

**ACQUISITION MANAGEMENT
HARPERS FERRY CENTER
ADMINISTRATIVE GUIDELINE NUMBER 9
CONTRACTOR PERFORMANCE REPORT
JANUARY 2009**

I. BACKGROUND

Since the passage of the Federal Acquisition Streamlining Act of 1994, all federal departments and agencies have initiated procedures to record contractor performance and to use past performance information in source selection. We have learned from experience to record performance information and to discuss the results with contractors. This has been a powerful motivator for contractors to maintain high quality performance or to improve inadequate performance.

Early in 2001, the Department of the Interior subscribed to the National Institutes of Health Contractor Performance System (NIH/CPS) to meet this requirement. The NIH/CPS is an internet based system for capturing, maintaining, and disseminating contractor performance evaluation for federal departments/agencies.

The NIH/CPS Home page is located at <http://cps.nih.gov>.

II. PURPOSE

The purpose of this Administrative Guideline is to establish and outline the policies and procedures for using the National Institutes of Health Contractor Performance System for completing contractor performance reports at Harpers Ferry Center.

III. POLICY

Harpers Ferry Center collects and maintains contractor performance reports and routinely uses this information, in conjunction with past performance information obtained from other sources, in making contract award decisions.

Federal Acquisition Regulation Part 42.15 - Contractor Performance Information, provides policies and establishes responsibilities for recording and maintaining contractor performance reports. Federal Acquisition Regulation Part 42.1502(a) requires agencies to prepare an evaluation of contractor performance for each contract that exceeds the simplified acquisition threshold at the time the work under the contract is completed or annually if the contract extends beyond one year. Harpers Ferry Center's policy is to obtain performance reports for contracts over \$25,000, all task orders issued under indefinite delivery indefinite quantity contracts, requirements contracts (with the exception of the servicewide uniform program requirements contract) and GSA, bureau and other agency contracts.

To ensure that consistent and comprehensive past performance information is collected, the Contracting Officer's Representative (COR) is required to complete a Contractor Performance Report. The report should be based only on the current contract or period.

Potential problems or poor performance should be documented and reported to the Contracting Officer (CO) immediately. Open lines of communication and early identification of concerns leads to constructive dialogue. This can improve performance and avoid distaste on the part of the government or the contractor which might otherwise develop if potential misunderstandings are ignored until late into contract performance.

IV. **PROCEDURES FOR COMPLETING CONTRACTOR PERFORMANCE REPORT**

Upon completion of a contract or annual performance period, the COR must complete a Contractor Performance Report. Depending on the terms of the particular contract, or the level of performance, this form may also be completed at an earlier stage of the contract. The process follows:

- The CO or Contracting Officer Designee (COD) will complete a skeleton evaluation in NIH/CPS when work under the contract is completed or annually if the contract extends beyond one year. The report will be assigned to the COR for action through NIH/CPS. See Attachment A, for a sample of the Contractor Performance Report.
- The NIH/CPS will automatically generate an email to the COR stating that an evaluation has been assigned to them. The COR will access NIH/CPS to complete the evaluation. The COR must complete the evaluation within 30 days. Once completed, the COR will assign the report back to the CO or COD through NIH/CPS.
- The CO or COD will receive an email stating that an evaluation has been assigned to them. The CO or COD will review, concur, or question the findings, as appropriate. If the COD completes the review, they will assign the evaluation to the CO. If the findings are negative, action must be taken to remedy the situation, and the file must be fully documented with the results of the conversation. The CO or COD will complete the Additional Information Tab. This tab contains the information for the Small Business Subcontracting Plan and the Small Disadvantage Business Goals.

- Once the CO has reviewed and concurs, they will assign the evaluation to the contractor. The contractor will receive an email stating that an evaluation has been assigned to them. The email will contain a Personal Identification Number that the contractor will need in order to access the report. The contractor has the option to add comments to each rating. The contractor has 30 days in which to review, comment, and send back to the CO through NIH/CPS. An automatic reminder is sent to the contractor 10 days before the 30 day clock runs out. Before the end of the 30 days, the CO can extend the date or can reclaim it. If the 30 days has lapsed, the CO can reclaim the evaluation. Once 30 days has passed, the evaluation is automatically finalized and no changes can be made by the contractor or the CO.
- The CO will receive an email stating the contractor's review of the performance evaluation has been completed and submitted to the NIH/CPS. The CO will finalize the evaluation, print, and maintain a copy in the contract file. If the CO has not received the evaluation within the 30 days, a copy can be retrieved by searching the NIH/CPS. At that time, a copy can be printed for the contract file.
- The CO, COR, and the contractor must resolve disputes before the evaluation can be finalized.

The CO or COD assigned to the administration of the contract will track the reports. If the report has not been received within 30 calendar days, a reminder will be sent to the COR via email. If it is not received within five working days after the second notice, the CO will take appropriate action.

The CO must receive all completed Contractor Performance Reports before future designation will be made to serve as a COR under another contract.

V. **BEST PRACTICES**

Current performance assessment is a basic “best practice” for good contract administration, and is one of the most important tools available for ensuring good contractor performance. Past performance evaluations should be considered prior to any contract award, exercise of contract option, or modification. This information is used to make decisions pertaining to contract extensions or new competition. Evaluation of past performance before consideration of the intent to exercise a contract option may also be used to reward quality contractors.

Past performance information is requested in a distinct section of a negotiated solicitation over \$100,000 and is the highest weighed criteria to increase the offeror’s awareness of the importance of past performance.