periodic assessments is to incentivize higher performance levels on the contract involved.

Use of Past Performance Information in Source Selection Evaluations

Source selection authorities should be given maximum latitude to focus on those specific areas of contractor performance that will provide the best predictors for successful performance of a specific acquisition.

The use and evaluation of PPI for a specific acquisition should be tailored to fit the needs of each acquisition and clearly articulated in the solicitation.

Role of Past Performance in Source Selection

Decision to Use PPI in Source Selection

Past performance must be included as an evaluation factor or subfactor in competitively negotiated acquisitions unless the Contracting Officer determines that its use is inappropriate and documents the rationale. Appendix C sets forth the mandatory thresholds for the collection and use of PPI in source selections. The use of PPI is encouraged in source selections below those thresholds when the source selection team considers it to be appropriate for the acquisition.

Past Performance versus Experience

There is an important distinction between a contractor's experience and its past performance. Experience reflects ***whether*** contractors have performed similar work before. Past performance, on the other hand, describes ***how well*** contractors performed the work. In other words, how well they executed what was promised in the proposal. Both of these areas are considered when making a responsibility determination. Either past performance or experience can be considered as source selection factors or subfactors, where they can either stand alone or be considered under performance risk.

Make certain that you clearly define the terms "experience" and "past performance" in the solicitation. This will help you avoid the potential for double counting by asking for the same information under both factors. It is proper, however, to distinguish company experience from personnel experience and evaluate both.

Proposal Risk versus Performance Risk

It is important to differentiate between risk types when choosing to evaluate different types of risk in each proposal. The two types of risk typically evaluated in a source selection are proposal risk and performance risk. These terms are defined in Appendix A.

Past Performance versus Responsibility Determinations

It is important to distinguish **comparative** past performance evaluations used in the tradeoff process from **pass/fail** performance evaluations.

Pre-award surveys and pass/fail evaluations in the lowest price technically acceptable process help you determine whether an offeror is responsible. Responsibility is a broad concept that addresses whether an offeror has the **capability** to perform a particular contract based upon an analysis of many areas including financial resources, operational controls, technical skills, quality assurance, and past performance. These surveys and evaluations provide a "yes/no," "pass/fail," or "go/no-go" answer to the question, "**Can** the offeror do the work?" and thus help you determine whether the offeror is responsible.

Referral to the Small Business Administration may be necessary if a small business is eliminated from the competitive range solely on the basis of past performance. SBA referral is not required as long as the use of past performance information requires a **comparative** assessment with other evaluation factors and not as a pass or fail decision. The comparative assessment of past performance information is **separate**

from a responsibility determination required by the Federal Acquisition Regulation.

Unlike a pass/fail responsibility determination, a comparative past performance evaluation conducted using the tradeoff process is a very specific endeavor that seeks to identify the **degree of risk** associated with each competing offeror. Rather than asking whether an offeror **can** do the work, you should ask, whether it **will** do that work successfully. In short, the evaluation describes the degree of confidence the Government has in the offeror's likelihood of success. If properly conducted, the comparative past performance evaluation and the responsibility determination will complement each other and provide you with a more complete picture of an offeror than either one could by itself.

Pass/Fail Strategies

Source selection teams may want to consider choosing a strategy where technical proposals are evaluated on a pass/fail basis and the final source selection decision is based on an overall tradeoff basis between past performance and price, or a Performance Price Trade Off (PPT). PPT permits tradeoffs between price and the past performance evaluation of technically acceptable proposals. This technique may be applied in acquisitions that include evaluations for technical acceptability, as well as negotiated acquisitions for which price and past performance are the only discriminators. The PPT technique is similar to the lowest price technically acceptable (LPTA) strategy. However, in LPTA, tradeoffs are not permitted. With LPTA, the past performance evaluation is rolled into technical acceptability; it is a "go/no go" responsibility determination and not a rated assessment. The source selection team should seek guidance from legal counsel to ensure the evaluation of past performance on a 'pass/fail' basis is applied appropriately.

De Facto Debarment

During source selection, past performance information should not be used to automatically exclude a company (otherwise known as a de facto debarment). The General Accounting Office has determined that as long as there is no indication that the procuring agency intends to automatically exclude the offeror from future procurements based on past performance information, there is no de facto debarment.

Planning the Past Performance Evaluation

Forming an Evaluation Group

In complex acquisitions it may be necessary to establish a formal group to specifically evaluate past performance. In smaller dollar value acquisitions that do not involve complex requirements, the evaluation may be accomplished with only one or two people. The evaluator(s) may operate separately from the proposal evaluation team or as a separate subgroup of that team.

The following discussion will focus on the structure, composition, and evaluation process of a formal evaluation group; but bear in mind that while the functions of informal evaluations are basically the same, they should be less complicated.

Objectives of the Evaluation Group

The evaluation group is responsible for conducting the past performance evaluation to determine the degree of risk involved in accepting each offeror's proposal. This analysis results in a performance risk assessment. The evaluation group documents these performance risk assessments and identifies strengths and weakness in each offeror's past performance, focusing on those areas of performance most relevant to the source selection. A plan for evaluating past performance should be developed early in the process and made a part of the source selection plan.

Evaluation Group Membership

The membership and structure of your evaluation group should be tailored to each acquisition. Ideally, the membership should be reasonably diverse, representing different disciplines.

The heart of the performance risk assessment is the information gathering process. Through questionnaires, telephone interviews, and site visits, and by tapping existing data sources, the group can obtain a detailed and useful picture of an offeror's past performance. It is absolutely critical that group members have the ability to conduct meaningful telephone interviews, assimilate data, exercise sound judgment, arrive at conclusions that make common sense, and communicate those conclusions effectively both orally and in writing.

The best practice is to limit the size of the group to as small a number as is realistic for the specific circumstances of the acquisition. A group of at least two members of different functional disciplines enhances opportunities for dialogue, brainstorming, and in-depth fact finding.

What Factors or Subfactors Should Be Used?

The past performance factors and subfactors, if any, should be designed to evaluate the key performance requirements of the solicitation. At a minimum, the solicitation should request the offeror's record for on time delivery, technical quality, cost control, and past performance of subcontracting plans/programs.

PPI Relevancy

Source selection officials have broad discretion to determine which PPI to consider relevant for an individual procurement. Relevancy is a threshold question when considering past performance, not a separate element of past performance. Relevancy, as defined in Appendix A, should not be described as a subfactor. Irrelevant past performance must not form the basis of a performance risk evaluation. PPI with applicable, but limited,relevance, may be used for evaluation but should be given less weight.

The source selection team may consider data available from any source. One source is the DoD Past Performance Automated Information System (PPAIS), which provides access to a central warehouse containing PPI from all of the DoD services. The team should also attempt to obtain information from references cited by offerors in their proposals. Upon receipt of proposals, the team must determine which of the offeror's past contract efforts relate closely to the solicitation requirements. The evaluation group should screen the information provided for each of the referenced contracts to make an initial determination of its relevancy to the current requirement. However, the source selection authority may assign his/her own relevancy rating, in making the source selection decision, which may differ from that of the performance risk assessment group.

Source selection officials should use the most relevant, recent PPI available in making the source selection decisions.

They must consider updated information provided by the contractor regarding relevant PPI.

Some aspects of relevancy include the type of effort (e.g., development, production, repair) and the business sector. The objective of the screening is to remove from consideration those contract references that are clearly *unrelated* to the type of effort sought. Other members of the source selection team may be consulted as necessary for assistance in determining relevancy.

In some cases, previous contracts as a whole may be similar to the current contract, while in others only portions of previous contracts may be relevant. One example of focusing on only a portion of a previous contract is the evaluation of the contractor's management, planning, and scheduling of subcontractors on a past service contract for a current production requirement calling for integration skills.

The evaluation group should consider the most recent data available. The best practice is to select similar efforts that are either still in progress or just completed, and that have at least one year of performance history. While the actual cut-off time should be determined by the Contracting Officer on a case-by-case basis, the currency of the information requested should be determined by the commodity or service and the specific circumstances of the acquisition.

The Comptroller General recommends the use of solicitation language that evokes the phrase "for the same or similar items," which may ensure that the Government does not overly restrict its ability to consider an array of information.

PPI relating to the recent or ongoing production of a transport aircraft, for example, would be relevant for the source selection for production of a new transport aircraft of similar range or payload. When considering the relevance of PPI to be used in making a source selection decision, similarities in the following should be considered:

- the nature of the business area(s) involved
- the required levels of technology
- the contract types
- the materials and production processes

- the location of work to be performed
- the type of work (product/service)
- the scope of work or complexity/diversity of tasks
- the skills required to provide the service

One specific relevancy issue that should always be clearly articulated in the solicitation is relevancy of the proposed performance **location**. When procuring commodities, the PPI for work performed at the proposed performance location will be considered relevant for assessing the performance risk for the work to be performed. Mergers and acquisitions should be considered when determining what information may be considered relevant. Past performance evaluations are typically conducted only for the specific site where work is proposed for future performance. Performance within companies may vary widely from site to site or specific address. When evaluating the performance of services or commercial items, however, corporate past performance may be a consideration. Tailor the PPI criteria in the solicitation to clarify whether assessing global corporate capability really assesses company experience *not* past performance. If more than one site is proposed for performance, each site should be evaluated for the type of effort proposed for performance at that site. The Data Universal Numbering Systems (DUNS) is a good way to distinguish between contractor segments when searching PPI.

All PPI older than three years beyond the completion of contract performance should be purged from DoD records. Do not use any PPI in source selection evaluations that should have been purged from the files.

How Much Weight to Give Past Performance

Past performance should be given sufficient evaluation weight to ensure that it is meaningfully considered throughout the source selection process and will be a valid discriminator among the proposals received.

What Are the Rating Categories?

In planning the acquisition, the evaluation group develops a rating scheme for evaluating past performance. The group may use the following definitions of performance risk to describe the results of its evaluation:

Unsatisfactory/Very High Performance Risk. Based on the offeror's performance record, extreme doubt exists that the offeror will successfully perform the required effort.

Marginal/High Performance Risk.
Based on the offeror's performance record, substantial doubt exists that the offeror will successfully perform the required effort.

Satisfactory/Moderate Performance Risk. Based on the offeror's performance record, some doubt exists that the offeror will successfully perform the required effort. Normal contractor emphasis should preclude any problems.

Very Good/Low Performance Risk.
Based on the offeror's performance record, little doubt exists that the offeror will successfully perform the required effort.

Exceptional/Very Low Performance Risk. Based on the offeror's performance record, no doubt exists that the offeror will successfully perform the required effort.

Unknown Performance Risk.
No performance record identifiable. See "How to Evaluate Contractors with No Relevant Past Performance."

How to Evaluate Contractors with No Relevant Past Performance

In most cases the evaluation group will find some related government or other public or private past performance information for each contractor and subcontractor. Such information will usually surface if the evaluation approach allows a broad interpretation of relevancy or takes into account information regarding the past performance of predecessor companies, key personnel who have relevant experience, or subcontractors that will perform key aspects of the requirement. This flexibility will take on increasing importance as the Department modernizes through the use of commercial items.

Occasionally, however, an evaluation group may not find any relevant information. In those cases, you must treat an offeror's lack of past performance as an unknown performance risk, having no positive or negative evaluation significance. This allows the Government to evaluate past performance in a manner that is fair to newcomers. The method and criteria for evaluating

offerors with no relevant past performance information should be constructed for each specific acquisition to *ensure that such offerors are not evaluated favorably or unfavorably on past performance.*

You may use a variety of rating methods to evaluate offerors with no past performance history. Regardless of the method selected, the solicitation must clearly describe the approach that will be used for evaluating offerors with no relevant performance history. Solicitations should encourage offerors to identify PPI that may be judged related or relevant to the specific acquisition.

Rating schemes articulated in the solicitation may allow an agency to drop the past performance evaluation factor when making its award decision, after discovering that one of the competitors has no past performance history.

Public versus Private Competitions

When public/private competitions are conducted, the USD (A&T) has determined that the same mandatory DoD PPI evaluation elements and ratings by business sector must be used to evaluate past performance for both public and private firms. This applies to any depot competition conducted.

What to Include in the Solicitation

The solicitation, at a minimum, must clearly describe the approach you will use to evaluate past performance. This includes what past performance information you will evaluate (including the anticipated method of PPI collection), how it will be evaluated, its weight or relative importance to the other evaluation factors and subfactors, the PPI you anticipate will be relevant for the proposed performance location, and how you will evaluate offerors with no past performance history. The amount of information you request should be tailored to the circumstances of the acquisition, and should be reasonable so as not to impose excessive burdens on offerors or evaluators. The proposal evaluation information, at a minimum, should clearly state that:

- The Government will conduct a performance risk evaluation based upon the past performance of the offerors and their proposed major subcontractors as it relates to the probability of successfully performing the solicitation requirements;

- In conducting the performance risk evaluation, the Government may use data provided by the offeror and data obtained from other sources including the DoD PPAIS; and

- The Government may elect to consider data obtained from other sources that it considers current and accurate, but should ensure the solicitation contains a request for the most recent information available.

The proposal submission instructions must, at a minimum, instruct offerors to submit recent and relevant information concerning contracts and subcontracts (including Federal, State, and local government, and private) that demonstrate their ability to perform the proposed effort.

Source selection teams may want to limit the information requested to a summary of the offeror's performance for each contract or subcontract. The summary should include contract numbers, contract type, description and relevancy of the work, dollar value, and contract award and completion dates; and names, phone numbers, and e-mail addresses for references in contracting and technical areas.

In addition, offerors should be given the opportunity to explain why they consider the contracts they have referenced to be relevant to the proposed acquisition. The instructions should also permit offerors to provide information on problems encountered on such contracts and the actions taken to correct the problems. Also, it is important that the offerors specifically describe the work that major subcontractors will perform so that the evaluation group can conduct a meaningful performance risk evaluation on each major subcontractor.

One best practice is to use presolicitation exchanges of information with industry (e.g., draft solicitations or presolicitation/preproposal conferences) to explain the approach you will use to evaluate performance risk. Although the solicitation must contain all evaluation factors and sub-factors and describe the approach to the evaluation, presolicitation exchanges can help to ensure that potential offerors have a clear understanding of how their past performance will be evaluated.

The Past Performance Evaluation Process

If the solicitation states that past performance will be an evaluation factor, the Government has broad discretion regarding the type of data to be considered. This means that the Government may consider a wide array of information but is not compelled to rely on all the information available. Solicitations must clearly describe the past performance type, age, and location that will be considered relevant in evaluating an offeror's proposal.

Solicitations should also communicate what the Government's actions will be relative to the various sources of past performance information. For example, if a solicitation requires submission of references as an evaluation criterion, it should also clearly set forth what the Government will do to contact those references, addressing situations where a reference cannot be reached. The solicitation should also encourage offerors to be proactive in ensuring that the contact information on references is correct and that the individuals are available for the Government to contact.

The Government should reserve the option in the solicitation to consider other information that may be evaluated. While you may want to consider information over a specified time period, you may want to evaluate only the most recent information; e.g., data within the last six months.

Past performance information may be considered under other non-cost factors, in addition to being considered as part of a performance risk assessment. However, be careful not to evaluate the same information twice.

A best practice is to limit the past performance evaluation to a few most recent and relevant contracts.

Evaluation of PPI

PPI is one indicator of an offeror's ability to perform the contract successfully. The currency and relevancy of the information, source of the information, context of the data, and general trends in contractor's performance must be considered.

Personnel collecting PPI for use in a particular source selection should consider whether the data received comes from reputable and reliable sources.

Government evaluators are cautioned to ensure that the information submitted by the contractor is verified with some other source. Evaluators should also ensure that they consider information known to them that conflicts with the offeror's information. Apparent discrepancies should be resolved prior to assigning a final evaluation rating. .

The assessment group must ensure an offeror has had the opportunity to comment on all adverse past performance information before presenting the adverse information to source selection officials

Past performance is now one of the defined areas of clarification that a Contracting Officer should explore with contractors even when planning to award without discussions. They should address any concern about an offeror's past performance, including relevancy and any adverse past performance information on which the offeror has not previously had an opportunity to comment. This does not constitute discussions.

The Government should share all relevant PPI with contractors as part of the past performance evaluation during the source selection process, and must share adverse PPI on which contractors have not had the opportunity to comment.

Currency of PPI

If the contractor submits information during the source selection process, either as part of the proposal or during exchanges, it should be considered by the Government, particularly if it is more current than the available Government information.

On the other hand, agencies are under no duty to seek out more current information that may exist outside the proposal, unless it is known by the evaluators at the specific buying command.

Additionally, it is appropriate for the evaluation team to use recent and relevant information that was gathered

under an earlier solicitation to evaluate a contractor's past performance.

Ordinarily, PPI that relates to less current performance should be given less weight than current PPI; however, guidance should be tailored to the nature of the item or service being acquired. On the other hand, trends may be developed from PPI data that are strong indicators of risk associated with future performance of contracts. Buying activities and source selection officials should consider the need to appropriately weigh "older" PPI, but also properly accept its value when used in trend analyses that extend through recent periods of performance.

Teaming Arrangements

When two contractors decide to team together to perform a proposed effort they may enter into a joint venture business arrangement. To evaluate past performance in this situation, each contractor's proposed efforts should be evaluated for the portion or type of effort that firm will perform. If it is not possible to distinguish responsibility, a performance assessment must be performed for the entire effort and filed in each contractor's file.

Mergers and Acquisitions

The Comptroller General has upheld decisions that an acquiring firm should share responsibility for an original firm's troubled reputation, if the acquiring firm wants to capitalize on the original firm's technical skills. Common sense should rule the relevancy determinations when mergers and acquisitions are involved. If few changes have occurred at the performance location (for example, the management and employees remain relatively the same), then the previous firm's past performance record should be used to assess performance risk.

Subcontractor Past Performance

Common sense should govern the source selection official's choice to consider subcontractor past performance. A special problem arises with respect to subcontractors. Past performance information pertaining to a subcontractor cannot be disclosed to a private party without the subcontractor's consent. Because a prime contractor is a private party, the Government needs to obtain the subcontractor's consent before disclosing its past performance information to the prime during negotiations. There are a variety of ways to obtain subcontractor consent. For example, the solicitation could require the prime to submit the consent of its principal subcontractors along with the prime's proposal to the Government.

It is risky to rely solely on the past performance of a subcontractor to downgrade the predicted performance of a prime contractor. Before downgrading the predicted performance of a prime contractor based on the poor past performance of a subcontractor, consider the proposed subcontractor's contribution to the overall proposed effort and the likely impact of the predicted risky or poor performance. On the other hand, the experience of a subcontractor that contributes to the overall expertise of a prime contractor should be considered.

What Sources of Data Are Available?

PPI is obtained from a variety of sources, including references cited by offerors in their proposals, telephone interviews, surveys, and electronic databases, including DoD PPAIS. Upon receipt of proposals and any information on past contracts from Government or commercial sources, the evaluation group will assess which of the offeror's past contract efforts relate to the solicitation requirements. These assessments of relevancy are judgment calls.

When a solicitation requires submission of references as an evaluation criterion, then Government information obtained from those references and provided by the offeror may be considered in evaluating past performance

Can the Evaluation Group Use Commercial References?

It is permissible to use other public and private references, such as Dun and Bradstreet, information received from commercial and foreign government sources, and awards of excellence or vendor quality certifications, that reflect on companies performing the work, when appropriate. These references should be relevant to the effort set out in the solicitation.

The evaluation group should verify information received from all sources, whether contained in Government evaluation reports on completed work, a database, or other public or private sources, to ensure accuracy. The verification must seek to identify supporting rationale for

any evaluation report so that performance evaluations always rely on supportable data.

How to Assign Performance Risk Ratings

Once the data gathering efforts are completed, the entire evaluation group needs to assess all offerors and assign performance risk ratings. The evaluation group should note instances of good or poor performance and relate them to the solicitation requirements and evaluation factors. Again, it is essential for the evaluation group to review the statement of work, specifications, and the evaluation approach described in the solicitation. If the evaluation group identifies past performance problems, it should consider the context of the problems and any mitigating circumstances.

The evaluation group should not limit its inquiry solely to the proposing entity if other corporate divisions, contractors, or subcontractors will perform a critical element of the proposed effort. The performance record of those organizations should be assessed in accordance with the solicitation. Performance risk assessments should consider the number and severity of problems, the **demonstrated** effectiveness of corrective actions taken (not just planned or promised), and the overall work record.

The evaluation group's assessment is usually based upon subjective judgment of supportable data. It is not intended to be a mechanical process or a simple arithmetic function of an offeror's performance on a list of contracts. Rather, the information deemed most relevant and significant by the group should receive the greatest consideration. The assessment should include a description of the underlying rationale for the conclusions reached. The rationale should be reasonable and adequately documented to support the conclusion.

A word of caution is appropriate concerning offeror promises to correct past performance failures, as opposed to actions already taken to correct such failures. A promise to improve does not change past performance and should be considered under proposal risk rather than performance risk. However, **demonstrated** corrective actions reflect a commitment to rectify past performance problems, and therefore can lower the risk of similar performance failures.

Exchanging Past Performance Information with Offerors

Contracting Officers are encouraged to share all available PPI with an offeror to avoid any potential protest. However, the Contracting Officer must provide offerors with the opportunity to comment on adverse past performance information on which offerors have not had a previous opportunity to comment. This practice ensures fairness for the competing offerors. The validation process is particularly important when the adverse information is provided by only one reference, or when there is any doubt concerning the accuracy of the information. Usually, adverse information reflects performance that was less than satisfactory, although this is a judgment call that will depend upon the circumstances of the acquisition. Note that while the Government must disclose past performance problems to offerors, including the identity of the contract on which the information is based, it shall not disclose the names of individuals who provided information about an offeror's past performance. Avoid disclosing names of individuals by identifying an office or a generic job title instead.

When discussing adverse past performance information with industry during a source selection, agencies have often been concerned regarding the level of detail necessary for this exchange of information. Experience has indicated that summarizing past performance information into problem categories is acceptable as long as the Government agency revealed sufficient information to give the offeror a fair and reasonable opportunity to respond to the problems identified. Verbal, informal PPI requests should be followed by a written request. If PPI will be relied upon in making a competitive range determination or source selection award, this information should be shared with the contractor.

What to Include in the Evaluation Assessment Report

While you do not want to say too much or too little in the evaluation report, the goal is to provide clear, reasonable, and rational analysis of the past performance of the offerors. The evaluation group must provide the source selection authority with sufficient information to make informed judgments. Again, the evaluation group should provide a recommendation and a well-reasoned, well-supported rationale for the recommendation.

Conclusive statements must be supported by the underlying factual basis. The best practice is to state the conclusion and provide specific strengths and weaknesses that support it. To ensure that the risk assessments provide the necessary background information and are structured consistently, the entire evaluation group should review and evaluate the report on each offeror. During this review, the evaluation group should correct statements that appear unsupported, inconsistent, or unnecessary. The conclusion may be a single overall rating/assessment supported by a specific description of the offeror's past performance as it relates to the specific acquisition.

Occasionally the evaluation group will be unable to arrive at a unanimous agreement on a particular risk assessment. If this occurs, the evaluation group may include the dissenting opinion as part of the assessment report.

Reporting the Past Performance Evaluation Results

The evaluation group's submission of the past performance evaluation report usually completes the major portion of its work. The evaluation group leader should remind the source selection official of the purpose of the group and the past performance evaluation approach described in the solicitation. The report should address offerors with no past performance history. This is to ensure that everyone fully comprehends the significance of the results being reported. Experience reveals that source selection officials are more apt to rely upon evaluation group results if they thoroughly understand the process.

How to Handle Past Performance Information

Information concerning the past performance of an offeror or of its proposed subcontractors should be treated as deliberative information, marked "For official use only." The evaluation of past performance of a contractor for a specific source selection is actually source selection information. This information frequently includes information that is proprietary, such as trade secrets and confidential commercial or financial data that would not be released under the Freedom of Information Act. Current laws, regulations, and policies governing the storage, access, disclosure, and marking of source selection and proprietary information must be observed at all times. Questions concerning the procedures for the handling of past performance information should be referred to the Contracting Officer or legal counsel for resolution.

The evaluation group must retain the records of its evaluation activity throughout the source selection process. Upon contract award or cancellation of the solicitation, all evaluation group records are provided to the Contracting Officer for retention along with the other source selection documents.

Using Past Performance When Not Required in the Request For Proposals

There are circumstances when an offeror will submit past performance information even when it is not a stated criterion of the solicitation. You are not obliged to consider past performance information submitted by an offeror, when it is not a stated evaluation criterion. However, it may be considered as experience under other evaluation criteria.

Use of Passive PPI

For the Operations Support sector, the collection threshold for report card information is $5,000,000. Under the $5,000,000 threshold, buying activities should continue to accumulate and use contractor performance data from existing management information systems that already capture data on the timeliness of delivery and quality of product or service. (Examples of such performance information collection systems include "Red/Yellow/Green" and DLA's "Automated Best ValueSystem.") While passive systems may continue to be used, DoD-wide implementation of collection and use of PPI through passive information collection systems is not mandatory until the collection system is fully automated across DoD. The use of passive PPI depends on the existence of databases that collect data on an ongoing basis.

Appendix A: Definitions, References, and GAO Cases

Adverse PPI. PPI that supports a less than satisfactory rating on any evaluation element or any unfavorable comments received from sources without a formal rating system.

Assessing Official. The Government employee responsible for assessing offerors' past performance in the context of a source selection or for completing past performance assessment reports.

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

Business Sectors. Groups of goods or services with similar characteristics, or similar requirements for engineering development, manufacturing, or technology. The DoD PPI business sectors are: Systems, Operations Support, Services, Information Technology, Construction and Architect-Engineering Services, and Science and Technology.

Contractor Experience. The Contractor's experience, in a particular area of expertise, that does not use performance data as a qualifier of that experience (e.g. 20 years of experience as a software firm).

Contractor Past Performance Assessments. The written or oral result of taking performance data and considering it in the context of a particular contract's scope and requirements.

Key Business Sectors. Four global business sectors that represent the areas that comprise the greatest workload for DoD: Systems, Operations Support, Services, and Information Technology.

Negative PPI. PPI that concludes a less than exceptional rating on any evaluation element is viewed by industry to be negative.

Passive PPI. Using data collected for other purposes to derive a past performance rating through use of an algorithm. Examples of such data include deliveries and quality deficiency reports. The data is aggregated in a database and then the algorithm is applied to generate a rating that gives a snapshot of the contractor's performance history on a wide variety of contracts.

Past Performance Evaluations. Past performance evaluations occur when the PPI assessments are considered in the context of a source selection. Past performance evaluations may take into account past performance information from a variety of sources, including passive systems, contractor "report cards," questionnaires, interviews, and the offeror's own proposal information.

Past Performance Information (PPI). Information submitted with the offeror's proposal, contractors' references, contractor reports cards, survey data, or other data available to the source selection authority.

Performance Assessment Elements. The mandatory assessment elements for the DoD business sectors.

Performance Assessment Reports. Contractor performance assessments are one source of PPI. They are in essence, "report cards" on how well a contractor is performing or has performed on an individual contract.

Performance Risk. Evaluation of the risk of performance as it relates to the probability of the offeror successfully completing the solicitation's requirements based on previous demonstrated relevant performance.

Proposal Risk. The evaluated risk associated with the offeror's proposed approach to meeting the requirements of the solicitation, for each of the non-cost evaluation factors, other than past performance.

Relevancy. Information that has a logical connection with the matter under consideration and applicable time span.

Unique Business Sectors. Three unique business sectors which are separate from the four key business sectors are: Architect-Engineering Services, Construction and Science & Technology.

References

References that are noted here prescribe policies/requirements for collecting and using past performance information:

Federal Acquisition Regulation (FAR) Parts 9, 15, 19, 36, and 42

DoD

Principal Deputy Under Secretary of Defense (Acquisition, Technology & Logistics) policy memo titled, "Contractor Performance Assessments," dated 24 August 1999, Dave Oliver.

Under Secretary of Defense (Acquisition, Technology & Logistics) policy memo titled, "Award Fees," dated 27 February 1999, J.S. Gansler.

Under Secretary of Defense (Acquisition and Technology) policy memo titled, "Automation of Past Performance Information," dated 20 February 1998.

Under Secretary of Defense (Acquisition and Technology) policy memo titled "Competition between Public Sector (Organic) Maintenance Depots and Private Sector Commercial Firms", dated May 2, 1997, Paul Kaminski

Defense Acquisition Council Class Deviation 99-00002

Navy

Assistant Secretary of the Navy (RD&A) memo of March 20, 2000, "Revised Contractor Performance Assessment Reporting System (CPARS) Guide"

Assistant Secretary of the Navy (RD&A) memo of March 13, 1998, "Use of Contractor Past Performance Information in Source Selection."

Assistant Secretary of the Navy (RD&A) memo of February 2, 1998, "Implementation of Contractor Performance Assessment Reporting System (CPARS)"

Army

Army FAR Supplement
Army Material Command Source Selection Guide (Pamphlet No. 715-3, Contracting for Best Value, 1 January 1998)

Air Force

AFFARS Part 5315
AFMC Pamphlet 64-113, Volume 1, PRAG Guide
"Contractor Performance Assessment Reporting System (CPARS) Guide," December 2000.
AFMCI 64-107 CPARS Instruction
Contracting Policy Memo 98-C-05, 10 April 1998, "Past Performance Information (PPI) Collection Requirements"
Office of the Assistant Secretary of the Air Force (Acquisition) memo of March 28, 2001, "Contractor Performance Assessment Reporting System (CPARS) and Past Performance Information Evaluation Requirements"

GAO Cases

p. 2, Performance Assessment Reports
PEMCO World Air Services, B-284240, March 27, 2000.

p. 7, Proposal Risk versus Performance Risk
Questech, Inc. B-236028, Nov. 1, 1989, 89-2 CPD ¶ 407.

p. 7, Past Performance versus Responsibility Determinations
Smith of Galeton Gloves, Inc., B-271686, July 24, 1996; Tiernay Turbins, Inc., B-226185, June 2, 1987, 87-1 CPD ¶ 563; Johnston Communications, B-221346, February 28, 1986, 86-1 CPD ¶ 211.

p. 7, Pass/Fail Strategies
Sterling Services, Inc., B-286326, December 11, 2000.

p. 7, De Facto Debarment
JCI Environmental Services, 8 CGEN ¶107,481, April 7, 1993.

p. 8, PPI Relevancy
Ashland Sales and Service Co., B-259625-2, April 14, 1995, 95-1 CPD ¶ 198; Clean Venture, Inc., B-284176, March 6, 2000.

p. 11, How to Evaluate Contractors with No Relevant Past Performance
Menendez-Donnell & Associates, B-286599, January 16, 2001.

p. 12, The Past Performance Evaluation Process
Young Enterprises, Inc., B-256851.2, August 11, 1994, 94-2 CPD ¶ 159; North American Aerodynamics, Inc., B-285651, September 15, 2000.

p. 13, Currency of PPI
American Video Channels Inc., B-236943, January 18, 1990, 4 CGEN ¶ 103,982.

p. 13, Mergers and Acquisitions
Heritage Reporting Corporation, B-228008, October 15, 1987, 87-2 CPD ¶ 363; Universal Fabric Structures, B-284032, February 10, 2000.

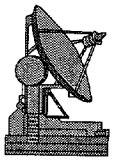
p. 15, Exchanging Past Performance Information with Offerors
Pacific Architects & Engineers, Inc., B-274405.2, 97-1 CPD ¶ 42.

p. 17, Using Past Performance When Not Required in the Request for Proposal

NDI Engineering Co., B-245796, January 27, 1992, 92-1 CPD ¶ 5.

Appendix B: Business Sectors

Key Business Sectors



Systems - Generally, this sector includes products that require a significant amount of new engineering development work. Includes major modification/upgrade efforts for existing systems, as well as acquisition of new systems, such as aircraft, ships, etc. Also includes program budget account code 6.4-funded projects. The systems business sector includes—

Aircraft: Includes fixed and rotary wing aircraft, and their subsystems (propulsion, electronics, communications, ordnance, etc.)

Shipbuilding: Includes ship design and construction, ship conversion, small craft (e.g., rigid inflatable boats) and associated contractor-furnished equipment, as well as ship overhaul and repair.

Space: Includes all satellites (communications, early warning, etc.), all launch vehicles, strategic ballistic missiles, and all associated subsystems, including guidance and control.

Ordnance: Includes all artillery systems (except non-Precision Guided Munitions (PGM) projectiles), tactical missiles (air-to-air, air-to-ground, surface-to-air, and surface-to-surface) and their associated launchers, and all PGM weapons and submunitions, such as the Joint Direct Attack Missile, the Sensor-Fused Weapon and the "Brilliant Antitank" weapon.

Ground Vehicles: Includes all tracked combat vehicles (e.g., tanks and armored personnel carriers), wheeled vehicles (e.g., trucks, trailers, specialty vehicles), and construction and material handling equipment requiring significant new engineering development. Does not include commercial equipment typically acquired from existing multiple award "schedule" contracts (e.g., staff cars, base fire trucks, etc.)

Training Systems: Generally, includes computer-based (or embedded) virtual and synthetic environments and systems of moderate to high complexity capable of providing training for air, sea, and land based weapons, platforms, and support systems readiness. Does not include operation and maintenance support services beyond the scope of the initial training system acquisition, or basic and applied research in these areas.

Other Systems: Includes technologies and products that, when incorporated into other systems such as aircraft and ships, are often categorized as subsystems. However, many of these products are often acquired as systems in their own right, either as "stand-alone" acquisitions or as the object major modification/upgrade efforts for ships, aircraft, etc. Examples of other systems include Command, Control, Communication, Computer and Intelligence (C4I) systems, airborne and shipborne tactical computer systems, electrical power and hydraulic systems, radar and sonar systems, fire control systems, electronic warfare systems, and propulsion systems (turbine engines—aviation and maritime, diesel engine power installations—maritime and combat vehicle). Does not include tactical voice radios with commercial equivalents, personal Global Positioning System (GPS) receivers, non-voice communication systems with commercial equivalents (See Operations Support and Information Technology sectors).

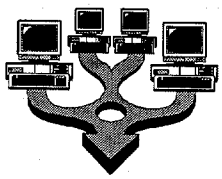
Services - Generally, this sector includes all contracted services except those which are an integral part of a systems contract or related to "Science & Technology," "Construction & Architect--Engineering Services," "Information Technology", and "Health Care." Services are further defined below:

Professional/Technical & Management Support Services: Includes all consultant services—those related to scientific, health care services, , and technical matters (e.g., engineering, computer software engineering and development), as well as those related to organizational structure, human relations, etc. Includes office administrative support services (e.g., operation of duplication centers, temporary secretarial support, etc.). Does not include any basic or applied research that will result in new or original works, concepts or applications, but does include contract advice on the feasibility of such research, as well as evaluation of research results.

Repair & Overhaul: Services related to the physical repair and overhaul of aircraft, ground vehicles, etc., and any associated subsystems or components. Includes condition evaluations of individual items received for repair or overhaul, but does not include evaluations of the feasibility or the benefits of the overall project. Does not include Ship Repair and Overhaul that is included in the Shipbuilding sector.

Installation Services: Includes services for grounds maintenance (grass cutting, shrubbery maintenance or replacement, etc.). Includes services related to cleaning, painting, and making minor repairs to buildings and utilities services, etc. Includes contracted security and guard services. Includes installation and maintenance of fencing. It also includes minor electrical repairs (e.g., replacing outlets, changing light bulbs, etc.), minor road surface repairs (patching cracks, filling in potholes, etc.), relocation of individual telephone lines and connections, snow removal. (See "Construction for the installation services covered by that sector.)

Transportation and Transportation-Related Services: Includes services related to transportation by all the land, water, and air routes, and transportation efforts which support movement of U.S. forces and their supplies during peacetime training, conflict, or war. Consists of those military and commercial efforts, services and systems organic to, contracted for, or controlled by the DoD.



Information Technology - This sector includes any equipment or interconnected system or subsystem of equipment, that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission or reception of data or information. Generally, includes all computers, ancillary equipment, software, firmware and similar procedures, services (including support services), and related resources. Does not include any military-unique C4I systems and components included under Systems, such as JTIDS, Aegis, etc.

More specifically-

Software: A set of computer programs, procedures, and associated documentation concerned with the operations of a data processing system; e.g., compilers, library routines, manuals and circuit diagrams. Information that may provide instructions for computers; data for documentation; and voice, video, and music for entertainment and education.

Hardware: Physical equipment as opposed to programs, procedures, rules and associated documentation. In automation, the physical equipment or devices forming a computer and peripheral components.

Telecommunications Equipment or Services: Circuits or equipment used to support the electromagnetic and/or optical dissemination, transmission, or reception of information via voice, data, video, integrated telecommunications transmission, wire, or radio. The equipment or service must be a complete component capable of standing alone. This includes the following type of items; telephones, multiplexers, a telephone switching system, circuit termination equipment, radio transmitter or receiver, a modem, card cage with the number and type of modem cards installed, etc. This does not include the following type of items: a chip, circuit card, equipment rack, power cord, a microphone, headset, etc.

Operations Support - Generally, this sector includes spares and repair parts for existing systems. Also includes products that require a lesser amount of engineering development work than "Systems," or that can be acquired "build-to-print," "non-developmental," or commercial off the shelf. More specifically—

Mechanical: Includes transmissions (automotive and aviation), landing gear, bearings, and parts/components related to various engines (turbine wheels, impellers, fuel management and injection systems, etc.)

Structural: Includes forgings; castings; armor (depleted uranium, ceramic, and steel alloys); and steel, aluminum, and composite structural components. Does not include "bare" airframes, ships, or combat vehicles (i.e., without engines and electronics).

Electronics: Includes parts and components related to digitization, guidance and control, communications, and electro-optical and optical systems. Includes individual resistors, capacitors, circuit cards, etc., as well as "modules" such as radio-frequency receivers and transmitters. Includes tactical voice radios, personal Global Positioning System receivers, etc.

Electrical: Includes electric motors, thermal batteries, auxiliary power units, and associated spares and component parts.

Ammunition: Includes all small arms ammunition and non-Precision Guided Munitions artillery rounds.

Troop Support: Includes all food and subsistence items. Includes all clothing and textile-related items, including uniforms, tentage, personal ballistic protective gear, life preservation devices, etc. Includes all medical supplies and equipment, including medicines and diagnostic equipment (X-ray machines, etc.). Does not include any recreational or morale/welfare items.

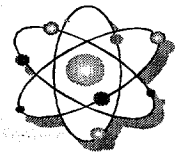
Base Supplies: Includes all consumables and personal property items needed to maintain installations, bases, ports, etc. Includes small tools and cleaning and preservation equipment and supplies (paints, brushes, cleaning solvents, etc.). Does not include any grounds maintenance, construction, security, or other types of services.

Fuels: Includes all bulk fuels, lubricants, and natural gas, coal, storage, and other commodities and related support services.

Unique Business Sectors

Architect - Engineering Services: Professional services of an architectural or engineering nature, as defined by State law, if applicable, which are required to be performed or approved by a person licensed, registered, or certified to provide such services. These services include, research, planning, development, design, construction, alteration, or repair of real property. Incidental services include studies, investigations, surveying and mapping, tests, evaluations, consultations, comprehensive planning, program management, conceptual designs, plans and specifications (drawings, specifications and other data for and preliminary to the construction), value engineering, construction phase services, soils engineering, drawing reviews, preparation of operating and maintenance manual, and other related services.

Construction: Construction, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other real property. The terms "buildings, structures, or other real property" includes but are not limited to improvements of all types, such as bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, cemeteries, pumping stations, railways, airport facilities, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, canals, and channels. Construction does not include the manufacture, production, furnishing, construction, alteration, repair, processing, or assembling of vessels, aircraft, or other kinds of personal property. Design-Build: Combining design and construction in a single contract with one contractor.



Science and Technology - Includes all contracted basic research and some applied research. Includes construction of "proof-of-principle" working prototypes. Includes projects funded by program budget accounts 6.1 (Basic Research), 6.2 (Exploratory Development), and 6.3 (Advanced Technology Development), but does not include projects funded by 6.4 accounts or similarly oriented appropriations. (Those projects are covered by the Systems sector).

Appendix C: PPI Evaluation and Report Thresholds

BUSINESS SECTOR	DOLLAR THRESHOLD [1]	REVIEWING OFFICIAL [2]
Systems (includes new development and major modifications)	≥$5,000,000	One level above the program manager. [3]
Services	≥$1,000,000	One level above the assessing official.
Operations Support	≥$5,000,000[4]	One level above the assessing official.
Fuels	≥ $100,000	
Information Technology	≥$1,000,000	One level above the assessing official.
Construction	≥$500,000	One level above the assessing official
Architect-Engineering	≥ $25,000	One level above the assessing official.
Science & Technology	As required	One level above the assessing official.

[1] The DoD contract thresholds forPPI collection are based on a DoD class deviation to the FAR and apply to the original face value or, where modifications occur, to the "as-modified" face value of contracts. For "as modified," if a contract's original face value was less than the applicable threshold, but subsequently the contract was modified and the "new" face value is greater than the threshold, then a performance assessment (or assessments) should be made, starting with the first anniversary that the contracts face value exceeded the threshold. If the contract threshold is expected to exceed the collection threshold by exercise of option, modification or order, it may be advisable to initiate thePPI collection process prior to the value of the contract proceeding the threshold.

[2] Only required if there is a disagreement between the assessing official and the contractor.

[3] Or equivalent individual responsible for program, project, or task/job order.

[4] For contracts under the $5,000,000 threshold, buying activities should continue to accumulate contractorperformance dataas required by service or agency level guidance. (An example of such performance information collection system is"Red/Yellow/Green".)

Appendix D: Performance Assessment Elements

Key Business Sector Assessment Elements

Assessment Elements for the Systems Sector - DoD shall collect PPI on all contracts within the Systems Sector using the following Performance Assessment Review elements:

TECHNICAL (QUALITY OF PRODUCT). This element is comprised of an overall rating and six sub-elements. Activity critical to successfully complying with contract requirements must be assessed within one or more of these sub-elements. The overall rating at the element level is the Program Manager's integrated assessment as to what most accurately depicts the contractor's technical performance or progress toward meeting requirements. It is not a predetermined roll-up of the sub-element assessments.

Product Performance - Assess the achieved product performance relative to performance parameters required by the contract.

Systems Engineering - Assess the contractor's effort to transform operational needs and requirements into an integrated system design solution.

Software Engineering - Assess the contractor's success in meeting contract requirements for software development, modification, or maintenance. Results from Software Capability Evaluations (SCEs) (using the Software Engineering Institute (SEI's) Capability Maturity Model (CMM) as a means of measurement), Software Development Capability Evaluations (SDCEs), or similar software assessments may be used as a source of information to support this evaluation.

Logistic Support/Sustainment - Assess the success of the contractor's performance in accomplishing logistics planning.

Product Assurance - Assess how successfully the contractor meets program quality objectives, e.g., producibility, reliability, maintainability, inspectability, testability, and system safety, and controls the overall manufacturing process.

Other Technical Performance - Assess all the other technical activity critical to successful contract performance. Identify any additional assessment aspects that are unique to the contract or that cannot be captured in another sub-element.

SCHEDULE - Assess the timeliness of the contractor against the completion of the contract, task orders, milestones, delivery schedules, administrative requirements, etc.

COST CONTROL - (Not required for Firm-Fixed-Price or Firm-Fixed-Price with Economic Price Adjustment Contracts.) - Assess the contractor's effectiveness in forecasting, managing, and controlling contract cost, including reporting and analyzing variances.

MANAGEMENT - This element is comprised of an overall rating and three sub-elements. Activity critical to successfully executing the contract must be assessed within one or more of these sub-elements. This overall rating at the element level is the Program Manager's integrated assessment as to what most accurately depicts the contractor's performance in managing the contracted effort. It is not a predetermined roll-up of the sub-element assessments.

Management Responsiveness - Assess the timeliness, completeness and quality of problem identification, corrective action plans, proposal submittals (especially responses to change orders, engineering change proposals, or other undefinitized contract actions), the contractor's history of reasonable and cooperative behavior, effective business relations, and customer satisfaction.

Subcontract Management - Assess the contractor's success with timely award and management of subcontracts, including whether the contractor met or exceeded small business, small disadvantaged business, small business HUBZone, veteran-owned small business, service disabled veteran owned small business, women-owned small business participation and subcontracting goals.

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

Assessment Elements for the Services, Information Technology, and Operations Support Sectors

- DoD shall collect PPI using the following assessment elements within the Services, Information Technology, and Operations Support sectors.

QUALITY OF PRODUCT OR SERVICE - Assess the contractor's conformance to contract requirements, specifications and standards of good workmanship (e.g., commonly accepted technical, professional, environmental, or safety and health standards).

SCHEDULE - Assess the timeliness of the contractor against the completion of the contract, task orders, milestones, delivery schedules, administrative requirements (e.g. efforts that contribute to or effect the schedule variance).

COST CONTROL - (Not required for Firm Fixed Price or Firm Fixed Price with Economic Price Adjustment) - Assess the contractor's effectiveness in forecasting, managing, and controlling contract cost, including reporting and analyzing variances.

BUSINESS RELATIONS - Assess the integration and coordination of all activity needed to execute the contract, specifically the timeliness, completeness and quality of problem identification, corrective action plans, proposal submittals, the contractor's history of reasonable and cooperative behavior, customer satisfaction, timely award and management of subcontracts, and whether the contractor met small business, small disadvantaged business, small business HUBZone, veteran-owned small business, service disabled veteran owned small business, women-owned small business participation and subcontracting goals.

MANAGEMENT OF KEY PERSONNEL (For Services and Information Technology Business Sectors Only) - Assess the contractor's performance in selecting, retaining, supporting, and replacing, when necessary, key personnel.

Appendix E: Construction & Architect-Engineering

The Construction & Architect and Engineering past performance information is collected in two systems: Architect-Engineer Contract Administration Support System (ACASS) and Construction Contractor Appraisal Support System (CCASS). **ACASS** is an automated centralized database of information required for contracting with architect-engineer (A-E) firms. The database contains A-E qualification data (Standard Form 254), A-E performance evaluations (DD 2631) and DoD A-E contract award data. The ACASS Center is operated and maintained by the U.S. Army Corps of Engineers, Portland District, Portland, Oregon. Any Federal agency with authority to hire A-E firms is authorized to use ACASS. Applicable acquisition regulations and the general functions of the system are summarized below.

The data in ACASS are required to be available to contracting offices, and used in procuring A-E services, by the following acquisition regulations: FAR Subpart 36.6 and Defense Acquisition Regulation Supplement (DFARS) Subpart 236.6. By providing a central database, easily accessible by interactive procedures, ACASS makes it unnecessary for contracting offices to maintain these files.

The ACASS Center notifies A-Es when a SF 254 update is due and deletes SF 254s of firms that do not respond. This fulfills the requirements of FAR 36.603(d) that SF 254 files be reviewed and updated at least once each year.

ACASS maintains A-E performance evaluations (DD2631) for six years and makes this data available to all users, making it unnecessary for the contracting offices to distribute them, as required by FAR 36.604(c).

ACASS provides interactive procedures that allow sorting of A-Es by user-selected parameters. This fulfills the requirement in FAR 36.603(c) that contracting offices classify A-Es with respect to location, experience, and capabilities. ACASS interactive procedures are used when an evaluation board needs classification of the firms on file.

DFARS 236.604 (c) requires that performance evaluations of A-E contractors be sent to the central database (the ACASS Center). DFARS 236.602-1 requires that DoD evaluation boards use performance evaluation data from the central database in procurement actions for A-E services.

Performance Ratings are described by one of the following five adjectives: exceptional, very good, satisfactory, marginal and unsatisfactory.. These terms are subjective and are not derived through use of any mathematical computations or formulas.

CCASS is an automated centralized database containing a six-year history of construction contractor performance evaluations (DD 2626). The CCASS Center is operated and maintained by the U.S. Army Corps of Engineers, Portland District, Portland, Oregon. Any Federal agency contracting officer executing construction contracts is authorized to use CCASS.

By providing a central database CCASS makes it unnecessary for contracting offices to distribute these files within the contracting community.

The data in CCASS are required to be available to contracting offices, and used in procuring construction contractor services, by the following acquisition regulations: FAR Subpart 36.2 and Defense Acquisition Regulation Supplement (DFARS) Subpart 236.2.

CCASS is used by the contracting officer in making pre-award responsibility determinations as well as for use in selection of construction contractor awards for excellence (DFARS 236.201).

Performance Ratings are described by one of the following five adjectives: Outstanding; Above Average; Satisfactory; Marginal and Unsatisfactory. These terms are subjective and are not derived through use of any mathematical computations or formulas.

Appendix F: Common DoD Assessment Rating System

The following five adjectival ratings comprise the Common DoD Assessment Rating System. Note that DoD's assessment rating system recognizes the contractor's resourcefulness in overcoming challenges or problems that arise in the context of contract performance.

Exceptional (Dark Blue). Performance meets contractual requirements and exceeds many to the Government's benefit. The contractual performance of the element or sub-element being assessed was accomplished with few minor problems for which corrective actions taken by the contractor were highly effective.

Very Good (Purple). Performance meets contractual requirements and exceeds some to the Government's benefit. The contractual performance of the element or sub-element being assessed was accomplished with some minor problems for which corrective actions taken by the contractor were effective.

Satisfactory (Green). Performance meets contractual requirements. The contractual performance of the element or sub-element contains some minor problems for which corrective actions taken by the contractor appear or were satisfactory.

Marginal (Yellow). Performance does not meet some contractual requirements. The contractual performance of the element or sub-element being assessed reflects a serious problem for which the contractor has not yet identified corrective actions. The contractor's proposed actions appear only marginally effective or were not fully implemented.

Unsatisfactory (Red). Performance does not meet most contractual requirements and recovery is not likely in a timely manner. The contractual performance of the element or sub-element contains serious problem(s) for which the contractor's corrective actions appear or were ineffective.

Appendix G: Collection of PPI during Source Selection

The evaluation group may gather information using various databases, questionnaires, surveys, and telephonic inquiries. Experience indicates that questionnaires provide useful but incomplete information. One approach is to start by sending a questionnaire tailored to the source selection to each reference and to conclude by calling those who respond with pertinent information. Whether you send questionnaires or not, you will most likely conclude by calling the reference to obtain more detail or clarification. While telephone interviews are an excellent means to obtain information, innovations in the field of technology have afforded us with additional means of verification such as e-mail.

Questionnaires should be short, concise and consist of no more than a page to a page and a half of questions.

If a report card format is used as part of a survey request it should use the uniform assessment elements established for the DoD business sectors. Report card information from DoD agencies is available from the DoD PPAIS.

Where to Conduct Telephone Interviews

Following the screening of previous contracts for further in-depth review, the evaluation group should send questionnaires and/or initiate telephone calls to the identified references for those efforts. The interviewing and reporting of results are usually individual efforts conducted by each evaluation group member. However, it is sometimes helpful to collect information as a group through the use of conference calls.

How to Conduct Telephone Interviews

At least two references should be contacted on each previous contract effort selected for in-depth review. The current or previous contracting officer, program manager, and contracting officer's representative, whoever has the most relevant experience on the contract, often prove to be excellent sources of information. Additional references are often identified during the interviews. Maximum effectiveness occurs when the expertise of the evaluation group interviewer matches that of the reference.

Prior to initiating a telephone interview, a group member should gather all available information on a specific effort and draft a list of questions. There may be a common group of questions for all offerors and/or tailored questions for each offeror, depending upon the circumstances. These questions can either be sent as questionnaires to each reference or be used by the group member during the telephone interview.

At the start of each telephone interview, the group member should explain the purpose of the call and request voluntary assistance from the reference. The interviewer should explain that he or she will document the results of the conversation and send a copy of the memorandum to the reference for verification. There is usually no need to divulge the solicitation number, program description, or other identifying information to the reference. If you do so, you need to obtain a nondisclosure statement.

In most instances the reference will willingly provide the information requested. In those rare cases when the reference is reluctant to participate, the interviewer should assure the reference of anonymity. At the least, the reference should be requested to provide additional references.

It is important to pursue and document the underlying facts supporting any concluding statements received on a contractor. The evaluation group member can determine neither the magnitude of a reported problem nor its possible impact on the current risk assessment without first understanding the details surrounding the problem.

How to Document Telephone Interviews

Immediately following a telephone interview, the group member must prepare a narrative summary of the conversation and send it to the reference for verification. E-mail and datafax transmissions are encouraged. The following step is extremely important.

Extra care must be taken to ensure accuracy, clarity, and legibility because these summaries often represent the only written back-up supporting the opinions and conclusions of the final assessment report.

In order to maintain accurate records and facilitate verification, the telephone record form should include the reference's name, full mailing and electronic addresses and telephone number, the date and time of the call, and the description of the contract effort discussed.

The evaluation group member should send the telephone memorandum to the reference, stating explicitly that if the reference does not object to its content within the time specified, it will be accepted as correct. The amount of time allowed for a response depends on the circumstances of each acquisition. Note that the reference need not sign a nondisclosure form if the group member withholds the identity of the program and solicitation number.

If a reference indicates that the narrative is incorrect, then a corrected narrative must be sent for verification. Experience indicates that in most instances, changes are minor. If, however, a reference expresses opposition to a record and satisfactory corrections cannot be agreed upon, the evaluation group should not rely on the record.

Include this form with the solicitation's instructions to offerors to simplify the submission and evaluation of past performance information

(To be completed by the offeror)

1. **Contract Number:**
   _____
2. **Contractor (Name, Address and Zip Code):**

---

3. **Type of Contract: Negotiated _____ Sealed Bid _____**
   Fixed Price _____ Cost Reimbursement _____ Hybrid (explain) _____
4. **Complexity of Work: Difficult _____ Routine _____**

---

5. **Description, location & relevancy of work:**

---

6. **Contract Dollar Value: _____**
   Status: Active _____ Complete _____

---

7. **Date of Award: _____**
   Contract Completion Date (including extensions): _____

8. **Type and Extent of Subcontracting:**

---

1. **Name, Address, Tel. No. & e-mail of the Procuring Contracting Officer and/or the Contracting Officer's Representative (COR) (and other references, e.g. Administrative Contracting Officer, if applicable):**

Typical Questions and Ideas for Telephone Interviews and Questionnaires

- Confirm the following data from the offeror's proposal:
  - Contract number
  - Contractor's name and address
  - Type of contract
  - Complexity of work
  - Description and location of work (e.g., types of tasks, product, service)
  - Contract dollar value
  - Date of award
  - Contract completion date (including extensions)
  - Type and Extent of Subcontracting
- Verify any past performance data to which you may have access
- If the award amount or delivery schedule changed, find out why.
- Ask what role the reference played (e.g., COR, contract specialist, ACO, etc.) and for how long.
- If a problem surfaced, ask what the Government and contractor did to fix it.
- Ask for a description of the types of personnel (skill and expertise) the contractor used and the overall quality of the contractor's team. Did the company appear to use personnel with the appropriate skills and expertise?
- Ask how the contractor performed considering technical performance or quality of the product or service; schedule; cost control (if applicable); business relations; and management.
- Ask whether the contractor was cooperative in resolving issues.
- Inquire whether there were any particularly significant risks involved in performance of the effort.
- Ask if the company appeared to apply sufficient resources (personnel and facilities) to the effort.
- If the company used subcontractors, ask: What was the relationship between the prime and subcontractors? How well did the prime manage the subcontractors? Did the subcontractors perform the bulk of the effort or just add depth on particular technical areas? Why were the subcontractors chosen to work on specific technical areas, what were those areas and why were they accomplished by the subcontractors rather than the prime?
- Ask if the contractor has established a small business subcontracting plan and is in compliance with 15 U. S. C. 637(d); has the contractor complied with the plan under similar types of contracts; and has the contractor met or exceeded the goals established under the plan? How does the cognizant DCMA administration office rate the contractors overall small business subcontracting plan?
- If a problem is uncovered that the reference is unfamiliar with, ask for another individual who might have the information.
- Ask if this firm has performed other past efforts with the reference's agency.
- Ask about the company's strong points or what the reference liked best.
- Ask about the company's weak points or what the reference liked least.
- Inquire whether the reference has any reservations about recommending a future contract award to this company.
- Inquire whether the reference knows of anyone else who might have past performance information on the offeror.

Typical Telephone Interview Record

Solicitation Number: (for reference - do not disclose to person contacted)
Contractor: (Name and Address)
Person Contacted: (Name, Address, Phone #, e-mail address)
Date & Time of Contact:
Summary of Discussion:

Interviewer's Signature
Past Performance Group Member

Note: When interviewing, you may want to use an introduction similar to the following: This is (*name*). I'm calling in reference to contractor (*name*). I'll be asking you some questions that pertain to that contractor's record of past and current performance. The information you provide will be used to evaluate the award of federal contracts. Therefore it is important that your information be as factual and accurate as possible. A summary of this discussion will be sent to you for your records. If that summary is inaccurate or incomplete in any way, please contact me immediately. My telephone number/e-mail address is (#/e-mail).

****

Typical Telephone Interview Confirmation (Electronic)

Attached is a summary of our telephone conversation on (date) concerning the past and current performance of (*name of contractor*). If I do not hear from you by (date), I will assume that the summary of our discussion is correct. Please contact me if you have any questions or comments. You may reach me at telephone (number) or e-mail (address). Thank you for taking the time to assist in this effort.

Reminders for Past Performance Evaluation Group Member:

- Discuss currency and relevance of information.
- Read summary to person contacted.
- Send confirmation to person contacted.
- Withhold the identity of your program and solicitation number, if practicable, to avoid having to obtain a non-disclosure statement from the person contacted.

Appendix H: Automated PPI Systems

DoD has a central retrieval system for all DoD past performance information, the Past Performance Automated Information System (PPAIS). See the web site at: http://dodppais.navy.mil. This web site includes links to other automated PPI systems, including—

- Architect-Engineer Contract Administration Support System (ACASS)
- Automated Best Value System (ABVS)
- Construction Contractor Appraisal Support System (CCASS)
- Contractor Performance Assessment Reporting System (CPARS)
- Contractor Performance System (CPS)
- Past Performance Database (PPDB)
- Past Performance Information Management System (PPIMS)
- Past Performance Tool
- Product Data Reporting and Evaluation Program (PDREP)