

## **Contract Management (CON) Supplemental Information**

In 1965, the Secretary of Defense established a joint military study group to make recommendations to develop officers for positions as senior contracting managers. Acquisition positions fall under the requirements of the Defense Acquisition Workforce Improvement Act (DAWIA) implemented in 1990 and established specific training requirements and certifications for all acquisition workforce members. The DAWIA states, “The Secretary of Defense shall establish policies and procedures for the effective management (including accession, education, training, and career development) of persons serving in acquisition positions in the Department of Defense.”

The CON program assigns high-quality junior officers to a 24 month tour at a major Navy contracting activity. These developmental assignments provide a broad range of experience in areas such as contract planning, contractor cost analysis, contract negotiation, contract award, and contract administration. Below is the list of required and recommended training that Contracting interns will complete during the internship.

### **Required Training**

Required DAU Courses for ACA AQD
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### **Recommended Training**

3IMC at Darden
Optional: GRT 201V – Grants and Agreements Management

Contracting interns may be exposed to some or all of the Contracting Principles listed below during their internship. The exact principles experienced will depend on the type of command and their role in the Contracting process. More information on Contracting Principles can be found in the 1306 ESRs and CSRs.

<b>Contracting Principles</b>
<b>A. CONTRACT PLANNING &amp; COORDINATION PHASE</b>
1. Delegation of authority to Contracting officer.
2. Roles/responsibilities of Acquisition team members (including DCAA, DCMC, etc).
3. Use/limitations of types of Contracts:
(a) Fixed Price Contracts (FAR 16.2)

(b) Cost Reimbursement contracts (FAR 16.3)
(c) Incentive contracts (FAR 16.4)
(d) Indefinite Delivery contracts (FAR 16.5)
(e) Time & Materials/Labor Hour Contracts (FAR 16.6)
(f) Basic Agreements/Basic Ordering (FAR 16.7)
(g) Grants & Assistance
(h) Letter Contracts
(i) Multi-year Contracting
(j) Multiple Award Contract
4. Ordering mechanisms:
(a) Purchase orders
(b) Delivery order/task orders 1) Fair Opportunity 2) Orders under Multiple Award Contracts
(c) BOA order(s)
(d) Provisioned item order
(e) Schedule Buying
5. Contracting Methods:
(a) Sealed bidding
(b) Competitive negotiation
(c) Non-competitive negotiation

(d) Simplified Acquisition Procedures
(e) Brooks Act
(f) Purchase Cards
6. Market research in acquisition planning phase.
7. Contracting Topics:
(a) Major Systems
(b) Research and development
(c) Services requirements
(d) Architect/Engineer
(e) Construction
(f) Ship leasing
(g) Multi-year contracting
(h) Second source/dual source/leader-follower
(i) Commercial Items
(j) Information Technology
(k) Indemnification/insurance
(l) Technical instructions
(m) Period of performance
8. Understanding of contracting with/for Foreign sources:
(a) Foreign Military Sales

(b) Foreign Contracting
(i) Domestic award to foreign source
(ii) Overseas award to foreign source
(c) Impact of Trade Agreements Act, Buy American Act, etc.
9. Planning, Programming & Budgeting System:
(a) Source/authority/responsibility for funding
(b) Full funding vs. incremental funding
(c) Appropriate use of funding types
(d) Antideficiency Act.
10. Familiarity with DoD 5000.1 et al.
11. Acquisition Planning and Documentation:
(a) Develop Acquisition Plan/Acquisition Strategy
(b) Develop source selection plan
(c) Develop technical evaluation plan
(d) Prepare Justification & Approval
(e) Prepare Determination & Finding
(f) Understand requirements documents
(g) Prepare material and delivery requirements
(h) Prepare Work Statement and specifications
(i) Period of performance.
12. Intellectual Property:

(a) Understand Patents & Copyrights
(b) Understand Rights In Technical Data
(c) Understand Rights In Computer Software
<b>B. PRE-SOLICITATION PHASE</b>
1. Qualified Bidders List.
2. Qualified Products List.
3. Small Business/Small Disadvantaged Business programs and procedures.
4. Market Research in Solicitation Phase.
5. Understand requirements for submission of cost or pricing data.
6. Understand Equal Employment Opportunity provisions.
7. Source selection plan and evaluation criteria.
8. Prepare/issue FedBizOps synopsis.
9. Approval for Non-Standard provisions.
10. Arrange/participate in source selection meetings (e.g., SSAC, SSEB, review board, etc).
11. Department of Labor determination and approvals.
12. Select appropriate solicitation strategy:
(a) Sealed bidding
(b) Negotiated: low price
(c) Negotiated: best value
(d) Negotiated: non-competitive
(e) Simplified Acquisition

13. Draft solicitation/obtain necessary approvals.
(a) Draft solicitation for industry comment
14. Enforcing Organizational Conflicts of Interest/Procurement Integrity requirements.
C. SOLICITATION PHASE
1. Draft solicitation documents and obtain necessary approval.
2. Issue solicitation.
3. Issue SeaPort Solicitation.
4. Pre-Bid/Pre-Proposal meeting.
5. Exchanges with Offerors Before Receipt of Proposals.
6. Solicitation Amendments.
7. Safeguarding Bids/Proposals and Information.
8. Receipt/Evaluation of Unsolicited Proposals.
D. EVALUATION/AWARD: SEALED BID
1. Bid Opening.
2. Mistake-in-bid, late bids.
3. Responsibility Determination.
4. Draft contract and obtain necessary approvals.
5. Confirm/Obtain appropriate funding.
6. Obtain performance/payment bonds.
7. Obtain required pre-award approvals (e.g., EEO).
8. Protests.

E. EVALUATION/AWARD: NEGOTIATED PROCUREMENTS
1. Source selection Evaluation (SSAC, SSEB, review board, etc).
2. Pricing/Administration/Payment support (e.g., DCAA, DCMA, DFAS).
3. Forward pricing rate agreements.
4. Contractor past performance evaluation.
5. Price Analysis.
6. Perform cost analysis of:
(a) Material costs
(b) Subcontracts
(c) Labor Hours and Labor Rates
(d) Direct and Indirect rates
(e) other cost elements
7. Perform cost realism analysis.
8. Perform profit analysis.
9. Competitive range.
10. Prepare pre-negotiation clearance and obtain approvals.
11. Conduct a non-competitive negotiation.
12. Clarifications, Communications, and Exchanges with Offerors After Receipt of Competitive Proposals.
13. Prepare post-negotiation business clearance and obtain approvals.
14. Draft contract and obtain necessary approvals:
(a) EEO Pre-award Compliance

(b) Contract Announcement
(c) Contract Action Reporting to FPDS-NG
15. Responsibility determination.
16. Debrief unsuccessful offerors.
17. Respond to Protests.
F. GRANTS/ASSISTANCE
1. Understand difference between contracts and grants:
(a) OFPP policy and guidance
(b) Applicable OMB circulars
(c) DDRE policy/directives
2. Understand roles/responsibilities of scientific officer/program officers and contracting officer/grants officer.
3. Understand types of assistance and usage:
(a) Grants
(b) Cooperative agreements
4. Understand pre-award assistance actions including Board Agency Announcements Cost principles for educational and not-profit organizations.
5. Understand post-award administration differences between grants and contracts.
G. CONTRACT ADMINISTRATION
1. Ability to prepare and issue:
(a) Option exercise
(b) Unilateral modification
(c) Bilateral modification

(d) Change order pursuant to Changes clause
(e) Waiver or deviation
(f) Contracting officer correspondence relating to contract
(g) Definitization modification
2. Understand:
(a) contract price redetermination requirements and procedures
(b) defective pricing requirements and procedures
(c) negotiation and settlement of termination-s for:
(1) default
(2) convenience
(d) taxes
(e) requirements and appropriate actions involving a contractor's labor, strikes and labor agreement matters
(f) pricing formula for spares/provisioned items
(g) insurance requirements and types of indemnification
(h) excusable and other delays
(i) consequential & other damages
(j) subcontract clauses & review
(k) contractor/subcontractor reports & performance
(l) Disputes avoidance and resolution
(m) Contract close-out
(n) Final settlements

(o) Engineering Change Proposal (ECP) and Value Engineering Change Proposal (VECP)
(p) Liquidated damages
3. Understand contract financing requirements including:
(a) progress payments
(b) cost reimbursements
(c) withholding amounts
(d) monitoring overhead with DCAA and CAO
(e) roles and responsibilities in funding and accounting process
(f) cancellation of closing appropriations
(g) final payment process
4. Understand the “Changes” process, including:
(a) “Changes” provisions of the various contract types
(b) configuration management
(c) appropriate contractual vehicles
(d) avoidance of constructive changes
(e) handling requests for equitable adjustments
(f) handling claims
(g) handling requests for extraordinary contractual relief
5. Understand DCAA & CAO interface with PCO/ACO operation.