

## **CIC Minutes – 5 August 2016**

**9:30 to 10:30**

**In attendance:** Steve Harnig, Kristy Penninger, Sheela Casper, Timmy Wiand, Josh Hatter, Manny Lovgren, (Lisa Pass - presenting)

**Opening Remarks (Steve Harnig):** Turnout was good for their recent Industry gathering – this is where many of the questions on today’s agenda originated.

### **Topic 1: Proposed changes to contractor badging and check-in process (Lisa Pass)**

All current forms going away except for SAAR-N, which is Navy-mandated. All other forms will be incorporated into the Remedy system. Question is who will do the initial input into Remedy. Lisa Pass will be setting up meetings with CORs; they have the information necessary to complete the forms. She would like to get feedback from Industry regarding the upcoming changes. Lisa can be contacted via email at [lisa.pass@navy.mil](mailto:lisa.pass@navy.mil) or by phone at 843-218-5053.

### **Topic 2: Topics from SBIOI Q&A**

- a) **Review process on TEBs** – Steve Harnig states we do use primarily qualitative evaluation criteria, not a lot of quantitative, so there will be subjectivity. Could consider training session on TEBs and debriefs as part of a future SBIOI; potentially this could happen early CY 2017.
- b) **Potential “Industry Interaction Day”** – Josh Hatter states they would be looking for an event similar to what SSC PAC has done. Steve states there has not been as much interaction due to the demands on LANT employees’ time.

Manny Lovgren states that in NUWC they have contracts folks doing briefs and also one-on-one sessions. Josh mentions that department heads used to have their own tables or booths in order to interact with one POC for industry to contact. This was in addition to the small business POCs.

Steve feels that potentially December SBIOI at the end of day summit would be a good opportunity to do this, and would be able to bring more contracts personnel. States could also consider having an Industry presentation to Govt as well.

Steve states this would be the time to be looking over the last year as well as focusing on where we are going over next year. Also states he has been considering having more people from contracts attending these events. Conduct a speed networking session.

### **Topic 3: Cost realism**

- a) **How does gov define competitive range? Is there a standard process or policy used to eliminate bids outside of competitive range?** Depends on the data that we have. Based on ratings of each proposal against all of the evaluation criteria – comprised of all of the most highly rated proposals (unless reduced further for efficiency).

- b) **Does Govt have a process to eliminate “extraordinarily low bid” strategy? And how is cost realism analysis conducted?** Steve says we do not eliminate “low bids”, but rather adjust costs and then use the evaluated costs to perform comparative assessments and then make an award decision. Discussions can be opened if costs were adjusted or not fully understood.

#### **Topic 4: PSC Codes**

- a) **What is the process SPAWAR uses to assign PSCs to contracts after awarded?** Kristy Penninger says that basic PSC has carried forward on all orders. With FY16 mandate to take to line-item level, this is being worked with finance to determine how to identify at TO level. In addition, external contracts rely heavily on PSC codes for past performance, so this could have an impact. This will be a big change and will require training. Unaware of waiver availability. Contracts is working with 1.0 to further define.
- b) **Does SPAWAR coordinate with external orgs on PSC code assignments?** Not necessarily coordinating, but document from HQ will often come with recommended PSC code. Other agencies that send funding have no insight into PSC codes. Many states that Industry is trying to map to PSC codes – will probably reach out to technical POCs.
- c) **Are PSC codes and “scoring bid process” being considered by SSC LANT for further IDIQ bids?** Not familiar with the “scoring bid process” - Many states this is where companies rate themselves when they go to bid on GSA contract. If this is the case then these ratings would not be considered by SSC LANT.

#### **Topic 5: How is SSC LANT preparing for DFAS NIST (800-171) certification?**

Manny states there is a self-reporting requirement and must become compliant by 12/2017 or cannot perform work on Govt contracts. Steve states these clauses will be implemented. We have done a lot of research on this issue and found that DFARS clause has been modified several times. The latest change does require compliance not later than 31 DEC 2017, with a notification requirement if any requirements of NIST SP 800-171 cannot be implemented at time of contract award (DOD CIO). LANT intends to issue new solicitations with DFARS 252.204-7012 and DAR 52.204-21.

#### **Topic 6: Strategy**

- a) **Where will work be competed for external contract vehicles (Seaport, GSA, etc)?** Working on better forecasting with IPTs. Still working through this – seeing a little bit of an uptick in GSA (ESS going to GSA). Portfolios have business plans, and working on contract planning from these – this will help figure out which external vehicles to be targeted. These plans will also allow SSC LANT to provide more detail in forecasting. We are currently working on the updated PPAB task order forecast that will include utilization of some external vehicles.
- b) **How were percentages determined/description of analysis re SSC LANT’s percentage of internal vs external contracts?** Steve says that the strategy team assessed the scope of the orders placed on pillars and estimated overlap with existing contracts – BFS pillar software development on NIH, for example.

- c) **Upsides and downsides (from Govt perspective) on use of various contract vehicles (GSA Alliant vs Seaport, etc)?** Steve states upside is availability and use of our resources to process orders and obligate funds rather than using resources to issue new IDIQs and then orders. Downside is not being able to show which contracts will be used, and also different process on the contracts. There is a learning curve regarding portal, unique terms, conditions, processes, and procedures. Looking to do some training on these.

**Topic 7: What are current restrictions on use of FOEs? When appropriate and why?**

Steve states the process is in the FAR. Must provide fair opportunities to MAC holders (over \$3000) Only exceptions would be urgency, unique need, logical follow-on, minimum guarantee, or statutory. Would not do FOE for incumbent requirement – would give fair opportunity and not be restrictive. Josh states Gary Jaffe had some examples of this, but he is not here today. Technical requirements can be difficult for contracts employees – need assistance from tech codes in order to figure out actual requirements, and industry must notify the PCO (and above, if necessary) of restrictive requirements.

**Topic 8: Industry best practices**

Manny uses example of how NUWC has turned things around after some difficulties in recent past. TDAAs (this is a technical person) are being used as a single POC to help with contract requirements and meet with industry partners. Jim Crawley used to do this. Jim has recently retired, and we are looking to replace him and re-staff this. Hiring announcements not out yet. At LANT, for example, Michelle DeForest does PWSs – hoping to get up to 9 people on CRT team, who would be aligned to the 3 major portfolios (3 people aligned to each portfolio). Lead would assist with ordering and contracting, other 2 would be directly aligned to ordering groups. This will be part of the contracts organization – Manny mentions that the TDAAs are more technical. Steve states we are looking at a hybrid – acquisition expert and technically knowledgeable with an understanding of contracting. Steve hopes to reach out to NUWC and NAVAIR to continue dialogue and find best practices to implement here.

**Topic 9: Planning session for CIC, open to Industry, in August. Steve to brief on 08/25 @ 3? Update: industry planning session delayed until after CIC special session on 1 SEP and CDCA Strategic Plan Coordination meeting with CO and ED on 1 SEP.**

Steve would like to do this. Josh states a quick introduction at CIC planning session may drive interest on the Industry side. Josh states they use email distro to member organizations. CDCA, AFCEA, WID, TASC

**Closing remarks:**

Improvements are being seen in internal documentation – still some things that need to improve, more work to do. Josh states it seems better in last 3-4 months.

**Industry Actions:**

1. Provide feedback to Lisa Pass re contractor badging and check-in/check-out process

2. Provide examples regarding restrictions on FOEs

3. CIC members without a CAC have trouble accessing base and need to fill out/ submit updated forms. The one's currently on file have expired.

**2.0 Actions:**

1. Steve to provide more info re how Govt defines the competitive range – SBIOI training topic?