

Note to Offeror: This acquisition is being conducted in collaboration with the DHS Procurement Innovation Lab (PIL). The PIL is a virtual lab that experiments with innovative techniques for increasing efficiencies in the procurement process and institutionalizing best practices. There is nothing you need to do differently for this requirement. The PIL project team may reach out to successful and unsuccessful Offerors to assess effectiveness of the procurement process and the innovative techniques applied. The anonymous feedback will be used to further refine DHS procurement practices. Additional information on the PIL may be found at <https://www.dhs.gov/acquisition-innovations-motion>.

SECTION L – INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS OR RESPONDENTS

RESTRICTIONS ON OFFEROR CONTACTS WITH EMPLOYEES OF INCUMBENT CONTRACTORS.

Most services covered under the DCSS requirement are being performed by Incumbent Contractors Mythics, IBM, Vencore, Presidio and CSRA. Offerors shall not engage in any Government on-site contacts of any kind with employees and/or Management of any of the current Incumbents. Any contact(s) with incumbents regarding any future employment are permitted; however such contact(s) and interviews shall be conducted outside the normal working hours of such employees and/or Management and shall occur off-site at Non-Government locations.

L-1 — SOLICITATION PROVISIONS INCORPORATED IN FULL TEXT

Agency Level Protest Notice (APR 2003)

Offerors are notified that per FAR 33.103(d)(4), an independent review of the grounds for a protest is available at a level above the contracting officer as an alternative to the protest to the agency contracting officer, not as an additional appeal after the protest to the agency contracting officer has been resolved. A choice to protest to the agency contracting officer therefore relieves the U.S. Customs & Border Protection of any further internal review or appeal after the contracting officer's decision.

[End of Provision]

L-2 — SOLICITATION PROVISIONS INCORPORATED BY REFERENCE

52.252-1 Solicitation Provisions Incorporated by Reference (Feb 1998)

This solicitation incorporates one or more solicitation provisions by reference with the same force and effect as if they were given in full text. Upon request, the Contracting

Solicitation No. HSBP1017-R-0031 Data Center Support Services

Officer will make their full text available. The Offeror is cautioned that the listed provisions may include blocks that must be completed by the Offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the Offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this address:

<https://www.acquisition.gov/far/index.html>

52.204-6	Unique Entity Identifier	(Oct 2016)
52.215-1	Instructions to Offerors -- Competitive Acquisition	(Jan 2017)
52.216-29	Time-and-Materials/Labor-Hour Proposal Requirements—Non-Commercial Item Acquisition With Adequate Price Competition	(Feb2007)
52.217-5	Evaluations of Options	(July 1990)
52.222-46	Evaluation of Compensation for Professional Employees	(Feb 1993)
52.244-2, Alt 1	Subcontracts	(Oct 2010)

L-3 — GENERAL INSTRUCTIONS

- (a) The Government intends to conduct the evaluation process in two (2) Steps:
1. *Step 1 - Advisory.* This step requires an oral presentation and a written submission (Volume I). Details are in solicitation provision L-4 below.
 2. *Step 2 – Evaluation of Written Proposals and Selection.* This step requires a further written submission (Volumes II, III, and IV). Details are in solicitation provision L-5 below.
- (b) Participation in Step 1 is a mandatory part of this acquisition. **Failure to participate in Step 1 will preclude further consideration of the Offeror’s proposal.** Step 2 submissions will not be accepted from any Offeror who has not completed Step 1.
- (c) Proposals must be clear, coherent, and prepared in sufficient detail for effective evaluations of the Offeror’s proposal against the evaluation criteria. Also, proposals shall cover all aspects of this solicitation and include the Offeror’s approach for integration and program management activities. Proposals must clearly demonstrate how the Offeror intends to accomplish the project and must include convincing rationale and substantiation of all claims. A proposal with significant informational deficiencies may be found technically unacceptable, and an Offeror’s extensive restating of an RFP’s requirements may be considered as evidence of the Offeror’s failure to demonstrate a clear understanding of those requirements.
- (d) The Offeror shall describe its proposal, through the use of charts, diagrams, and narrative, in sufficient detail for the Government to understand and evaluate the nature of the approach. In its evaluation and confidence assessment, the Government will consider the degree of substantiation of the proposed approaches in the proposal volumes and in response to any discussions.
- (e) All correspondence in conjunction with this solicitation should be directed to the Government’s Point of Contract (POC) identified below:
- Name: Gary Robertson and Rasheeda Brooks E-mail: DCSS@cbp.dhs.gov
- (f) Failure to submit any of the information required by this solicitation shall render a proposal unacceptable. In the event the Government enters into discussions, the Government may, at its discretion, include an unacceptable proposal in the competitive range.
- (g) The Government will not pay any pre-award or travel costs incurred by the Offeror in preparing a response to this solicitation.
- (h) Vendor questions regarding this RFP shall be submitted no later than 5 business days after the RFP issuance to the Government’s POC identified above. Please include the text “RFP Questions” in the Subject line of the e-mail.
- (i) Reserved.

(j) Instructions for Written Submissions.

(1) *Electronic Files.* Each written submission shall be in the form of an electronic file as specified below in this solicitation, with no passwords, security features, encryptions, macros, and so forth. Hyperlinks are allowed only internal to the electronic file, and only for table of contents or index purposes. Each electronic file is limited to a size of 3 MB. Each electronic file shall be named “DCSS–Volume *n*–*Offeror Name*.pdf [or .xlsx].”

(2) *Page Limitations.* All pages, excluding the cover letter of the Proposal, title page in any section of any Volume, table of contents, table of figures, list of tables, and glossary of abbreviations & acronyms are counted within page count limitations. Proposal contents that exceed the stated page limitations will be removed from the proposal by the Contracting Officer, prior to turning the proposal over to the Government evaluation teams, and will not be considered in the evaluation.

(3) *Page Format.* Each page shall have a minimum one inch margin all around. Pages shall be numbered consecutively at the bottom of each page “Page <X> of <Total>”. A page printed on both sides shall be counted as two pages. Formatting for double-sided printing/copying is encouraged. All pages prepared by the Offeror shall be letter size (8½” × 11”) in portrait orientation or in landscape (11” x 17”) for charts and data presentation. However, the Offeror shall not make formatting changes in the Excel (.xlsx) Pricing Spreadsheet submission. Any page citing “This page intentionally left blank” will not be included in the page count.

(4) *Text Format.* Arial or Times New Roman fonts at twelve points or larger is required; except that 9-point font may be used in presenting tables or graphic images where the data would otherwise not easily fit onto the page. However, the Offeror shall not make formatting changes in the Excel (.xlsx) Pricing Spreadsheet submission.

(5) *Cover Page.* The first page of each volume shall be a cover letter (letter of transmittal) prepared on the Offeror’s letterhead stationery. The cover letter shall identify all enclosures being transmitted and shall be used only to transmit the proposal and shall include no other information. The cover page shall be in accordance with FAR 52.215-1, paragraph (c)(2). However, the cover page is not required for the Excel (.xlsx) Pricing Spreadsheet submission.

(6) *Submittal.* The Offeror shall submit all volumes to the Government’s POC identified above. The Offeror shall submit its volumes as e-mail attachments, with no more than two e-mails for each volume. Each e-mail’s subject line shall include “DCSS–Vol. *n*–*Offeror Name*.” In the body of the e-mail, the Offerors shall include the following information:

- Name of Offeror.
- Email contents/list of attachments.
- Offeror Point of Contact (name, phone number and email address) for any questions regarding submission.

(k) Summary of Submission Requirements. The submission requirements are summarized in the table below.

The following are summaries of the information that shall be provided with the proposal.

EVAL. FACTOR	VOLUME	TAB	SECTION L REFERENCE	ONE ELEC. COPY	MAXIMUM
STEP 1					
1	I	MISSION SUITABILITY (Oral Presentation), which includes CORPORATE EXPERIENCE Written Supporting/Presentation Materials	L-4(b)	1	90 Minutes 15 pages
STEP 2					
2	II	TECHNICAL / MANAGEMENT APPROACH which includes TRANSITION IN and STAFFING PLAN	L-5(b)	1	35 Pages
3	III	COST/PRICE	L-5(c)	1	.xlsx 3MB
N/A	IV	OTHER DATA	L-5(d)	I	3MB

L-4 — INSTRUCTIONS FOR STEP 1 – ADVISORY

(a) Requirements. This step requires an oral presentation (Volume I) intended to provide information about Mission Suitability, which includes Corporate Experience.

(b) Oral Presentation. Through the oral presentation, the Government intends to gather an understanding of the Offeror's proposed solution and its capabilities as it relates to the Government's requirements for DCSS, including migration to the cloud and the Offeror's Corporate experience. The oral presentation will cover Factor 1, Mission Suitability.

(1) *Preparing for the Oral Presentation.*

(i) An Offeror shall notify the Contracting Officer of its interest to submit an offer within **two business days after issuance of this RFP**. All notifications of an Offeror's intent to submit an offer shall be accomplished as follows:

- Offeror shall forward email to DCSS@cbp.dhs.gov.
- Offeror shall include "Intent Notification" in the Subject line.
- Offeror shall provide Name of Offeror, address, and point of contact (email and phone number) with whom it wishes CBP to coordinate the oral presentation schedule.
- NOTE: Telephone notifications will NOT be accepted.

(ii) **No later than five business days** after receiving the Offeror's notification of intent, the Contracting Officer intends to contact the Offeror's POC to provide the date and time of the oral presentation. Subsequently, CBP will provide written confirmation of the date and time scheduled for the Offerors' oral presentation in an email to the POC. Location and building access instructions will be provided at that time. Oral presentations will be held in person at a specified location in the Washington, D.C. metropolitan area. The

Government will not pay for any travel costs associated with the oral presentation.

(iii) The oral presentations will start approximately four (4) weeks after RFP issuance. The Offeror will be scheduled through a random selection process. Requests to reschedule will be at the discretion of the Contracting Officer.

(2) *Conducting the Oral Presentation.*

(i) *Arrival.* The Offeror shall arrive at least 15 minutes before the assigned scheduled time for processing and accessing the building. A CBP representative will escort the presenters to the appropriate location. Presentations must begin promptly at the time assigned by the Government.

(ii) *Presenters.* The Offeror's presentation team is limited to 6 individuals, four of whom must be current employees of the Offeror (2 may be subcontractors or consultants). At least one of the persons intended to function as key personnel shall participate in the oral presentation. An individual shall not participate in more than one Offeror's oral presentation. All individuals participating in oral presentations will be required to sign a non-disclosure agreement.

(iii) *Presentation.* Each Offeror will be provided two sets of questions or scenarios. The first set is contained under the heading "Advance Questions" below at 2 (vi). The second set will be provided the day of the oral presentation. For those questions received the day of the presentation, Offerors will be given one hour of preparation time prior to the start of the formal oral presentation.

(iv) *Time.* Oral presentations will be limited to three hours, broken down as follows:

- Preparation (60 minutes) – In addition to the pre-released Advanced Questions, the Government will provide a second set of prepared questions on the day of the presentation. The presenter will have 60 minutes to prepare.
- Presentation (90 minutes) – The Offerors will have 90 uninterrupted minutes to conduct a presentation on all tasks, as well as addressing the questions and scenarios provided in advance and on the day of the presentations. The Offeror shall discuss how its collective corporate experience is related to the PWS. The Offeror shall discuss the information identified below:
 - Organization's size, experience in the field, and resources available to enable the Offeror to fulfill requirements of the size and complexity of DCSS.
 - Descriptions of up to five (5) projects of a similar size, scope, and complexity to the work solicited.
 - For each project, an explanation of how the project is similar to DCSS and how it differs from DCSS.
 - Risk Assessment: For those projects of similar size, scope and complexity, a narrative of the benefits the Offeror brings to the DCSS, based on its corporate experience. This should include a narrative of learning that has occurred or risks facing DCSS that can be avoided or mitigated, based on the Offeror's corporate experience.

- Optional Q&A (up to 30 minutes) – After the 90-minute presentation, the Government will caucus to identify any clarifications it may require to understand the presentation. If needed, the Government will be allowed up to 30 minutes to ask any clarification questions of the offering contractor.
- No exchanges or discussions between evaluators and presenters will be permitted during the preparation and presentation times.

(v) *Oral Presentation Rules of Engagement.* The Contracting Officer may issue guidelines for the conduct of the oral presentation. The following initial guidelines are provided for the benefit of Offerors:

- The Offeror shall submit Presentation team names and their proposed roles in the DCSS project to the specified Government Point of Contact (POC) at least 24 hours in advance of the oral presentation (Government will provide POC during presentation scheduling). Presenters shall not bring and, are forbidden to use, electronic equipment of any kind while at the presentation site (no laptops, tablets, phones, etc.).
- There will be no capability to project or photocopy at the oral presentation.
- Offerors shall submit any written supporting/presentation materials in PDF via email to DCSS@cbp.dhs.gov by June 5, 2017, 5:00 PM. The materials will not be distributed to evaluators until the day of the oral presentation. Each presentation must include no more than 15 pages.
- The Government will provide a conference room and a table of sufficient size to accommodate the Offeror's 6 personnel.
- The Government will provide a whiteboard, a paper flipchart pad, and markers for use during the 60 minute allotted preparation time as well as during the oral presentation.
- The Offeror's presenters shall not ask questions of the Government evaluators. There shall be no sidebar interactions between Offeror and Government personnel.
- The Offeror shall not make any statement that contradicts or changes any text in its written submission. In answer to any clarification question the Government might ask, the Offeror shall not make any statement that contradicts or changes anything it previously said.
- After the oral presentation, the Government will erase the whiteboard and will destroy the flipchart sheets.
- The Government reserves the right to video or audio record the oral presentations.

(vi) *Advance Questions.*

1. Have you helped a federal client to mature their business lifecycle to the extent of enabling efficient, repeatable and predictable business operations while under a Cost Reimbursement and/or Labor Hours contract, with outcome of converting to Firm Fixed Price at a reduced annual cost based on the implemented improvements, and if so how?

2. Have you migrated an existing application to two different public Cloud Service Providers where the application has an active failover capability in order to minimize potential disruptions in the event of an outage occurring at one of the two Cloud Service Providers, and if so how?

(3) Advisory Notifications

After all oral presentations have concluded, Offerors will receive an Advisory Notification in writing either that it will be invited to participate in the resultant acquisition or, based on the information submitted, that it is unlikely to be a viable competitor. The agency shall advise respondents considered not to be viable competitors of the general basis for that opinion. The agency shall inform all respondents that, notwithstanding the advice provided by the Government in response to their submissions, they may participate in the resultant acquisition. The intent of this distinction is to minimize proposal development costs for those Offerors' with little or no chance of receiving an award. In making a decision to proceed regardless of being advised not to continue, an Offeror should note that the Oral Presentation is the most important factor in the overall evaluation (See Section M, M-1 Evaluation Factors).

(1) Advisory notifications do NOT result in the setting of a competitive range. Therefore, no information underlying or related to the Government's advisory notification will be provided to any Offeror until after contract award. Further, since the oral presentations will be completed before moving to the next step, in the event the Government enters into discussions, there shall be no discussion questions or evaluation notices related to the oral presentations. To be clear, the Offeror will NOT have an opportunity to address any weaknesses, significant weaknesses, errors, deficiencies, or omissions related to its oral presentation.

(2) Failure to participate in the Oral Presentation (Step 1) precludes participation in Step 2. Written proposals will NOT be accepted from any Offeror who does not participate in Step 1.

L-5 — INSTRUCTIONS FOR STEP 2

- (a) Requirements. This step requires three written submissions (Volumes II, III and IV) within 2 weeks of receiving the Advisory Notice from the Government.
- (b) Volume II. Volume II covers Factor 2, Technical/Management. Volume II shall be a single Adobe (.pdf) file with a maximum file size of 3 MB per email if more than one email is submitted for Volume II.

- (1) Using activities specified in the PWS, state in highly detailed methodology how the Offeror would:
 - Identify and implement process improvement – Increased efficiency, reduced time to deliver services, and decrease human error.

- Identify and implement process automation – Identifying unnecessary manual processes and implementing stable automation.
 - Identify areas of duplication that can be consolidated and other areas of potential cost/price reduction – As a by-product of process improvement and process automation, the Government expects yearly cost/price reductions while consistently meeting requirements.
- (2) A smooth and orderly transition between the Contractor and the predecessor incumbent Contractors is necessary to assure minimum disruption to vital Contractor services and Government activities. The Offeror shall fully define its approach for providing Transition-In and Transition-Out services to maintain continuity of services in compliance with the PWS.
- (i) At a minimum, the Offeror shall provide a Transition Plan which encompasses the following:
- Initial start of performance;
 - Process the transitioning predecessor employees;
 - Recruitment of new employees;
 - Strategy for implementing supervisory functions;
 - Status report on submitting applications for personnel clearances;
 - Provide timeline showing the transition plan's critical dates.
- (ii) The Offeror shall provide a Staffing Plan. The Staffing Plan shall encompass the following:
- An overview of recruitment, training, and retention policies for each labor category offered. Data must be sufficient to demonstrate the overall experience and qualifications of each labor category offered.
 - Identity of Key Personnel. In addition, the Offeror shall show that the qualifications and experience demonstrate an ability to successfully implement the Offeror's proposed solutions and perform the contract.
 - Provide an organizational chart that identifies background and qualifications of the management team.
 - A high level composition of the proposed team, which includes an estimated number of personnel mapped to the labor categories provided in the PWS. Include a brief summary of team(s) and the team(s) relationships and responsibilities in the execution of the planned work.
 - Include letters of commitment/letters of intent from proposed personnel not currently employed by the prime and its subcontractors, signed by an individual of the entity authorized to make such a commitment. Resumes will not be included in the page count; each resume must not exceed 2 pages; and all resumes must be included in Volume II.
- (3) The page limit for Volume II is 35 pages.
- (c) Volume III. Volume III covers Factor 3, Cost/Price. The Offeror and any subcontractor shall submit a Volume III, if the Offeror participates in Step 2 of the solicitation.

(1) The Government will consider cost/price, and assess the reasonableness, cost realism and risk of the Proposal. The Offeror shall not include any pricing in Volumes I, II or IV. The pricing instructions are applicable to the Prime Offeror and subcontractors proposed to greater than or equal to ten (10) percent of the Prime's proposed cost.

(2) GENERAL INSTRUCTIONS:

- i) A separate email is required for any subcontractor who is proposed to perform greater than or equal to ten (10) percent of the Prime's proposed cost. The subcontractor's pricing must adhere to the same submission requirements as required for the Prime's proposal.
- ii) Submission of certified cost or pricing data is not required at time of proposal submission. Information other than certified cost or pricing data is required to evaluate the reasonableness and realism of the proposed cost/prices.
- iii) The Cost/Price Volume must be mathematically correct and all portions must be numerically consistent. The Cost/Price Volume must correlate with the Mission Suitability and Technical/Management Volumes.
- iv) The pricing template as well as any additional cost support spreadsheets must be submitted in Microsoft Excel 2010 or later. All Excel spreadsheets must maintain any formulas and links between the spreadsheets and tables included in the Offeror's cost/price proposal. Formulas in the electronic spreadsheets shall not be converted to hard coded values.
- v) ALL CLINS: If Facilities Capital Cost of Money (FCCOM/COM) is included, the Offeror shall calculate COM in accordance with FAR 31.205-10.
- vi) All Optional CLINs will not be evaluated and contain a Government plug value.

(3) COST/PRICE PROPOSAL CONTENT

PART 1:

- i) The Offeror shall submit the pricing by completing the provided pricing template spreadsheet for the services identified in Section B and the PWS. For pricing purposes, the Government anticipates that Contract award will occur o/a 31 August 2017.
- ii) CAS DISCLOSURE STATEMENT. Discuss any outstanding noncompliance issues with your Disclosure Statement; explain whether there is a cost impact and its potential impact on this procurement.

Company-Funded Efforts: Identify the specific efforts, the planned start and end

dates, applicability of this RFP, source of company funding and how you plan to account for or allocate these costs in accordance with generally accepted accounting principles and your Disclosure Statement.

- 1) Submit a listing of proposed subcontractors and interdivisional transfers showing the following: supplier, description of effort, type of contract, cost/price and hours proposed by each and cost/price and hours included in the Prime's offer to the Government. Contractor format is acceptable.
 - 2) Provide a copy of any analysis(es) for any cost/price analysis performed on any subcontractor, explaining the determination of cost/price reasonableness of proposed subcontractors and/or Intercompany Work Orders.
- iii) SCHEDULE OF RATES: Submit a schedule showing proposed direct and indirect rates by year. Include (but separately identify) subcontractors and interdivisional transfers. Discuss whether the labor and indirect rates to be used are government-approved forward pricing rate agreements or forward pricing recommended rates. If not, indicate the basis on which the rates were established.

To the extent possible, provide the following to support our realism review:

Forward pricing rates (Forward Pricing Rate Agreements or Forward Pricing Rate Recommendations) for proposed Direct and Indirect Rates.

If FPRAs or FPRRs are not available, the offeror shall indicate how indirect rates are computed (detailed pool and base costs). Show trends and budgetary data to provide a basis for evaluating the reasonableness and realism of the proposed indirect rates.

The offeror shall indicate the basis for proposed direct labor rates. As required by FAR 52.222-46, offerors will submit, as part of their proposals, a total compensation plan setting forth salaries and fringe benefits proposed, and the Government will evaluate this plan for realism. The Government will evaluate the plan to assure that it reflects a sound management approach and understanding of the contract requirements. Supporting information will include data, such as recognized national and regional compensation surveys and studies of professional public and private organizations used in establishing the total compensation structure.

Provide the escalation factors for each year of contract performance Provide brief supporting rationale for the basis of the annual escalation factors.

FEE, AWARD FEE

Fee: In accordance with FAR 15.404(c), Offerors may volunteer (although not required) to provide their rationale for proposed fee on the cost reimbursement requirements (see below).

Proposed Base Fee: The Offeror may propose a Base Fee which shall **NOT** exceed three (3) percent.

Proposed Award Fee: Offerors may propose an Award Fee which shall **NOT** exceed ten (10) percent **INCLUSIVE** of the proposed Base Fee

iv) The Offeror shall state what percentage of its estimated total business this effort will entail during the proposed period of performance.

v) **ESTIMATING PRACTICES:** The Offeror shall provide a brief, but detailed statement as to whether or not its proposal was prepared in accordance with its estimating system practices. If the proposal was not prepared in accordance with its standard estimating practices, it shall list each deviation and provide a brief, but detailed statement as to why its standard estimating practices were not followed.

Any information reasonably required to explain the offeror's estimating process must be submitted with the proposal, including the judgmental factors applied and the mathematical or other methods used in the estimate, including those used in projecting from known data, and any assumptions that were made. Contingencies shall not be included in the proposed cost/price.

vi) The Offeror shall complete the following:

Offerors must have an adequate accounting system in accordance with FAR 16.301-3(a)(1). The accounting system is considered adequate if it complies with the system criteria as prescribed in Standard Form 1408, Section II, Evaluation Checklist, at FAR 53.301-1408.

An adequate accounting system is a material requirement, and offerors must provide proof of accounting system adequacy; accordingly, an inadequate accounting system – failure to provide verification from CFAO – will disqualify any offerors and render the proposals ineligible for award.

vii) The Offeror shall provide the name, address, telephone number and email address of its Defense Contract Audit Agency (DCAA) and Defense Contract Management Agency (DCMA) points of contact.

viii) **ALTERNATE PROPOSALS.** Alternate proposals are not requested and will not be evaluated.

PART 2:

In addition to the above information, the remainder of Volume III shall be a single Excel (.xlsx) file with a maximum file size of 3 MB. Offerors may submit two (2) emails to provide the requested information for the Pricing Volume. Narrative may be submitted in an Adobe Acrobat (.pdf) format. Each email submitted must not exceed 3MB.

- (1) The Offeror shall provide its cost/price proposal in accordance with the Pricing Spreadsheet attachment. The Offeror shall provide the proposed Full-Time Equivalent (FTE) for the Base and all Option Years as tabbed in the notebook which includes rates for performance on-site, off-site and telework.
- (2) 1 FTE is 1920 hours, unless otherwise stated by the Offeror. No alteration and/or substitutions to the Pricing Spreadsheet are allowed, unless substantiated and discussed in the Offerors' proposal.
- (3) Include the CFAO determination letter and Audit Report in the Cost/Price Volume. Also include copies of most current negotiated or approved indirect cost rate agreements, and any approved forward pricing rate agreements or recommendations. In addition, if applicable, provide copies of adequacy letters of business systems, such as accounting, estimating, billing, etc.
- (4) There is no page limit for Volume III – Cost/Price.

(c) Volume IV. This Volume allows for the submission of any documents required by the solicitation but which has not been covered in another volume. Information submitted in Volume IV will be reviewed or evaluated for compliance, but will not be assigned a confidence rating. Volume IV must consist of the following Tabs:

Tab A – Exceptions/Deviations/Conditional Assumptions

Any exception/deviation/conditional assumption relating to any part of the RFP shall be submitted in Volume IV, Tab A. Any exception/deviation/conditional assumption taken must contain sufficient amplification and justification to permit evaluation. All benefits to the Government must be fully explained for each exception/deviation/conditional assumption taken. Such exceptions/deviations/conditional assumptions will not, in itself, automatically cause an Offer to be deemed unacceptable. A large number of exceptions/deviations/conditional assumptions or one or more significant exception/deviation/conditional assumption not providing benefit to the Government, may, however, result in rejection of your Offer as unacceptable.

Tab B – Signed Standard Form 33 (the solicitation with contractor fill-ins and signature) and representations and certifications.

Tab C - Subcontracting Plan or Small Business Attesting Letter

SUBCONTRACTING PLAN

To assure that maximum opportunities are provided to Small, HUBZone small, Small Disadvantaged, Service-Disabled Veteran-Owned Small Business, and Women-Owned Small Business concerns to participate in the performance of this contract; in accordance with FAR Subpart 19.704, Offerors which are not small business concerns shall submit a Small Business Subcontracting Plan. The plan shall identify each proposed small businesses, the nature of the services to be subcontracted; and state separately the total dollars and percentages that will be

subcontracted to any of the small business categories.

The Small Business Goals for this requirement are identified below:

SOCIAL ECONOMIC CATEGORY	GOALS
Small Business (SB)	20%
Small Disadvantaged Business (SDB)	5%
Historically Underutilized Business Zones (HubZone)	2%
Service-Disabled Veteran-Owned Small Business (SDVOSB)	2%
Women-Owned Small Businesses (WOSB)	3%

The Offeror shall state how it will meet these goals, or if unable to meet any goal, describe why you are unable to meet any goal(s) and how you will work towards meeting them.

The Small Business goals apply to the total percentage of the subcontracted dollar value; not the total dollars of the contract value. (Example: Subcontracted Dollars \$100 – the Goals apply to \$100 vs the total contract dollars of \$200.)

The Offeror’s Small Business Subcontracting Plan must be approved by the Contracting Officer prior to award.

Offerors which are small business concerns shall submit a one-page letter attesting to your firms’ small business

Tab D - Offeror’s representation for the provision at FAR 52.227-15, Representation of Limited Rights Data and Restricted Computer Software.

Tab E – Organizational Conflict of Interest Certification (HSAR 3052.209-72, para. c)
Please submit a mitigation plan if a potential OCI exists in accordance with HSAR 3052.209-72 and Section H.17 Exclusion from Future Contracts clause.

Tab F – Award Fee Plan – The Offeror shall submit a draft Award Fee Plan for review.

Tab G – Compliance Matrix - The Offeror shall submit a Compliance Matrix (in Volume IV, Other Data) indicating where Offerors’ proposed solution addresses the corresponding PWS task/section.

SECTION M – EVALUATION FACTORS FOR AWARD

GENERAL.

Proposals must be prepared and submitted in accordance with Section L.

M-1 — EVALUATION FACTORS

(a) Proposals shall be evaluated on the following factors:

- Factor 1 – Mission Suitability (Oral Presentation)
- Factor 2 – Technical/Management Approach
- Factor 3 – Cost/Price

(b) Factor 1 is the most important factor. Factors 2 and 3 are of lesser importance. Factor 2 is more important than Factor 3. Factor 3 is of least importance. Non-cost/price factors, when combined, are significantly more important than the cost/price factor.

M-2 — TWO STEP PROCESS

(a) The Government intends to conduct the evaluation and selection process in two (2) Steps:

(1) **Step 1 - Advisory.** Factor 1 will be evaluated in this step. Each Offeror will receive an Advisory Notification. The Advisory Notification will inform the Offeror of

- (i) the basis of the Government advisory notice; and
- (ii) either that it will be invited to participate in Step 2 or, based on the information submitted, that it is unlikely to be a viable competitor with the basis for that opinion. The intent of this distinction is to minimize proposal development costs for those vendors with little or no chance of receiving an award. However, notwithstanding the advice provided by the Government in response to their Step 1 submissions, all respondents may participate in Step 2.

Note: The Advisory Notification is the only notice the Government will provide from Step 1; debriefings will not occur at the end of Step 1.

(2) **Step 2 -** Factors 2 and 3 will be evaluated in this step. The selection decision will be a trade-off involving all three factors, Mission Suitability, Technical/Management and Cost/price, according to FAR 15.101-1, Tradeoff Process. Risk assessment will be a part of the overall evaluation.

- Participation in Step 1 is a mandatory part of this acquisition. Failure to participate in Step 1 or the Oral Presentation within Step 1 will preclude further consideration of the Offeror's proposal. Step 2 submissions will not be accepted from any Offeror who has not completed Step 1.
- Results of Step 1 will be carried over to Step 2 for the overall evaluation of proposals.

M-3 — EVALUATION RATINGS

(a) In evaluating Factors 1 and 2, each Factor will have its own confidence assessment. The Government will consider the Offeror's approaches and the risks associated with the approaches proposed by the Offeror to arrive at a confidence assessment of the Offeror's likelihood of successfully performing the work and meeting DCSS objectives. The table below shows the ratings the Government will assign in its evaluation of these factors.

RATINGS FOR FACTORS 1 AND 2	
Rating	Definition
High Confidence	The Government has high confidence that the Offeror understands the requirement, proposes a sound approach, and will be successful in performing the contract.
Some Confidence	The Government has some confidence that the Offeror understands the requirement, proposes a sound approach, and will be successful in performing the contract.
No Confidence	The Government has no confidence that the Offeror understands the requirement, proposes a sound approach, or will be successful in performing the contract.

M-4 — COST/PRICE EVALUATION

While not a rated factor, cost/price to the Government will be a factor in selecting the successful Offeror. Cost will be evaluated with respect to completeness, and reasonableness based on the information submitted in the Offeror's Cost/Price Volume. Cost realism analyses will only be performed on cost reimbursable CLINs.

The Cost/Price Volume will be evaluated to determine whether the costs are realistic only with regard to the cost reimbursable CLINs for any resultant work to be performed, reflect a clear understanding of the requirements, and are consistent with the approaches described in the technical quote.

The entire Cost/Price Volume will be evaluated for the reasonableness of the overall cost/price. This evaluation will determine if costs contained in the Offeror's proposal are reasonable given the nature of the work to be performed. The Cost/Price Volume must contain sufficient cost and pricing information to support negotiation of the contract types identified in the Solicitation.

Evaluation of options does not obligate the Government to exercise the options. The Government reserves the right to exercise some, all or none of the Option CLINs.

For the cost elements of the proposal, in order to determine the reasonableness and realism, evaluation of an Offeror's proposal may include verification of the rates proposed by the prime contractor and its subcontractors. Subcontractors may submit their cost breakdown directly to the Contracting Officer if they have proprietary concerns providing such information to the prime. Such verification requires a determination that both direct (i.e. labor, etc) and indirect (i.e. overhead, fringe and G&A) rates and any special pricing factors are reasonable, allocable, allowable,

consistent with accepted factors and FAR subpart 31.2 allowable accounting/estimating policies.

An Offeror's cost/price proposal must be consistent with the Offeror's proposed technical and management approaches.

The Cost Price Volume III shall include a narrative, and any applicable supporting items to provide a full understanding of the basis of estimate.

Proposals that exhibit the following characteristics will be deemed to show an inherent lack of technical competence or failure to comprehend the complexity and risk of the contract requirements:

- Unrealistically low or high total costs (as compared to the Government estimate and/or other competitive proposals submitted in response to this solicitation).
- Unbalanced costs/pricing, which exists when, despite an acceptable total evaluated price, the price of one or more contract line items is significantly over or understated.

The Government reserves the right to reject such proposals. Also under our Cost Realism review, the Government will determine the probable cost of performance, which will be used for purposes of evaluation to determine the best value (see FAR 15.404-1(d)).

There will be no "confidence" rating for the Cost/Price Factor.