

TITLE: CIB 96-18 - Interim and Final Contractor Performance Reports

June 13, 1996

MEMORANDUM FOR ALL CONTRACTING OFFICERS AND NEGOTIATORS

FROM: M/OP/OD, Marcus L. Stevenson, Procurement Executive

SUBJECT: Interim and Final Contractor Performance Reports

CONTRACT INFORMATION BULLETIN 96-18

This CIB supplements the instructions found in part 2 of CIB 95-17 regarding the preparation of the Contractor Performance Report (CPR) and supersedes and cancels CIB 92-26 regarding contract evaluation plans. CPRs are a relevant source of information on contractor past performance for making responsibility determinations (FAR 9.105) and in source selection in competitively negotiated acquisitions (FAR 15.605). These revised instructions are intended to ensure that past performance information is systematically collected, properly maintained, and accessible to authorized personnel when needed.

This CIB clarifies the roles and responsibilities for conducting contractor past performance evaluations; establishes the schedule for implementing the evaluations based on the dollar value of the total estimated cost (TEC); describes the circumstances under which interim evaluations are to be performed; identifies available training material; and informs how past performance information is to be maintained.

1. Roles and Responsibilities: The cognizant Contracting Officer (CO) is responsible for identifying the contracts due for interim or for completion evaluations and overseeing the conduct of the evaluation. The cognizant Contracting Officer's Technical Representative (COTR) assists the CO by assessing performance. When the contractor and the CO do not agree on the assessment, a review is performed at one level above the CO.

2. Reporting Threshold: Contracts with a TEC in excess of the amounts listed below are due for interim or completion performance evaluations:

- * effective immediately, contracts in excess of \$1,000,000;
- * beginning July 1, 1996, contracts in excess of \$500,000; and
- * beginning July 1, 1998, contract in excess of \$100,000.

3. Completion Evaluations: The contractors shall receive an assessment of performance within 30 days of completion of contract activities. Contractors have 30 days to comment and/or rebut the assessment. The Agency has 15 days after receipt of the contractor's rebuttal to review and make a final determination.

4. Interim Evaluations: For multi-year contracts, interim past performance evaluations will be conducted after at least 12 months of performance have elapsed. Thereafter, interim evaluations will be conducted at the discretion of the CO. Generally, interim evaluations should be performed at least once in a two year period. Interim evaluations, however, must be completed prior to exercising contract options or extending the period of performance beyond the estimated completion date.

5. Guidelines: Agency guidelines for conducting contractor past performance evaluations and filling out the CPR form are attached to this CIB. These guidelines have been revised based on the Agency's experience in conducting past performance evaluations as required by FAR 42.1500 and CIB 95-17.

6. Exceptions: Construction and architect/engineer contracts are evaluated according to FAR 36.201 and FAR 36.604.

7. Past Performance Central Database: Electronic copies of completed interim and final CPR forms must be sent to the M/OP/SPU for inclusion in the Past Performance Central Database. These forms should be attached to an e-mail and addressed to: Past Performance@OP.OD@AIDW. The signed hard copy originals, along with the contractor's comments, and any review documents, are to be filed in the respective contract file.

If you have any questions, or require information regarding this CIB, please contact M/OP/SPU, Joseph Beausoleil at (703) 875-1090.

Attachment:
Guidelines for Evaluating Contractor Past Performance (May 1996)

Guidelines
for
Evaluating
Contractor Past Performance

Prepared by:

Special Projects Unit
Office of Procurement
Bureau for Management
U.S. Agency for International Development

May 1996

DRAFT

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I. PROCEDURES FOR CONDUCTING:

CONTRACTOR PERFORMANCE EVALUATIONS

1. The cognizant Contracting Officer (CO) is responsible for identifying the contracts that are due for evaluations.ⁱ
2. The CO completes blocks 1 through 6 of the Contractor Performance Report (CPR) formⁱⁱ and sends the form as an attachment to an E-mail to the cognizant Contracting Officer's Technical Representative (COTR).ⁱⁱⁱ
3. The COTR does an initial assessment of performance by filling in blocks 7^{iv}, 8 and 9 and returns the form to the CO by attaching it to an E-mail.
4. The CO, after expanding on the assessment, as appropriate, and assuring that there is consistency between the comments and scores, downloads and sends a hard copy of the CPR form to the contractor. The CO also encloses a copy of the Rating Matrix with the completed CPR form so that the contractor will be aware of the basis on which the scoring is made.
5. Contractors have 30 days to comment and/or rebut, or may simply sign the CPR form and return it to the CO.
6. If a response is not received after 30 days, the CO, after noting failure to respond in block 11, signs block 15 and the Agency's comments shall stand alone. The report is then filed in the respective contract's administration folder, and an electronic copy is sent to M/OP for incorporation in the Past Performance Central Database.
7. When returning the CPR form, the contractor should note in block 11 whether or not comments are attached.
8. Final ratings are made only when the contractor has submitted a rebuttal statement. The final ratings, block 14, may differ from the ratings in block 7 only if the CO agrees with the contractor.^v
9. If the contractor and the CO are unable to agree on a final rating, a review at a level above the CO is required. The decision at the higher level is to be made within 15 days of receipt of the contractor's rebuttal, must be in writing, and is final.
10. Based on this decision, the CO records the final ratings, attaches the agency decision, and signs the report in block 15.
11. If the contractor provided comments, the CO should acknowledge receipt. If changes are made in block 14 based on either the contractor's comments or an Agency review, the contractor should receive a copy of the revised CPR form after the CO signs it.
12. The signed original report with attachments (contractor's comments/rebuttal, higher-level review decision) is then filed in the respective contract's administrative folder. All Contractor Performance Reports shall be marked "Source Selection Information" in accordance with FAR 3.104-4(k) (1) (x) and 42.1503(b) and shall not be disclosed to unauthorized persons.

13. The CO attaches a copy of the completed report to an e-mail and sends it to M/OP for incorporation in the Past Performance Central Database.^{vi}

End Notes:

II. FILLING IN THE CONTRACTOR PERFORMANCE REPORT FORM

The Contractor Performance Report (CPR) form is available on the Agency's macro directory under the file name of: y:\wpwin\macros\cpr.wcm. This macro provides a menu for creating, saving and printing a CPR form. The screen poses the questions to be answered for each block on the form. Responses which require a numerical choice automatically move the cursor to the next block. Otherwise, instructions are provided in the lower left corner of the screen. For example: after a response that takes more than one line, the escape key is used; after a simple statement or number, the return key is used.

Filling out most of the form is simply a question of transferring factual information already available in the contract and its various modifications. The exceptions are for blocks 6, 7, and for the rating parts of 8 and 9.

It may be necessary to abstract the information for block 6 (description of the requirement) from various sections of the contract schedule. The summary statement of the requirement, found in the contractor's quarterly performance reports, may be used here. Block 7 is the most timing consuming part in filling in the form because it requires comments on and rating of five performance areas. This effort is equally shared by the CO and the COTR, with the COTR providing the lead in assessing quality, timeliness and end user satisfaction; and the CO, in assessing cost control and USAID satisfaction with the contractor. Block 8 requires comments/ratings only on the key personnel already identified by title or position in the contract. Finally, the answer to the question in block 9 should be consistent with the assessment made in blocks 7 and 8.

The following is provided to facilitate filling in blocks 6, 7, and 8.

A. Description of Requirement-Block 6

The assessment of performance in blocks 7 and 8 is done in relation to the requirement as described in block 6. It is imperative that the description, as articulated in block 6, reflects the essential elements of the requirement as found in the contract schedule. Block 6 allows three lines or approximately 50 words to enter a summary statement. The contractor has already presented such a summary statement in the first part of its quarterly performance reports. If, in the judgment of the Agency, this accurately reflects the essence of the requirement, the contractor's articulation of the requirement may be used. This is preferable since it reflects the way in which the contractor interpreted the requirement that it was to provide/deliver.

B. Evaluation Questions for Assessing Past Performance-Block 7

Listed below is a description of and questions for the five assessment areas for which comments are to be provided in block 7 of the Contractor Performance Report. The description used for each assessment area is taken from FAR 42.1501. Following the descriptions are examples of the types of questions that can be used to elicit the information needed to assess contractor performance in that area.

The underlying question and ultimate objective is to determine: a) how well the contractor complied with the specific performance standards regarding quality, cost-control and timeliness; and b) how satisfied were the customers, the USAID contract administration team and the end-users, with the contractor. The particular questions to ask will depend on the type of contract and the specific requirements of that contract. The questions should be asked in concert with the rating matrix for scoring purposes.

1. Quality - Contractor's record of conforming to contract requirements and to standards of good workmanship.

For term (LOE) contracts:

- Have the technical qualifications of the contractor's personnel been adequate to develop the product or provide the services required?
- Did the effort produce any measurable impact toward the contract objective? How would you qualify the impact of the effort (contractor's personnel) on achieving the objective(s) of the contract?
- Was the contractor required to do any "rework" or "rearrangement" that adversely affected the services or product?

For completion contracts:

- Did the contractor meet, exceed or fall short of the quality standards of the product or services?

2. **Cost control - The contractor's record of forecasting and controlling costs.**

For cost reimbursable contracts:

- Did the contractor keep within the total estimated cost (TEC); over/under-estimate cost?
- Is there any evidence of cost-efficiencies?
- Did the contractor use cost-effective approaches?
- Did the contractor use any innovative approaches in accomplishing the objective which resulted in cost savings?

For fixed-price contracts:

- Were billings always current, accurate and complete?
3. **Timeliness - The contractor's adherence to schedules, including administrative aspects of performance.**
- Did the contractor meet, exceed, or fall short of the schedule for the deliverables established in the contract?
 - Were performance reports submitted on a timely basis?
 - Were financial reports submitted on time?
4. **Customer satisfaction-USAID - The contractor's history of reasonable and cooperative behavior with Agency personnel (e.g., the CO, the COTR) .**
- Was performance reporting informative and useful?
 - How responsive was the contractor to technical direction?
 - How cooperative was the contractor in working with USAID to solve problems? Were contractor-recommended solutions effective?
 - Was the contractor responsive to administrative issues of the contract?

5. **Customer satisfaction-end user - Contractor's business-like concern for the interest of recipients of the services or product.**

- How accessible were the services or product to the beneficiaries?
- Did the contractor make any efforts to test customer satisfaction or obtain feedback from the end users?
- How responsive was the contractor to "negative feedback" or dissatisfaction with the product or services?

C: Using the Rating Matrix for Scoring Performance

The numerical scores assigned to the assessment areas in block 7 should reflect the respective comment section. The numerical values are equivalent to: 0=unsatisfactory, 1=poor, 2=fair, 3=good, 4=excellent, and 5=excellent plus. The Rating Matrix, appended to these Guidelines, matches different levels of qualitative assessments with numerical values.

D: Comments/Rating of Key Personnel

The name and title of key personnel are taken from the contract. If key personnel have been replaced, the ratings should be on the present incumbents. It is important to provide the dates of employment. No more than five key personnel need to be rated.

The comments should address the employee's management and/or technical competence. Qualitative assessments should be used but there is no need to assign numerical scores as in block 7.

III. SAMPLES OF COMPLETED DOCUMENTATION

A. Letter Forwarding CPR Form to Contractor

**U.S. Agency for International Development
Washington, DC 20523**

October 16, 1995

Mr. Floyd Quinn
Partners in Progress
1234 Main Street
Any City, AZ 56789

Dear Mr. Quinn:

Ref: Contract # 999-5432-C-00-9876-00

Our records show that the above referenced contract is due for a past performance evaluation as now required by the Federal Acquisition Streamlining Act (FASA) of 1995. Based on the information in our files, USAID has conducted an evaluation using the enclosed Contractor Performance Report. You are asked to review the assessment and provide comment or rebuttal as you so desire. We have also enclosed the Rating Matrix which is the basis for scoring the different rating areas.

These evaluation reports will be used to support future award decisions. They will be marked "Source Selection Information." The completed evaluations shall not be released to other than Government Personnel and the contractor whose performance is being evaluated, during the period the information may be used to provide source selection information.

We thank you for your cooperation. If you need further information, please feel free to contact me by phone at (703) 875-1204 or by fax at (703) 875-1519. I also can be reached on the Internet at: cotoole@usaid.gov.

Sincerely,

Charles O'Toole
Contracting Officer
OP/A/P Branch

Enclosures:

1. The Contractor Performance Report
2. The Rating Matrix

B. Letter from Contractor Responding to a Performance Evaluation

*Partners in Progress
1234 Main Street
Any City, AZ 56789*

November 15, 1995

Mr. Charles O'Toole
Contracting Officer, OP/A/P Branch
U.S. Agency for International Development
Washington, DC 20523-1422

Dear Mr. O'Toole:

The following is our response to the Contractor Performance Report which you sent to us on October 16, 1995. While we generally agree with the assessment, we feel that the mean score of 3.2 underestimates our performance. Furthermore, we feel that the report has left out many examples of superior performance on the part of our field personnel. No mention, for example, was made of the Information Systems Specialist, Ms. Georgia Campbell, who played a critical role in establishing the public health data collection and dissemination service. These are our specific comments.

Quality: Performance in this section for every contract element is described as excellent. This should be scored as a five.

Cost Control: We take exception to the assessment that we used poor judgment in accepting the low bid on the computer equipment. The technical problems experienced in installing the equipment were quickly resolved due to the fact that the supplier had qualified technical representatives in country. These problems were not due to inferior equipment but to the poor condition of the facilities where the equipment was housed, and the uncertainties of the power supply. For this reason, we do not accept a score of two for cost control.

Timeliness: The failure to submit timely quarterly reports did not have any adverse effects on performance nor on costs. In fact, there was enough money left in the contract to give a six month no-cost extension.

Customer Satisfaction-USAID: This score should also be raised based on the fact that we have shown in the two preceding paragraphs that the two reasons for your rating of only a "three" were incorrect. The procurement of the computer equipment was not deficient nor did the failure to provide quarterly reports have any adverse effects on performance.

Finally, we believe that Ms. Campbell should be added to the list of personnel as her performance was exceptional.

May we take this opportunity to express our. . .

C. Memorandum Requesting Final Decision at Next-higher Level

November 20, 1995

TO: Mary Stanislaus, M/OP/A
FROM: Charles O'Toole, OP/A/B
SUBJECT: Final Review-CPR Report
REF: Contract Number 999-5432-C-00-9876-00

Issue: The contractor has submitted a rebuttal to the assessment made in the Contractor Performance Report (CPR) which I recently completed on the referenced contract. Although I agree in substance with the contractor's arguments, there remains some points of disagreement. According to the FAR 42.1503(b), "Agencies shall provide for review at a level above the contracting officer to consider disagreements between the parties regarding the evaluation." Attached you will find the completed CPR form and the contractor's rebuttal which was received in M/OP on November 15, 1995.

Discussion: I agree with the contractor that quality of performance was clearly excellent. This merits a "four" and not a "five" as the contractor incorrectly concludes. A "five" is given for performance which "clearly exceeds the performance level described as "Excellent." The original score of "three" will be raised to a "four."

There is no need to assess Ms. Georgia Campbell's performance. Only key personnel need to be assessed in block 8. Her performance as well as others who provided technical assistance is subsumed under Quality in block 7 and referred to indirectly in the answer in block 9.

A discussion of the three areas of disagreement is provided below. Please indicate whether you concur or not with the CO's recommendations by initialing in the blank spaces provided.

1. Cost Control: We agree that the supplier did provide excellent support services in resolving the initial installation problems but subsequent hardware failures were latent defects that can be attributed to the selection of the low bid at the cost of quality. Cost control was only "fair" which merits a two.

Recommendation: That the score remain as two and not be increased as requested by the contractor.

Concur _____ Do not concur _____ Date _____

2. Timeliness: This was not a "no-cost," but an unfunded extension. The unfunded extension of time, however, did result in avoidable expenditures in that leases had to be renewed and extended for six months for living quarters of expatriate staff and for office space. These are deficiencies which detract from scoring performance as excellent. Nevertheless, performance was good which rates a score of three.

Recommendation: That the final score remain as three.

Concur _____ Do not concur _____ Date _____

3. Customer Satisfaction-USAID: Irrespective of any changes in the above scores, overall USAID satisfaction was "good" and thus scored as a three and not a four which would equal "excellent."

Recommendation: That the score remain as three.

Agree _____ Disagree _____ Date _____

If you need further information, I can meet with you at your convenience or be reached on extension 51204. Please return an initialed copy indicating your decision of the three points discussed above within 15 working days of the date of receipt of the contractor's rebuttal to:

Charles O'Toole, OP/A/P
SA-14 Room 1599

Attachments: a/s

D. Completed Contractor Performance Report

The CPR form is sent to the contractor for comments after completing block 10. The contractor signs the form in block 12, indicating in block 11 whether or not comments/rebuttal are attached. If the CO agrees with any scoring changes, they are made in block 14. If the CO does not agree with the contractor's rebuttal, changes in the scores will be made only after a review at an operational level above the CO. The CO, by signing the form in block 15, verifies that this evaluation of past performance complied with applicable FAR provisions.

A sample of a completed CPR form is found on the following pages. This is not the original hard copy signed by the contractor and the CO. It is a copy of the electronic version that is forwarded to M/OP. This copy must indicate that the signatures are on the original by placing "/s/" after the signatures.

CONTRACTOR PERFORMANCE REPORT	
[X] Final or [] Interim - Period Report: From <u>9/90</u> To <u>9/95</u>	
1. Contractor Name and Address: Floyd Quinn	2. Contract Number: 999-5432-C-00-9876-00
	3. Contract Value: \$15,000,000
	4. Contract Award Date: 9/30/90 Contract Completion Date: 9/30/95
5. Type of Contract: (Check all that apply)-[]FP []FP-EPA []CPFF - Completion [X]CPFF-Term []CPIF []CPAF []ID/IQ []BOA []Requirements []Labor Hour []T&M []CR	
6. Description of Requirement: Provide 300 p/ms of technical assistance to the Ministry of Health (MOH) to develop child immunization and oral rehydration programs; to establish a public health monitoring and information system; and to improve MOH's administrative procedures and financial management.	
7. Ratings. After commenting, score, in column on the right, using 0 for unsatisfactory, 1	

for poor, 2 for fair, 3 for good, 4 for excellent, and 5 for excellent plus.	
Quality - Comments: Consistently provided capable technical assistance which has	3
Cost Control - Comments: Financial reports consistently accurate and submitted	2
Timeliness - Comments	3
Customer Satisfaction - USAID - Comments	3
Customer Satisfaction - End Users - Comments	4
Total Score (sum of scores from each area):	15.00
Mean Score (sum of scores divided by number of areas evaluated):	3.00

8. Key Personnel	
Name Mary Keetling/Chief of Party	Employment Dates Oct . 1990 to March 1992
Comments/Rating: Good manager and extremely good health professional demonstrated in designing & implementing the immunization and oral rehydration programs. Left after 18 months for personal reasons.	
Name James Palmer/Financial Advisor, Chief of	Employment Dates October 1990 to present
Comments/Rating: Highly qualified professional, not only who understood financial systems but also how to introduce change and train MOH employees in new procedures. Assumed chief of party position in Mar.'92.	
Name Gina Fitzsimmons/Child Survival Specialist	Employment Dates October 1990 to present
Comments/Rating: Good technician but did not communicate well with nationals. Never travel to rural sites but made up for this by excellent planning skills and problem solving ability.	
Name	Employment Dates

Comments/Rating:			
Name		Employment Dates	
Comments/Rating:			
9. Would you select the firm again? Please explain. Yes. The corporate capability of the contractor is solid. The personnel assigned to the contract were technically competent, dedicated, cooperative and quickly gained confidence of MOH counterparts.			
10. COTR's Name/Org. ID William Sutton C/STC/P		Phone/Fax Number: (703)875-9999/875-1111	
Date Sent to Contractor: October 16, 1995		CO's Initials: cot /s/	
11. Contractor's Review. Were comments, rebuttals, or additional information provided? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Please attach comments.			
12. Contractor Name Floyd Quinn		Signature Floyd Quinn /s/	
Phone/Fax/Internet Address (703) 525-0045/0046/fquinn@aol.com		Date November 15, 1995	
13. Agency Review. Were contractor comments reviewed at a level above the contracting officer? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Please attach comments. Number of pages Two			
14. Final Ratings. Re-assess the Block 7 ratings based on contractor comments and agency review. Validate or revise as appropriate.			
Quality	Cost Control	Timeliness	Customer Satisfaction
4	2	3	USAID 3 End User 4
Mean Score (Add the ratings above and divide by the number of areas rated)			3.20
15. CO's Name Charles O'Toole, OP/A/B		Signature Charles O'Toole /s/	
Phone/Fax/Internet Address		Date December 5, 1995	

Release of Information: This Contractor Performance Report may be used to support future award decisions, and will be treated as source selection information in accordance with FAR 3.104-4(k)(1)(x) and 42.1503(b). The completed report shall not be released to other than Government personnel and the contractor whose performance is being evaluated during the period the information is being used to provide source selection information.

RATING MATRIX

Area	Quality- contract standards of good	Cost Control- forecasting and controlling costs	Timeliness- adherence to schedules	Customer Satisfaction- reasonable & cooperative behavior with USAID	Customer Satisfaction - businesslike concern for end users.
0. Unsatisfactory	Nonconformances are compromising attainment of contract requirement	Cost issues are compromising performance of contract requirement.	Delays are compromising the achievement of contract requirement.	Responses to technical or administrative inquires/ issues are inadequate.	Service/ product to end users generally unsatisfactory.
1. Poor	Nonconformances require major Agency resources to ensure achievement of contract requirement.	Cost issues require major Agency resources to ensure achievement of contract requirement.	Delays require major Agency resources to ensure achievement of contract requirements.	Responses to technical or administrative inquires/ issues are marginally effective.	Service/ product to end users marginally satisfactory.
2. Fair	Nonconformances require minor Agency resources to ensure achievement of requirement.	Cost issues require minor Agency resources to ensure achievement of requirements.	Delays require minor Agency resources to ensure achievement of requirements.	Responses to technical or administrative inquires/ issues are somewhat effective.	Service/ product to end users somewhat satisfactory.
3. Good	Nonconformances do not impact on achievement of requirements.	Cost issues do not impact on achievement of requirement.	Delays do not impact on achievement of requirements.	Responses to inquires/ issues are usually effective.	Service/ product to end users usually satisfactory.
4. Excellent	There are no quality problems.	There are no cost issues.	There are no delays.	Responses are always effective.	Service/ product always satisfactory.
5. Excellent plus	The contractor has demonstrated an exceptional performance level in any of the above five categories that justifies adding a point to the score. Used only when contractor performance clearly exceeds the performance levels described as "Excellent."				

i. Pursuant to FAR 42.1502 "Agencies shall prepare an evaluation of

contractor performance for each contract in excess of \$1,000,000 beginning July 1, 1995, \$500,000 beginning July 1, 1996, and \$100,000 beginning January 1, 1998, (regardless of the date of contract award) at the time the work under the contract is completed. In addition, interim evaluations should be prepared as specified by the agencies to provide current information for source selection purposes, for contracts with a period of performance, including options, exceeding one year."

2. The CPR form is used for all contracts except construction and architect/engineer contracts. Evaluation of construction contractor performance and architect/engineer contractor performance shall be performed in accordance with FAR 36.301 and FAR 36.604 respectively.

iii. To ensure that the CPR form is sent to the contractor for comments within 30 days of completion of activities, the CO should have the CPR form ready to send to the COTR on the completion date and the COTR should return the form to the CO within 10 working days.

iv. After commenting on each of the performance areas (maximum five lines), the COTR then scores each performance area using 0 for unsatisfactory, 1 for poor, 2 for fair, 3 for good, 4 for excellent, and 5 for excellent plus. The CPR Rating Matrix serves to distinguish the level of performance that is equivalent to the respective scores. Once completed, the mean score will be tabulated by placing the cursor before the zero on the mean score line, pulling down the layout menu, selecting tables, and then selecting calculate. The score can be changed by typing over the previous score and following the procedures described above to recalculate the mean score. This same procedure can be used in block 14 for entering or changing the final ratings.

v. After the final scores are entered on the electronic form, the new mean score can be calculated by following the same procedures described above in endnote 3.

vi. M/OP is responsible for establishing and maintaining the past performance central data base. The completed CPR forms will be filed in a separate "read only" directory with limited access and will eventually be incorporated into the New Management System (NMS).