

## Peer Review Recommendations, Lessons Learned

### Post Award Admin Feedback

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<i>Type of Feedback</i>	<i>Review Phase</i>	<i>Type of Contract</i>
Recommendation	Post Award 1	Non-Competitive Multiple Award Services Contract

*Feedback:*

Recommend the program office revisit and strengthen training for task order representatives (TORs) to be more akin to the contracting officers representative (COR) training requirements, or even better, have the TORs complete all the COR training.

*If feedback was a recommendation, was it implemented?* Yes

*Comments:*

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<i>Type of Feedback</i>	<i>Review Phase</i>	<i>Type of Contract</i>
Recommendation	Post Award 1	Non-Competitive Multiple Award Services Contract

*Feedback:*

Recommend the contracting officer reassess use of firm fixed priced (FFP) performance based tasks when full-time, on-site personnel are required. The Peer Review team observed that FFP effort is supported by performance based statements of work and there is an opportunity for personnel funded under these FFP orders to also perform time and materials (T&M) tasks and the prime contractor can legitimately charge twice.

*If feedback was a recommendation, was it implemented?* Yes

*Comments:*

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<i>Type of Feedback</i>	<i>Review Phase</i>	<i>Type of Contract</i>
Recommendation	Post Award 1	Non-Competitive Multiple Award Services Contract

*Feedback:*

Recommend the contracting officer verify that subcontractors are not billing for material (the Peer Review team was told that all material charges on T&M task orders were incurred by the prime contractor and that material charges were not incurred by subcontractors). If subcontractors are billing for material, then a review of the loadings made by both the subcontractor and the prime should be reviewed to ensure they are appropriate.

*If feedback was a recommendation, was it implemented?* Yes

*Comments:*

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Recommendation	Post Award 1	Non-Competitive Multiple Award Services Contract

*Feedback:*

The contracting officer should insist on documentation at the subcontract level before accepting proposed costs (under task orders). In price negotiation memorandums reviewed, there was no indication that the prime contractor competed the work.

*If feedback was a recommendation, was it implemented?* Yes

*Comments:*

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<i>Type of Feedback</i>	<i>Review Phase</i>	<i>Type of Contract</i>
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*Feedback:*

The program manager (PM) is updated weekly on the financial performance of the contract. But the Peer Review team did not find at the PM level, performance metrics against the hours negotiated for the time and materials (T&M) task orders. However, in the discussion, it was clear that the PM understood well when there were performance issues. The program team should think through how to flow performance metrics against deliverables (hours for T&M work) up to the PM level.

*If feedback was a recommendation, was it implemented?* Yes

*Comments:*

The program office implemented new features to their management system and consolidate information to be reported to the PM on a monthly basis.

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*Feedback:*

Contractor (actual realized) profitability on time and materials (T&M) line items has been an issue. Recommend DCAA conduct a detailed analysis to determine actual profit.

*If feedback was a recommendation, was it implemented?* Yes

*Comments:*

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Recommendation	Post Award 1	Non-Competitive Multiple Award Services Contract

*Feedback:*

Heavy use of time and materials (T&M) task orders is a concern and is more than double the use anticipated in the acquisition strategy. Immediate action is needed to move away from T&M task orders. Cost type CLINs should be added and used in preference to T&M CLINs when work is not appropriate for firm fixed price.

*If feedback was a recommendation, was it implemented?* Yes

*Comments:*

The contracting officer indicated that a significant amount of effort has been expended to move away from T&M. The contract was modified to add cost plus fixed fee (CPFF) CLINs.

### Pricing Feedback

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<i>Type of Feedback</i>	<i>Review Phase</i>	<i>Type of Contract</i>
Recommendation	Post Award 1	Non-Competitive Multiple Award Services Contract

*Feedback:*

Recommend tying professional rates on the contract to an industry index (downward adjustment only) that fluctuates with economic changes so the contract payments more accurately reflect market salaries. [The Peer Review team found that the program office used professional rates that were escalated by X% for the life of the contract.]

*If feedback was a recommendation, was it implemented?* No

*Comments:*

The contracting officer indicated that Department of Labor exempt T&M rates were established on a competitive basis. When asked, the contractor stated that it would be unwilling to renegotiate the competitively derived rates to be tied to an index for downward only adjustment.

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*Feedback:*

In support of task order negotiations, the Peer Review team recommended the contractor be required to provide their basis of estimate (BOE) and any historical information used to support the BOE. Recommend more detailed documentation of the technical evaluations.

*If feedback was a recommendation, was it implemented?* Yes

*Comments:*

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Recommendation	Post Award 1	Non-Competitive Multiple Award Services Contract

*Feedback:*

Time and materials (T&M) task orders should specify the labor hours and labor categories purchased to enable audit traceability that the appropriate categories are being used.

*If feedback was a recommendation, was it implemented?* Yes

*Comments:*

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<i>Type of Feedback</i>	<i>Review Phase</i>	<i>Type of Contract</i>
Recommendation	Post Award 1	Non-Competitive Multiple Award Services Contract

*Feedback:*

Contract file documentation should include a consistent, easily located source to document the proposed, negotiated and settlement prices. There was no record in the contract file (PNM, technical evaluation, task order) that consistently documented the cost element breakdown/buildup to support "fair and reasonable" determinations by the contracting officer for task orders.

*If feedback was a recommendation, was it implemented?* Yes

*Comments:*