Pricing Feedback

Type of Feedback	*Review Phase*	*Type of Contract*
Recommendation	Phase 2	Weapon System, Production Lot Buy (Sole Source)

Feedback:

Recommended that the team (preparing to negotiate the undefinitized contract action) coordinate with DCMA to fully understand the analysis of the prime contractor's labor and overhead rates and consult with DCAA to understand the currency of the base projections.

If feedback was a recommendation, was it implemented? Yes

Comments:

Type of Feedback	*Review Phase*	*Type of Contract*
Recommendation	Phase 2	Weapon System, Production Lot Buy (Sole Source)

Feedback:

Recommended that the team (preparing to negotiate the undefinitized contract action) secure actual historical costs on the last 3 or 4 production lot buys directly from the major subcontractors. Approach required because of the inadequate presentation and evaluation by the prime contractor. Suppliers' actual cost data deemed to be essential to gain confidence that there is a correlation between how these subcontractors actually performed in relation to what was negotiated with the prime contractor. Recommendation was not to secure this data via a new proposal from the prime, but rather directly from the subcontractors and deal with the matter at the negotiation table.

If feedback was a recommendation, was it implemented? Yes

Comments:

Type of Feedback	*Review Phase*	*Type of Contract*
Recommendation	Phase 2	Weapon System, Production Lot Buy (Sole Source)

Feedback:

Recommended that the team (preparing to negotiate the undefinitized contract action) conduct a thorough assessment of the prime contractor's actual costs incurred to date in relation to the milestone schedule established for interim performance based payments.

If feedback was a recommendation, was it implemented? Yes

Comments:

Peer Review Recommendations, Lessons Learned

Type of Feedback	*Review Phase*	*Type of Contract*
Recommendation	Phase 2	Logistical Services (Competitive)

Feedback:

Recommended improvements to the cost and price analysis to include a DCAA review of the task order proposals (or part therof).

If feedback was a recommendation, was it implemented? Yes

Comments:

Type of Feedback	*Review Phase*	*Type of Contract*
Recommendation	Phase 2	Competitive Multiple Award Services Contract

Feedback:

Significant discussion between the Peer Review team and the Source Selection Team (SST) regarding the manner in which the SST addressed one offeror that had been flagged by DCAA as proposing rates the offeror was likely to exceed in actual performance. It was noted that these rates were approved by DCMA as approved forward pricing rates. In discussions with this offeror, the SST had secured the assurance from this particular offeror that they would be willing to agree to ceiling amounts for their overhead rates. The Peer Review team suggested that, instead, this situation could be addressed with a cost realism adjustment to the offeror's evaluated/probable cost. However, the SST believes that the ceiling approach protects the government's interests post-award. The concern the Peer Review team has about the SST's planned approach is to ensure that it does not provide this particular offeror an unfair advantage over competitors vying for the IDIQ basic award. The Peer Review team recommended a more detailed legal analysis as to whether it would be appropriate to establish such a ceiling agreement for one offeror, particularly given the fact that some CLINs will be cost reimbursable. One question to address is how this would work— will the indirect costs that the contractor forgoes, because of the ceilings in the IDIQ contract, be charged to the Government under other Government contracts?

If feedback was a recommendation, was it implemented? Yes

Comments:

After discussions with legal counsel and DCAA, the contracting officer decided it was appropriate to establish an optional ceiling rate agreement with the specific offeror deemed to have proposed rates they would likely exceed during performance. The agreement would be utilized on a task order by task order basis. The contracting officer believes that this approach will not eliminate the Government's option to perform a cost realism adjustment instead. The contracting officer believes that this approach will prevent the offeror from "buying in" if/when DCMA has approved rates that DCAA does not agree with during task order competitions. The contracting officer plans to include a stipulation in the ceiling rate agreement that the offeror will not be allowed to charge accrued costs above the ceiling rates directly or indirectly allocated to other Government contracts.

Source Selection Feedback

Peer Review Recommendations, Lessons Learned

Type of Feedback	*Review Phase*	*Type of Contract*
Recommendation	Phase 2	Competitive Multiple Award Services Contract

Feedback:

Recommendation to go back and as a point of discussion, call attention to the fact a particular offeror had included fee on proposed travel cost (contrary to the instructions in the RFP). The source selection team had intended to deal with the issue by making a downward cost realism adjustment to the offeror's proposed price.

If feedback was a recommendation, was it implemented? Yes

Comments:

The contracting officer pointing this apparent error out to the offerer via teleconference and issued an evaluation notice. The offeror indicated there was a error in the formula.

Type of Feedback	*Review Phase*	*Type of Contract*
Lesson Learned	Phase 2	Competitive Multiple Award Services Contract

Feedback:

Peer Review team noted that at least one offeror chose to submit past performance information on itself only (and not its subcontractors) while others submitted information for themselves and their proposed subcontractors. The solicitation afforded offerors this tactical choice. In one instance, it was noted that an offeror's past performance rating was potentially impacted by the fact that one of its proposed subcontractors had a yellow rating for its small business subcontracting factor. Given the fact an argument could be made that such a rating on a subcontractor should have a minimal impact on the prime contractor's overall past performance rating, the Peer Review team suggested that future RFPs of this nature might want to indicate in Section M that the Government intends to give more weight to the past performance of the prime contractor over its subcontractors' past performance information.

If feedback was a recommendation, was it implemented?

Comments:

Type of Feedback	*Review Phase*	*Type of Contract*
Lesson Learned	Phase 2	Competitive Multiple Award Services Contract

Feedback:

Solicitation required offerors to demonstrate they have an "adequate" accounting system as resultant contracts will include "cost plus" line items. There was at least one offeror that had limited experience with DoD as a major contractor and the source selection team (SST) was working with DCAA to determine whether the offeror's accounting system was indeed adequate. The Peer Review team noted that other agency's solicitations have been observed to require that offerors have an "approved" accounting system. LESSON LEARNED: it would appear that RFP language using the term "adequate" is preferable to "approved," but the Peer Review team noted that contracting officers across the Department would benefit by standard policy/guidance as to how to verify (with DCMA and DCAA) and evaluate such offerors that have little or no history with the Department.

If feedback was a recommendation, was it implemented?

Comments:

Type of Feedback	*Review Phase*	*Type of Contract*
Recommendation	Phase 2	Competitive Multiple Award Services Contract

Feedback:

Recommendation to include additional documentation to explain a "marginal" rating assigned to particular offeror. The source selection team explained to the peer review team that there had been detailed deliberation over the rating, but there was not an adequate written justification.

If feedback was a recommendation, was it implemented?

Comments:

Type of Feedback	*Review Phase*	*Type of Contract*
Recommendation	Phase 2	Multiple Award Construction Contract

Feedback:

Recommendation that the source selection team (SST) continue discussions to further resolve certain issues with offerors. The peer review team (PRT) reminded the SST that "meaningful discussions" with each offeror does not require "rounds" of discussions that include all offerors. The PRT reminded the SST that discussions are still open and encouraged the SST to continue those discussions with offerors only as necessary.

If feedback was a recommendation, was it implemented?

Comments:

Peer Review Recommendations, Lessons Learned

Type of Feedback	*Review Phase*	*Type of Contract*
Recommendation	Phase 2	Multiple Award Construction Contract

Feedback:

Recommendation to revisit evaluation of a small business subcontracting subfactor. The evaluation documents did not address differences among offers in the participation percentage of the various socio-economic groups. It appeared that the source selection team was uncertain as to how to evaluate given the fact the RFP did not include explicit percentage goals against which offerors have been traditionally evaluated.

If feedback was a recommendation, was it implemented?

Comments:

Type of Feedback	*Review Phase*	*Type of Contract*
Recommendation	Phase 2	Competitive Multiple Award Services Contract

Feedback:

Recommended additional discussions were necessary to address the fac that one offeror proposed twice the amount of estimated hours as the government estimate.

If feedback was a recommendation, was it implemented? Yes

Comments:

Type of Feedback	*Review Phase*	*Type of Contract*
Recommendation	Phase 2	Competitive Multiple Award Services Contract

Feedback:

Recommended additional discussions were necessary to address why one offeror proposed extremely low labor rates in several geographic areas making it unclear as to whether the offeror could actually provide the required subject matter experts in those areas.

If feedback was a recommendation, was it implemented? Yes

Comments: