

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>			1. CONTRACT ID CODE <b>S</b>	PAGE OF PAGES <b>1   20</b>
2. AMENDMENT/MODIFICATION NO. <b>0004</b>	3. EFFECTIVE DATE <b>03-Aug-2016</b>	4. REQUISITION/PURCHASE REQ. NO. <b>N6227116RC3A004</b>		5. PROJECT NO.(If applicable)
6. ISSUED BY NAVSUP FLC SAN DIEGO REGIONAL CONTRACTS (CODE 200) 3985 CUMMINGS ROAD BUILDING 116 - 3RD FLOOR SAN DIEGO CA 92136-4200	CODE <b>N00244</b>	7. ADMINISTERED BY (If other than item 6) <b>See Item 6</b>		
8. NAME AND ADDRESS OF CONTRACTOR (No., Street, County, State and Zip Code)		X	9A. AMENDMENT OF SOLICITATION NO. <b>N00244-16-R-0009</b>	
		X	9B. DATED (SEE ITEM 11) <b>12-Jul-2016</b>	
			10A. MOD. OF CONTRACT/ORDER NO.	
			10B. DATED (SEE ITEM 13)	
CODE	FACILITY CODE			
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offer <input type="checkbox"/> is extended, <input checked="" type="checkbox"/> is not extended. Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
<b>13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</b>				
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.				
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(B).				
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:				
D. OTHER (Specify type of modification and authority)				
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)  The purpose of this amendment is to make corrections to Sections L & M. Additionally, this amendment will revise the the Ordering Instructions in Section G of the RFP. Labor category access level estimates have been added to Section H. All other terms and conditions shall remain the same.				
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.				
15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)		
		TEL:	EMAIL:	
15B. CONTRACTOR/OFFEROR  _____ (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA  BY _____ (Signature of Contracting Officer)		16C. DATE SIGNED  <b>03-Aug-2016</b>

## SECTION SF 30 BLOCK 14 CONTINUATION PAGE

**SUMMARY OF CHANGES**

## SECTION G - CONTRACT ADMINISTRATION DATA

The following have been modified:

**ORDERING****ORDERING INSTRUCTIONS****ORDERS PLACED UNDER MULTIPLE AWARD CONTRACTS (MAC)**

In accordance with FAR 16.505 (b) (1), the contracting officer must provide each awardee a fair opportunity to be considered for each order exceeding \$3,000, except as provided for in FAR 16.505 (b) (2):

- (i) The agency need for the supplies or services is so urgent that providing a fair opportunity would result in unacceptable delays.
- (ii) Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized.
- (iii) The order must be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order.
- (iv) It is necessary to place an order to satisfy a minimum guarantee.
- (v) In accordance with section 1331 of Public Law 111-240 (15 U.S.C. 644(r)), contracting officers may, at their discretion, set aside orders for any of the small business concerns identified in 19.000(a)(3). When setting aside orders for small business concerns, the specific small business program eligibility requirements identified in part 19 apply.

The contracting officer may exercise broad discretion in developing appropriate order placement procedures. The contracting officer should keep submission requirements to a minimum. Contracting officers may use streamlined procedures, including oral presentations. However, in accordance with DFARS 216.505-70 (c) orders exceeding \$150,000.00 shall only be considered competed with the issuance of a RFP or RFQ to all awardees. The competition requirements in FAR Part 6 and the policies in FAR Subpart 15.3 do not apply to the ordering process.

Awardees should respond to each RFP or RFQ sent to them within the specified time period stated in the RFP. Failure to respond within the timeframe stated in the RFP or RFQ will render the awardee ineligible for that task order award. Consistent failure to provide responses could result in further action under the disputes and/or termination for cause clause of this contract.

The basis for award must be stated in the RFP. The basis of award in a given RFP may be lowest-priced, technically acceptable or, it may be based on "tradeoff". The contracting officer may issue cost reimbursement or firm fixed price task orders under this MAC.

Oral Orders. The Contracting or Ordering Officer shall provide a written Task Order following the issuance of an oral order within 5 business days of issuing the oral order.

Orders: Orders against any of the the basic CLINs specified in section B can be on a Firm Fixed Price or Cost Plus Fixed Fee basis. The basic CLINs only set out contract ceiling per ordering period. Options are authorized within a given task order and are available for exercise as long as the basic contract order period is active. Ordering officers are authorized to use any number convection within a task order.

Ceiling: Contractors are responsible for tracking available ceiling for each ordering period as it relates to available cost and fee.

Orders can add FAR 27 and DFARS 227 Clauses as applicable.

Authorized Ordering Offices under this contract are: NAVSUP Fleet Logistics Center San Diego, the Naval Postgraduate School, the United States Naval Academy and the Naval Warfare College.

## SECTION H - SPECIAL CONTRACT REQUIREMENTS

The following have been added by full text:

### SECURITY ACCESS LEVELS

The chart below identifies the estimated access levels required for each labor category. Depending on the task order requirement, access levels may be adjusted downwardly to align with specific requirements. Offers can also propose access levels higher than those identified below.

<b><u>Labor Category</u></b>	<b><u>Access Level IT-I</u></b>	<b><u>Access Level IT-II</u></b>	<b><u>Access Level IT-III</u></b>
Application Developer		X	
Business Process Engineering Specialist		X	
Communication Analyst		X	
Data Services Developer		X	
Database Manager/ Administrator	X		
Graphics Designer			X
High Performance Computing System Architect	X		
Information Assurance System Specialist	X		
Lab Services Technician		X	
Learning Management Systems Technician		X	
Linux System Administrator	X		
Mobile Device Application Developer		X	
Network and Infrastructure Technician	X		
Network Architect and Integration	X		
Network Engineer	X		
Network System Administrator	X		
Service Center Specialist		X	
Service Center Technician		X	
Visualization Technician		X	

Vulnerability/ Threat Specialist	x		
Web Architect		x	
Web Content Manager		x	
Web Designer		x	

## SECTION I - CONTRACT CLAUSES

The following have been added by reference:

252.244-7000

Subcontracts for Commercial Items

JUN 2013

## SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO BIDDERS

The following have been modified:

### INSTRUCTIONS TO OFFERORS

Section L - Instructions, Conditions and Notices to Bidders

#### **1.0 GENERAL INSTRUCTIONS:**

1.1 This solicitation is issued as a 100% Service Disabled Veteran Owned Small Business (SDVOSB) Set-Aside. The applicable North American Industry Classification System (NAICS) code is 541519 and the size standard established by the Small Business Administration is \$27.5 million.

1.2 The Government contemplates award of two or more Multiple Award Indefinite-Delivery/Indefinite-Quantity type contracts with cost plus fixed fee and Firm fixed Price Task Orders resulting from this solicitation. The resultant contracts are for a Naval Higher Education Information Technology Consortium support services in accordance with the PWS provided herein. Awards will be based on a best value procurement under FAR Part 15, and consist of a one year base ordering period followed by four one-year option periods. Evaluation will extend to the option years.

1.3 Each contract will provide for the issuance of Firm Fixed Price (FFP) or Cost Plus Fixed Fee (CPFF) task orders; however, the Government intends to maximize the use of FFP task orders. The Government anticipates continuing short-term requirements originally issued on a CPFF basis will be re-competed as FFP orders to the maximum extent feasible. In accordance with FAR 37.112, the Government intends to use these contracts to acquire contractor support services, which shall not be regarded or treated as personal services. Each period of performance for all task orders shall in no event exceed one year. Task orders may contain option periods, however each option period shall in no event exceed one year.

1.4 Questions regarding this procurement must be submitted through email to the Contract Specialist at [Michael.a.oliva@navy.mil](mailto:Michael.a.oliva@navy.mil). All questions submitted shall include the solicitation number in the subject line. Other methods of question submittal will not be acknowledged. The Government will make every attempt to answer all questions in a timely manner; however, questions submitted within 7 days of the posted closing date may not allow ample time to respond and offerors cannot be guaranteed a response. All questions and answers will be posted for viewing by all other potential offerors.

## 2.0 PROPOSAL FORMAT AND CONTENT

2.1 Offerors shall submit their proposals in the following format:

- 2.1.1 Offer
- 2.1.2 Volume I – Technical Capability
- 2.1.2 Volume II – Past Performance
- 2.1.3 Volume III – Cost

Volume Name	*Number of Copies	Page Limit
Offer **	(1) Hard Copy	Unlimited
Volume I – Technical***	(3) Hard Copies	(85) pages exclusive of resumes, letter of intents, table of contents, and table of figures.
Volume II- Past Performance	(3) Hard Copies	2 Pages exclusive of Offerors Past Performance Data –Attachment 2
Volume III- Cost	(1) Hard Copy	Unlimited

**Hard copies must be mailed and received by the RFP closing date identified. HAND DELIVERED COPIES OF THE PROPOSAL WILL NOT BE ACCEPTED.**

\*NOTE: Hard copy is in addition to one electronic copy provided via CD, and shall be mailed to:

NAVSUP Fleet Logistics Center San Diego (FLCSD)  
 Regional Contracts Department, Code 230  
 ATTN: Mike Oliva, Phone #: 619-556-7201  
 3985 Cummings Road, Bldg 116, 3rd Floor  
 San Diego, CA 92136-4200

\*\* This includes a filled out and signed copy of the original solicitation document and all amendments.

\*\*\* Volume I must not contain any price or cost information.

\*\*\*\* Soft copies are to be submitted on a CD mailed with the hard copy of the proposal.

2.2 Soft copies are to be submitted on a CD mailed with the hard copy of the proposal. These electronic documents shall be submitted in Adobe PDF, Microsoft Word, or Excel format. Zip files are not allowed. Any other formats may not be accessed and may be determined as mishandled. All offers must be received by the date specified in the RFP. This posted closing date and time applies to all submissions, as well as to all parts of the proposal which are to be considered for award.

2.3 Proposals must be legible, single-spaced typewritten (on one side only) in font size "12", and the paper size is 8 1/2 x 11 inches. The font size used for graphics, charts and tables (only) may be 10 points or larger and must conform to not less than 1 inch margins. Tables, charts, and graphic depictions may be single spaced but limited to data and reference material presentation only, not textual explanations. Foldout charts or diagrams may be used within the aforementioned restrictions/page limitations. Each eight and a half by eleven foldout pages will be counted as one page (i.e., one foldout with two pages will be counted as two 8 1/2 x 11 pages). Charts or diagrams provided in foldout format must be capable of being evaluated without removal from the proposal volume. Page numbers may fall within the 1-inch margin.

2.4 All pages in each volume (hard or soft copies) shall be numbered sequentially (i.e., 1-25); pages identified above that are not included in the page limitation may be numbered differently or not at all. The Government will only evaluate that part of the proposal that complies with the instructions set forth herein. For example, if an offeror submits 87 pages, the last two pages will not be read and/or evaluated.

2.5 Clarity and completeness of the proposal are of the utmost importance. The proposal must be written in a practical, clear, and concise manner. It must use quantitative terms whenever possible and must avoid qualitative adjectives to the maximum extent possible. Proposal volumes must be internally consistent or the proposal will be considered unrealistic and may be considered unacceptable. The Government intends to award a contract without discussions as authorized by FAR 52.215-1. Any exception to the Government's technical requirements/specifications must be resolved prior to the solicitation closing date. Offerors that take exception to the Government's technical requirements without prior resolution with the Contracting Officer will not be considered for award. Alternate proposals are not authorized and will be rejected.

2.6 Notwithstanding its plan to award without discussions, the Government reserves the right to conduct discussions with offerors in the competitive range, if necessary, and to permit such offerors to revise their proposals. The Government also reserves the right to change any of the terms and conditions of the RFP by Amendment at any time prior to contract award and to allow offerors to revise their offers accordingly, as authorized by FAR 52.215-1.

2.7 The proposal must convey evidence the offeror understands all RFP and PWS requirements and their interrelationships. It must demonstrate the Offeror's familiarity with the detailed aspects of the requirements, and clearly show that the offeror correctly interpreted all of the requirements. Offerors are cautioned against restating PWS requirements in their proposal, particularly with regard to technical requirements; and must state how all RFP and PWS requirements will be met. Statements such as "the offeror understands" and "the offeror shall/can comply", along with reference or industry references does not reflect that the offeror understands the requirements, and will likely result in a diminished evaluation rating.

2.8 Proposals shall contain only UNCLASSIFIED information. Offers shall be signed by a responsible officer representing the company who submitted the proposal. If any section of the proposal was not prepared by the individual who signs the proposal as described in the aforementioned sentence, identify the person's name, employment capacity, the name of the person's firm, the relationship of that firm to the offeror, and the portion of the proposal in which the person participated and their authority to bind your firm.

### **3.0 Volume I – Technical Proposal**

3.1 Volume I of the proposal is the Technical Volume and is comprised of the Factor, and Sub-factors. It also includes the offer and signature page. No cost or pricing information shall be included in

any part of the Technical Volume. The technical section of Volume I shall be divided into three clearly labeled sections, correlating to the three sub-factors, in order. Offerors shall ensure that each sub-factor section, clearly addresses the descriptions below.

3.2 Factor I – Technical Capability

Sub-factor (1) – Technical Plan

Sub-factor (2) – Management Plan

Sub-factor (3) – Staffing Plan

3.3 Sub-factor (1) Technical Plan: To be considered further for award, offerors must :

3.3.1 Reserved.

3.3.2 Offerors must demonstrate they are capable of fulfilling requirements at all three geographic areas. Geographic areas of the Naval Higher Education Information Technology Consortium (NHEITC) which includes Naval Postgraduate School, Monterey, CA, Naval War College, Newport, RI, and the Naval Academy, Annapolis, MD.

3.3.3 Indicate the planned approach for meeting DoD security standards on every task order. The contractor shall provide a proposal that demonstrates the offeror meets applicable DoD facility requirements IAW the DD254.

3.3.4 Offerors should document how the work it or its proposed subcontractors or teaming partners shall detail the offerors experience performing work associated with an educational computing system that supports constant student, faculty and outside traffic of the network. This includes supporting distance learning, research, and administration and business systems of institutions of higher education. The proposal shall detail the offerors experience in performing key PWS areas that are unique to the .edu environment that include Learning management System (LMS) Service Support and Multimedia Educational Technology Support Services. Offerors should document how the work that *it* has done is similar in size and scope to the work outlined in the PWS. To maximize scoring, offerors should demonstrate its use of technology; and, should identify innovations in processes and procedures that it intends to use for this effort.

3.3.5 The technical volume shall explain the offeror's philosophy, methods, and techniques to ensure quality and consistency across the service types outlined in the PWS. The proposal shall include details of the proposed quality control plan including training, inspection system, corrective measures, and documentation, including notifying the Government COR, within one business day, when a specific PWS performance standard is not met, why the performance standard was not met, corrective action taken, and how they will prevent future occurrences.

3.4 Sub-factor (2) Management Plan:

3.4.1 The technical proposal shall contain a management plan that demonstrates the offeror's ability to maintain quality and oversight of performance of any and all issued task orders for the duration of the ordering period. The plan must identify the management of any subcontractors or teaming arrangement. The proposal shall describe the organizational freedom to identify and evaluate quality problems/discrepancies, to provide recommended solutions, and ensure corrective action is taken. The Government will verify that any proposed subcontractors will have clear roles and responsibilities in performing the contract in support of the offeror.

3.4.2 The proposal shall contain the offeror's approach to quality management and associated metrics gathering and reporting procedures and propose policies/procedures for managing and directing the effort. The Offeror shall discuss a process for early identification and resolution of problems. Proposal shall address management and administrative organization.

Organization/functional charts are to be used to illustrate lines of management responsibility. There must be clear identification of the chain of command and the liaison with Government.

### 3.5 Sub-factor (3) Staffing Plan

3.5.1 The proposal shall detail how the offeror plans to build and maintains a technically trained and experience team or workforce to satisfy task orders in support of the member institutions of varying complexity with little or no advance notice. The offer shall detail in the proposal a plan to retain the breadth and level of expertise and competence throughout the life of the contract and task orders while reducing turnover rates of personnel.

3.5.2 The proposal shall detail the approach the offeror plans to implement on meeting DoD staff investigation requirements for IT-I, IT-II, and IT-III level positions as defined by the PWS and the DOD. This shall include approach for placing the proper staff at the task order level in a timely fashion.

## 4.0 Volume II– Past Performance

4.1 Past Performance shall be evaluated based on the submission of past performance data supplied by the offeror's reference/s, the Government's verification of that data (including information supplied separately by previous customers), and review of any other pertinent information. Offerors shall contact their past performance references and request that each reference complete the "Offeror's Past Performance Data" (OPPD) – Attachment 2.

4.2 Completed OPPDs shall be submitted by email directly to [Michael.a.oliva@navy.mil](mailto:Michael.a.oliva@navy.mil) no later than the closing date of this solicitation. The subject line of the emailed OPPD must read "SOLICITATION N00244-16-R-0009 OPPD". Offerors may submit up to three (3) OPPDs as the prime contractor; subcontractors may submit up to two (2) OPPDs.

4.3 In addition to the OPPD, offeror's shall include in Volume II, a one to two page document listing all potential references. Information to be provided is reference name, address, phone number, email address, and any other identifying information with respect to the OPPD such as Contract Number or type of work provided.

4.4 The Government shall evaluate the offeror's past performance on similar or directly-related work performed within the past three years which is similar in scope, magnitude, and complexity to that detailed in the Performance Work Statement. Past Performance shall be evaluated based on relevance and confidence (in terms of timeliness, quality, cost control, and customer satisfaction as indicated by the questionnaire). Past Performance references may include federal, state, or local Government and private contracts performed by the offeror that were similar in nature for this effort being evaluated.

4.5 Offerors may submit past performance information regarding the following: predecessor companies, key personnel who have relevant experience and subcontractors that will perform major aspects of the requirement.

4.6 Offerors may submit performance data regarding current contract performance as long as a minimum of one year of performance has been completed as of the closing date of this solicitation. Relevant past performance will be evaluated and receive scores in consonance with the evaluation scheme set forth in the RFP.

4.7 If the offeror possesses no relevant past performance, it must affirmatively state this fact in the Volume II submittal. Failure to submit OPPDs shall be considered certification that the offeror has no past performance in relevant services for the Government to evaluate.

## 5.0 Volume III- Cost

5.1 Offeror's cost proposal shall provide a detailed breakdown of cost data including all costs that are proposed to be reimbursed by the Government.

5.2 Contractor Labor Categories

5.2.1 Labor categories specified in the tables below may be required for performance under this contract. Labor category descriptions are provided in Attachment 1. It is recognized that Government's nomenclature may vary from that of the offeror. The cost proposal must indicate both Government and offeror nomenclature so as to clearly show consistency with labor categories submitted in the technical proposal. Failure of the offeror to provide this information in its initial offer may result in a determination that the proposal is not acceptable as it may not be susceptible to evaluation or audit.

5.2.2 Offeror that deviated from the Government labor hour's estimates shall render the proposal ineligible and shall not be considered for award. The estimated hours will be used for comparison purposes during proposal evaluation but do not necessarily reflect the number of hours that will be incurred during the performance of the Task Order. Each offeror shall allocate the labor hours as identified below for the Base Year and subsequent Option Years as follows:

NPS (Monterey, CA)						
Labor Category	Base Year	Option 1	Option 2	Option 3	Option 4	Total
Application Developer	9,600	9,600	9,600	9,600	9,600	48,000
Business Process Engineering Specialist	1,920	1,920	1,920	1,920	1,920	9,600
Communication Analyst	1,920	1,920	1,920	1,920	1,920	9,600
Data Services Developer	1,920	1,920	1,920	1,920	1,920	9,600
Database Manager/Administrator	3,840	3,840	3,840	3,840	3,840	19,200
Graphics Designer	1,920	1,920	1,920	1,920	1,920	9,600
High Performance Computing System Architect	1,920	1,920	1,920	1,920	1,920	9,600
Information Assurance Systems Specialist	9,600	9,600	9,600	9,600	9,600	48,000
Lab Services Technician	5,760	5,760	5,760	5,760	5,760	28,800
Learning Management Systems Technician	1,920	1,920	1,920	1,920	1,920	9,600
Linux Systems Administrator	1,920	1,920	1,920	1,920	1,920	9,600
Mobile Device Applicatio Developer	3,840	3,840	3,840	3,840	3,840	19,200
Network and Infrastructure Technician	3,840	3,840	3,840	3,840	3,840	19,200
Network Architect	1,920	1,920	1,920	1,920	1,920	9,600
Network Engineer	1,920	1,920	1,920	1,920	1,920	9,600
Network Systems Administrator	1,920	1,920	1,920	1,920	1,920	9,600
Service Center Specialist	5,760	5,760	5,760	5,760	5,760	28,800
Service Center Technician	5,760	5,760	5,760	5,760	5,760	28,800
Visualization Technician	1,920	1,920	1,920	1,920	1,920	9,600
Vulnerability/Threat Specialist	9,600	9,600	9,600	9,600	9,600	48,000
Web Architect	1,920	1,920	1,920	1,920	1,920	9,600
Web Content Manager	5,760	5,760	5,760	5,760	5,760	28,800
Web Designer	3,840	3,840	3,840	3,840	3,840	19,200
<b>Total</b>	<b>90,240</b>	<b>90,240</b>	<b>90,240</b>	<b>90,240</b>	<b>90,240</b>	<b>451,200</b>

NWC (Newport, RI)						
Labor Category	Base Year	Option 1	Option 2	Option 3	Option 4	Total

Communication Analyst	3,840	3,840	3,840	3,840	3,840	19,200
Data Services Developer	3,840	3,840	3,840	3,840	3,840	19,200
Information Assurance Systems Specialist	1,920	1,920	1,920	1,920	1,920	9,600
Learning Management Systems Technician	5,760	5,760	5,760	5,760	5,760	28,800
Network and Infrastructure Technician	3,840	3,840	3,840	3,840	3,840	19,200
Network Systems Administrator	5,760	5,760	5,760	5,760	5,760	28,800
Service Center Specialist	3,840	3,840	3,840	3,840	3,840	19,200
Service Center Technician	5,760	5,760	5,760	5,760	5,760	28,800
<b>Total</b>	<b>34,560</b>	<b>34,560</b>	<b>34,560</b>	<b>34,560</b>	<b>34,560</b>	<b>172,800</b>

<b>USNA (Annapolis, MD)</b>						
<b>Labor Category</b>	<b>Base Year</b>	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Option 4</b>	<b>Total</b>
Application Developer	7,680	7,680	7,680	7,680	7,680	38,400
Business Process Engineering Specialist	1,920	1,920	1,920	1,920	1,920	9,600
Data Services Developer	1,920	1,920	1,920	1,920	1,920	9,600
Database Manager/Administrator	5,760	5,760	5,760	5,760	5,760	28,800
Information Assurance Systems Specialist	5,760	5,760	5,760	5,760	5,760	28,800
Lab Services Technician	11,520	11,520	11,520	11,520	11,520	57,600
Linux Systems Administrator	3,840	3,840	3,840	3,840	3,840	19,200
Mobile Device Application Developer	1,920	1,920	1,920	1,920	1,920	9,600
Service Center Specialist	13,440	13,440	13,440	13,440	13,440	67,200
Service Center Technician	13,440	13,440	13,440	13,440	13,440	67,200
Vulnerability/Threat Specialist	5,760	5,760	5,760	5,760	5,760	28,800
Web Content Manager	1,920	1,920	1,920	1,920	1,920	9,600
Web Designer	1,920	1,920	1,920	1,920	1,920	9,600
<b>Total</b>	<b>76,800</b>	<b>76,800</b>	<b>76,800</b>	<b>76,800</b>	<b>76,800</b>	<b>384,000</b>

5.2.3 The yearly (the contractor will have to prorate these hours based on the performance periods of the CLINS in section B) level of effort for use in computing total direct labor costs is 201,600 direct labor hours. Total level of effort hours of 1,008,000 for all five years of the contract are calculated as follows:

$$5 \text{ yrs} \times 201,600 \text{ annual hours} = 1,008,000$$

Annual level of effort Direct Labor Hours: Although actual hours performed may vary, offeror must submit a cost proposal based on this level of effort to be considered for evaluation and award.	
<b>Labor Categories</b>	<b>Hours</b>
Application Developer	17,280
Business Process Engineering Specialist	3,840
Communications Analyst	5,760
Data Services Developer	7,680
Database Manager/Administrator	9,600

Graphics Designer	1,920
High Performance Computing System Architect	1,920
Information Assurance Systems Specialist	17,280
Lab Services Technician	17,280
Learning Management Systems Technician	7,680
Linux Systems Administrator	5,760
Mobile Device Application Developer	5,760
Network and Infrastructure Technician	7,680
Network Architect	1,920
Network Engineer	1,920
Network Systems Administrator	7,680
Service Center Specialist	23,040
Service Center Technician	24,960
Visualization Technician	1,920
Vulnerability/Threat Specialist	15,360
Web Architect	1,920
Web Content Manager	7,680
Web Designer	5,760

### 5.3 Specific Requirements of Cost Proposal

5.3.1 Detailed Pricing Format. For each CLIN, offeror shall provide a detailed pricing schedule that identifies all labor categories and hours by category, direct labor rates and their application to the various labor categories, ODCs, subcontractors/consultants (if any), service centers, indirect/FCCM burden rates and their application, calculated costs, fee/profit and total pricing, by CLIN and in total for all five contract years.

5.3.2 Labor Rates. Offeror shall propose direct labor rates based on actual salaries for all key/resumed personnel. Composite/weighted average rates may be used for labor categories. Offeror shall provide detailed explanation of development of direct labor rates (e.g., based on actual salaries, labor surveys, internal labor categories, composite rates based on multiple labor categories, etc.). The Offeror shall provide detailed calculation of proposed rates (e.g., composite rates) for each labor category for each CLIN. For those individuals proposed as current employees of the Offeror, the Offeror shall provide a separate schedule of internal salary rates/category rates that may be sent to DCMA/DCAA for rate verification. Offeror shall indicate if the offeror is subject to a Forward Pricing Rate Agreement for direct labor rates, and if so, shall provide a copy of the Agreement.

5.3.3 Labor Escalation. Offeror shall describe development of proposed labor escalation rate(s) (e.g., historical costs/judgment/other sources), along with the offeror's historical labor escalation rate for the previous three fiscal years.

5.3.4 Direct Labor Cost. Offeror shall provide detailed schedules calculating labor cost by labor category by year.

5.3.5 Compensation Plan. Offeror shall provide its compensation plan policy relative to salaries and fringe benefits for professional employees who will be working on the proposed contract in accordance with FAR 52.222-46, Evaluation of Compensation for Professional Employees.

5.3.6 Estimated Other Direct Costs (ODCs). To assist in proposal preparation, Government has identified annual unburdened ODC estimates to be used by offeror in preparing its cost proposal. ODCs for each performance year are identified in Section B of this solicitation. Offeror shall describe its standard burden applied to ODC, and shall apply burden to estimated ODCs pursuant to its standard burden structure.

5.3.7 Subcontracts. Offerors shall provide a copy of each subcontractor cost proposal. Offeror shall provide a schedule of proposed subcontractors and total costs proposed. Offeror will provide a schedule of subcontractor hours by labor category. Offeror will provide schedules that apply proposed subcontractor rates to proposed hours, resulting in total costs that reconcile to the proposed subcontractor amounts. For evaluation purposes only, 75% of the ODCs are for Travel and 25% are for Material.

5.3.8 Offeror shall indicate type of rate (e.g., CPFF, T&M, FFP) proposed by each subcontractor/consultant.

5.3.9 Major Subcontractors. Each subcontractor/consultant that proposes \$700,000.00 or more in cost is considered to be a major subcontractor. Each major subcontractor shall provide its cost proposal to the contracting officer, in sealed envelope or under separate cover, in the same level of detail as required of the prime offeror, pursuant to the requirements of this section 5.3. The subcontractor's proposal is due to the contracting officer no later than the prime offeror's proposal is due to the contracting officer.

5.3.10 Indirect Rates. Offeror shall provide a table summarizing proposed indirect rates (e.g., fringe benefits, labor overhead, material handling, general and administrative) by CLIN and by contract year, in a format that that may be sent to DCMA/DCAA for rate verification. Offeror shall provide a description of pools and bases for proposed indirect rates. Offeror shall provide calculations of composite indirect rates used for each contract year, if the offeror's fiscal year rates differ from contract year rates. Offeror shall indicate if the offeror is subject to a Forward Pricing Rate Agreement for indirect rates or DCAA provisional rates, and if so, shall provide a copy of the Agreement or DCAA provisional rate letter.

If a contractor proposes indirect rates lower than prevailing Forward Pricing Rate Agreement or DCAA-approved Provisional Billing Rates, the contractor must certify they are willing to cap these rates for the life of the contract.

5.3.11 Indirect Cost. Offeror shall provide detailed pricing schedules by contract year that clearly identify the application of indirect rates to application bases, and calculate proposed indirect costs for each indirect rate.

5.3.12 New Cost Centers. If new cost centers are developed for the proposed contract, the proposal shall provide historical data for existing cost centers for efforts similar to the requirements of this solicitation.

5.3.13 Facilities Capital Cost of Money (FCCM). If offeror elects to claim FCCM as an allowable cost, offeror must submit the calculation of proposed amounts on DD Form 1861, or equivalent, with the applicable cost of money base rates indicated, as well as percentage of total cost of money proposed by land, buildings, and equipment. Offeror shall also provide copy of the most recent completed Form CASB-CMF.

5.3.14 Fee. Offeror shall identify proposed fee rate(s) and application base(s) (e.g., 4.0% on burdened labor cost, 2.0% on burdened subcontract cost, 0.0% on burdened ODC). Offeror is invited to submit a completed DD Form 1547 'Record of the Weighted Guidelines Application' in support of the proposed fee rate(s).

5.3.15 Historical Rates. If available, the Offeror shall provide historical direct labor rates by labor category for the three most recent completed fiscal years. For each proposed indirect/FCCM

rate, offeror shall provide historical rates for the three most recent completed fiscal years, separately identifying projected vs actual rates as in the following example:

2014    2013    2012

Projected at start of year

Incurred at end of year

5.3.16 Format of spreadsheets. Each offeror's cost proposal MUST be submitted in a spreadsheet format provided in Attachment 3, Sample Proposal, which includes labor categories, labor hours, direct labor rates, indirect rates, and fee. Elements contain in Attachment 3 are provided as examples only. **FORMULAS MUST BE INCLUDED WITHIN THE CELLS. COST INFORMATION SHALL NOT BE SUBMITTED IN PDF FORMAT.** The spreadsheet must list the factors used for the Base Year and each Option Year. Labor categories shall be in accordance with the tables provided in Section L. If the offeror intends on subcontracting, the aforementioned information shall be provided as well by the subcontractor.

5.3.17 Offeror shall provide a complete softcopy of its cost proposal. Softcopy shall be in Microsoft Word format for proposal narrative, and Excel format for schedules. All Excel schedules shall contain working equations and links.

#### 5.4 Submission of Cost or Pricing Data

5.4.1 It is expected that this contract will be awarded based upon a determination that there is adequate price competition; therefore, the offeror is not required to submit or certify cost or pricing data (SF 1411) with its proposal.

5.4.2 If, after receipt of proposals, the Contracting Officer determines that adequate price competition does not exist in accordance with FAR 15.403-1, the offeror shall provide certified cost or pricing data as requested by the Contracting Officer.

#### 5.5 Additional Required Information

5.5.1 Offeror shall provide the following additional information as an appendix/enclosure to the cost proposal. If the information is already provided elsewhere in the proposal, identify page and section number of the information's location:

5.5.1.1 DCAA office, Supervisory Auditor POC, phone number, email address, street address

5.5.1.2 DCMA office, ACO POC, phone number, email address, street address

5.5.1.3 DUNS number

5.5.1.4 CAGE Code

5.5.1.5 TAX ID

5.5.1.6 Fiscal Year (e.g., calendar year; year ending 31-July-20xx)

5.5.1.7 Brief description of company organization, parent organization if applicable, number of divisions, number of employees, annual revenues for the past three years, share of revenues provided by Govt vs Commercial, product lines, customers.

5.5.1.8 Date the accounting system was considered acceptable or approved by DCAA/DCMA

- 5.5.1.9 Copy of letter from DCAA/DCMA regarding acceptability of accounting system
- 5.5.1.10 Date the billing system was considered acceptable or approved by DCAA/DCMA
- 5.5.1.11 If available, a copy of the letter from DCAA/DCMA regarding acceptability of billing system
- 5.5.1.12 If available, the date the purchasing system was considered acceptable or approved by DCAA/DCMA
- 5.5.1.13 If available, a copy of the letter from DCAA/DCMA regarding acceptability of purchasing system
- 5.5.1.14 If available, the date of the latest financial capability audit by DCAA/DCMA
- 5.5.1.15 If available, a copy of the letter/report from DCAA/DCMA regarding financial capability
- 5.5.1.16 If available, the Date of Disclosure Statement
- 5.5.1.17 If available, the Date of Disclosure Statement approval by ACO
- 5.5.1.18 If available, a copy of the latest Forward Pricing Rate Agreement or Forward Pricing Rate Proposal
- 5.5.1.19 If available, a copy of latest approved Billing Rate letter
- 5.5.2 Offeror will provide discussion of its financial capability to perform the contract. The discussion will identify the results of any DCAA/DCMA financial capability reviews, ability to obtain financing, current financial status, etc.
- 5.5.3 Offeror shall demonstrate that it maintains an adequate accounting system in accordance with DFARS 252.242-7006
- 5.5.4 Offeror agrees to hold the prices in its offer firm for 120 calendar days from the date specified for receipt of offers.

(End of provision)

## SECTION M - EVALUATION FACTORS FOR AWARD

The following have been modified:

### EVALUATION FACTORS FOR AWARD

#### **1.0 Basis for Award**

- 1.1 The award resulting from this solicitation shall include two or more Indefinite-Delivery/Indefinite-Quantity type contracts with Cost Plus Fixed Fee and Firm fixed Price Task Orders resulting from this

solicitation. Award will be made on a total Service Disabled Veteran Owned Small Business (SDVOSB) Set-Aside basis, using a best value trade-off methodology for source selection. The Government has complete discretion in determining the number of awards. Offerors are advised that the Government reserves the right to make award to other than the lowest price offeror(s), or to the offeror(s) with the highest technical rating(s) if the Government determines that to do so would result in the overall best value to the Government. As indicated below, the two non-cost factors [Factor I (Technical Capability), Factor II (Past Performance)] are listed in descending order of importance. When combined, the non-cost factors [Factor I (Technical Capability), Factor II (Past Performance)], are significantly more important than Factor III (Cost). A rating of "Unacceptable" in any factor or sub-factor may render the entire proposal ineligible for award.

1.2 Although cost is not the most important factor, and as indicated above, is significantly less important than non-technical factors, its importance in the best-value trade-off award will increase to the extent the difference in technical proposals, past performance considered, decreases. Cost will become the most important factor to the extent the proposals are essentially equal in value to the Government.

1.2 To be eligible for award, the offeror(s) must fully comply with the PWS, and address all solicitation requirements. As such, offers that take exception to any term or condition of this solicitation, propose any additional term or condition, or omit any required information, may not be considered for award. Alternate proposals are NOT authorized and will be rejected. The offeror(s) must propose in accordance with the directions set forth in Section L to be considered for award.

1.3 The Government intends to award without discussions. Notwithstanding this intent, the Contracting Officer reserves the right to conduct discussions, a matter within his discretion. If this occurs, the Contracting Officer shall establish, in accordance with FAR 15.306, a competitive range. The Government also reserves the right to limit the number of offerors in the competitive range for purposes of efficiency. The Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the highest rated proposals. In accordance with FAR 15.307, at the conclusion of discussions, the Contracting Officer shall give each offeror an opportunity to revise their proposal as appropriate.

## **2.0 Evaluation Factors and Grading Criteria**

The Government will evaluate proposals based on the following three Factors and Sub-factors, listed in descending order of importance:

### **2.1 Factor I – Technical Capability**

2.1.1 Sub-factor (1) – Technical Plan

2.1.2 Sub-factor (2) – Management Plan

2.1.3 Sub-factor (3) – Staffing Plan

### **2.2 Factor II – Past Performance Confidence**

### **2.3 Factor III – Cost**

## **3.0 Relative Weights**

3.1 Factor I (Technical Capability) and Factor II (Past Performance Confidence) are listed in descending order of importance. When combined, the non-cost factors [Factor I (Technical Capability) and Factor II (Past Performance Confidence)], are significantly more important than Factor III (Cost). A rating of "Unacceptable" in any factor may render the entire proposal ineligible for award.

3.2 There are three sub-factors under Factor I (Technical Capability): Sub-factor (1) Technical Plan, Sub-factor (2) Management Plan and Sub-factor (3) Staffing Plan. These three sub-factors are in

descending order of importance and shall be used to establish an overall rating for Factor I. An unacceptable in any sub-factor may result in an overall Factor I rating of unacceptable, rendering the entire proposal ineligible for award.

3.3 Awards will be made to the offeror(s) whose proposal contains the combination of those criteria offering the best overall value to the Government. In making this comparison the Government is more concerned with obtaining superior Technical Capability (Factor I), Past Performance Confidence (Factor II), than making the award to the lowest cost (Factor III) to the Government. However, the Government may not make an award at a significantly higher cost to the Government to achieve slightly superior technical capability or past performance, see 6.1 below.

#### **4.0 Factor I – Technical Capability Grading Criteria:**

Inherent in a greatest value evaluation is the fact the Contracting Officer, while always mindful of Price, encourages strengths and/or innovative approaches. Accordingly, to the extent an offeror provides strengths to its proposal, the offeror may receive a higher rating. Offerors are on notice that innovations, well documented technical capability, improved management approach and extensive staffing plan will be considered “strengths.” However, Offerors are advised that the Government may give a higher rating only if the strength(s) represent a real value or benefit to the Government.

4.1 The following Factor (I) Sub-factors shall be rated individually with these ratings used to determine overall rating for Technical Capability. In descending order of importance, the Technical Capability sub-factors are:

4.1.1 Sub-factor (1) Technical Plan: The government shall evaluate each offerors ability to meet DoD security standards on every task order. The offeror shall demonstrate its ability to meet applicable DoD facility requirements IAW the DD254 and planed approach for maintaining it through the ordering period.

Government will evaluate the technical approach to determine the offerors’ overall resources and capability to successfully fill task orders across all geographical areas of the Naval Higher Education Information Technology Consortium.

The government will evaluate the degree of each offerors experience in the following 17 critical support categories including application development and support, mobile application development, mobile application development, web applications, computer network defense services, learning management system services, multimedia educational technology services, virtualization services, network infrastructure maintenance, network engineering services, enterprise architecture and integration, service center support services, client hardware and lab services, enterprise information services, high performance computing, linux system administration, vizualization services, and IT business operation branch. To maximize scoring, offerors should demonstrate its use of technology; and, should identify innovations in processes and procedures that it has used successfully and demonstrate how those innovations may be deployed for use in this effort. To the extent the offerors’ utilize the expertise of identified subcontractors, offerors shall clearly demonstrate what work the subcontractors will be performing exploiting any expertise not available to the offerors.

4.1.2 Sub-factor (2) Management Plan: The Government will evaluate the proposal in terms of the offeror’s ability to provide an effective approach to perform, manage, maintain quality, and coordinate all task orders across the geographical area of the NHEITC. The government will evaluate the degree to which the organization shows clear and effective delineation of functional roles and responsibilities. The evaluation will include the effectiveness of the offeror’s organization lines of authority and ability to fill and maaintin quality on task orders issued on day one of the ordering period. The Government will verify that any proposed subcontractors will have clear roles and responsibilities in performing the contract in support of the offeror. The method by which employees are tasked with work (within the scope of the delivery order); the

method by which the offeror plans to communicate with offeror and subcontractor employees on issues such as leave and time-keeping; and the manner in which offeror and subcontractor employees will interface with both the offeror's corporate structure and with the Government.

4.1.3 Sub-factor (3) Staffing Plan: The Government will evaluate the staffing plan to determine the offeror's ability to support the management and technical plans set forth under sub-factors (1) and (2). This includes evaluating the approach on quickly filling task order staffing needs, meeting personnel security requirements, reducing turnover and the planned utilization of key personnel.

4.2 The following table of Ratings/Definition/Description shall be used for the Technical/Risk Rating for each Sub-factor and for Factor (I). The overall Factor I (Technical Capability) rating will be determined by evaluating the ratings for each of the sub-factors. The overall rating will be used for tradeoff analysis. Inherent in the Factor (I) rating definition is a component for risk, reflecting the projected risk of the proposed approach to successfully perform the contract.

Table 1	Combined Technical/Risk Rating
Rating	Description
Outstanding	Proposal meets requirements and indicates an exceptional approach and understanding of the requirements. Strengths far outweigh any weaknesses. Risk of unsuccessful performance is very low.
Good	Proposal meets requirements and indicates a thorough approach and understanding of the requirements. Proposal contains strengths which outweigh any weaknesses. Risk of unsuccessful performance is low.
Acceptable	Proposal meets requirements and indicates an adequate approach and understanding of the requirements. Strengths and weaknesses are offset or will have little or no impact on contract performance. Risk of unsuccessful performance is no worse than moderate.
Marginal	Proposal does not clearly meet requirements and has not demonstrated an adequate approach and understanding of the requirements. The proposal has one or more weaknesses which are not offset by strengths. Risk of unsuccessful performance is high.
Unacceptable	Proposal does not meet requirements and contains one or more deficiencies. Proposal is un-awardable.

4.3 Unacceptable Rating. Any proposal receiving a score of "unacceptable" in a factor or any sub-factor may render the entire proposal ineligible for award.

## 5.0 Factor II – Past Performance Grading Criteria

5.1 Each offeror will be given two ratings- one for relevancy and one for confidence. The relevancy rating will be incorporated in the confidence rating. The more relevant the past performance data submitted is to this work effort, the higher the government's confidence in the offeror's ability to successfully perform will be.

5.2 The assessment of offeror's past performance will be used by the government as a means to evaluate the relative capability of the offeror and other competitors to successfully meet the requirements of the PWS and as a measure of performance risk for contract award. The government's assessment of

performance risk is not intended to be the product of a mechanical or mathematical analysis of an offeror's performance on a list of contracts, but rather the product of subjective judgment of the Government after it considers all available relevant and recent information.

5.3 The government intends to verify past performance information on contracts listed by the offerors. The government may contact some or all of the references. The government reserves the right to obtain information for use in the evaluation of past performance from any and all sources including sources outside of the Government. When evaluating past performance, the automated Past Performance Information Retrieval System (PPIRS) shall be used as a source of past performance information. The PPIRS automated information system is accessed via the internet at <http://www.ppirs.gov>. Other sources may also be used, as appropriate.

5.4 In the case of an offeror without a record of relevant past performance, or for whom information on past performance is not available, the government will not evaluate the offeror favorably or unfavorably on past performance. Such offerors will receive a neutral rating for past performance. However, the proposal of an offeror with no relevant past performance history, while rated Neutral in past performance, may not represent the most advantageous proposal to the government, and thus, may be an unsuccessful proposal when compared to the proposals of other offerors.

5.5 The government shall evaluate the offeror's past performance on similar or directly-related work performed within the past three years from the solicitation posting date (similar in scope, magnitude, and complexity to that detailed in the Statement of Work). Past performance shall be evaluated based on Relevancy (the less relevant the past performance, the lower the score), as well as Confidence (timeliness, quality, cost control, and customer satisfaction as indicated by the questionnaire). Past Performance references may include federal, state, or local government and private contracts performed by the offeror that were similar in nature for this effort being evaluated.

5.6 Past performance may be demonstrated from an individual prior contract or effort, or by aggregating multiple prior contracts or efforts of same or similar scope to that which is described in the solicitation. However, the government will give greater consideration to individual prior contracts or efforts of the same or similar scope, magnitude and/or complexity to that which is described in the solicitation.

5.7 The government may take into account past performance information regarding predecessor companies, key personnel who have relevant experience, and teaming partners/subcontractors that will perform major or critical aspects of the requirement when such information is relevant to the procurement.

5.8 In accordance with FAR 15.305 (a) (2) (i), the government may consider in its evaluation, the currency and relevance of the information, source of the information, context of the data, and general trends in the offeror's performance.

5.9 In determining Confidence, the Government shall consider how well the contractor has performed on previous contracts in areas such as timeliness, quality, cost control, and customer satisfaction.

5.10 Each offeror shall submit past performance that can be given a rating for both Relevancy and Confidence or affirmatively state that it possesses no relevant past performance. If the offeror does neither of the foregoing, the proposal may not be eligible for award. However, these criteria are interdependent, and a single confidence rating will be used in the best value trade off award.

5.11 Past Performance Relevancy Rating

Table 2	Past Performance Relevancy Rating
Rating	Definition
Very Relevant	Based on the offeror's recent/relevant performance record, the Government has a high expectation that the offeror will successfully perform the required effort.
Relevant	Based on the offeror's recent/relevant performance record, the Government has a reasonable expectation that the offeror will successfully perform the required effort.
Somewhat Relevant	Based on the offeror's recent/relevant performance record, the Government has a low expectation that the offeror will successfully perform the required effort.
Not Relevant	Based on the offeror's recent/relevant performance record, the Government has no expectation that the offeror will be able to successfully perform the required effort.

5.12 Factor  
II Grading Criteria – Past  
Performance Confidence  
Assessment

Table 3	Performance Confidence Assessment
Rating	Description
Substantial Confidence	Based on the offeror's recent/relevant performance record, the Government has a high expectation that the offeror will successfully perform the required effort.
Satisfactory Confidence:	Based on the offeror's recent/relevant performance record, the Government has a reasonable expectation that the offeror will successfully perform the required effort.
Limited Confidence	Based on the offeror's recent/relevant performance record, the Government has a low expectation that the offeror will successfully perform the required effort.
No Confidence:	Based on the offeror's recent/relevant performance record, the Government has no expectation that the offeror will successfully perform the required effort.
Unknown Confidence (Neutral):	No recent/relevant performance record is available or the offeror's performance record is so sparse that no meaningful confidence assessment rating can be reasonably assigned.

## 6.0 Factor III – Cost

6.1 Although cost is less significant than the other factors, it should not be ignored. The degree of its importance will increase with the degree of equality of proposals in relation to Technical Capability and Past Performance. Conversely, the significance of cost will decrease when it is so significantly high as to diminish the value of the technical superiority to the government.

6.2 The evaluation of Cost will be based on a cost realism evaluation of specific elements of each offeror's proposed cost to determine whether the proposed cost elements are realistic for the work to be performed, reflect a clear understanding of the requirement, and are consistent with any unique method of performance proposed by the offeror. The purpose of the analyses shall be to determine the probable cost of performance. The probable cost will reflect the government's best estimate of the cost for that particular proposal being evaluated. This probable cost will be used for purposes of determining best value. The Government will use Defense Contract Audit Agency audited rates, if available, and other means available to determine validity of direct and indirect rate elements. The Government will likewise review the costs proposed for various labor categories and compare those to the qualifications of personnel proposed; it reserves the right to evaluate the costs at a higher rate to match the caliber of personnel proposed, as represented in the minimum qualifications.

6.3 The burden of proof for cost credibility rests with the offeror. Offerors are cautioned that to the extent proposed costs appear unrealistic; the Government may infer either a lack of understanding of the requirements, increased risk of performance, or lack of credibility on the part of the offeror.

6.4 The Government will evaluate offers for award purposes by adding the total evaluated costs for the base year to the total evaluated costs for the four option years. Evaluation of the options WILL NOT obligate the Government to exercise the options.

6.5 Contractors accounting system shall be evaluated to determined adequacy in accordance with DFAR 252.242-7006. Any Offeror that fails to demonstrate an "Acceptable accounting system " as defined in DFARS 252.242-7006 may render the entire proposal ineligible.

(End of provision)

(End of Summary of Changes)