



U.S. Army Program Executive Office For Simulation Training and Instrumentation (PEO STRI)



PEO STRI Omnibus Contract II (STOC II)

USER'S GUIDE

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Purpose of the Guide

The purpose of the U.S. Army Program Executive Office for Simulation, Training and Instrumentation (PEO STRI) Omnibus Contract II (STOC II) User's Guide is to provide key information to the members of the Acquisition Team on streamlined acquisition processes using [FAR Part 16](#) multiple award ordering procedures. The goal is to establish an acquisition strategy that benefits the customer, promotes sound business practices within PEO STRI and establishes cohesiveness with our industry partners. This guide *does not* waive any provision of law or regulation and is only a source of information for procurements under STOC II.

“The vision for the Federal Acquisition System is to deliver on a timely basis the best value product or service to the customer, while maintaining the public’s trust and fulfilling public policy objectives. Participants in the acquisition process should work together as a team and should be empowered to make decisions within their area of responsibility.”

[FAR 1.102\(a\)](#)

STOC II Benefits

STOC II is designed to meet the requirement for a streamlined, quick response contractual vehicle for the acquisition of state-of-the-art technology and services in meeting simulation, training and instrumentation requirements. These multiple award, Indefinite Delivery/Indefinite Quantity Contracts (ID/IQC) provides PEO STRI with a flexible acquisition tool that establishes ready access to an industrial base comprised of multiple contractors, talents and capabilities, driven by a competitive environment.

The intent of these contracts is to promote efficiency in providing products and services to the PEO STRI Project Managers (PM) and their customers by eliminating redundant administrative requirements and reducing the lead-time required to award delivery or task orders. This method ensures the delivery of high quality products at fair and reasonable prices through the continuous application of competition and best value principles throughout the contract term. STOC II also seeks to adhere to the Government's socio-economic goal to promote the use of small business.

Acquisition Team Members are encouraged to use STOC II as a tool for innovation that drives efficiency and sound business judgment:

“If a policy or procedure, or a particular strategy or practice, is in the best interest of the Government and is not specifically addressed in the FAR, nor prohibited by law (statute or case law), Executive order or other regulation, Government members of the Team should not assume it is prohibited. Rather, absence of direction should be interpreted as permitting the Team to innovate and use sound business judgment that is otherwise consistent with law and within the limits of their authority. Contracting officers should take the lead in encouraging business process innovations and ensuring that business decisions are sound.”

[FAR 1.102-4\(e\)](#)

STOC II Commitments

- *To promote, in the acquisition environment, personal initiative and sound business judgment in providing the best product or service to the customer.*
- *To comply with the principles of the Competition in Contracting Act (CICA).*
- *To involve small business participation to the maximum extent possible.*
- *To excel in achieving our socio-economic goals.*
- *To establish an open dialog with our Industry partners early in the acquisition process.*
- *To emphasize a streamlined approach to source selection under FAR Part 16, that provides a fair opportunity for award to all Multiple Award Contract holders.*

STOC II Customers

The customer is not only the end user but also an important acquisition team member. The STOC II [Statement of Work](#) (SOW) describes efforts that are applicable to all U.S. Government entities (Federal, State and local), selected non-Government entities and foreign government customers. In support of Section 803 of Public Law 108-136, PEO STRI may support acquisition requirements involving homeland defense projects, equipment and/or services described within the SOW, upon the Department of Defense's (DoD) issuance of implementing regulations.

Contract Ombudsman

The ombudsman is a senior member of PEO STRI and independent of the Contracting Officer. The ombudsman is responsible for reviewing complaints from the contractors to ensure all contractors are afforded a fair opportunity to be considered, consistent with the procedures in the contracts. The Ombudsman for STOC II is:

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Procuring Contracting Officers

The STOC II Procuring Contracting Officer (PCO) administers the basic STOC II contracts. Multiple PCOs accomplish the award, issuance and administration of delivery or task orders under the basic contracts within the PEO STRI Acquisition Center as long as the product or service is within the scope of STOC II.

STOC II Lots

STOC II contractors are divided into two Lots based on business size. Lot I is designated as “Full and Open” and contain both small and large businesses. Lot II is the Small Business Set-Aside Lot and only includes small businesses. Updates to small business status may occur over the life of the STOC II contract. PEO STRI may issue small businesses that outgrow the small business size standard a separate contract under Lot I at its discretion. PEO STRI will reserve the right to “set aside” requirements within Lot II for specific groups (8(a), Small Disadvantaged Veteran Owned Small Business (SDVOSB), and HUB Zone) as Market Research and other factors dictate.

Facts about the Contract

Type of Contract

Similar to STOC I, STOC II is a multiple-award ID/IQC structured to allow PEO STRI to acquire the full spectrum of Simulation, Training, Modeling, Test and Instrumentation products and services to support Warfighter needs throughout the Army and the DoD. STOC II contracts will be primarily used for product type acquisitions although, when appropriate, services can be acquired. The NAICS code for the STOC II contracts is 333319.

Multiple Order Types

Delivery/task orders derived from the basic STOC II contracts may be any one or multiples of the following award types:

- Firm-Fixed Price (FFP)
- Cost-Plus-Fixed-Fee (CPFF)
- Cost- Plus-Award-Fee (CPAF)
- Time and Materials (T&M)

Individual delivery or task order may specify other contract types but must incorporate all applicable clauses into the delivery or task order.

Statement of Work

The [SOW](#) in the STOC II basic contracts contains a broad spectrum of work the Government may task industry to perform. STOC II will provide PEO STRI with the ability to procure a broad range of Modeling & Simulation (M&S) and Instrumentation solutions in support of customer training and testing requirements. These solutions will include procurement and/or services support of training and testing simulators, simulations, systems/devices, instrumentation systems, telecommunications systems, experimentation, targets, gaming, advanced simulation concepts, open architecture, common parts and component solutions.

As the basic contract SOW is broad, each delivery and task order will specifically define the work the contractor will perform in satisfying individual requirements.

Period of Performance

Each STOC II contract includes a base ordering period and three option ordering periods, with a total potential ordering period of 10 years. The period of performance/ordering period for both Lots of this contract shall be as follows:

Base Period:	Contract Award through 30 September 2011
Option 1:	1 October 2011 through 30 September 2013
Option 2:	1 October 2013 through 30 September 2016
Option 3:	1 October 2016 through 30 September 2018

The maximum period of performance for any delivery or task order is five years from the date of delivery or task order award. In essence, the Government may issue an order on the last day of the ordering period of the contract and have a period of performance extending up to five years. The total aggregate ceiling for both lots is \$17.5B.

Communication and Information Flow with Industry

“The Government must not hesitate to communicate with the commercial sector as early as possible in the acquisition cycle to help the Government determine the capabilities available in the commercial marketplace. The Government will maximize its use of commercial products and services in meeting Government requirements.”

[FAR Part 1.102-2\(4\)](#)

As stated in PEO STRI’s commitment, industry involvement is encouraged early in the acquisition process. In order to do so, both industry and Government must collectively embrace an acquisition culture that values communication interchange early in the acquisition strategy development process. The [Head of the Contracting Activity \(HCA\) philosophy memo of 26 March 2007](#) titled “Source Selection Process” details the expectation for all of PEO STRI Acquisition Team members in their interactions with industry.

Building on the original STOC I concept, PEO STRI will continue to involve STOC II contractors in the early stages of the acquisition process. Involvement shall include the use of various electronic information systems, industry conferences, one-on-one sessions and/or open dialog between the Government and STOC II contractors.

PEO STRI Business Opportunities Portal (STRI BOP)

The STRI BOP is an electronic information system developed to make new opportunities available to STOC II contractors early and to encourage electronic information exchanges with the Government. STRI BOP Training for proposal submission is available to STOC II contractors upon request. The STRI BOP can be accessed two different ways:

1. URL: <https://portal.peostri.army.mil/sites/bop/default.aspx>
2. PEO STRI Homepage, “Business Opportunities” link, located on the left-hand side of the PEO STRI Homepage (<http://www.peostri.army.mil>).

STRI-BOP is being updated to include specific changes required by the award of the STOC II contract. This includes new templates for Sources Sought Notice (SSN) and Request for Information (RFI) among others. A new STOC II Contract Opportunity System (COS) is currently under construction and is expected to be deployed in the August/September 2009 time frame. The STOC II COS will be integrated with the PEO STRI Enterprise Business System (EBS).

Award Process Overview

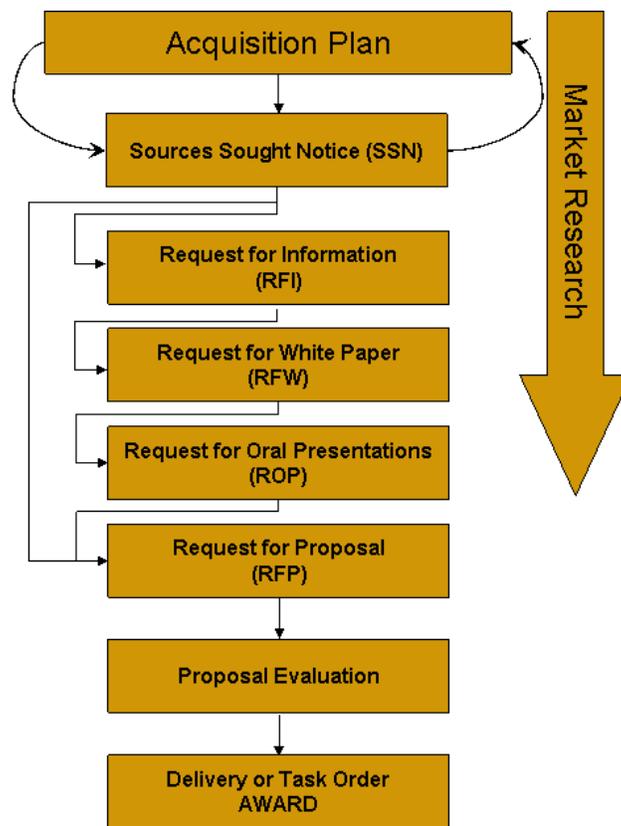
The process for selecting a contractor for award generally occurs in steps:

1. Development of an Acquisition Plan or Strategy based on Market Research (mandatory for R&D efforts greater than \$10M and acquisition of products and services valued at \$50M or more or greater than \$25M in a single year.)
2. Posting of a SSN to STRI-BOP and email notification of posting to STOC II contractors
3. Posting a RFI, Request for White Paper (RFW) or Request for Oral Presentation (ROP) to only STOC II contractors expressing positive interest in the opportunity
4. Development and issuance of a Request for Proposal (RFP) that includes:
 - a. Letter RFP, Proposal Submission Instructions, special contract terms (if any), etc.
5. Evaluation of contractor proposals and selection of a Prime Contractor

The guide does not treat discussions on the “Team” and Market Research as phases, because they are ongoing throughout the Award Process. While this guide states many of the actions in a sequential manner, the Project Directors (PDs) and their Integrated Product Teams (IPTs) could and should exercise broad discretion and initiative to accomplish as many tasks as logically possible in a concurrent manner. As stated in this guide, the PD/IPT must complete certain actions before moving to the next phase or action. Many of the actions are “living,” in that the PD/IPT will continue to refine them over the cycle of the Award Process and, again, the guide shall so state when this is applicable.

When employing this guide, a FAR Part 16 streamlined approach is used for making contract awards. As shown in the STOC II Award Process Diagram below, the general process begins with the development of an Acquisition Plan or Strategy. Next, issue a SSN to all STOC II contractors via STRI-BOP and send an email to all contractors using the PEO STRI Global Address List (GAL) to ensure they have a fair opportunity to compete. After responses are received, post the list of interested contractors to STRI-BOP. Only the STOC II contractors expressing a positive desire to compete in response to the SSN could be issued a RFI, RFW, provide a ROP or be issued a RFP, or any combination thereof, depending on the competitive environment. The SSN must specifically state that only contractors who respond positively will be allowed to compete further in the acquisition. Otherwise, all STOC II contractors must be included in any further competition.

STOC II Award Process Diagram



For example, the PCO receives eight positive responses from interested contractors to the SSN posted on STRI-BOP. The PCO would then post a list of the interested contractors to STRI-BOP for teaming/subcontracting opportunities. Next, the PCO would issue a RFI to determine which of those eight contractors is most likely to submit the highest value solution to the Government. The RFI would contain evaluation factors and a Rough Order of Magnitude (ROM) pricing. After evaluating, a determination is made as to which contractors will receive a RFP. If only four were favorably evaluated, a RFP is issued only to them and proposals would be received only from those STOC II contractors. After evaluating proposals, a contract award is made.

NOTE: *It is vital that any pre-award communications with the STOC II contractors clearly communicates PEO STRI's expectations regarding the process or evaluation factors that will be used to determine if a contractor will proceed to the next stage and ultimately submitting an offer to be considered for award. A failure to provide clear direction may require re-issuance of the communication, which will delay the contract award.*

The “TEAM”

At PEO STRI, the IPT is another name given to the Acquisition Team. The IPT is a group of individuals with different responsibilities, areas of expertise and chains of commands whose collective efforts are required for the specific purpose of delivering a product or service for the customer. It is a highly effective and efficient means of focusing resources on a task to achieve a solution best serving the interests of all key stakeholders. The synergy an IPT achieves provides a Team output greater than the sum of all the members’ inputs.

Upon assignment as the lead for developing a requirement into an award, the PD should form an initial Acquisition Team to begin the Market Research effort. This team will evolve over the life cycle of the Award Process, as the PD adds and removes members to meet the specific needs of the particular phase he or she is addressing.

The PD must exercise judgment in “sizing” the team. The inclusion of more members will allow the PD to gather differing views and minimize risk in the evolution of the requirement. However, having more members could possibly add additional expense to the project and increase difficulty in reaching consensus. The PD is responsible for ensuring the team is continually “right sized” throughout the process to achieve “acceptable” (not “zero”) risk while minimizing expense to the customer and time delays driven by an overly large and cumbersome team.

The IPT usually consists of IPT Members and Advisors. Shown below are required members and potential advisors:

IPT Members (Required)	IPT Advisors
PCO	STOC II PCO
Contract Specialist	Cost/Price Analyst
Engineer(s)	Financial Manager
Logistician(s)	Security
Legal	Safety
Small Business Adviser	DCMA
	Others as necessary
	Customer representative/SME
	CSG STOC II administrative support
	Customer Advocate
	SME/Contractor/SETA support

Once the PD establishes the initial IPT, the team begins Market Research necessary to develop the Acquisition Plan (and/or Strategy if required).

Things to Consider:

- Establish a clear purpose and goal for the IPT.
- Identify the roles of each member and their expected duration on the team.
- Remember IPT Members will usually be with the project from beginning through award; IPT advisors usually will not.
- Assign qualified team members with complementary experience.
- Support and act on team decisions.
- Consider establishing a Team Charter with a flexible format that clearly describes mission, goal, project timeline, team members and their authority and accountability, resources controlled and team deliverables.
- Involve the Office of Small Business Programs early. Their participation is essential in the evolution of the acquisition and has a critical role in the flow of the Award Process.
- Involve Legal counsel early and often during the procurement process. In addition to reducing cycle time, early Legal counsel will be able to assist in creatively seeking and developing legal courses of action to accomplish the mission.

Market Research

Market Research is *critical* to developing a successful Acquisition Plan/Strategy. Understanding industry capabilities, capacities and financial ability combined with an in-depth knowledge of the necessary product and/or services will greatly reduce program risk and delay. Market Research also determines if commercial items are available, if industry can modify commercial items to meet the requirement or if the items are for exclusive governmental use.

The Acquisition Team/IPT should initiate Market Research as soon as possible after the designation of a requirement as a STOC II candidate. Once the Government has an adequate description of its needs, the team must use Market Research to develop the most suitable approach for acquiring, distributing, and supporting supplies and service or, in other words, to develop the acquisition plan or strategy. Market Research is also iterative in nature. As additional market data becomes available, the team must further refine the requirement and incorporate it into their acquisition plan as appropriate. *Market Research is ongoing throughout the acquisition process. Market Research on a particular procurement ceases with the release of the RFP.*

The extent of Market Research varies depending on urgency, estimated dollar value, complexity of the requirement, commercial availability and experience.

Things to consider:

- Know where you are going before you start down any path. Review the requirements of the upcoming acquisition so you will have an idea of the types of questions your Market Research must answer. Use these “markers” to establish the initial goals of your Market Research.
- Remember STOC II is the contract vehicle of choice for product acquisition. If your market research does not specifically drive you to another contract venue, you must use STOC II. Deviation from using STOC II requires the concurrence of the Principal Assistant Responsible for Contracting (PARC) or HCA.
- Shop around in the commercial market place for products or services that meet your needs; determine if the items are commercially available.
- Make visits to contractors’ facilities if possible.
- Determine if new technologies are available.
- Determine if there are any small businesses, to include those that have a unique socioeconomic status, capable of providing the supply or service.
- Remember Market Research is on going throughout the solicitation process. Even during proposal evaluation, your continuing research may discover disqualifying information regarding an offeror under consideration (e.g., an Organizational Conflict of Interest (OCI)).

In general, the more you understand the commercial market place, the more likely your acquisition will be successful. Further information can be found in Market Research Instruction ([AI 002](#)) located on the PEO STRI Internal Web page and the [Market Research Guide](#) located on the internal Acquisition and Contracts Instructions, Guidance and Templates SharePoint site.

Acquisition Plans and Strategies

REQUIREMENT: Develop a written Acquisition Plan/Strategy per PEO STRI Acquisition Instruction [AI004](#), Acquisition Planning and Service Acquisition Strategy, as required. If you are procuring predominately products with a value greater than \$50M (or greater than \$25M in a single year) or an R&D effort greater than \$10M, a formal, written acquisition plan is required. Otherwise, it is not required. If you are procuring predominately services greater than \$100K, a written Service Acquisition Strategy (SAS) is required. Additionally, complete an Army Service Strategy Panel (ASSP) brief if the service is valued at greater than \$250M.

REQUIREMENT: Once the PD and Contract Specialist have completed a draft Acquisition Plan/Strategy, they shall convene a STOC II Procurement Planning Conference (PPC) with the entire IPT to formally initiate the procurement and obtain consensus on the proposed Acquisition Plan (and/or Strategy, if applicable).

Because of their initial Market Research, assessment of the requirement documents and discussions with the customer, the IPT shall develop and document an Acquisition Plan or Strategy as required. The team’s primary goal in developing this plan is to establish a “roadmap” for exercising personal initiative and sound business judgment in providing the best value product or service to the customer in a timely manner throughout a program’s useful life cycle. In addition, the **team shall comply with DoD directives and instructions 5000 series**

(ACAT Programs) as they go through the planning process. These directives and instructions are at www.dtic.mil/whs/directives.

Things to Consider:

- Conduct industry conferences
- Use FAR part 16 in the contracting strategy to emphasize a streamlined approach that provides for fair opportunity to all STOC II contractors in either Lot I or Lot II.

Statements of Work/Statements of Objectives Performance Based Work Statements

REQUIREMENT: The IPT must provide a written SOW, a Statement of Objectives (SOO), or a Performance-based Work Statement (PWS) as part of their acquisition.

Requirements documents can be in the form of a SOW, a SOO, or a PWS to identify Government needs. The preferred DoD approach is to provide performance-based specifications (the “what”) and give STOC II contractors the maximum flexibility to determine “how” to accomplish the requirement.

Things to consider:

- The IPT, the maximum extent possible, should release draft documents (RFP, SOW, etc.) to industry for comment prior to final solicitation release.
- The IPT should engage in meaningful one-on-one conversation with STOC II contractors in the evolution of the requirement documents. The IPT must take care to provide all STOC II contractors with a fair opportunity.
- The IPT need not provide all interested contractors selected for further consideration with the substance of conversations, discussions or Q&A exchanges with individual contractors during the Market Research phase.
- The IPT may conduct small group sessions with STOC II contractors to “brainstorm,” identify and suggest resolution of requirement issues.

Lot Selection

The PCO will base STOC II Lot selection on full and open competition (Lot I), or small business set-aside (Lot II). In no circumstance will the PCO compete an opportunity in both lots. The PCO makes a Lot selection pursuant to Market Research and information provided by the IPT. Make a final Lot selection after issuing a SSN. The PD must substantiate and document the Lot decision in the Acquisition Plan/Strategy as appropriate.

Small Business Considerations

REQUIREMENT: The Contract Specialist must acquire a signed DD2579 from the small business specialist. The Contract Specialist must submit a Market Research memorandum along with the DD2579 to the small business office that describes the Market Research done and how the team arrived at the determination of LOT 1 or LOT 2.

The Contract Specialist shall coordinate each requirement on a DD Form 2579 with the PEO STRI Small Business Advisor. The PCO should ensure this is accomplished as soon as possible and in accordance with PEO STRI Acquisition Instruction [AI006](#), Coordination of Action with Program Executive Office for Simulation, Training and Instrumentation (PEO STRI) Office of Small Business Programs (SBP) and Small Business Administration Procurement Center Representative (SBA PCR).

STOC II contractors that fail to demonstrate a good-faith effort (willful or intentional failure to perform in accordance with requirements) to meet the overall Small Business Participation goal and individual Socio-economic subcontracting goals during the base ordering period and/or option ordering periods may have their past performance assessments affected on future delivery/task orders. This could result in the Government's unilateral decision not to exercise the option ordering periods.

Past Performance

At the basic contract level, the STOC II PCO will collect and, in concert with the applicable requirement PCO, continuously evaluate a contractor's past performance on individual delivery or task orders issued under the STOC II contracts. The contractor's past performance either may favorably or adversely affect future opportunities to participate for delivery or task orders. If the STOC II PCO determines the contractor's past performance on a delivery or task order under the contract is poor based on quality, schedule, management oversight or cost control, then the contractor may not have their options exercised until they fix their performance issues.

Request for contractor submission of past performance information with proposals is explicitly prohibited per [AFAR 5116.505-90\(d\)](#). During the ordering process, the PCO can consider past performance information, including quality, timeliness, and cost control on earlier orders placed under the same STOC II contract. IPTs should query the STOC II PCO for relevant and recent past performance information on STOC II contractors they are considering for award. Additionally, on each RFP issued, the PCO shall advise contractors the Government may use past performance information from previous STOC II delivery or task orders.

Competition Decisions

Fair Opportunity: The PCO must provide “fair opportunity” for all STOC II contractors on actions in excess of \$3,000 unless one of the exceptions in [FAR 16.505\(b\)\(2\)](#) applies. The PCO must ensure the Market Research and Acquisition Plan/Strategy objectively and rationally determines the Lot for potential providers that best meet the needs of the customer requirement and DoD socio-economic goals. Once the PCO determines the Lot after the SSN, the PCO must provide fair opportunity to all contractors within the chosen Lot. The PCO, in coordination with the IPT, has broad discretion in identifying and applying processes to ensure the Government provides fair opportunity to all contractors. The PCO and IPT must apply these factors and methods equally and objectively to all potential contractors in the specified Lot (e.g., RFIs, RFWs, ROPs, RFPs or any other method).

Sole Source: The Government may award sole source orders under STOC II only if the PCO prepares and coordinates an Exception to Fair Opportunity (EFO) that an award should be made in accordance with one of the exceptions in FAR [16.505\(b\)\(2\)](#). When the PCO determines to make an award on a sole source basis, he or she may want to consider employing “Alpha Contracting” techniques. Sources Sought Notices are not required for an EFO.

Things to consider:

- Identify where the requirement fits within the acquisition cycle. If there is a possibility of follow-on work see [FAR 16.505\(b\)\(2\)\(iii\)](#).
- Determine if the requirement is of an urgent nature. If so, then a sole source (see [FAR 16.505\(b\)\(2\)\(i\)](#)) may be appropriate.
- Determine if there is only one capable source possessing a unique capability to satisfy the requirement. If so, then a sole source (see [FAR 16.505\(b\)\(2\)\(ii\)](#)) may be appropriate.

Contract Types

The PCO must determine the best contract type for the delivery or task order derived from the STOC II contracts to satisfy the objectives of the program and the identified requirements. If the IPT is contemplating a cost or T&M type contract, they must provide additional justification to the PCO. A determination to use a T&M order requires a Determination and Finding (D&F) by the PCO. The HCA must approve a T&M type order if the base period plus any options exceeds three years, per [FAR 16.601\(d\)\(ii\)](#). Therefore, while this justification does not have to be lengthy, it should concisely explain the rationale for the recommendation. For example, uncertainty in the requirements that would not allow the contractor adequately to price the effort may require a cost or T&M type contract.

Things to consider:

- Identify the program risk.
- Identify any incentives (i.e. performance, cost, etc.) the Government can apply.
- Identify any contract deliverables that might affect contractor cost estimates.

Source Selection Evaluation Methodology

The development of a source selection evaluation methodology that best fits an acquisition is a critical element of the Acquisition Strategy process.

“Best value” is a trade-off process where you evaluate both cost (or price) and non-cost factors and award the contract to the offeror proposing the combination of factors that represent the best value based on the evaluation criteria.

“Low Cost/Technically Acceptable” is a source selection technique when best value results from selection of the technically acceptable proposal with the lowest evaluated price. The PD/IPT should use this approach when the desired attributes of a product or service are quantifiable in a “go/no go” technical solution.

Factors and Evaluation Criteria

As a starting point in determining the most effective factors (i.e. Offeror Submission Instructions) and evaluation criteria, the PCO, PD and IPT should review the requirement to determine its objectives, the critical technical issues, appropriateness of cost controls and cost/price. This review should result in the development of factors and evaluation criteria that will allow for meaningful discrimination between prospective contractors. Asking for information that will not help in discriminating between prospective contractors will only result in additional work, schedule delay and hamper selection of the best contractor. A strong working knowledge of the requirement and Market Research is the key to developing successful factors and evaluation criteria.

It is absolutely essential that each factor has a one-to-one relationship with a corresponding evaluation criterion. For each factor, there should only be subfactors or elements, which will effectively discriminate between offerors. PEO STRI developed the STOC II Proposal Submissions Instructions in a matrix format to assure factors and evaluation criteria maintain a direct relationship. Note also that each factor directly relates to a SOW/SOO/PWS paragraph. All technical factors should directly relate to a work statement paragraph; however, the IPT need not account for all work statement paragraphs in the STOC II Proposal Submissions Instructions.

STOC II guidelines generally only require Technical and Cost/Price factors. The IPT may employ other factors such as quality if necessary. As previously discussed in the Past Performance section, the AFARS does not explicitly prohibit the use of Past Performance from previous STOC II delivery or task orders as a factor, but does prohibit requesting past performance information from offerors, because this information should already be available within PEO STRI ([AFAR 5116.505-90\(d\)](#)).

Since the STOC II source selection process evaluated management, the IPT should only evaluate management factors if it is absolutely necessary to gain a unique insight specific to the requirement. The IPT should strive to keep all of these additional factors to a minimum and tailor them as needed for each acquisition.

The initial development of the evaluation criteria should be a concerted effort by the membership of the Project IPT and provide focal areas for the criteria the team will use in evolving the specifics of the evaluation criteria.

Procurement Documents

The PD should direct the IPT in assembling the required documents needed for the procurement. The documents required for procurement will vary. Some of the documents required for a STOC II procurement are:

- STOC II DO/TO Checklist – Required documents such as SOW, DD254, IGCE, etc.
- Proposal Submission Instructions and Evaluation Criteria Matrix – Provides the Technical and Cost/Price factors along with evaluation criteria.
- Letter Request for Proposal – Request proposals with attached Proposal Submission Instructions, SOW, Section B and other documents.
- Proposal Evaluation Form – Used by the evaluation team to document proposal evaluations. It is included as a tab in the Proposal Submission Instructions.
- Proposal Evaluation Plan (PEP) – Identifies the goals of the acquisition, establishes the source selection team and rules of conduct, describes how to evaluate proposals and select the winning offeror.
- Proposal Evaluation Report (PER) – Prepared by the Chairman of Evaluation Team to document the evaluated price, ratings for each evaluation factor/subfactor along with a discussion of associated strengths, weaknesses, deficiencies and risk.
- Selection Recommendation Document – The Source Selection Authority’s (SSA) decision on the rationale for the selection of the winning offeror or the applicability of an EFO.

The above documents, along with other STOC II templates (e.g. SSN, RFI, etc), are posted on the Acquisition Center internal SharePoint site under the [Acquisition and Contract Instruction, Guidance and Templates](#). Tailor these documents as appropriate to the complexity, size and needs of the acquisition.

Source Selection Plans

PEO STRI does not require a formal Source Selection Plan for STOC II orders. In fact, formal FAR Part 15 Source Selection Plans are strongly discouraged in almost all cases under STOC II. Nevertheless, the PCO must develop an effective PEP to identify the goals of the acquisition, establish the source selection team and rules of conduct, describe how to evaluate proposals and select the winning offeror.

In addition to the PEP, the IPT should use the STOC II Proposal Submissions Instructions and Evaluation Criteria Matrix as the primary tool to develop evaluation factors and criteria. Note that Technical and Cost/ Price factors are the two main factors STOC II requires. However, the PCO may add evaluation factors (e.g. management, quality plans, etc.) as they deem necessary for a given procurement. The PCO will provide this matrix to the STOC II contractors under proposal consideration as an attachment to the STOC II Letter RFP. The matrix is also an enclosure to the PEP.

Things to consider:

- Cost or price is always a factor in the evaluation.
- Evaluation factors, subfactors and elements should always be an accurate balance and reflection of the programmatic goals and risks associated with a particular acquisition. They should not seek information in areas that will provide little value in discriminating between offerors.
- The desire to have information on a particular area should not result in the development of factors and evaluation criteria.
- Remember; the Source Selection Individual/Team must evaluate all information requested from contractors in the STOC II Proposal Submissions Instructions.
- If support contractors may be used to evaluate or analyze any aspect of a proposal, the Principal Assistant Responsible for Contracting (PARC) must sign a written a D&F in accordance with [AFAR 5137.204](#). The PCO must note this intent in the PEP and the RFP. The [Army Source Selection Manual](#) (ASSM), Appendices B and H ([AFARS – Appendix AA](#)) provide additional information on the use of support contractors.

Multiphase Approach

The processes for learning of STOC II contractor's abilities and for soliciting offers are many and the PCO should consider the most efficient way to do so while providing a fair opportunity to compete to all offerors. The phases of the processes may include, but are not limited to, SSN, RFI, RWP, ROP, draft RFP and RFP. Some steps (such as an SSN and draft RFP) may run simultaneously with the Acquisition Plan and Strategy development.

The process will normally begin with the PCO approving the posting of a SSN to the PEO STRI-BOP public web page. Concurrently, send an email to all STOC II contractors listed in the PEO STRI STOC II Lot 1 and STOC II Lot 2 GAL advising them of a posting of an opportunity to STRI-BOP. This posting and email ensures all STOC II contractors receive a fair opportunity to compete for STOC II opportunities. The SSN should contain sufficiently detailed information so contractors can make informed business decisions on whether or not to pursue a new business opportunity. This may include a draft SOW, detailed project overviews, funding profiles or any other data the PCO deems appropriate. To further Market Research, PCOs may request capability statements from contractors as part of the SSN but these are only for informational purposes and not a basis for further contractor participation.

The PCO will give STOC II contractors a reasonable period to respond (minimum of three full business days) and the contractors should direct all responses via email to the PCO/Contract Specialist. The PCO/PD/IPT will only use the contractor's response at this time to determine positive interest from a contractor in receiving a future RFI, RWP, ROP or RFP. The PCO will consider a contractor's lack of response to a posted SSN as negative response only if the synopsis explicitly so states. Post the list of interested STOC II contractors who responded to the SSN to STRI-BOP to enhance competition, teaming and subcontracting opportunities.

If the PCO decides to continue with a competition because of the interest expressed by STOC II contractors in the SSN, the PCO may invite the contractors who expressed interest to respond to an RFI, RWP, ROP or any combination thereof. Dependent upon the step(s) chosen, post a RFI, RFW, or ROP to STRI-BOP and the Contract Specialist will send an email to only those contractors that expressed initial interest in the SSN. The PCO may elect any of these approaches prior to issuing a RFP (post a draft RFP anytime after the SSN). After the SSN, each subsequent phase (RFI, etc.) the PCO employs must contain at a minimum evaluation factors and a ROM, and the Government must evaluate responses against the factors. The [Acquisition Center SharePoint Policy](#) site under the STOC II folder contains templates for use by the IPT.

The PCO must ensure evaluation of all contractor information received by the closing date in response to RFIs, RWP or ROP. However, FAR Part 16 does not require formal evaluation of factors or scoring of quotes; the PCO should strive to keep these evaluations as minimal, succinct and precise as possible. The PCO then selects for further consideration those STOC II contractors the PCO deems most likely to submit the highest value solutions. This further consideration could be moving from RFI to RWP, or directly to RFP or any other combination the PCO feels is necessary. Notify STOC II contractors of selection or non-selection for the next phase of the procurement via email immediately after making the evaluation decision.

If in the judgment of the PCO, the use of RFI, RFW or ROP provides new information that results in a material modification to the scope of the intended work effort, the PCO must cancel the contract action under consideration and issue a new SSN. Subsequently, the PCO must use a new RFI, RWP, ROP or RFP as applicable for the new scope.

The PCO and the IPT must exercise sound business judgment, based upon Market Research and their assessment of associated risk, as to which process will be the most efficient. The fundamental intent of using these steps is to provide fair opportunity to compete by each of the contractors. If the PCO uses this method to identify the selection of contractors for further consideration notice of this approach must be clearly and unambiguously stated in the SSN.

Request for Proposals

The PCO will issue RFPs using the STOC II Letter RFP or such other RFP format as he or she determines is suitable for the acquisition. Attachments to the RFP will include the STOC II Proposal Submissions Instructions and Evaluation Criteria Matrix, the relevant SOW/SOO/PWS, and any other documents deemed necessary (i.e. SF33, Section B, CDRLS, drawings, etc).

The PCO will, to the maximum extent possible, provide STOC II contractors selected for further consideration a draft RFP, SOW/SOO/PWS and a Proposal Submissions Instructions and Evaluation Criteria Matrix as soon as practicable and invite each to provide comments on the draft documents. The team/PCO may provide the draft RFP, et al, to any group of primes selected for further consideration at any time. However, as the team/PCO refines their list of primes, those no longer under consideration may not receive subsequent documents. As workflow adjusts to the STOC II Award Process, PEO STRI expects the lead-time from draft to final will narrow. Regardless of the lead-time, the Government will allow STOC II contractors sufficient time to make proposal submission decisions, consider technical approaches, assemble competitive teams and make informed business decisions.

To the maximum extent possible, PCOs should limit the insertion of clauses or terms into the RFP. In those unique and rare cases where a PCO may feel the need to insert a clause, the PCO should first coordinate with the STOC II PCO to determine if adding the clause to the basic contracts is necessary.

PCOs may not write new delivery or task orders as a stand-alone single award or multiple award IDIQ. If this is necessary, obtain approval from the HCA for a new contract vehicle outside of STOC II.

Proposal Evaluations and Award

Upon receipt of the proposals to the RFP, the designated Evaluation Team (normally two to three individuals; size and complexity may dictate a larger team) will conduct an evaluation of each proposal. The Evaluation Team will complete separate evaluations for each factor and subfactor they evaluate (i.e. technical, cost, etc.). Once the team completes evaluations, the Chairman of the Evaluation Team will prepare a PER. This report will include for each proposal the evaluated price, ratings for each evaluation factor/subfactor along with a discussion of associated strengths, weaknesses, deficiencies and risk. It will also include a matrix that summarizes all proposals received for ease of comparison by the SSA. It does not recommend any contractor for award.

Once the Chairperson completes the PER it will be sent to the SSA for an award decision. The SSA will document the rationale for the decision using the Selection Recommendation Document. The PCO shall document in the contract file the rationale for placement and price of each order, including the basis for award and the rationale for any tradeoffs among cost or price and non-cost considerations in making the award decision. This documentation need not quantify the tradeoffs that led to the decision. The SSA (normally the PCO) must complete and sign the Selection Recommendation Document prior to award. If the selection official is someone other than the PCO, then that person will forward the Selection Recommendation Document to the PCO for award. SSA duties may not be delegated.

[Contract Instruction C015](#), Appointment of Source Selection Authorities, provides policy and procedures for the identification of SSAs. The selection official will normally be a PCO in the Acquisition Center unless otherwise designated by the PARC or the HCA. If the procurement

exceeds \$50M, the selection official will be one level above the PCO. For reasons of mission importance or political visibility, the Associate Director for Contracting Operations (ADCO) or PARC may serve as the SSA for acquisitions of any potential contract value. For acquisitions at any potential contract value deemed appropriate for someone other than a PCO to act as SSA, the HCA, with recommendation of the PARC will designate the alternate individual. For service acquisitions with a potential contract value of \$500M or identified by the Assistant Secretary of the Army (Acquisition, Logistics and Technology) as a special interest, the SSA will be appointed by the Deputy Assistant Secretary of the Army (Policy) at the Senior Executive Service (SES) or General Officer Level.

Post Award

The contracting officer shall notify unsuccessful awardees in writing when the total price of a task or delivery order exceeds \$5 million. [FAR Part 16.505\(b\)\(4\)](#) specifically requires that within 3 days after the date of the award the PCO shall provide written notification to each offeror not selected in accordance with [FAR Part 15.503\(b\)\(1\)](#) and [15.506](#).

After award, treat STOC II delivery and task orders almost like any other awarded contract. Some exceptions would include when processing an EFO as a logical follow-on, execute a new delivery or task order unless Legal provides concurrence to modify the existing order.

Treat STOC II delivery or task orders just like any other PEO STRI contract. Assign all administration of delivery and task orders to the Defense Contract Management Agency (DCMA). Accomplish contractor payments on all orders through Wide Area Work Flow (WAWF). Contractor Performance Assessment Reporting System (CPARS) input is required for each delivery order that meets CPARS reporting requirements. Manage delivery and task orders in the Standard Procurement System (SPS) as usual.

