



# **NUWCDIVNPT SeaPort-e Council Meeting**

**May 19, 2016**



# Industry Questions and Answers

**Q1: NUWC is enforcing a policy stating: A CAC can only be issued to someone with an Interim clearance, if their FBI Fingerprint check has been returned with a "Favorable" status.**

- The problem with this enforcement is that Industry has no way to verify/check the status of contractor fingerprints. JPAS notes associated with a person's Summary Page only reflect that the prints have been processed- no indication of a decision outcome; “favorable/un-favorable.” Currently, DoDCAF grants Interim Clearances prior to prints being processed.
- Propose that NUWC suspend said policy until such time as a the Office of Personnel Management (OPM) has provided resolution that an Interim Clearance will not be granted until fingerprints have been processed and returned with a “favorable” status.
- By doing such, the hiring process for those employees whose work is on NUWC, requiring access and a NMCI account, will not suffer. Local customers and tasking will not be affected, to include Intern support.

**To clarify, the above applies only to new contractor employees who have never had a CAC card issued to them. If a contractor employee has previously been issued a CAC card, the above is a non-issue.**

**A1: NUWCDIVNPT does not have the option to suspend the policy which is a basic part of Homeland Security Presidential Directive 12 (HSPD-12). In January Defense Manpower Data Center's (DMDC), who controls Trusted Agent Sponsorship System (TASS) which is the contractor CAC application system, posted news on the application that they checked the process and discovered that adjudicators were not checking the advanced fingerprint option before granting the interim access. DMDC directed Trusted Agents not to issue CACs to contractors with interim access. This was reiterated at the SECNAV level and the NAVSEA level, meaning it is a direct order not a local policy.**



# Industry Questions and Answers

**Q2: CAC cards are not being issued before the final clearance process is completed. This can take a long time and CAC do not require a clearance. It is my understanding that this has to do with the final finger print check. This delay has just recently started to be enforced. If this is going to be the requirement what is being done to make this process occur more quickly.**

**A2: Since OPM controls all background investigations for the federal Government, this is outside of NUWCDIVNPT's control. However, NUWCDIVNPT is currently exploring alternatives and when a solution is determined it will be communicated to industry.**



# Industry Questions and Answers

**Q3: If the CAC policy is continued, no CAC issued until a final clearance, would NUWC consider allowing contractors in a situation, unable to get a NMCI account, to use cellular air cards to access company proprietary E-mail while on campus?**

**A3: Yes, but there is an approval process that requires coordination between the contract's Senior Technical Representative (STR) and Contracting Officer's Representative (COR).**



# Industry Questions and Answers

**Q4: We are now less than 3 years away from the planned end of the ordering period for Seaport e as we know it. From a planning perspective, given the PALT for new or follow on solicitations, that means we are less than 2 years away for programs and contracts to be making decisions on the acquisition plans.**

**Is there any update from NAVSEA on Seaport e NEXGEN, part deux, or???**

**A4: NAVSEA currently has an analysis of alternatives underway. Until its issuance NUWC DIVNPT has no knowledge of the future of SeaPort-e.**



# Industry Questions and Answers

**Q5: On April 4, 2019, what happens with task orders that are active at that time? That question answered, what does NUWC see happening with SeaPort-e after that date?**

**A5: In accordance with Assistant Secretary of the Navy, Research, Development and Acquisition (ASN(RDA)) memo dated 11 January 2016, task orders issued against SeaPort-e contracts can have a period of performance of up to five years beyond the end date of the contract. For the second question see the previous answer concerning the future of SeaPort-e.**



# Industry Questions and Answers

**Q6: In the anticipation that there is nothing solid coming from NAVSEA at this point in time or in the near term, is there any planning at NUWCDIVNPT contracts with regard to a possible 'bubble' of solicitations in the year immediately preceding April 2019, to avoid being the 'guinea pig' under some new acquisition approach?**

**A6: NUWCDIVNPT has latitude regarding existing task orders, as indicated in Answer 5. In addition, NUWCDIVNPT will continue to look five years out on a requirement by requirement basis and act in the Government's best interest, all things considered.**



# Industry Questions and Answers

**Q7: Can you please clarify the function of the TDAA's? On the 2014 NCMA Industry Day presentations, the TDAA had a functional email address shown on the last page of each Technical Code's slides. Most of us interpreted that to mean that we should/could contact TDAA's regarding upcoming procurements.**

**I have contacted (using these email addresses) every TDAA and have only heard back from two. Both responses were to contact the negotiator. Should contractors be in contact with these TDAA's?**

**A7: TDAA functional emails were setup to provide industry, especially those with no base access, a venue to discuss business development and other future technical focus areas. The emails were not established to discuss specific requirements. Questions concerning any particular requirement should be sent to the point of contact listed in the Advance Notice or RFP.**

**NUWCDIVNPT is currently reviewing use of the functional email addresses and may make changes in the future. If changes are made they will be communicated to industry.**





# Industry Questions and Answers

**Q8: The Navy has 4,965 Seaport-e prime contracts issued by NAVSEA through NSWC as vehicles for future procurement of services, including a vast array of professional services. NUWC has stated “Per local policy, NUWC is not evaluating Compensation for Professional Employees at the Task Order level.” However, all competition for contract work occurs when a solicitation is issued for a task order, and no such competition occurs at the Seaport-e prime contract level, as demonstrated by the enormous number of Seaport-e prime contracts issued. Thus, it would seem that the evaluation of compensation for every piece of professional services work must always be done at the task order level, unless the evaluation stipulated by DASN (RDA) in its January 4, 2016 memorandum directive is simply not done at all when NUWC procures professional services via Seaport-e. How does NUWC resolve this apparent paradox? Has NUWC received further guidance on this point from NAVSEA or from DASN (RDA)? If so, please make it available publicly. If not, would NUWC consider asking NAVSEA or DASN (RDA) for additional explanation of how the evaluation of compensation for professional services clause is to be used in solicitations for professional services via Seaport-e tasks?**

**A8: NSWC Dahlgren no longer includes provision 52.222-46 per Amendment 0001 to the 2016 Rolling Admissions RFP. Therefore, as part of NUWCDIVNPT’s pre-solicitation requirements definition process, we evaluate the anticipated involvement of professional employees to determine whether or not it is “meaningful”. If the anticipated percentage of hours of professional employees constitutes a meaningful number, the required solicitation provision will be included.**



# Industry Questions and Answers

**Q9: For those solicitations in which NUWC does consider the FAR clause 52.222-46, “Evaluation of Compensation for Professional Employees” applicable, are there specific criteria used by NUWC to determine when a solicitation contains “a meaningful number of professional employee hours?”**

**A9: As always, NUWCDIVNPT will formulate solicitation requirements on a requirement by requirement basis. Therefore there are no pre-established specific criteria outside of those required by 52.222-46.**



# Industry Questions and Answers

**Q10: A recent task order solicitation under Seaport-e, N00024-16-R-3004, issued by NAVSEA included an appendix (Attachment 2 to the solicitation) requiring certain information from both the proposed prime contractor and its subcontractors. The following statement appears under the block entitled Type of Proposal: “Note: Primes may not propose T&M, subcontractors without approved accounting system may propose T&M.” Several years ago, it was NUWC’s position that subcontractors without approved accounting systems could not propose T&M (or fixed price level of effort) subcontracts. Given this recent NAVSEA guidance, has NUWC’s position on this issue changed?**

**A10: No, NUWCDIVNPT's position has not changed. In accordance with FAR 44.202-2(b)(4), "(p)articularly careful and thorough consideration" is required before consenting to subcontracts that "are proposed on a cost-reimbursement, time-and-materials, or labor-hour basis." NUWCDIVNPT will look into revising cost submission instructions for subcontractors in future RFPs to better clarify the requirements based on proposed contract and subcontract types.**



# Industry Questions and Answers

**Q11: Can NUWCDIVNPT offer any insight to their plans with regard to the recent apparent reaction to Better Buying Power 3.0 that has some token and seemingly often inconsistent service tasks being aligned with “Firm Fixed Price” CLINs? It appears, at this point, to be attempting to satisfy a requirement that was not really designed or defined for services type contracts and in particular level of effort requirements.**

- **Will NUWCDIVNPT contracts describe, in some detail, how they view the invoicing and deliverable requirements for these Firm Fixed Price CLINs?**
- **Can you indicate if this trend is expected to stay as it is, expand into a greater portion of the Tasks for new contracts, or fade away in the next 1-2 years?**

**A11: Invoicing and delivery requirements for FFP CLINs are dependent on how the task order is structured. In short, once the contractor has delivered some quantity then the contractor can invoice for the quantity delivered. For example, if the unit is “Months” with a quantity of 6 and the contractor successfully completes one month of work, then the contractor can invoice for that month of work. Conversely, if the unit is “Job” with a quantity of 1 then the contractor cannot invoice until all work is completed under that CLIN.**

**NUWCDIVNPT does not employ FFP CLINs due to Better Buying Power 3.0. As per FAR 16.202-2 “a firm-fixed-price contract is suitable for acquiring commercial items (see Parts 2 and 12) or for acquiring other supplies or services on the basis of reasonably definite functional or detailed specifications (see Part 11) when the Contracting Officer can establish fair and reasonable prices at the outset”. NUWCDIVNPT uses FFP provisions when these conditions are met.**



# Industry Questions and Answers

**Q12: While NUWCDIVNPT has done a tremendous job with the portion of their contracted portfolio that is small business set aside, the amount of meaningful tasks (defined as tasks directly associated with the NUWC mission, vice A-76 or facility/grounds maintenance, etc. tasks) within that set aside that are solicited for socio-economic disadvantaged groups such as women owned, service disabled veteran owned, HUB Zone, 8(a) etc. has not been as impressive. Within the existing Small Business Set Aside portfolio, are there any plans to survey for more socio- economic disadvantaged business set asides?**

**A12: As you know NUWCDIVNPT utilizes Sources Sought Notices to determine if we can anticipate receiving viable small business competition on procurements. This analysis includes whether we can anticipate getting viable competition from the SDVOSB, SDB, WOSB or HUBZONE socio-economic groups. To date, our analysis has resulted in (1) procurement being set-aside for a SDVOSB. NUWCDIVNPT will continue to utilize the Sources Sought process to make these determinations.**



# Industry Questions and Answers

**Q13: Since most of NUWC's contract awards have been for 5 year periods of performance, would NUWC consider increasing the past performance requirement in RFPs to 5 years versus 3 years? There are other Warfare Centers that use 5 years.**

**A13: No. In accordance with the Department of Defense Guide to Collection and Use of Past Performance Information, data contained in the Past Performance Information Retrieval System (PPIRS) is only available for 3 years after the end of contract/task order performance and therefore NUWCDIVNPT's timeframe aligns with PPIRS. In addition, the most recent information is the most reliable predictor of future performance so considering the last 3 years of performance is used to assign confidence assessment ratings.**



# Industry Questions and Answers

**Q14: Claire Grady, director, Defense Procurement and Acquisition Policy, Office of the Under Secretary of Defense for Acquisition, Technology and Logistics issued new source selection procedures (SSP) on March 31 that rescind the previous policies issued five years ago. A summary of two (2) procedures that appear to be applicable to NUWC follow. Please comment on how/if these changes will be incorporated at the NUWC level**

- **Redefining the best value continuum: DOD added a new source selection approach to the best value continuum for use as a standalone evaluation approach or in combination with the previously defined best value subjective tradeoff or LPTA tradeoff. The new approach is called Value Adjusted Total Evaluated Price (VATEP) tradeoff, and it allows the source selection authority (SSA) to include monetized adjustments to an offeror's evaluated price based on specific enhanced characteristics proposed in the offeror's solution.**
- **Neutral past performance rating may not be neutral: when a *neutral* rating is received, the offeror's past performance may not be evaluated favorably or unfavorably, however, the SSA may determine that another offeror with a *substantial* confidence or *satisfactory* confidence rating is worth more than a *neutral* confidence rating in a best value tradeoff as long as the determination is consistent with the stated evaluation criteria. In LPTA procurements, an offeror with a *neutral* rating is given a passing score, so offerors are not penalized for lack of past performance.**

**A14: Update of the NAVSEA Source Selection Procedures is planned for Summer of 2016. SEA 0212 will lead this effort.**

**NUWC DIVNPT is already performing source selection in accordance with the recent clarification to the updated guidance pertaining to past performance.**



# Industry Questions and Answers

**Q15: NUWCDIVNPT has transitioned many task orders to Priced SLINs where hours, cost and fee are specified for each SLIN. Execution of tasking assigned per the TI may occur at other than the average bid rate established for a particular SLIN. In some instances, a contractor may exhaust the cost ceiling before reaching the hour and fee ceiling which results in money being left in the SLIN that cannot be expended. Is there a process for rebalancing cost, fee and hours within specific SLINs, either during execution or after completion, to align more closely with what was expended during performance?**

**A15: Firstly NUWCDIVNPT's current process is not to establish priced SLINs based on the average hourly rate of the CLIN. Rather, the process leverages communications between the COR and STR regarding the TI ROM prior to obligation. Therefore, advanced COR and STR communication is required and is key to minimizing situations where adjustments are required. The priced SLIN cost, fee, and hours values are established as follows:**

- Fee = Fee per Hour x Hours**
- Cost = CPFF – Fee**

**If performance does not align with the original ROM, NUWCDIVNPT will consider adjustments and evaluate them on a case by case basis. The need for these adjustments should be communicated to the COR and, if appropriate, the COR will communicate to Code 02 Contracts via revised TI.**





# Industry Questions and Answers

**Q16: Is there any update to any potential impact to how NUWCDIVNPT performs its contracting function will be affected by the unification/centralization of all Naval Warfare Centers?**

**A16: NUWCDIVNPT is not aware of any changes at this time.**



# Conclusion

- Thank you NCMA for coordinating the questions for this SeaPort-e Council meeting
- Once approved by PAO, this Briefing will be posted to the DIVNPT Electronic Reading Room at:  
<http://www.navsea.navy.mil/Home/WarfareCenters/NUWCNewport/Partnerships/BusinessPartnerships/ElectronicReadingRoom.aspx>
- Upcoming Events
  - June 14, 2016: NCMA/NUWCDIVNPT Industry Day
  - Oct TBD, 2016: Small Business Product Vendor Industry Day
  - Nov TDB, 2016: SDVOSB/VOSB Training Event
  - Dec TBD, 2016: Next SeaPort-e Council Meeting