

The Naval Air Warfare Center Training Systems Division (NAWCTSD) at Orlando, FL has a requirement to support multiple training communities, including Naval Sea Systems Command (NAVSEA), Submarine Sensor Systems Program Office (PMS 435), Office of Naval Research (ONR), Naval Air Systems Command (NAVAIR), and Naval Special Warfare Command (NAVSPECWARCOM) with training and research products related to Submarine Skills-Training Network (SSNET), Virtual Interactive Shipboard Instructional Tour (VISIT), and Unmanned Aerial Systems (UAS) and their derived research and training products and capabilities. There exists a potential for Organizational Conflicts of Interest (OCI) as found in FAR Subpart 9.5, "Organizational and Consultant Conflicts of Interest." All offerors eligible to submit an offer as a prime under a Total Small Business Set-Aside for the SSNET-VISIT-UAS acquisition that possess an OCI or potential OCI (POCI) originating from within its team (subcontractors, team members and/or consultants) shall provide a response to this notice addressing Section 2 to the Contracting Officer for purposes of analysis.

1. Based upon FAR guidance, the GAO has identified three general categories of OCIs:
 - **Unequal Access to Information-** a contractor has access to nonpublic information as part of its performance of a government contract and that information may provide the firm an unfair competitive advantage in a later competition for a government contract.
 - **Biased Ground Rules for Competition-** a contractor as part of its performance of a government contract has in some sense set the ground rules for the competition for another government contract.
 - **Impaired Objectivity-** a contractor's work under one government contract could involve evaluating itself or a related entity, either through an assessment of performance under another contract or an evaluation of proposals. In these cases, the contractor's ability to render impartial advice to the Government could appear to be undermined by the relationship with the entity whose work product is being evaluated.
2. The response shall include, but is not limited to, the following:
 - A copy of the notification of the OCI/POCI provided to the support services Contracting Officer in accordance with the OCI clause of the support services contract, if applicable.
 - A detailed discussion of those areas where OCI/POCI could exist.
 - A mitigation plan including a detailed discussion of the activities of any subcontractors, team members, and/or consultants. These mitigation efforts could include but are not limited to: non-disclosure agreements, controlled access to information, organizational OCI training/awareness program, physical/organizational/management separation of employees (firewalls), limitations on personnel transfers, actions to protect government information post employment (separation agreements), etc.

The Contracting Officer is obligated under FAR 9.504(a) and (e) and 9.505 to identify and evaluate potential OCIs as early as possible during the acquisition process. These potential OCIs must be evaluated against not only other federal prime contracts, but also subcontracts and commercial

contracts. The responsibility for determining whether an actual - or apparent - conflict of interest will arise, and to what extent the firm should be excluded from the competition, rests with the Contracting Officer. Because conflicts may arise in factual situations not expressly described in the FAR, Contracting Officers must examine each situation individually and to exercise "common sense, good judgment, and sound discretion" in assessing whether a "significant potential conflict" exists, and in developing an appropriate way to resolve it (FAR 9.505). In order to make a well-reasoned analysis, the Government must be provided all salient facts and circumstances. For these reasons, it is essential for all prime contractors to address the items in Section 2 not just your firm's conclusion that an OCI does not exist, but the relevant facts and detailed rationale behind that conclusion.

Please submit responses regarding possible OCIs to Ricardo Elias, Ricardo.L.Elias@navy.mil, by COB 01 May 2013. If no potential OCI exists, companies are not required to submit a response.