

**Department of
Veterans Affairs**

Memorandum

Date: August 12, 2013

From: Associate Deputy Assistant Secretary for Procurement Policy, Systems and Oversight (003A2)

Subj: VA PROCUREMENT POLICY MEMORANDUM (2013-03) - Reporting and Managing Contractor Past Performance Information

To: See Distribution

1. **PURPOSE.** This Procurement Policy Memorandum (PPM) establishes Contractor Past Performance Information (PPI) policies and procedures for the Department of Veterans Affairs (VA) as required by Federal Acquisition Regulation (FAR) subpart 42.15, Reference (a). Additionally, the Government-wide Contractor Performance Assessment Reporting System (CPARS) Guide shall be utilized in conjunction with FAR subpart 42.15. This PPM supersedes Information Letter (IL) 001AL-10-03, *Reporting and Managing Contractor Past Performance Information*, dated February 22, 2010, and is automatically rescinded when incorporated into the revised VA Acquisition Regulation and the new VA Acquisition Manual.

2. **APPLICABILITY.** This PPM applies to all VA personnel responsible for preparing, submitting, reviewing, and/or evaluating contractor past performance information in accordance with (IAW) FAR subpart 42.15.

3. **BACKGROUND.** FAR Subpart 42.15 requires that contractor performance information be collected. FAR Subpart 15.304 requires the evaluation of past performance in certain source selections. Source selection officials rely on clear and timely evaluations of contractor performance to make informed business decisions when awarding government contracts and orders. This information is critical to ensuring that the Federal government only does business with companies that provide quality products and services in support of the agency's mission. In July 2009, the Office of Federal Procurement Policy (OFPP) issued a memorandum on *Improving the Use of Contractor Performance Information* to reinforce the need to collect, report on and use the past performance information. The Administrator of OFPP identified the CPARS as the Federal Government-wide system for collection of contractor performance information. As of October 1, 2010, those agencies using the former National Institutes of Health Contractor Performance System (CPS) have transitioned to CPARS.

In OFPP's January 21, 2011 memorandum, *Improving Contractor Past Performance Assessments: Summary of the Office of Federal Procurement Policy's Review, and Strategies for Improvement*, Reference (d), the Administrator confirmed the

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requirement to use CPARS and also offered additional steps and strategies for improving the collection and reporting of quality past performance information into CPARS.

Most recently, OMB released the memorandum, *Improving the Collection and Use of Information about Contractor Performance and Integrity, dated March 6, 2013*. The purpose of this memorandum was to establish a baseline for reporting compliance, set aggressive performance targets that can be used to monitor and measure reporting compliance, and ensure the workforce is trained to properly report and use this information. Additionally, this memorandum establishes a 100% Annual Reporting Performance Target for Fiscal Year (FY) 2015 for past performance reporting compliance on contracts over the Simplified Acquisition Threshold (SAT). The VA must be 100% compliant with CPARS requirements IAW the FAR and this memorandum by 2015.

4. **EFFECTIVE DATE.** Immediately.

5. **POLICY.** It is VA policy that:

a. A contracting officer (CO) shall serve as the Assessing Official (AO) for all CPARS eligible VA contracts, unless otherwise designated by the respective Head of the Contracting Activity (HCA).

b. All VA Interagency Acquisitions shall specify the procuring contracting officer responsible for the acquisition and this individual shall serve as the AO, unless otherwise stated.

c. The AO shall prepare a Contractor Performance Assessment Report (CPAR) IAW the thresholds established in FAR 42.1502.

(1) Contractor PPI shall be entered into applicable CPARS modules available at <http://www.cpars.gov/cparsmain.htm>.

(2) Architect-engineering contracts shall use the Architect-Engineering Contract Administration Support System (ACASS) for past performance collection.

(3) Construction contracts shall use the Construction Contractor Appraisal Support System (CCASS) for past performance collection.

d. The AO shall complete a CPAR, to include obtaining contractor representative concurrence, no later than 120 days after physical completion of the eligible contract. If the potential period of performance of the qualifying contract exceeds twelve (12) months, an initial CPAR shall be prepared upon the completion of the twelve (12)

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month base period and intermediate reports shall be prepared annually for each subsequent option period.

e. If directed by the HCA, the Activity CPARS Focal Point, see paragraph (h), and the AO shall prioritize assessments of contracts and orders that:

(1) Use high-risk vehicles, such as cost-reimbursement or time-and-materials type contracts;

(2) Are complex in nature, such as large software development and implementation, or;

(3) Involve high dollar values, regardless of contract type.

f. Activity CPARS Focal Points shall provide monthly CPARS generated status reports to their respective HCA. These reports include Contract Status Reports, Ratings Metric Report, and Processing Times Report.

g. The Contracting Officer's Representative (COR) may serve as an Assessing Official Representative (AOR) at the discretion of the AO. Depending on the complexity of the contract there may be multiple AORs.

h. HCAs shall:

(1) Establish local policies and procedures, and a training program to ensure procedures for monitoring the timely completion or reports, report integrity, and overall CPAR system administration;

(2) Establish an ongoing review program to determine if contracting officials are submitting accurate, timely, and complete past performance evaluations.

i. COs shall:

(1) Ensure all COR designation letters include the requirement that CORs provide input to CPARS, as appropriate, and;

(2) Document performance issues promptly during contract performance instead of waiting until the end of the performance period when critical details may have been forgotten.

j. In accordance with FAR 42.1503, the CO shall report all instances of non-responsibility determinations, defective cost and pricing data, terminations for convenience, and terminations for default through the Federal Awardee and Performance Integrity Information System (FAPIIS).

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k. The Director, Risk Management Services shall establish an assessment mechanism to ensure past performance review programs stay current. Quarterly reports shall be submitted to the Senior Procurement Council.

6. **POINT OF CONTACT.** Please direct questions regarding this memorandum to the Office of Acquisition and Logistics, Office of Procurement Policy and Warrant Management Service, at (202) 632-5288 or email VA.Procurement.Policy@va.gov.

/s/C. Ford Heard III

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