

June 6, 2011

FAS INSTRUCTIONAL LETTER 2011-13

MEMORANDUM FOR ALL FAS AND VA ACQUISITION ACTIVITIES

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SUBJECT: Evaluating and Reporting Past Performance

1. Purpose. The purpose of this Instructional Letter (IL) is to provide guidance on evaluating and reporting contractor past performance. This IL replaces both Procurement Information Notices (PIN) [2009-07](#) and [2010-01](#). Guidance on past performance as it relates specifically to responsibility determination is addressed in [IL 2011-06](#); for all other uses of past performance, refer to this IL.
2. Background. On July 1, 2009, a Federal Acquisition Regulation (FAR) Final Rule was issued pertaining to Contactor Past Performance ([FAC 2005-34, FAR Case 2006-022](#)). The Rule amended the FAR to revise the contractor past performance information process. The FAR now requires that past performance be reported for every contract, including task and delivery orders against a Federal Supply Schedule contract, or under a task order contract or a delivery order contract awarded by another agency, exceeding the simplified acquisition threshold. Past performance information can decrease the Government's risk in contracting by rating, at a minimum, the quality of work, timeliness, cost and business relations of contractor work. Past performance is an indicator of how a company may perform on future projects and is required to be evaluated for all negotiated competitive acquisitions expected to exceed the simplified acquisition threshold.
3. Effective Date. Date of signature.
4. Termination Date. This IL remains in effect until it is cancelled or incorporated into a handbook.
5. Applicability. This IL applies to all GSA/FAS acquisition activities awarding and administrating contracts, and task and

delivery orders, e.g. the award and administration of Federal Supply Schedule contracts, Government-wide Acquisition Contracts (GWACs), Multi-Agency Contracts (MACs), and Indefinite Delivery, Indefinite Quantity (IDIQ) contracts. The IL also applies to Department of Veterans Affairs (VA) acquisition activities awarding and administering Federal Supply Schedule contracts.

6. Reference Regulations. FAR Part [12.206](#) Use of Past Performance, FAR Part [12.602](#) Streamlined Evaluation of Offers; FAR Part [13.106](#) Soliciting Competition, Evaluation of Quotations or Offers, Award and Documentation; FAR Part [15.304\(c\)\(3\)](#), Evaluation Factors and Significant Sub factors; FAR Part [15.305\(a\)\(2\)](#), Proposal Evaluation; FAR Part [16.505](#) Ordering; FAR Part [17.207](#) Exercise of Options; FAR Part [42.15](#), Contractor Performance Information; GSAM Part [515.305\(d\)](#) Proposal Evaluation; and, GSAM Part [542.15](#), Contractor Performance Information.

7. Instructions / Procedures.

- I. All GSA Contracting Officers must get access to the Past Performance Information Retrieval System (PPIRS). Instructions on gaining access to PPIRS can be found on the FAS Insite page at <http://insite.gsa.gov/fasppirs>. VA Contracting Officers should look to their agency-specific guidance for procedures on getting access to PPIRS.
- II. All GSA Contracting Officers must become familiar with how to access Contractor Performance Assessment Reporting System (CPARS). Instructions on gaining access to CPARS to complete contractor performance assessments can be found on the FAS Insite page at <http://insite.gsa.gov/fascpars>. VA Contracting Officers should look to their agency-specific guidance for procedures on getting access to CPARS.

III. Federal Supply Schedule

A. Pre-award

- i. Contracting Officers shall review and evaluate the past performance information in PPIRS prior to awarding a Schedule contract. At a minimum, Contracting Officers shall consider currency and relevancy of the information, source of the information, context of the data, and general trends in offeror's performance.
- ii. Contracting Officers shall document the contract file (i.e. Pre-Negotiation Memo) to indicate how the information in PPIRS was used in the source selection process. See the guidance provided in the Pre-Negotiation Memo template in IL 2011-02 Supplement 2.

B. Post-award:

- i. Contracting Officers shall review past performance information in PPIRS located at www.ppirs.gov

prior to exercising an option. In accordance with clause I-FSS-163 Option to Extend the Term of the Contract (Evergreen) (APR 2000), the option cannot be exercised unless performance under the contract has been deemed acceptable. The past performance reports reviewed should be used to determine whether exercise of the option still represents the most advantageous method of fulfilling the Government's need. This determination needs to be documented in the contract file. At a minimum, Contracting Officers shall consider currency and relevancy of the information, source of the information, context of the data, and general trends in contractor's performance.

- ii. For those contracts which include a small business subcontracting plan, Contracting Officers shall *annually* prepare an assessment of the contractor's performance against, and efforts to achieve, the goals in the subcontracting plan. This assessment must be entered into CPARS (available at www.cpars.csd.disa.mil) and documented under Tab 42 Contract Closeout Documents in the contract file.

IV. Other FAS contracts (i.e. Government-wide Acquisition Contracts (GWACs), Multi-Agency Contracts (MACs), Indefinite Delivery/Indefinite Quantity (IDIQs), non-IDIQ contracts under FAR Parts 12, 13, 14, and 15)

A. Pre-award

- i. For all negotiated competitive acquisitions expected to exceed the simplified acquisition threshold, Contracting Officers shall review and evaluate the past performance information in PPIRS as part of source selection. At a minimum, Contracting Officers shall consider currency and relevancy of the information, source of the information, context of the data, and general trends in offeror's performance.
- ii. Contracting Officers shall document the contract file (Pre-Negotiation Memo or similar document) to indicate how the information in PPIRS was used in the source selection process.

B. Post-award:

- i. Contracting Officers shall review past performance information in PPIRS located at www.ppirs.gov prior to exercising an option. The past performance reports reviewed should be used to determine whether exercise of the option still represents the most advantageous method of fulfilling the Government's need. This determination needs to be documented in the contract file. At a minimum, Contracting Officers shall consider currency and relevancy of the information, source of the information, context of the data, and general trends in contractor's performance.
- ii. For those contracts which include a small business subcontracting plan, Contracting Officers shall

annually prepare an assessment of the contractor's performance against, and efforts to achieve, the goals in the subcontracting plan. This assessment must be entered into CPARS (available at www.cpars.csd.disa.mil) and documented under Tab 42 Contract Closeout Documents in the contract file.

- iii. Only for non-IDIQ contracts under FAR Parts 12, 13, 14, and 15: Evaluations of contractor performance must be prepared for every contract exceeding the simplified acquisition threshold *at the completion of the work*. In addition, for contracts with a period of performance, including options, exceeding one year, *interim* evaluations shall be prepared annually, to provide current information for source selection purposes. This past performance information must be entered into CPARS (available at www.cpars.csd.disa.mil) and documented under Tab 42 Contract Closeout Documents in the order file. The content of the evaluations should be tailored to the size, content, and complexity of the contractual requirements.
- iv. When there is disagreement between the Government's evaluation of contractor performance and any comments, rebutting statement, or additional information submitted by the contractor in response, the performance evaluation must be reviewed at one level above the Contracting Officer before being finalized.

V. Task and Delivery orders (i.e. orders against Federal Supply Schedule, GWACs, MACs, IDIQs, Schedule BPAs, FAR 13 BPAs, Basic Agreements, and Basic Ordering Agreements)

A. Pre-award

- i. The use of past performance as an evaluation factor is encouraged for all orders expected to exceed the simplified acquisition threshold; Contracting Officers can get access to the past performance reports found in PPIRS to satisfy this requirement. Contracting Officers should consider currency and relevancy of the information, source of the information, context of the data, and general trends in contractor's performance.

B. Post-award:

- i. Contracting Officers shall review past performance information in PPIRS located at www.ppirs.gov prior to exercising an option of an order exceeding the simplified acquisition threshold. The past performance reports reviewed should be used to determine whether exercise of the option still represents the most advantageous method of fulfilling the Government's need. This determination needs to be documented in the order file. At a minimum, Contracting Officers shall consider currency

and relevancy of the information, source of the information, context of the data, and general trends in contractor's performance.

- ii. Evaluations of contractor performance must be prepared for every order exceeding the simplified acquisition threshold at the completion of the work. In addition, for orders with a period of performance, including options, exceeding one year, interim evaluations shall be prepared annually, to provide current information for source selection purposes. This past performance information must be entered into CPARS (available at www.cpars.csd.disa.mil) and documented under Tab 42 Contract Closeout Documents in the order file. The content of the evaluations should be tailored to the size, content, and complexity of the contractual requirements.
- iii. When there is disagreement between the Government's evaluation of contractor performance and any comments, rebutting statement, or additional information submitted by the contractor in response, the performance evaluation must be reviewed at one level above the Contracting Officer before being finalized.

8. Questions & Answers.

Q1. **WHAT IS THE DIFFERENCE BETWEEN THIS IL AND IL 2011-06 ON FAPIIS?**

A1. [Instructional Letter 2011-06](#) provided guidance on the implementation of the requirement for the Federal Awardee Performance and Integrity Information System (FAPIIS). FAPIIS deals primarily with the responsibility determination aspect of federal procurement (i.e. FAR Part 9). While past performance is a factor in responsibility determination, this Instructional Letter focuses on the use of past performance strictly as a source selection factor/evaluation factor (i.e. FAR Parts 12, 13, 15) and as a part of contract administration (i.e. FAR Part 42).

Q2. **WHAT ARE THE MANAGERIAL RESPONSIBILITIES?**

- A2. The FAS Commissioner must establish mechanisms for systematically collecting and maintaining positive and negative information on contractor performance along with other related actions.
- o The Assistant Commissioner for each FAS Portfolio (or Regional Commissioner for regional acquisition centers, if authority is so delegated) is responsible for implementing management controls that include a process for evaluating and validating the quality and timeliness of contractor performance evaluations. Management review will include verification that the appropriate past performance data was entered in the DoD Contractor Performance Assessment Reporting System (CPARS) and documented under Tab 42 (Contractor Closeout Documents) in the contract file. Management reviews must at least consider a statistically significant sampling of all contractor performance

evaluations. This also includes developing corrective action plans for addressing any delinquent and/or incomplete reports.

- o Documenting performance information is ultimately the responsibility of the Contracting Officer. Contracting Officers may delegate performance documentation duties to a Contract Specialist, Program Manager, Contracting Officer's Technical Representative (COTR)/Contracting Officer's Representative (COR), and where appropriate end users of the product or service.
- o The Program Management Reviews (PMRs) conducted by the GSA Office of Acquisition Policy (MV) and supplemented by the FAS Office of Acquisition Management (QV) are intended to identify any weaknesses or noncompliance and provide assistance to improve. One facet of the PMR is past performance.

Q3. WHAT IF RELEVANT PAST PERFORMANCE INFORMATION IS NOT AVAILABLE ON PPIRS?

A3. GSAM 515.305(d) also allows for the use of questionnaires, interviews with Program Managers and Contracting Officers, and other sources to document past performance. Independent third party past performance rating services would be an example of another source. [GSA Form 353](#), Performance Evaluation and Facilities Report, may also be used at the discretion of the Contracting Officer if the situation warrants. These other methods for evaluating past performance can be used in addition to information from PPIRS. If past performance information is not available in PPIRS or through any other method, document the Price Negotiation Memorandum (PNM) or similar document accordingly.

Q4. IS THERE SPECIFIC GUIDANCE RELATED TO OFFERORS WITHOUT PAST PERFORMANCE RECORDS?

A4. There will be instances where businesses are entering the federal marketplace for the first time. Do not reject an offer solely on the grounds that the company has no documented past performance history. In the instance that an offeror has no relevant experience or performance, the offeror's lack of performance should be rated as "neutral". Although the contractor may be considered neutral on performance, the lack of comparable experience may increase risk. Follow the guidance in [FAR 15.305\(a\)\(2\)](#), [FAR 42.15](#) and [GSA Acquisition Alert 2007-01](#) in these instances. GSA Acquisition Alert 2007-01, Use of Contractor Past Performance, was issued by the GSA Office of the Chief Acquisition Officer. Refer to Exhibit 1 in GSA Acquisition Alert 2007-01 for acceptable work experiences. Some of the acceptable work experiences include past performance experience of key personnel who have relevant experience in relation to the scope requirement of your acquisition.

Q5. WHAT ADDITIONAL PAST PERFORMANCE EVALUATION GUIDANCE IS AVAILABLE?

A5. The Naval Sea Logistics Center offers training on how to complete past performance evaluation reports into CPARS. You can access this training at <http://www.cpars.csd.disa.mil/allapps/cpcbtdlf.htm>. Contracting Officers are encouraged to

view the training material available online for specific details on how to submit a performance evaluation report in CPARS. Note however, that much of the policy highlighted in the training is DoD-centric (i.e. thresholds for reporting performance evaluations) and does not apply to GSA FAS acquisition activities.

The Office of Federal Procurement Policy (OFPP), Office of Management and Budget (OMB), issued a document titled “Best Practices for Collecting and Using Current and Past Performance Information.” Chapter two of the document addresses evaluation and recording of contractor performance. The document can be found at http://www.whitehouse.gov/omb/best_practice_re_past_perf.

In addition, FAS is currently working on developing its own training on entering information into CPARS. This training will be presented to FAS acquisition personnel along with the existing training on FPDS.

Q6. WHAT AM I LOOKING FOR WHEN REVIEWING PAST PERFORMANCE REPORTS ON PPIRS?

A6. When reviewing and evaluating past performance information in PPIRS, Contracting Officers shall consider currency and relevancy of the information, source of the information, context of the data, and general trends in offeror’s performance. For example, COs shall use past performance information in PPIRS that is within 3 years from the end of the evaluated contract. Where possible, look for contractor performance information on contracts for similar products/services to the current requirement. COs may consider giving more weight to past performance reports from a year ago compared to reports from 3 years ago since the more recent performance assessments might be a better indicator of contractor performance for your requirement. In addition, when evaluating performance based on PPIRS information, COs should take into account any rebuttal statement or additional information provided by the contractor in response to the performance assessment.

Q7. IS ADDITIONAL PERFORMANCE RELATED DATA AVAILABLE WITHIN FAS?

A7. Yes. The data reflected in the Schedule Contractor Report Card demonstrates how well Schedule contractors manage and comply with contractual requirements. While it is not past performance information, this data may be helpful in evaluating proposals in other Acquisition Programs. The Report Card combines results of Industrial Operations Analyst (IOA) reviews at contractor facilities with Administrative Contracting Officer (ACO) input regarding contractor compliance. The Schedule Contractor Report Card and Contractor Assist Visit (CAV) report(s) are available in the “Contract Management” module, under “Schedule Contracts”, of FSS On-line (soon to be changed to FAS On-line).

For current Stock and Special Order Program contracts delegated to Supplier Management for administration, ACOs will have an established history of performance. Review the Supply Report Card (SRC) which is also available on FSS On-line in the “Procurement” module. This report provides data pertaining to contractor capability in the areas of capacity, quality, special contractual requirements, and past performance. Contact the IT Help Desk to obtain access to FSS On-

line at 1-866-450-5250 or ITServiceDesk@gsa.gov.

Q8. WHO ARE THE FOCAL POINTS FOR FAS (WITH REGARDS TO CPARS ACCES)?

A8. The link to all FAS Focal Points can be found on the CPARS page on the FAS Insite page at <http://insite.gsa.gov/fascpars> .

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