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https://business.defense.gov/Acquisition/Subcontracting/
https://www.cpars.gov/
Agenda

- Purpose of CPARS
- Regulatory Requirements
- Guidance
- Applicability
- Evaluation Rating
- Timeline & Workflow
- Reporting
- What does it mean for SBIR/STTR Program
- Summary
- Questions
Purpose of CPARS
What is CPARS?

Contractor Performance Assessment Reporting System (CPARS)

Web-enabled application that collects and manages a library of automated contractor report cards

• Two Modules Within CPARS
  – Federal Awardee Performance and Integrity Information System (FAPIIS) Module
Why Evaluate Contractor Performance?

Office of Federal Procurement Policy (OFPP) and Federal Acquisition Regulation (FAR) Require:

Collection and Maintenance of Past Performance Information for Use in the Award Decisions for Competitive Acquisitions
Regulatory Requirements

• **FAR 42.1502** -- Past Performance Evaluations Prepared:
  – At Least Annually
  – At Time Work Under Contract or Order is Completed
  – Past Performance Information Shall Be Entered Into CPARS

• **FAR 42.1503** -- Evaluation Factors
  – Technical/Quality of product or service
  – Cost Control
  – Schedule/Timeliness
  – Management or Business Relations
  – Small Business Subcontracting
  – Regulatory Compliance
  – Other
Regulatory Requirements (cont.)

• **FAR 42.1503**
  – Evaluation Ratings Definitions
  – Evaluations Automatically Transmitted to Past Performance Information Retrieval System (PPIRS)
  – Agencies Shall Use PPIRS Information in Source Selections
    • Within 3 Years of Contract/Order Completion
    • 6 Years for Architect-Engineer and Construction
  – Past Performance Information Shall be Entered Into CPARS

• **FAR 15.304**
  – Past Performance Shall be Evaluated in All Source Selections for Negotiated Competitive Acquisitions Expected to Exceed Simplified Acquisition Threshold
CPARS Guidance
Guidance for CPARS Document
http://www.cpars.gov/refmatl.htm

- Guidance
- Applicability and Scope
- Responsibilities Assigned
- CPARS Timeline and Workflow
- Frequency and Types of Reports
- Administrative Information
- References
- Business Sectors
- Rating Definitions
- Instructions for Completing a CPAR

Available at www.cpars.gov on Guidance Tab
Applicability of CPARS
Applicability of CPARS

• Contractor performance information must be collected, and an evaluation completed, on contracts/orders for systems and non-systems exceeding the simplified acquisition threshold in FAR 42.15

• For contracts and orders that exceed the simplified acquisition threshold (SAT)

• Contract modifications to a contract that causes the dollar value to exceed the SAT
Applicability of CPARS

• Orders under multiple-agency contracts that exceed SAT

• Orders under single-agency contracts that exceed SAT

• Joint Ventures (FAR 4.102): evaluation should be prepared on contract or orders

• Contractor Team Arrangements (CTAs): if team arrangement is a prime/sub relationship, evaluations should be conducted on the prime

• Classified and Special Access Programs (SAPs): these are not exempt from past performance reporting
# Department of Defense (DoD) Dollar Thresholds

<table>
<thead>
<tr>
<th>Business Sector</th>
<th>Dollar Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systems</td>
<td>&gt; $5,000,000</td>
</tr>
<tr>
<td>Non-Systems</td>
<td></td>
</tr>
<tr>
<td>- Operations Support</td>
<td>&gt; $5,000,000</td>
</tr>
<tr>
<td>- Services</td>
<td>&gt; $1,000,000</td>
</tr>
<tr>
<td>- Information Technology</td>
<td>&gt; $1,000,000</td>
</tr>
<tr>
<td>- Ship Repair &amp; Overhaul</td>
<td>&gt; $500,000</td>
</tr>
<tr>
<td>Architect-Engineer</td>
<td>≥ $35,000</td>
</tr>
<tr>
<td></td>
<td>All Terminations for Default</td>
</tr>
<tr>
<td>Construction</td>
<td>≥ $700,000</td>
</tr>
<tr>
<td></td>
<td>All Terminations for Default</td>
</tr>
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</table>
Evaluation Rating Definitions
### Ratings and Narratives

**Rating Definitions (FAR 42.1503 Table 42-1)**

<table>
<thead>
<tr>
<th>Rating</th>
<th>Contract Requirements</th>
<th>Problems</th>
<th>Corrective Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exceptional</td>
<td>Exceeds Many – Gov’t Benefit</td>
<td>Few Minor</td>
<td>Highly Effective</td>
</tr>
<tr>
<td>Very Good</td>
<td>Exceeds Some - Gov’t Benefit</td>
<td>Some Minor</td>
<td>Effective</td>
</tr>
<tr>
<td>Satisfactory</td>
<td>Meets All</td>
<td>Some Minor</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Marginal</td>
<td>Does Not Meet Some – Gov’t Impact</td>
<td>Serious; Recovery Still Possible</td>
<td>Marginally Effective; Not Fully Implemented</td>
</tr>
<tr>
<td>Unsatisfactory</td>
<td>Does Not Meet Most – Gov’t Impact</td>
<td>Serious; Recovery Not Likely</td>
<td>Ineffective</td>
</tr>
</tbody>
</table>
# Ratings and Narratives

## Small Business Subcontracting Rating Definitions

(FAR 42.1503 Table 42-2)

<table>
<thead>
<tr>
<th>Rating</th>
<th>Subcontracting Plan</th>
<th>ISR/SSR</th>
<th>Benefits / Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exceptional</td>
<td>Exceeded All Statutory Goals</td>
<td>Accurate &amp; Timely</td>
<td>Multiple Significant Events of Benefit</td>
</tr>
<tr>
<td>Very Good</td>
<td>Met All Statutory Goals</td>
<td>Accurate &amp; Timely</td>
<td>Significant Event of Benefit</td>
</tr>
<tr>
<td>Satisfactory</td>
<td>Good Faith Effort to Meet Goals</td>
<td>Accurate &amp; Timely</td>
<td>Minor Problems; Major Problems w/ Corrective Action</td>
</tr>
<tr>
<td>Marginal</td>
<td>Deficient in Meeting Key Plan Elements</td>
<td>Inaccurate; Untimely</td>
<td>Significant Event Contractor Had Trouble Overcoming</td>
</tr>
<tr>
<td>Unsatisfactory</td>
<td>Noncompliant; Uncooperative</td>
<td>Inaccurate; Untimely</td>
<td>Multiple Significant Problems; Liquidated Damages</td>
</tr>
</tbody>
</table>
Timeline and Workflow
Roles, Responsibilities and Timeline

Contract Specialist:

• Contract Registration: entry of basic contract/order award information, performed within 30 days following contract/order award

• Enter Proposed Ratings and Narratives: supporting narrative for each factor used
Roles, Responsibilities and Timeline

Contracting Officer:

• Validate Ratings and Narratives: the AO reviews the proposed ratings and narratives to ensure ratings are consistent

Contractor Comments:

• Option to provide comments on the evaluation

• If they concur or do not concur with evaluation, Contractor has 60 days after AO’s evaluation to send comments
Roles, Responsibilities and Timeline

Contracting Officer or COR:

- Review Contractor Comments/Close: on day 61 following the AO’s evaluation
- Reviewing Official Comments/Close
- Evaluation Timeframe: the entire process must be completed within 120 days following the end of the period of performance
4.9 Timeline

1. Within 30 days of Contract Award
   FP/AFP, AOR, or AO Registers Basic Contract Information

2. 335 days After Contract Award
   Evaluation Appears on AOR/AO To Do List

3. 365-485 Days After Contract Award
   AOR/AO Enters Evaluation Ratings and Narratives

4. 365-485 days After Contract Award
   AO Sends Evaluations to the CR

5. 1 - 14 days After Eval Sent to CR
   CR may Send Comments
   
   If CR Sends Comments and AO/RO Closes, Evaluation is Completed

6. Day 15 After Eval Sent to CR
   Eval Available for Source Selection:
   - With or Without CR Comments
   *Note: Eval Marked as: “Pending” If Not Closed

7. Days 15-60 After Eval Sent to CR
   CR May Send Comments if None Previously Provided
   
   If CR Sends Comments, Evaluation Updated to Reflect CR Comments, “Pending” Marking Removed When AO/RO Closes Evaluation
8. Day 61 After Eval Sent to CR
   Evaluation Returned to AO, CR Locked out of Evaluation and May No Longer Send Comments

   - If CR Concluded:
     Day 61 After Eval Sent to CR – Day 120 After End of Period of Performance
   - If CR Did Not Conclude:
     Prior to Day 121 After End of Period of Performance

9. AO Must Either:
   - Close Evaluation
   - Modify and Close Evaluation
   - Send Evaluation to RO (Evaluation Updated as “Pending”)
   - Modify and Send Evaluation to RO (Evaluation Updated as “Pending”)
   *Note: “Pending Marking Removed when Evaluation is Closed

10. AO Must Either:
    - Send Eval to RO (Evaluation Updated as “Pending”)
    - Modify and Send Eval to RO (Evaluation Updated as “Pending”)

The Entire Evaluation Process Must be Completed Within 120 Days of the End of the Period of Performance
4.10 Workflow

Contract Registration

Enter Proposed Ratings/Narratives

Validate Ratings/Narratives

Contractor Comments

Following AO Signature:
- Day 15: "Pending" if No CR Comments, Updated daily and available for Source Selection
- Day 61: Contractor Comment Period Ends; Eval Returned to AO (CR Locked out)

Review Contractor Comments/Close

Updated When:
- AO Modifies/Sends to RO Closes
- RO Closes
- "Pending" Marking Removed when AO/R0 Closes

Reviewing Official Comments/Close
Reporting
FAR requires agencies to report on and assess contractor’s performance upon contract or order completion.

Seven evaluation areas
- Technical/Quality of product or service
- Cost Control
- Schedule/Timeliness
- Management or Business Relations
- Small Business Subcontracting
- Regulatory Compliance
- Other
Types of Evaluations

• Interim Evaluations: New Contracts/Orders
• Annual Interim: every 12 months
• Note on Interim Evaluations: limited to contractor performance occurring after preceding evaluation
• Final: upon contract/order completion or delivery of final major end item
• Addendum: after “final” past performance evaluation relative to closeout
• Administrative: no contract/order performance during an annual evaluation period
CPARS in Relation to Small Business Evaluation
What does it mean for you?

• How to incorporate Small Business in your valuation
• Increase your chance to get more federal contracts
• How to increase your rating or maintain above satisfactory rating
• Contractor Teaming Arrangements (CTAs)
• Joint Ventures
Incorporating SB in your evaluation

• What realistic opportunities does your contract have for SB?

• Focus on all direct and indirect factors

• Attempt to exceed bare minimum when you can
Increase your chance to get more federal contracts

- Exceptional and Very Good ratings are your best bet in relation to incorporating SB
- Build better partnerships with the right small businesses
- Shows the Federal Government you follow contractual requirements
- Meet performance metrics and goals
Increase Your Rating

• If you are struggling reach out to your Contracting Officer
  • Can assist with working with OSBP to find SB resources
  • Small Business Professional can assist with SBA
• Show “good faith” effort FAR 19.701
  • Liquidated Damages clause
• Document all your efforts both positive and negative
• Be solutions oriented
Contractor Team Arrangements (CTAs)

• Reference in FAR 9.6 definition of a CTA is

  • Arrangement in which (1) two or more companies form a partnership or JV to act as a potential prime contractor;

  • Or (2) a potential prime contractor agrees with one or more other companies to have them act as its subcontractors under a specified Government contract or acquisition program.
Contractor Team Arrangements (CTAs)

• When CTAs are evaluated for orders against a Federal Supply Schedule, the team member with the most revenue will be evaluated.

• Mentor-Protégé benefit for CPARS under the arrangement.
  • Increase SB opportunities for the Protégé that can increase rating
Joint Ventures

• Evaluations should be prepared on contracts/orders for joint ventures
• The unique DUNS created for JV is what will be used for the single evaluation
• If teaming arrangement on contract is NOT an official JV, evaluation is only prepared on the specific prime contractor identified on the contract
• All other team members are considered subcontractors to the prime
• Reference: FAR 4.102
Summary

• Went through the primary purpose of CPARS

• How it applies

• Evaluation Ratings and what is evaluated

• Reporting and Workflow

• Lastly, how you can make CPARS work for you