

|   |                                  |  |   |                               |
|---|----------------------------------|--|---|-------------------------------|
| <b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>   |                                  |  | 1. CONTRACT ID CODE<br>U                              | PAGE OF PAGES<br>1   44       |
| 2. AMENDMENT/MODIFICATION NO.<br>0001   | 3. EFFECTIVE DATE<br>22-Sep-2010 | 4. REQUISITION/PURCHASE REQ. NO.                               |   | 5. PROJECT NO.(If applicable) |
| 6. ISSUED BY<br>COMMANDER, SPACE AND NAVAL WARFARE<br>SYSTEMS COMMAND<br>02 CONTRACTS<br>4301 PACIFIC HIGHWAY<br>SAN DIEGO CA 92110-3127  | CODE<br>N00039                   | 7. ADMINISTERED BY (If other than item 6)<br><b>See Item 6</b> |   |                               |
| 8. NAME AND ADDRESS OF CONTRACTOR (No., Street, County, State and Zip Code)   |                                  | X  | 9A. AMENDMENT OF SOLICITATION NO.<br>N00039-10-R-0032 |                               |
|   |                                  | X  | 9B. DATED (SEE ITEM 11)<br>12-Aug-2010                |                               |
|   |                                  |  | 10A. MOD. OF CONTRACT/ORDER NO.                       |                               |
|   |                                  |  | 10B. DATED (SEE ITEM 13)                              |                               |
| CODE  | FACILITY CODE                    |  |   |                               |
| 11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS   |                                  |  |   |                               |
| <input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offer <input type="checkbox"/> is extended, <input checked="" type="checkbox"/> is not extended.<br>Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods:<br>(a) By completing Items 8 and 15, and returning <u>1</u> copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted;<br>or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified. |                                  |  |   |                               |
| 12. ACCOUNTING AND APPROPRIATION DATA (If required)   |                                  |  |   |                               |
| 13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS.<br>IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.   |                                  |  |   |                               |
| A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.  |                                  |  |   |                               |
| B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(B).   |                                  |  |   |                               |
| C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:  |                                  |  |   |                               |
| D. OTHER (Specify type of modification and authority)   |                                  |  |   |                               |
| E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.   |                                  |  |   |                               |
| 14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)<br><br>The purpose of this modification to the RFP is to incorporate changes as a result of Contractor Q&A's and updated requirements. See SF30 continuation pages.   |                                  |  |   |                               |
| Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.  |                                  |  |   |                               |
| 15A. NAME AND TITLE OF SIGNER (Type or print)   |                                  | 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)     |   |                               |
|   |                                  | TEL:   | EMAIL:  |                               |
| 15B. CONTRACTOR/OFFEROR   | 15C. DATE SIGNED                 | 16B. UNITED STATES OF AMERICA                                  |   | 16C. DATE SIGNED              |
| _____<br>(Signature of person authorized to sign)   |                                  | BY _____<br>(Signature of Contracting Officer)                 |   | 22-Sep-2010                   |

## SECTION SF 30 BLOCK 14 CONTINUATION PAGE

**SUMMARY OF CHANGES**

## SECTION A - SOLICITATION/CONTRACT FORM

The required response date/time has changed from 12-Oct-2010 02:00 PM to 12-Oct-2010 10:00 AM.  
The number of offeror copies required has decreased by 1 from 1 to 0.

## SECTION B - SUPPLIES OR SERVICES AND PRICES

## CLIN 1000

The CLIN extended description has changed from Configuration AMaximum 10; See Pricing Table B-1IAW SOW para 4.2-4.2.2.2 and 4.25-4.2.11 to Configuration AMaximum 12; See Pricing Table B-1IAW SOW para 4.2-4.2.2.2 and 4.25-4.2.11.

## CLIN 1001

The CLIN extended description has changed from Configuration BMaximum 10; See Pricing Table B-2IAW SOW para 4.2-4.2.2.2 and 4.25-4.2.11 to Configuration BMaximum 12; See Pricing Table B-2IAW SOW para 4.2-4.2.2.2 and 4.25-4.2.11.

## CLIN 1002

The CLIN extended description has changed from Configuration CMaximum 10; See Pricing Table B-3IAW SOW para 4.2-4.2.2.2 and 4.25-4.2.11 to Configuration CMaximum 12; See Pricing Table B-3IAW SOW para 4.2-4.2.2.2 and 4.25-4.2.11.

DATA RIGHTS

The following have been deleted:

CDRL A063 DI-MSSM-81753 DoD M&S V&V Accreditation Report

The following have been modified:

A073 DI-SAFT-80102B Safety Assessment Report (SAR)

The following have been modified:

A088 DI-MISC-80508B IETM Book Plan, Validation/Verification Plan

The following have been modified:

A089 MIL-DTL-87268C Interactive Electronic Technical Manuals (Technical Manuals for System-Level Hardware/Software, COTS/GOTS, and Newly Developed Equipment)

The following have been modified:

A091 DI-MISC-80508B IETM Book Plan Outline, Validation/Verification Report

The following have been added:

CDRL A106 DI-SAFT-80101B System Hazard Analysis (SHA)

#### SECTION D - PACKAGING AND MARKING

The following have been deleted:

5252.237-9203 Marking of Reports (NOV 1991)

OCT 2006

#### SECTION F - DELIVERIES OR PERFORMANCE

The following have been modified:

F-302 TIME AND PLACE OF DELIVERY--F.O.B. DESTINATION (DEC 1999)

Destination and delivery schedule are set forth below:

#### DELIVERY INFORMATION

| CLIN | Description                     | Delivery Date   | Quantity  | Ship to Address  | UIC    |
|------|---------------------------------|---|---|--|--------|
| 0001 | GPNTS EDMs                      | 36 months after contract award (ACA)                    | Item quantities identified in SOW Paragraph 4.1.1 | SPAWAR Systems Center Pacific<br>4297 Pacific Highway, Bldg 7<br>San Diego, CA 92110-5000<br>Attn: Leslie White, Code 71230<br>(619)553-5773 | N00039 |
| 0002 | Data for CLIN 0001              | In Accordance With (IAW) CDRL                           |   | IAW CDRL   |        |
| 0003 | Reserved                        |   |   |  |        |
| 0004 | Reserved                        |   |   |  |        |
| 0005 | ODCs                            | IAW Mod   |   | IAW Mod  |        |
| 1000 | LRIP Production Configuration A | No Later Than (NLT) 12 Months After Option Award (AOA)* | Max 12  | Same as Item 0001  | N00039 |
| 1001 | LRIP Production Configuration B | NLT 12 Months AOA*                                      | Max 12  | Same as Item 0001  | N00039 |
| 1002 | LRIP Production Configuration C | NLT 12 Months AOA*                                      | Max 12  | Same as Item 0001  | N00039 |

|      |   |                     |        |                          |        |
|------|---|---------------------|--------|--------------------------|--------|
| 1003 | Provisioning Item Ordering                  | IAW PIO             |        | IAW PIO                  |        |
| 1004 | Upgrade Kits                                | IAW Upgrade Kits    |        | IAW Upgrade Kits         |        |
| 1005 | Engineering Services                        | IAW                 |        | IAW                      |        |
| 1006 | Data  | IAW CDRL            |        | IAW CDRL                 |        |
| 1007 | ODCs  | IAW Mod             | -      | IAW Mod                  |        |
|      |   |                     |        |                          |        |
| 2000 | Full Rate Production Year 1 Configuration A | NLT 12 Months AOA** | Max 20 | <b>Same as Item 0001</b> | N00039 |
| 2001 | Full Rate Production Year 1 Configuration B | NLT 12 Months AOA** | Max 20 | <b>Same as Item 0001</b> | N00039 |
| 2002 | Full Rate Production Year 1 Configuration C | NLT 12 Months AOA** | Max 20 | <b>Same as Item 0001</b> | N00039 |
| 2003 | Provisioning Item Ordering                  | IAW PIO             |        | IAW PIO                  |        |
| 2004 | Upgrade Kits                                | IAW Upgrade Kits    |        | IAW Upgrade Kits         |        |
| 2005 | Engineering Services                        | IAW                 |        | IAW                      |        |
| 2006 | Data  | IAW CDRL            |        | IAW CDRL                 |        |
| 2007 | ODCs  | IAW Mod             | -      | IAW Mod                  |        |
|      |   |                     |        |                          |        |
| 3000 | Full Rate Production Year 2 Configuration A | NLT 12 Months AOA** | Max 20 | <b>Same as Item 0001</b> | N00039 |
| 3001 | Full Rate Production Year 2 Configuration B | NLT 12 Months AOA** | Max 20 | <b>Same as Item 0001</b> | N00039 |
| 3002 | Full Rate Production Year 2 Configuration C | NLT 12 Months AOA** | Max 20 | <b>Same as Item 0001</b> | N00039 |
| 3003 | Provisioning Item Ordering                  | IAW PIO             |        | IAW PIO                  |        |
| 3004 | Upgrade Kits                                | IAW Upgrade Kits    |        | IAW Upgrade Kits         |        |
| 3005 | Engineering Services                        | IAW                 |        | IAW                      |        |
| 3006 | Data  | IAW CDRL            |        | IAW CDRL                 |        |
| 3007 | ODCs  | IAW Mod             | -      | IAW Mod                  |        |
|      |   |                     |        |                          |        |
| 4000 | Full Rate Production Year 3 Configuration A | NLT 12 Months AOA** | Max 20 | <b>Same as Item 0001</b> | N00039 |
| 4001 | Full Rate Production Year 3 Configuration B | NLT 12 Months AOA** | Max 20 | <b>Same as Item 0001</b> | N00039 |
| 4002 | Full Rate Production Year 3 Configuration C | NLT 12 Months AOA** | Max 20 | <b>Same as Item 0001</b> | N00039 |
| 4003 | Provisioning Item Ordering                  | IAW PIO             |        | IAW PIO                  |        |

|      |   |                     |        |                   |        |
|------|---|---------------------|--------|-------------------|--------|
| 4004 | Upgrade Kits                                | IAW Upgrade Kits    |        | IAW Upgrade Kits  |        |
| 4005 | Engineering Services                        | IAW                 |        | IAW               |        |
| 4006 | Data  | IAW CDRL            |        | IAW CDRL          |        |
| 4007 | ODCs  | IAW Mod             | -      | IAW Mod           |        |
|      |   |                     |        |                   |        |
| 5000 | Full Rate Production Year 4 Configuration A | NLT 12 Months AOA** | Max 20 | Same as Item 0001 | N00039 |
| 5001 | Full Rate Production Year 4 Configuration B | NLT 12 Months AOA** | Max 20 | Same as Item 0001 | N00039 |
| 5002 | Full Rate Production Year 4 Configuration C | NLT 12 Months AOA** | Max 20 | Same as Item 0001 | N00039 |
| 5003 | Provisioning Item Ordering                  | IAW PIO             |        | IAW PIO           |        |
| 5004 | Upgrade Kits                                | IAW Upgrade Kits    |        | IAW Upgrade Kits  |        |
| 5005 | Engineering Services                        | IAW                 |        | IAW               |        |
| 5006 | Data  | IAW CDRL            |        | IAW CDRL          |        |
| 5007 | ODCs  | IAW Mod             | -      | IAW Mod           |        |
|      |   |                     |        |                   |        |
| 6000 | Full Rate Production Year 5 Configuration A | NLT 12 Months AOA** | Max 20 | Same as Item 0001 | N00039 |
| 6001 | Full Rate Production Year 5 Configuration B | NLT 12 Months AOA** | Max 20 | Same as Item 0001 | N00039 |
| 6002 | Full Rate Production Year 5 Configuration C | NLT 12 Months AOA** | Max 20 | Same as Item 0001 | N00039 |
| 6003 | Provisioning Item Ordering                  | IAW PIO             |        | IAW PIO           |        |
| 6004 | Upgrade Kits                                | IAW Upgrade Kits    |        | IAW Upgrade Kits  |        |
| 6005 | Engineering Services                        | IAW                 |        | IAW               |        |
| 6006 | Data  | IAW CDRL            |        | IAW CDRL          |        |
| 6007 | ODCs  | IAW Mod             | -      | IAW Mod           |        |

\*Deliveries will be made one (1) per month commencing three (3) months AOA.

\*\*Deliveries will be made two (2) per month commencing three (3) months AOA.

The following have been modified:

PERIOD OF PERFORMANCE

ITEMS

0001 thru 0005

PERIOD OF PERFORMANCE

From date of contract award through 36 months thereafter

OPTION ITEMS

1000 thru 1007

From date of option exercise through 31 May 2016

|                |  |
|----------------|--|
| 2000 thru 2007 | From date of option exercise through 31 May 2017 |
| 3000 thru 3007 | From date of option exercise through 31 May 2018 |
| 4000 thru 4007 | From date of option exercise through 31 May 2019 |
| 5000 thru 5007 | From date of option exercise through 31 May 2020 |
| 6000 thru 6007 | From date of option exercise through 31 May 2021 |

## SECTION H - SPECIAL CONTRACT REQUIREMENTS

The following have been deleted:

52.234-4                      Earned Value Management System                      JUL 2006

The following have been modified to add CLIN 1003:

### ORDERING PROVISIONING ITEMS

Applicable to Option Items 1003, 2003, 3003, 4003, 5003, and 6003, if and to the extent options are exercised.

(a) Contracting Modification - Provisioning Items and Other Supplies or Services to be Furnished When Ordered by the Government. The Contractor shall furnish supplies or services in accordance with the procedures specified herein when a contract modification is issued by either the Purchasing Contracting Officer (PCO) or the Administrative Contracting Officer (ACO). The Government shall not be liable for any expenses incurred by the Contractor under Item set forth herein until a contract modification is issued by the Government.

(b) Ordering. For the purpose of this contract, the PCO or ACO is the ordering activity. The PCO or ACO will issue contract modifications for supplies or services to be furnished by the Contractor in accordance with requirements specified by the cognizant provisioning or requiring activity designated in the modification. Each contract modification issued in accordance with paragraph (c) or (d) below shall be prepared on Standard Form 30 (Amendment of Solicitation/Modification of Contract) and shall

- (i) be numbered as a modification to this contract in accordance with DFAR 204.7004;
- (ii) identify the Item number set forth in SECTION B of the Schedule under which the supplies or services are being procured;
- (iii) set forth the supplies or services and the quantities being procured;
- (iv) set forth packaging (preservation and packing) and marking requirements for supplies being procured;
- (v) set forth consignment instructions for supplies being procured to the extent they are known at the time the contract modification is issued (See FAR 47.305-10 and DOD FAR Supplement 247.305-10);
- (vi) set forth the negotiated delivery or performance dates (or the Government's desired delivery or performance dates in the case of a NTE modification where the delivery schedule has not been negotiated);
- (vii) identify those items, if any, subject to the "Limitation of Liability - High-Value Items" clause, if included in this contract;
- (viii) obligate funds to cover any supplemental agreement issued under paragraph (c) below or NTE modifications issued under paragraph (d) below;
- (ix) set forth the applicable accounting and appropriation data;
- (x) be given the same distribution as this contract, except that distribution of voluminous contract exhibits shall be limited to:

- (1) the Contractor,
- (2) the Contract Administration Office,
- (3) the cognizant provisioning or requiring activity,
- (4) the Paying Office, and

(5) the Accounting Office.

(xi) set forth applicable procedures for interim release by the contractor of long lead items, if any, and include ordering and funding instructions. As a minimum, the instructions shall require the contractor to advise the PCO, ACO, or provisioning activity at least thirty (30) days before release of the items, including the estimated costs and effective date of the release.

(xii) require the Contractor to flowdown appropriate provisioning technical requirements to the subcontractor when the subcontractor prepares technical documentation.

(c) Supplemental Agreements Covering Priced Provisioning Items or Other Supplies or Services. Except as otherwise provided in paragraph (e) below, the PCO or ACO will issue a supplemental agreement to this contract when supplies or services are to be furnished by the Contractor. The Contractor shall submit to the PCO or ACO, prior to the issuance of each modification, a price quotation for the supplies or services ordered by the Government which shall include: (1) an estimate of the costs with sufficient data to support the accuracy and reliability of such estimate, and (2) supporting cost and pricing data. Such supplemental agreement shall be fully priced and otherwise fully definitive at the time of issuance and shall be signed by the Contractor and the PCO or ACO.

(d) Provisioning Items Orders and Other NTE Modifications. In those cases where it is not possible to fully price the supplies or services required by the Government in accordance with paragraph (c) above, the PCO or ACO will issue a unilateral contract modification in the form of a NTE modification. Each NTE modification shall provide for total performance of the modification for the specified NTE and shall bear reasonable relationship to the work to be performed. A milestone schedule which culminates in a mutually agreed date upon which complete definitization will occur shall be included in each NTE modification. The milestone schedule established in the NTE modification shall be within the period set forth in paragraph (f) below. Each NTE modification shall set forth the NTE for the supplies or services being procured and shall be signed by the PCO or ACO. The NTE specified in any NTE modification shall not be used as a billing price for delivered items. Modifications for provisioned items shall be issued in accordance with DFARS 217.7601/PGI 217.7601. DFARS 252.217-7027 CONTRACT DEFINITIZATION shall be included in any undefinitized order.

(e) Limitation of Government Liability and Contractor Obligations Under NTE Modifications. The not-to-exceed price specified in each NTE modification shall be the limitation on the Government's liability for the supplies or the services ordered until the NTE modification has been superseded by a supplemental agreement to this contract, unless such not-to-exceed price has been increased in writing by the PCO or ACO. If the Contractor has a reasonable expectation that the supplies or services ordered will exceed the not-to-exceed price specified in the NTE modification, the Contractor shall not be obligated to proceed with performance but shall promptly notify the PCO or ACO in writing, with a copy to the cognizant provisioning or requiring activity, and shall propose an increase in the estimated price. Within fifteen (15) days after receipt of such notification, the PCO or ACO will either increase the not-to-exceed price of the NTE modification or notify the Contractor in writing how and to what extent the work shall be continued. If the Contractor has a reasonable expectation that the total price to the Government for the supplies or services called for in any NTE modification will be substantially less than the not-to-exceed price specified therein, the Contractor shall promptly notify the PCO or ACO in writing, with a copy to the cognizant provisioning or requiring activity. The PCO or ACO may, based upon such notification decrease the not-to-exceed price of the NTE modification.

(f) Cost Quotations and Establishment of Definitized Estimated Firm Fixed Price Under NTE Modifications. The Contractor shall submit to the PCO or ACO, not later than sixty (60) days after issuance of each NTE modification, a price quotation for the supplies or services ordered by the Government which shall include: (1) a statement of costs incurred and an estimate of the costs expected to be incurred in the performance of the NTE modification, together with sufficient data to support the accuracy and reliability of such estimate, and (2) supporting cost and pricing data. Upon submission of the Contractor's price quotation, the Contractor and the PCO or ACO shall promptly negotiate and establish a firm price for the supplies or services in the NTE modification. The firm price established in a supplemental agreement to the contract shall supersede the applicable NTE modification. Multiple NTE modifications or portions of unpriced modifications may be incorporated in a supplemental agreement which supersedes a NTE modification, provided that the identification shown in the applicable NTE modification is set forth in such supplemental agreement. Any supplemental agreement superseding a NTE modification shall be executed within one hundred twenty (120) days after the issuance of the NTE modification, but in no event after

forty percent (40%) of the work has been completed. If agreement on a definitive bilateral modification to any NTE modification is not reached within the period specified above, the PCO or ACO may unilaterally determine a reasonable price for the NTE modification in accordance with FAR 15-4, FAR Part 31, and DOD FAR Supplemental 215-4, subject to appeal by the Contractor as provided in the "Disputes" clause of this contract.

(g) Segregation of Costs of NTE Modifications. The Contractor shall segregate by modification all incurred costs (less allocable credits) for work allocable to each NTE modification issued pursuant to paragraph (d) above. The requirement for the Contractor to segregate the costs of each NTE modification shall continue until a firm price is established by a supplemental agreement to this contract.

(h) Progress Payments – Withholding or Suspension – NTE Modifications. Submission by the Contractor of a qualifying proposal for each NTE modification issued hereunder is a material requirement of this contract in order to ensure that complete definitization shall occur within the period specified in paragraph (f) above. Therefore, if the Contractor fails to submit a qualifying proposal for any NTE modification, progress payments for the supplies or services ordered may be reduced or suspended in accordance with paragraph (c) (1) of the Progress Payments clause of this contract, unless such failure is due to causes beyond the Contractor's control and through no fault or negligence of the Contractor. The PCO or ACO will notify the Contractor in writing as to any reduction or suspension of progress payments pursuant to FAR 32.503-6.

(i) Progress Payments – Expenditure Limitation for NTE Modifications. Pending the establishment of firm prices, for the purpose of progress payments only, the contractor price shall be established at fifty percent (50%) of the not-to-exceed price of each NTE modification for which the Contractor has not submitted to the PCO or ACO a qualifying proposal for definitization and at seventy-five percent (75%) of the not-to-exceed price of each NTE modification for which a qualifying proposal has been submitted to the PCO or ACO before the funds expended by the Government equal fifty percent (50%) of the not-to-exceed price. The Contractor shall submit a separate Standard Form 1443, Contractor Request for Progress Payment, for each priced NTE modification, and each progress payment request shall state the maximum expenditure limitation in accordance with this paragraph.

(j) Contractor Exhibits Provisioned or Other Supplies or Services. The Contractor shall prepare a contract exhibit in accordance with DFARS 204.7105 and 204.7106 for supplies or service ordered under this contract. Each such contract exhibit shall utilize the appropriate exhibit identifier assigned in SECTION B of the Schedule and shall apply only to the contract line item specified in SECTION B (or shall apply to one subline item number only if subline items are established within the designated contract line item when supplies or services are ordered). If all available exhibit line items numbers are utilized within each exhibit (identifier) assigned in SECTION B for a particular contract line item, the Contractor shall promptly so notify the PCO (Contracting Officer, Space and Naval Warfare Systems Command) in writing, via the ACO if the ACO issued the modification.

(k) Modification to Supplemental Agreements. Additions to supplemental agreements or NTE modifications shall be effected in accordance with the procedures for issuing contract modifications specified herein. Any claim for charges resulting from a decrease in the supplies or services ordered by the Government shall be processed in accordance with the termination procedures of this contract. Items of supplies or service set forth in modifications to supplemental agreements or NTE modifications (or contract exhibits) issued hereunder shall be numbered in accordance with the applicable procedures in DFARS 204.71/PGI 204.71, except that new contract line numbers shall not be assigned in contract modifications issued by the PCO or ACO.

(l) Provisioning Document, Specification, or Description of Work. In the event of any inconsistency between any provisioning document or specification and SECTION B of the Schedule, the Schedule shall control.

(End of clause)

## SECTION I - CONTRACT CLAUSES

The following have been added by reference:

|           |                           |          |
|-----------|---------------------------|----------|
| 52.232-16 | Progress Payments         | AUG 2010 |
| 52.245-1  | Government Property       | AUG 2010 |
| 52.245-9  | Use And Charges           | AUG 2010 |
| 52.251-1  | Government Supply Sources | AUG 2010 |

The following have been deleted:

|              |                                |          |
|--------------|--------------------------------|----------|
| 52.232-16    | Progress Payments              | JUL 2009 |
| 52.245-1     | Government Property            | JUN 2007 |
| 52.245-9     | Use And Charges                | JUN 2007 |
| 52.251-1     | Government Supply Sources      | APR 1984 |
| 252.215-7004 | Excessive Pass-Through Charges | MAY 2008 |

The following have been modified:

52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (DEC 2009)

(a) Definitions.

"Commercial item", has the meaning contained in Federal Acquisition Regulation 2.101, Definitions.

"Subcontract", includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

(b) To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.

(c) (1) The Contractor shall insert the following clauses in subcontracts for commercial items:

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (APR 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)), if the subcontract exceeds \$5,000,000 and has a performance period of ore than 120 days. In altering this clause to identify the appropriate parties, all disclosures of violation of the civil False Claims Act or of Federal criminal law shall be directed to the agency Office of the Inspector General, with a copy to the Contracting Officer.

(ii) 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (Section 1553 of Pub. L. 111-5), if the subcontract is funded under the Recovery Act.

(iii) 52.219-8, Utilization of Small Business Concerns (May 2004) (15 U.S.C. 637(d)(2) and (3)), if the subcontract offers further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$550,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(iv) 52.222-26, Equal Opportunity (MAR 2007) (E.O. 11246).

(v) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era and Other Eligible Veterans (SEP 2006) (38 U.S.C. 4212(a)).

(vi) 52.222-36, Affirmative Action for Workers with Disabilities (JUN 1998) (29 U.S.C. 793).

(vii) Reserved..

(viii) 52.222-50, Combating Trafficking in Persons (FEB 2009) (22 U.S.C. 7104(g)).

(ix) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. App. 1241 and 10 U.S.C. 2631), if flow down is required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

(End of clause)

## SECTION K - REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS

The following have been modified:

### 52.204-8 ANNUAL REPRESENTATIONS AND CERTIFICATIONS (FEB 2009)

(a)(1) The North American Industry Classification System (NAICS) code for this acquisition is 3345111.

(2) The small business size standard is 750.

(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b)(1) If the clause at 52.204-7, Central Contractor Registration, is included in this solicitation, paragraph (d) of this provision applies.

(2) If the clause at 52.204-7 is not included in this solicitation, and the offeror is currently registered in CCR, and has completed the ORCA electronically, the offeror may choose to use paragraph (d) of this provision instead of completing the corresponding individual representations and certifications in the solicitation. The offeror shall indicate which option applies by checking one of the following boxes:

Paragraph (d) applies.

Paragraph (d) does not apply and the offeror has completed the individual representations and certifications in the solicitation.

(c)(1) The following representations or certifications in ORCA are applicable to this solicitation as indicated:

(i) 52.203-2, Certificate of Independent Price Determination. This provision applies to solicitations when a firm-fixed-price contract or fixed-price contract with economic price adjustment is contemplated, unless--

- (A) The acquisition is to be made under the simplified acquisition procedures in Part 13;
  - (B) The solicitation is a request for technical proposals under two-step sealed bidding procedures; or
  - (C) The solicitation is for utility services for which rates are set by law or regulation.
- (ii) 52.203-11, Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions. This provision applies to solicitations expected to exceed \$100,000.
- (iii) 52.204-3, Taxpayer Identification. This provision applies to solicitations that do not include the clause at 52.204-7, Central Contractor Registration.
- (iv) 52.204-5, Women-Owned Business (Other Than Small Business). This provision applies to solicitations that--
- (A) Are not set aside for small business concerns;
  - (B) Exceed the simplified acquisition threshold; and
  - (C) Are for contracts that will be performed in the United States or its outlying areas.
- (v) 52.209-5, Certification Regarding Responsibility Matters. This provision applies to solicitations where the contract value is expected to exceed the simplified acquisition threshold.
- (vi) 52.214-14, Place of Performance--Sealed Bidding. This provision applies to invitations for bids except those in which the place of performance is specified by the Government.
- (vii) 52.215-6, Place of Performance. This provision applies to solicitations unless the place of performance is specified by the Government.
- (viii) 52.219-1, Small Business Program Representations (Basic & Alternate I). This provision applies to solicitations when the contract will be performed in the United States or its outlying areas.
- (A) The basic provision applies when the solicitations are issued by other than DoD, NASA, and the Coast Guard.
  - (B) The provision with its Alternate I applies to solicitations issued by DoD, NASA, or the Coast Guard.
- (ix) 52.219-2, Equal Low Bids. This provision applies to solicitations when contracting by sealed bidding and the contract will be performed in the United States or its outlying areas.
- (x) 52.222-22, Previous Contracts and Compliance Reports. This provision applies to solicitations that include the clause at 52.222-26, Equal Opportunity.
- (xi) 52.222-25, Affirmative Action Compliance. This provision applies to solicitations, other than those for construction, when the solicitation includes the clause at 52.222-26, Equal Opportunity.
- (xii) 52.222-38, Compliance with Veterans' Employment Reporting Requirements. This provision applies to solicitations when it is anticipated the contract award will exceed the simplified acquisition threshold and the contract is not for acquisition of commercial items.
- (xiii) 52.223-1, Biobased Product Certification. This provision applies to solicitations that require the delivery or specify the use of USDA-designated items; or include the clause at 52.223-2, Affirmative Procurement of Biobased Products Under Service and Construction Contracts.

(xiv) 52.223-4, Recovered Material Certification. This provision applies to solicitations that are for, or specify the use of, EPA-designated items.

(xv) 52.225-2, Buy American Act Certificate. This provision applies to solicitations containing the clause at 52.225-1.

(xvi) 52.225-4, Buy American Act--Free Trade Agreements—Israeli Trade Act Certificate. (Basic, Alternate I, and Alternate II) This provision applies to solicitations containing the clause at 52.225-3.

(A) If the acquisition value is less than \$25,000, the basic provision applies.

(B) If the acquisition value is \$25,000 or more but is less than \$50,000, the provision with its Alternate I applies.

(C) If the acquisition value is \$50,000 or more but is less than \$67,826, the provision with its Alternate II applies.

(xvii) 52.225-6, Trade Agreements Certificate. This provision applies to solicitations containing the clause at 52.225-5.

(xviii) 52.225-20, Prohibition on Conducting Restricted Business Operations in Sudan--Certification.

(xix) 52.226-2, Historically Black College or University and Minority Institution Representation. This provision applies to--

(A) Solicitations for research, studies, supplies, or services of the type normally acquired from higher educational institutions; and

(B) For DoD, NASA, and Coast Guard acquisitions, solicitations that contain the clause at 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns.

(2) The following certifications are applicable as indicated by the Contracting Officer:

(Contracting Officer check as appropriate.)

----(i) 52.219-19, Small Business Concern Representation for the Small Business Competitiveness Demonstration Program.

----- (ii) 52.219-21, Small Business Size Representation for Targeted Industry Categories Under the Small Business Competitiveness Demonstration Program.

----- (iii) 52.219-22, Small Disadvantaged Business Status.

----- (A) Basic.

----- (B) Alternate I.

----- (iv) 52.222-18, Certification Regarding Knowledge of Child Labor for Listed End Products.

----- (v) 52.222-48, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment Certification.

----- (vi) 52.222-52 Exemption from Application of the Service Contract Act to Contracts for Certain Services-- Certification.

----- (vii) 52.223-9, with its Alternate I, Estimate of Percentage of Recovered Material Content for EPA- Designated Products (Alternate I only).

----- (viii) 52.223-13, Certification of Toxic Chemical Release Reporting.

----- (ix) 52.227-6, Royalty Information.

----- (A) Basic.

----- (B) Alternate I.

----- (x) 52.227-15, Representation of Limited Rights Data and Restricted Computer Software.

(d) The Offeror has completed the annual representations and certifications electronically via the Online Representations and Certifications Application (ORCA) website at <https://orca.bpn.gov/>. After reviewing the ORCA database information, the Offeror verifies by submission of the offer that the representations and certifications currently posted electronically have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer, and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below [*offeror to insert changes, identifying change by clause number, title, date*]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

| FAR/DFARS Clause # | Title | Date | Change |
|--------------------|-------|------|--------|
|                    |       |      |        |

Any changes provided by the Offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.

(End of Provision)

The following have been deleted:

252.204-7007 Alt A Annual Representations and Certifications Alternate A      MAY 2010

**SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO BIDDERS**

The following have been deleted:

252.215-7003      Excessive Pass-Through Charges--Identification of Subcontract Effort      MAY 2008

The following have been modified:

L-317 SUBMISSION OF PROPOSALS (COMPLEX) (JUL 1999)

## 1.0 SOLICITATION OVERVIEW

**1.1** This solicitation is for the design, development, testing, and delivery of the Global Positioning System (GPS) – Based Positioning, Navigation, and Timing Service, referred to as GPNTS. GPNTS will support mission critical real time Positioning, Navigation, and Timing (PNT) data services for weapons, combat, navigation, and other C4I systems requiring PNT information. These real time services include User Datagram Protocol/Internet Protocol (UDP/IP) multicast net-centric messages, legacy point to point interface support, precise time and frequency services, and distribution of verified GPS Black Crypto keys.

GPNTS will be developed based on open standards in a Service Oriented Architecture (SOA), and will incorporate Non-Developmental Item (NDI) military grade Selective Availability Anti-Spoofing Module (SAASM) GPS receivers and Commercial Off The Shelf (COTS) technologies to provide a Time & Frequency management solution to shipboard users.

**1.2 QUESTIONS.** Offerors may submit questions concerning, or request clarification of, any aspect of this RFP. All questions shall be submitted in writing by electronic means through the GPNTS solicitation page on the Space and Naval Warfare Systems Command (SPAWAR) e-Commerce website at <https://e-commerce.sscno.nmci.navy.mil> no later than **fifteen calendar days** after issuance of this RFP. Offerors are advised that the Government will make available to the public any offeror questions and comments and the Government's associated responses; therefore Offerors shall not provide questions or comments of a proprietary nature. The Government will use its best efforts to respond to Offeror questions and comments; however, responses are not guaranteed. All questions and answers will be posted on the SPAWAR e-Commerce website at <https://e-commerce.sscno.nmci.navy.mil>.

**1.3 RECEIPT OF OFFERS.** Proposals are due not later than 2:00 PM Pacific Daylight Time on October 12, 2010. All times are local time in San Diego, California.

**1.4 VALIDITY OF PROPOSALS.** Proposals submitted in response to this solicitation shall be valid for 300 calendar days from the solicitation closing date.

## 2.0 PROPOSAL REQUIREMENTS

### 2.1 PROPOSAL ORGANIZATION, FORMAT, AND CONTENT

**2.1.1 PROPOSAL ORGANIZATION.** Proposals submitted in response to this requirement shall be unclassified and shall consist of three (3) separately bound volumes identified as follows:

- a. Volume I: Technical Proposal Volume
- b. Volume II: Cost/Price Proposal Volume
- c. Volume III: Contract Documents Volume

**2.1.2 PROPOSAL FORMAT.** In addition to all other requirements of this solicitation, each Offeror shall demonstrate its capability by means of a detailed written proposal in each of the areas indicated under Section M – Evaluation Factors for Award. Proposals submitted for consideration for award shall address the full scope of the solicitation.

The Offeror's proposal volumes shall include the following:

| NUMBER OF PAPER COPIES | VOLUME  | SECTION L REFERENCE | PAGE LIMIT   | SECTION SUFFIX |
|------------------------|---|---------------------|--|----------------|
| 1                      | <b>I. TECHNICAL PROPOSAL</b>                      |                     |  | <b>V1.TECH</b> |
|                        | <b>Section A - Technical Approach ( Factor 1)</b> | 3.1.1               | <b>75 pages total (exclusive of Subfactor 1.2, which is not page limited).</b> |                |

|          |   |              |  |                     |
|----------|---|--------------|--|---------------------|
|          | System Design (Subfactor 1.1)   | 3.1.1.1      |  |                     |
|          | Software Development Approach (Subfactor 1.2)   | 3.1.1.2      | No page limit.   |                     |
|          | Information Assurance (IA) (Subfactor 1.3)  | 3.1.1.3      |  |                     |
|          | Test and Evaluation (T&E) (Subfactor 1.4)   | 3.1.1.4      |  |                     |
|          | Integrated Logistics Support (Subfactor 1.5)  | 3.1.1.5      |  |                     |
|          |   |              |  |                     |
|          | <b>Section B – Technical Data Rights (Factor 2)</b>   | 3.1.2        | <b>No page limit</b>   | <b>V1.DATA</b>      |
|          |   |              |  |                     |
|          | <b>Section C - Management Approach (Factor 3)</b>   | <b>3.1.3</b> | <b>See below.</b>  | <b>V1.MGMT</b>      |
|          | Integrated Master Schedule/Integrated Master Plan (Subfactor 3.1)                                   | 3.1.3.1      | No page limit.   |                     |
|          | Program Management Approach (Subfactor 3.2)   | 3.1.3.2      | 25 pages   |                     |
|          |   |              |  |                     |
|          | <b>Section D – Relevant Past Performance (Evaluation Factor 4)</b>                                  | <b>3.1.4</b> | <b>3 pages total per reference (Exclusive of CPARS evaluations (if provided))</b>  | <b>V1.PAST</b>      |
|          |   |              |  |                     |
|          | <b>Section E - Small Business Participation (Evaluation Factor 5)</b>                               | <b>3.1.5</b> | <b>Ten (10) pages total (excluding SF-294s, copies of binding agreements, enforceable comments, and letters of intent)</b> | <b>V1.SBP</b>       |
|          | <b>Section F - Correlation Matrix</b>   | <b>3.1.6</b> | <b>No page limit</b>   | <b>V1.MATX</b>      |
|          |   |              |  |                     |
| <b>1</b> | <b>II. Cost/Price Proposal (Evaluation Factor 6)</b>  | <b>3.2</b>   | <b>No page limit</b>   | <b>V2.COST</b>      |
|          |   |              |  |                     |
| <b>1</b> | <b>III. Contract Documents</b>  | <b>3.3</b>   |  | <b>V3. CONTRACT</b> |
|          | Section A: Letter of Transmittal, Completed Standard Form (SF) 33, and Completed RFP Sections B - K | 3.3.1        | 3 pages maximum for Letter of Transmittal  |                     |
|          | Section B: Security Clearance Levels  | 3.3.2        | <b>No page limit</b>   |                     |
|          | Section C: Proprietary Data Protection Agreements   | 3.3.3        | <b>No page limit</b>   |                     |
|          | Section D: Organizational Conflict of Interest Mitigation Plan(s)                                   | 3.3.4        | <b>No page limit</b>   |                     |
|          | Section E: Small Business Subcontracting Plan   | 3.3.5        | <b>No page limit</b>   |                     |
|          | Section G: Foreign Owned Subcontractors   | 3.3.6        | <b>No page limit</b>   |                     |

Information submitted in excess of the page limits established above will not be read or evaluated. Page limits do not include cover sheets, tables of contents, requirements compliance matrices, lists of figures, lists of drawings, lists of proprietary data, glossaries, tabs, dividers, or blank pages.

Do not include cost information in any volume other than the Cost Proposal.

Paper copies of the proposal shall be submitted as follows:

1. **Binding and Labeling:** Each volume of the proposal shall be separately bound in a 3-ring binder. A cover sheet shall be affixed to each volume, clearly marked as to the volume number, the copy number, the RFP identification and the Offeror's name. The volume and copy numbers shall appear on the spine of the volume binder to permit rapid accounting when the volume is placed in a vertical position in a storage cabinet.
2. **Format:** The proposal shall be on 8-1/2" X 11" recycled paper with single-spaced typed lines, including figures, glossaries, table of contents and cover sheets. Each sheet shall be printed on both sides. Type size shall be Times New Roman and no smaller than 10 point in the text, 8 point in spreadsheets, and 8 point on drawings, figures, and tables. Foldouts may be used, but shall be no larger than 11" by 17", shall be printed on one side only, and shall count as two pages. Standard margins shall be a minimum of one inch, excluding header and footer. The volumes shall contain a glossary of abbreviations and acronyms used and an explanation of each. No pen and ink changes are allowed.

Each electronic proposal, to include submission to SPAWAR E-Commerce and the CD-ROM copy, shall include uncompressed electronic copies of each Volume on separate CD-ROMs. Documents shall be prepared using Microsoft Office 2007 or compatible software suite including: all text documents shall be prepared in Microsoft WORD 2007, \*.doc and converted to searchable "PDF" documents for proposal submission; Microsoft EXCEL 2007 for all spreadsheets in \*.xls files [**All Excel files shall be operable versus value only spreadsheets (i.e. formulas should be included in all applicable cells)**]; Microsoft Project 2007 in \*.mpp files shall be used for all schedules; and Microsoft PowerPoint 2007 in \*.ppt for presentation slides.

3. **Numbering:** Pages shall be numbered consecutively within each section to indicate the volume, section, and page. For example, page 19 of Volume I, Section C would be numbered I-C-19. Pages in the Cost Proposal volume shall be numbered consecutively.

Electronic copies must be provided in separate Technical, Cost/Price, and Contract Documents files. Each proposal section shall be labeled with the Volume/Section Suffix provided in the table in paragraph 2.1.2 above. Electronic proposals shall be submitted in accordance with provision L-349, Submission of Electronic Proposals.

### 2.1.3 PROPOSAL CONTENT

Responses to the requirements in each of the factors listed in Section M are necessary to enable the Government to evaluate the Offeror's understanding of, and capability to accomplish, the stated requirements. The Offeror must provide sufficient detail to substantiate the validity of all stated claims. Proposals shall be submitted in accordance with the instructions contained herein. Non-conformance may cause rejection of, or the downscoring of, the proposal. An Offeror's proposal is presumed to represent its best efforts to respond to the solicitation. Proposals should be clear, concise and complete. Organization, clarity, accuracy of information, relevance, and completeness are of prime importance. Sufficient supporting information shall be provided to allow the Government to evaluate the Offeror's approach.

Proposals shall correlate directly and sequentially with the following specific proposal preparation instructions. Proposals shall be complete and self-sufficient, relate exactly to what is requested and proposed, and strictly adhere to the requirements of this solicitation. Use of documentation by reference, and not incorporated into the proposal,

will not be allowed. Where cross-referencing is used, the volume, attachment, exhibit and paragraph numbers, as appropriate, shall be referenced.

### **3.0 PROPOSAL VOLUMES**

#### **3.1 VOLUME I - TECHNICAL PROPOSAL**

The required content of each technical proposal section is described below. The technical proposal shall not include any cost information. The technical proposal shall cover the offeror's understanding of the work and the methods that will be employed to attain contract objectives and shall enable technical personnel to make a thorough evaluation and a determination whether the proposal will satisfy the Government's requirements.

The technical proposal shall be specific, detailed, and complete and fully demonstrate that the prospective offeror has a thorough understanding of the Government's requirements. The technical proposal shall also address inherent technical problems, the achievement of the specification requirements, and how the contractor will execute the work required by the solicitation. Data previously submitted to the Government will not be considered; therefore such data shall not be incorporated into the technical proposal by reference. Statements that the Offeror understands can or will comply with all specifications, or statements paraphrasing the specifications or other information contained in the RFP will be considered inadequate. Phrases such as "Standard procedures will be employed" and "well known techniques will be used" will also be considered insufficient.

Offerors shall provide the following information to support the Government's evaluation of the offeror's technical proposal. The technical evaluation factors and subfactors are as follows:

**3.1.1 TECHNICAL APPROACH** (Evaluation Factor 1). The technical approach factor includes the following five (5) subfactors:

**3.1.1.1 System Design** (Subfactor 1.1). The Offeror shall describe how its systems design (hardware and software) will meet the threshold requirements specified in the GPNTS Technical Requirements Document (TRD) for the following GPNTS system elements:

- a) Real Time Component (RTC) (TRD Section 3.3)
- b) System Access Component (SAC) Indirect SAC (TRD Section 3.4; TRD Appendix B)
- c) Time Frequency Component (TFC) (TRD Section 3.5)
- d) GPS Receiver Module (TRD Section 3.6)
- e) Crypto Distribution (TRD Appendix A )

The Offeror shall also describe how its GPNTS design will meet the requirements for the multiple configurations identified in Section 3.10 of the GPNTS TRD.

The Offeror shall describe how its systems design (hardware & software) employs open architecture tenants and modular standards-based open systems approach to satisfy the GPNTS TRD requirements. The Offeror shall describe how its proposed design incorporates the open architecture design tenets of interoperability, extensibility, maintainability, and composeability. The Offeror shall describe how interfaces will be selected from existing open, de facto, proprietary or Government standards with emphasis on maximizing system level or enterprise level (where applicable) interoperability. The offeror shall describe how its selection of interfaces will maximize the ability of the system to readily accommodate technology insertion (both hardware and software) and facilitate the reuse of alternative or reusable modular system elements. If the Offeror proposes to reuse software as part of its system design, the Offeror shall provide the rationale for which software was selected for reuse.

The Offeror shall describe how its system design minimizes reliance on proprietary, vendor unique, or closed elements. The Offeror shall justify any use of proprietary, vendor-unique, or closed components (software and/or hardware) and interfaces. The justification shall include documentation of the decision leading to selection of specific COTS products (e.g. test results, architectural suitability). The Offeror shall define its process for identifying and justifying proprietary, vendor-unique or closed interfaces, code modules, hardware, firmware, or

software to be used. When interfaces, hardware, firmware, or modules that are proprietary or vendor unique are required, the Offeror shall explain how those proprietary elements do not preclude or hinder Government's desire to:

- Enable Government to separately purchase its own equipment and assemble GPNTS configurations in Government labs;
- Enable third party Government or contractor teams to integrate additional hosted applications;
- Enable third party Government or contractor teams to do LRIP/Full Rate Production installations;
- Enable third party Government or contractor teams to perform ISEA functions;
- Enable hand off of design documents, install documents, and software to the LRIP/Full Rate Production contractor for production; and
- Enable hand off of design documents and software to the LRIP/Full Rate Production contractor for modifying and extending GPNTS design and GPNTS software.

The Offeror shall describe how its system design incorporates Non-Developmental Items and COTS items to meet the GPNTS performance requirements and provide the rationale for selection of these items, to include the results of any trade-off analyses or studies.

**3.1.1.2 Software Development Approach** (Subfactor 1.2). The Offeror shall submit a draft version of its Software Development Plan (SDP) in accordance with the requirements contained in paragraph 4.1.2.8 of the GPNTS Statement of Work (SOW). The SDP may be formatted as desired by the Offeror, but must contain the information described by the SDP DID (DI-IPSC-81427A). The SDP is not page limited.

Offerors shall also submit, as a part of their proposal, an SDP Rationale which describes why their specific approach is appropriate for the system to be procured and how their proposed processes are equivalent to those articulated by CMMI® capability Level 3. The Offeror shall also identify the number of proposed staff experienced in using these processes that will be assigned to the GPNTS effort.

The Offeror shall describe its previous experience in developing software using the same or similar approach as proposed for this solicitation. The Offeror shall describe the extent to which personnel who contributed to these previous efforts will be supporting the GPNTS effort. The offeror shall also describe any previous CMMI or equivalent model based process maturity appraisals performed within 24 months prior to proposal submission. As part of this description, the Offeror shall identify the organizational entity and location where the appraisal was performed, the type of evaluation, the organization performing the evaluation, and the level earned. The results of any standard model-based process maturity appraisals performed within 24 months prior to proposal submission, and the number of proposed staff experienced in using these processes will be part of the evaluation criteria.

**3.1.1.3 Information Assurance (IA) Approach** (Subfactor 1.3). The Offeror shall describe how its IA Approach will meet the IA requirements specified in the Section 4.1.15 of the GPNTS SOW.

**3.1.1.4 Test and Evaluation (T&E)** (Subfactor 1.4) The Offeror shall describe how its T & E approach will meet the requirements specified in Sections 4.1.9-4.1.9.5, 4.2.6-4.2.6.3 and 4.3.6-4.3.6.2 of the GPNTS SOW.

The Offeror shall also describe the facilities it proposes to use to conduct GPNTS T&E efforts, and identify and describe its approach for use of any modeling and simulation tools. The Offeror will also identify and describe any Special Test Equipment required to conduct GPNTS T&E efforts.

**3.1.1.5 Integrated Logistics Support (ILS)** (Subfactor 1.5) The Offeror shall describe its approach to meeting the ILS requirements specified in Sections 4.1.12-4.1.12.5 and 4.2.11 of the GPNTS SOW. The contractor shall describe how their design minimizes life cycle cost and provide an estimate of a total life cycle cost. The estimate should assume 20 year sustainment after production. The total life cycle cost estimate shall be provided with the cost proposal BOEs and include an explanation of how the estimate was derived.

**3.1.2 TECHNICAL DATA RIGHTS** (Evaluation Factor 2). For all GPNTS designs and deliverables under this contract, it is the Government's objective that all noncommercial technical data (TD) and computer software/computer software documentation (CS/CSD) be delivered with Unlimited Rights, or if such

noncommercial TD/CS/CSD contains elements generated previously with Offeror's own capital, with a minimum of Government Purpose Rights (GPR) (as defined by DFARS 252.227-7013 and 252.227-7014). Technical Data and software are defined at DFAR 252.227-7013 and DFARS 252.227-7014. Firmware is defined as "computer-programming instructions that are stored in a read-only memory unit rather than being implemented through software." If the Offeror proposes to deliver commercial TD/CS/CSD, it is the Government's desire to obtain a license to the commercial TD/CS/CSD that would grant the Government the equivalent of GPR. The Government's objective applies to any commercial and noncommercial TD/CS/CSD deliverables such as engineering diagrams, analysis, reports, and designs that pertain to the systems to be delivered under this contract. An Offeror will not, however, be deemed non-responsive if it offers to provide rights more restrictive than GPR on any portion of the technical data, and/or software to be delivered under this contract for which it is entitled to assert those restrictions pursuant to the DFARS 252.227-7013 and 252.227-7014. The Government's goal of acquiring GPR is not a condition of award; rather it is factor in the source selection decision.

The Offeror shall complete and submit the table as contained in the Section K provision(s) entitled "Identification, and Assertion of Use, Release, or Disclosure Restrictions" (DFARS 252.227-7017) and, if applicable "Technical Data Previously Delivered to the Government" (DFARS 252.227-7028), to identify **both** the commercial and noncommercial TD, CS and/or CSD to be furnished, the asserted rights category, and the basis for the assertion. The Offeror shall use separate tables for commercial and noncommercial items. The Offeror shall ensure that the TD, CS and/or CSD are identified by specific reference to the requirement to deliver or provide that TD, CS, and/or CSD in the contract, for example, by referencing the associated CLINs, CDRLs, or paragraphs in the Statement of Work.

If a commercial or open source solution is proposed, the Offeror shall include as part of the proposal any and all Commercial or Open Source License Agreements applicable to CDRLs or other deliverables under this contract, including those applicable to the Offeror's subcontractors. The Government reserves the right to negotiate terms of use and conditions of the commercial licenses that are inconsistent with normal Government practices (as stated in 3.1.2 of this Section) and the Section I Clause "Technical Data – Commercial Items" (DFARS 252.227-7015). The resulting license agreements will be an Attachment to the executed contract.

The Offeror will ensure consistency between the technical data rights assertions and information provided in the Data Rights proposal, including the "Identification, and Assertion of Use, Release, or Disclosure Restrictions" and "Technical Data Previously Delivered to the Government" tables, the Supplemental Information, and the Section B technical data rights tables.

**3.1.3 MANAGEMENT APPROACH** (Evaluation Factor 3). The management approach factor includes the following two (2) subfactors:

**3.1.3.1 Integrated Master Plan (IMP) / Integrated Master Schedule (IMS)** (Subfactor 3.1) The Offeror shall submit a draft IMP that identifies all activities required to complete the design and development efforts required by CLIN 0001. The Offeror shall also provide a cross reference matrix that shows how the content of the IMP corresponds to the content of the GPNTS SOW and the draft IMS.

The Offeror shall submit a draft IMS that identifies major program milestones, tasks, task interrelationships and dependencies, and task durations to meet the GPNTS design and development requirements of CLIN 0001.

**3.1.3.2 Program Management Approach** (Subfactor 3.2). The Offeror shall describe its proposed Program Management Approach for managing and directing the GPNTS design, development, and production efforts. The Offeror shall describe its policies, plans, and procedures for managing cost, schedule and performance risk. The Offeror shall describe its Earned Value Management System to be used in accordance with DFARS clause 252.234-7001 Notice of Earned Value Management System, and DFARS clause 252.234-7002 Earned Value Management System. The Offeror shall provide documentation or evidence of Defense Contract Management Agency (DCMA) EVMS validation/acceptance and compliance of their EVMS with the ANSI/EIA-748-B standards.

The Offeror shall describe its proposed program management organization for the GPNTS design, development, and production effort, including identification of lines of responsibility, authority, and communication, and management of subcontractors.

**3.1.4 PAST PERFORMANCE** (Evaluation Factor 4). The Offeror shall provide a description of those recent efforts (last five years) that best demonstrate management, cost, schedule, and technical past performance. The Offeror shall provide information on a total of five (5) previous Government contracts whose effort was relevant to the effort required by this solicitation using the contract reference form provided as Attachment 7 to this solicitation. Of these five (5) relevant past performance experiences, three shall be from the prime contractor and the remaining two (2) will be from the two (2) largest subcontractors (measured by dollar value for CLIN 0001 only). The contracts provided should have been performed, but not necessarily completed, within the last five (5) years. If the Offeror has not had Government contracts within the last five (5) years, information on relevant subcontracts may be submitted instead. The Government reserves the right to contact references for verification or additional information, e.g. Contractor Performance Assessment Reporting System (CPARS).

Relevant contracts are those that demonstrate management and technical experience with the design, development, integration, production, and testing of the following (listed in descending order of relevance):

- Military-grade positioning, navigation, and timing (PNT) systems for U.S. Navy applications.
- Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems for U.S. Navy applications.
- C4ISR systems for U.S. Department of Defense (DoD) applications.
- C4ISR systems for foreign military applications.
- Experience with large software development efforts for U.S. DoD applications.

The Offeror shall submit Attachment 7- Reference Information Sheet.

**3.1.5 SMALL BUSINESS PARTICIPATION** (Evaluation Factor 5). Offerors, unless otherwise exempt, due to being a small business concern or a company performing outside of any State, territory, or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, shall, in accordance with FAR 19.7 and FAR 52.219-9, submit a Small Business Subcontracting Plan. Failure to submit and negotiate a subcontracting plan acceptable to the Contracting Officer shall make the offer ineligible for award of a contract.

The following SPAWAR Subcontracting Goals for this procurement are provided to assist in the development of your Subcontracting Plan:

| <b>Small Business Categories</b>              | <b>SPAWAR Target<br/>(Based upon % of<br/>subcontracted amount)</b> |
|---|---|
| Total Small Business (includes the below)     | 30%   |
| Small Disadvantaged Business                  | 5%  |
| Woman-Owned Small Business                    | 5%  |
| Veteran-Owned Small Business                  | 3%  |
| HUBZone                                       | 3%  |
| Service-Disabled Veteran Owned Small Business | 3%  |

The above goals are provided as a baseline for preparing the subcontracting plan. The subcontracting plan shall propose subcontracting goals for this specific requirement. If the subcontracting plan does not meet or exceed the above goals in any category the offeror shall clearly explain why the goal is not being proposed and what actions the contractor is undertaking to maximize small business subcontracting goals in an attempt to bring the percentages to or above the SPAWAR goals.

If the Offeror is a participant in the DoD Comprehensive Subcontracting Test Program specified in DFARS 219.7, the Offeror shall provide a copy of the approved comprehensive plan and describe how small business participation on this contract will contribute to its overall Comprehensive Subcontracting Plan goals. The description must provide the extent of small business participation for this procurement with percentage and dollar amounts for specific small business categories.

**Small Business Commitment**

In addition to the Small Business Subcontracting Plan to be submitted in Volume III, large business Offerors shall provide (1) (2) and (3) below.

- 1) The Offeror shall provide a copy of the Offeror’s latest SF 294 for each of the contracts identified in the proposal as “Past Performance” section to this solicitation. In addition, provide the Offeror’s latest DCMA Subcontracting Program Compliance Rating letter including the attached rating narrative. If the Offeror is, or was, a participant in the DoD Comprehensive Subcontracting Plan Test Program during the period of performance for the contracts identified for past performance, the offeror shall submit the relevant SF 295 for the period(s) covered in lieu of individual SF 294s.
  
- 2) The Offeror shall provide a table identifying all proposed first tier subcontractors individually by name with their addresses, their business type (large, small, small disadvantaged, women-owned, HUB Zone, veteran-owned, service-disabled veteran-owned small) as determined by the SBA size standard for the specific work being subcontracted; the principal service/supply being provided by the subcontractor; and the complexity of the service/product provided. A sample table is provided below.
  
- 3) The Offeror shall provide evidence of commitment to utilize small businesses on this contract. Evidence may include copies of binding agreements, enforceable commitments or letters of intent executed with the subcontractors identified in the table required by (2) above.

| <b>Name of 1<sup>st</sup> Tier Subcontractor</b> | <b>Subcontractor Address</b>             | <b>Type of Business (Large, SB, HUB Zone, SDB (incl. HBCU/MI), WOSB, VOSB, SDVOSB) List all Applicable Categories</b> | <b>Principal Supply/Service Provided</b> | <b>Complexity of Product/Service Provided (Brief Narrative)</b> |
|--|--|---|--|---|
| XYZ Corp.  | 123 Main St.<br>Anytown, NY<br>01345     | Large   | Castings                                 | Manufactured to .01 tolerance                                   |
| Acme, Ltd.                                       | 456 First Ave.<br>Somewhere, NY<br>54321 | SB, SDB, VOSB   | Logistics Software                       | Utilizing ISO 9000 and S100D standards with XML                 |

The CCR & SBA Dynamic Small Business Search (<http://ccr.gov>) database will be viewed to verify the small business category or categories of the proposed small businesses in the table. The Offerors shall list all applicable business types for which each subcontractor qualifies. The definition of a small business concern is as set forth in 13 CFR 121.105.

NOTE 1: This information is for source selection evaluation purposes only. The Small Business Subcontracting Plan shall be submitted by the Offeror in accordance with FAR 52.219-9 stating cumulative subcontracting goals and for each option in both dollars and percentages of total subcontracted amount.

NOTE 2: Offerors are reminded that all goals accepted and incorporated into the resulting contract will be subject to FAR Clause 52.219-16, “Liquidated Damages-Subcontracting Plan”.

NOTE 3: Offerors are reminded that the Small Business Subcontracting Plan (required from large businesses only) shall correlate with the proposal information on small business commitment.

**3.1.6 CORRELATION MATRIX**

The format of the proposal volumes shall correlate directly and sequentially with the proposal outline specified in Section L. The proposal shall provide an obvious correlation to the specific requirements given in each instruction. The Offeror shall complete the following Correlation Matrix by completing the “Offeror’s Proposal Citation” column of the matrix with the volume, section number, annex, , exhibit, page number, and paragraph numbers, as applicable, and returned in the Technical Volume.

| <b>Section L</b>  | <b>Section M</b>  | <b>Offeror’s Proposal Citation</b> |
|---|---|------------------------------------|
| 3.1.1 Technical Approach (Evaluation Factor 1)                            | 3.1.1 Technical Approach (Evaluation Factor 1)                            |                                    |
| 3.1.1.1 System Design (Subfactor 1.1)                                     | 3.1.1.1 System Design (Subfactor 1.1)                                     |                                    |
| 3.1.1.2 Software Development Approach (Subfactor 1.2)                     | 3.1.1.2 Software Development Approach (Subfactor 1.2)                     |                                    |
| 3.1.1.3 Information Assurance (IA) (Subfactor 1.3)                        | 3.1.1.3 Information Assurance (IA) (Subfactor 1.3)                        |                                    |
| 3.1.1.4 Test and Evaluation (T&E) (Subfactor 1.4)                         | 3.1.1.4 Test and Evaluation (T&E) (Subfactor 1.4)                         |                                    |
| 3.1.1.5 Integrated Logistics Support (Subfactor 1.5)                      | 3.1.1.5 Integrated Logistics Support (Subfactor 1.5)                      |                                    |
| 3.1.2 Technical Data Rights (Evaluation Factor 2)                         | 3.1.2 Technical Data Rights (Evaluation Factor 2)                         |                                    |
| 3.1.3 Management Approach (Evaluation Factor 3)                           | 3.1.3 Management Approach (Evaluation Factor 3)                           |                                    |
| 3.1.3.1 Integrated Master Plan/Integrated Master Schedule (Subfactor 3.1) | 3.1.3.1 Integrated Master Plan/Integrated Master Schedule (Subfactor 3.1) |                                    |
| 3.1.3.2 Program Management Approach (Subfactor 3.2)                       | 3.1.3.2 Program Management Approach (Subfactor 3.2)                       |                                    |
| 3.1.4 Past Performance (Evaluation Factor 4)                              | 3.1.4 Past Performance (Evaluation Factor 4)                              |                                    |
| 3.1.5 Small Business Participation (Evaluation Factor 5)                  | 3.1.5 Small Business Participation (Evaluation Factor 5)                  |                                    |
| 3.2 Cost/Price (Evaluation Factor 6)                                      | 3.2 Cost/Price (Evaluation Factor 6)                                      |                                    |

**3.2 VOLUME II – COST/PRICE PROPOSAL (Evaluation Factor 6)**

**INTRODUCTION.** This volume shall contain cost information only. The guidelines and requirements in this section are provided to (1) aid Offerors in preparing their cost/price proposal; and (2) aid the Government in reviewing and evaluating the Offeror’s cost proposal. The Government’s intent is to provide instructions that will allow the Offeror to develop clear, concise, and comprehensible proposals and to minimize data requests by the Government during the proposal evaluation process.

**ORGANIZATION:** The cost/price proposal instructions outlined in this section shall be followed in developing the proposed costs and prices for all CLINs listed in Section B – Supplies/Services and Prices/Cost of this RFP. Offerors shall complete Section B and provide it with this volume, with an additional copy to be provided in the Contract Documents volume. The cost volume submitted by the Offeror shall include the cost/price for all GPNTS CLINs. Offerors shall complete Section B as well as Pricing Tables B-1, B-2 and B-3 for all quantity ranges provided by proposing:

(a) GPNTS Development: For CLIN 0001, an estimated cost and incentive fee calculated in accordance with the instructions set forth in Section B of the RFP. For the DT/OT support under CLIN 0001 the Offeror is provided with the following hours for estimating purposes, the Offeror shall provide an estimated cost calculated using the labor categories and estimated hours provided below;

|                 |     |
|-----------------|-----|
| Labor Category  |     |
| Program Manager | 500 |

|                                 |      |
|---------------------------------|------|
| Electrical Engineer (mid level) | 1000 |
| Mechanical Engineer (mid level) | 1000 |
| Computer Scientist (mid level)  | 1000 |
| Test Engineer (mid level)       | 1000 |
| Technical Writer / Editor       | 0    |

(b) Other Direct Costs: For CLINs 0005, 1007, 2007, 3007, 4007, 5007, and 6007 the Offeror shall insert the following not to exceed travel and Other Directs Costs (ODC) amounts in Section B. These amounts are non-fee bearing and are all inclusive (include contractor burdens such as General & Administrative expense, etc.)

| CLIN | ODC amount |
|------|------------|
| 0005 | \$100,000  |
| 1007 | \$50,000   |
| 2007 | \$20,000   |
| 3007 | \$20,000   |
| 4007 | \$20,000   |
| 5007 | \$20,000   |
| 6007 | \$20,000   |

(c) GPNTS LRIP/Production Hardware (Option CLINs 1000-1002, 2000-2002, 3000-3002, 4000-4002, 5000-5002, and 6000-6002). The Offeror shall insert individual unit prices for LRIP and FRP in Pricing Tables B1, B2, and B3 for the quantities of GPNTS hardware identified in the pricing tables provided in Section B of the RFP.

(d) Provisioning Item Orders (Option CLINs 1003, 2003, 3003, 4003, 5003, and 6003) and Upgrade Kits (Option CLINs 1004, 2004, 3004, 4004, 5004 and 6004) the Offeror shall insert the following not to exceed amounts in Section B.

| CLIN | PIO       |
|------|-----------|
| 1003 | \$225,000 |
| 2003 | \$550,000 |
| 3003 | \$550,000 |
| 4003 | \$550,000 |
| 5003 | \$550,000 |
| 6003 | \$550,000 |

| CLIN | Upgrade Kits |
|------|--------------|
| 1004 | \$8,250      |
| 2004 | \$16,500     |
| 3004 | \$16,500     |
| 4004 | \$16,500     |
| 5004 | \$16,500     |
| 6004 | \$16,500     |

(d) Engineering Services: For CLINs 1005, 2005, 3005, 4005, 5005, and 6005, the Offeror shall provide an estimated cost and fixed fee (fixed-fee shall equal 5%) calculated using the labor categories and estimated hours provided below. The Government can guarantee neither the estimated quantities of man-hours shown for individual labor categories nor the total estimated staff hours. It is recognized that some of the Labor Category titles used in the solicitation may not exactly match the titles normally used in a particular company operation. Accordingly, in order to permit a rapid comparison between the anticipated labor team shown below and the Offeror's actual labor mix, each proposal must provide the following:

- (1) Direct labor rates related to the categories specified in the solicitation.

(2) A statement of the Offeror’s normally used nomenclature for each labor category included herein, together with a copy of the Offeror’s own position description for each labor category.

(3) A statement of any additional labor categories, estimated hours and related qualifications for labor cost that will be a direct cost based on the Offeror’s accounting procedures (e.g. management and administrative labor costs.)

(4) Subcontractor labor hours at all tiers should be shown in the same manner as described in paragraphs (1) through (3) above.

| Labor Category                  | CLIN 1005 | CLIN 2005 | CLIN 3005 | CLIN 4005 | CLIN 5005 | CLIN 6005 |
|---------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Program Manager                 | 250       | 100       | 100       | 100       | 100       | 100       |
| Electrical Engineer (mid level) | 500       | 500       | 500       | 500       | 500       | 500       |
| Mechanical Engineer (mid level) | 500       | 500       | 500       | 500       | 500       | 500       |
| Computer Scientist (mid level)  | 500       | 500       | 500       | 500       | 500       | 500       |
| Test Engineer (mid level)       | 500       | 500       | 500       | 500       | 500       | 500       |
| Technical Writer / Editor       | 500       | 0         | 0         | 0         | 0         | 0         |

(e) Data Rights: Offerors shall complete the Data Rights Tables contained in Section B of the RFP by inserting the rights classification and associated fixed price (if any) for each CDRL item listed in the table. Offerors shall identify all costs associated with the use and/or maintenance of any proposed Commercial and/or Open Source Software (e.g., renewal license fee) throughout the lifecycle of the GPNTS system. Offerors shall ensure that all costs identified in the Section B Data Rights Tables are traceable to the applicable CLINs in the Cost Proposal. (Note: this table is not all-inclusive; the Offeror may add additional CDRL items during proposal submission.)

**COST PROPOSAL INSTRUCTIONS:**

Throughout these instructions, formats are provided to assist the Offeror/major subcontractor in providing adequate substantiation and ensuring traceability throughout the cost/price proposal. The Offeror/major subcontractor shall complete the cost attachments to this RFP and provide them in the cost proposal volume. Blank versions of each attachment are provided as RFP attachments (in Microsoft Excel format) on the SPAWAR e-Commerce website. For information required where no Government format is provided, the Offeror/major subcontractor, shall provide the required information in the Offeror’s chosen format. **All calculations shall be provided in the Excel attachments with formulas intact.** There are no specific font-size requirements for the information provided in the cost proposal, but all information provided in hard copy shall be easily legible.

All cost information shall be submitted in Then Year dollars (TY\$) by GFY unless otherwise noted. For consistency, the Offeror, and major subcontractor, shall use the same fee as proposed in Section B. If the Offeror, or major subcontractor, desires to provide additional information not specifically required in the cost attachments, the information may be supplied in the Offeror’s chosen format.

A matrix of the Government required cost summaries is provided as RFP Attachments 5-1 through 5-14, entitled “Cost Templates”. The matrix shows by CLIN what cost summary is required by each Offeror/major subcontractor for GPNTS. All other required information and data shall be completed in the Offeror’s chosen format.

All data provided by the Offeror/major subcontractor, whether in the Offeror’s/major subcontractor’s format or specified Government format, shall be traceable throughout the proposal with all formulas intact. For example, all data provided at lower levels in the cost volume shall add up to the totals in the cost volume’s summary formats as well as the costs/prices in Section B of the RFP. The information shall also be traceable to that provided in the technical and other volumes (where applicable). Where the trace is not direct it shall be explained in a walk through.

The Offeror shall identify its cognizant Defense Contract Audit Agency (DCAA) and Defense Contract Management Agency (DCMA) offices and provide the following information for each cognizant office:

Point of Contact Name  
Office Address  
Telephone and FAX numbers

The Offeror shall submit one (1) copy of its proposal to their cognizant DCAA office

#### GPNTS DESIGN AND DEVELOPMENT (CLIN 0001)

The Offeror/major subcontractor shall provide a narrative Basis Of Estimate (BOE) for each Work Breakdown Structure (WBS) element for CLIN 0001. A "Major Subcontractor" is defined as a subcontractor at any tier whose proposal represents at least five (5) percent of the estimated cost for CLIN 0001 (exclusive of target fee). The narrative BOE shall provide a description of the work to be performed, the total hours proposed, the total hours broken into labor hours per labor category, any proposed material (tracing to the Bill of Material), and any other costs associated with that WBS element. Descriptions of the work to be performed must be explicit regarding what work will or will not be included in the effort. A rationale and appropriate supporting data for the proposed hours and materials shall be included. If data from analogous programs are used, the analogous programs must be listed in Attachment 5-10. The Offeror's BOEs shall distinguish between recurring and non-recurring efforts.

The Offeror shall cross reference each BOE to the technical proposal, to include the technical proposal page number

#### BOE SUBSTANTIATION

The Offeror/major subcontractor shall furnish the procedures and methodology used in compiling the proposed cost. All information, such as Independent Research and Development (IR&D) efforts, which an Offeror/major subcontractor wants the Government to consider under this criterion, must be disclosed. The Offeror's/major subcontractor's proposal is presumed to represent the best efforts to respond to the solicitation. Any inconsistency, whether real or apparent, between promised performance and cost should be explained in the proposal. For example, if the intended use of new and innovative production techniques is the basis for an abnormally low estimate, the nature of these techniques and their impact on cost should be explained and fully justified. Any significant inconsistency, if unexplained, raises a question as to the Offeror's/major subcontractor understanding of the nature and scope of the work required and the ability to perform the contract. If the cost information demonstrates that the Offeror/ major subcontractor does not understand or appreciate the level of effort necessary to successfully complete its approach to the requirements, the Government may consider this a program risk.

The Offeror and each Major Subcontractor bears full responsibility for ensuring traceability and that substantiation is included in the proposal for all elements of proposed costs/prices, whether that information is provided to the Government via the Offeror or directly to the Government by the Subcontractor.

If the Offeror has a firm fixed price contract with a Major Subcontractor and detailed cost information is not available, the Offeror shall provide alternative substantiation to demonstrate the reasonableness of the subcontractor's proposed fixed price. The Offeror shall also include in the substantiation an explanation of the basic terms of the firm fixed price subcontract, including a description of any "re-opener" clauses or other conditions that may cause the actual subcontracted price to differ from what is proposed.

In assessing the realism of the proposal, the Offeror's/Major Subcontractor's respective company's actual resource expenditures for comparable tasks and historical data on previous programs are of primary importance. The proposed cost/price estimates shall be supported with the Offeror's/Major Subcontractor's historical costs/prices and past experience with similar programs. When using historical cost data from comparable, analogous systems/subsystems, all assumptions affecting the Offeror's proposal are to be fully documented (e.g. inflation, methodology, make or buy decisions, etc.). If the Offeror/Major Subcontractor presents an analogous system to substantiate proposed costs and prices, in addition to providing verifiable actual costs for the analogous system as the basis of estimate, the Offeror/Major Subcontractor must also provide background information and information related to cost-driving parameters for both the analogous and proposed system. Additionally, the Offeror/Major Subcontractor shall present information that clarifies the complexity of the analogous system relative to that of the

proposed system. When adequate substantiation is not provided in the proposal, the Government may opt to utilize historical data and its experience with other programs.

The Offeror/Major Subcontractor must establish that the historical system is in fact similar enough to the proposed system to constitute a valid analogy. When using historical or analogous systems as substantiation, the Offeror/Major Subcontractor shall describe why the system is comparable to the proposed system. The Offeror/Major Subcontractor is required to provide data for the historical program and demonstrate the relationship between the historical programs, the proposed effort, and explain how and why the data was manipulated. The Offeror/Major Subcontractor shall describe the basis for any parametric factors.

Substantiation of each portion of the proposal and a clear trace to the lowest level for which estimates were developed is required for the Offeror and each Major Subcontractor. This information shall be consistent with the information provided in the technical proposal. This information is required in order to identify parameters that are likely to affect the cost of the proposed system, and to establish the relationship between the proposed system and the analogous system(s).

General statements such as “estimates were derived from engineering analysis or judgment” are unacceptable. Furthermore, simply stating that the proposed cost/price is based on these similar programs is not adequate substantiation. In addition, statements that simply describe a historical program and the associated labor hours and material costs do not substantiate a cost estimate. The relationship of that program to the proposed system must be demonstrated and justified as outlined in this section. If a “new or improved” engineering or manufacturing process is the basis for projecting cost savings over historical systems, the Offeror/Major Subcontractor shall provide a description of the improvements, the relationship to the previous process, and a summary of how these improvements will be achieved. Specific savings in work hours and material must be documented and justified with regard to the content and practicality of these improvements. Estimates for level of effort tasks shall include the following: task duration, time-phased hours and associated costs, and the relationship between the historical system and the proposed system.

A programmatic and technical description of the historical system as well as the proposed system shall be provided along with the actual cost data for the historical system, a comparison of the historical system to the proposed system, and any adjustments made to the historical programmatic, technical and cost data to derive the proposed estimate. The Offeror/Major Subcontractor shall clearly identify and distinguish information associated with the proposed system from information associated with the analogous system. Detailed requirements are provided below.

#### PROGRAMMATIC DESCRIPTION

The programmatic description relates to the acquisition aspects of the historical system identified by the Offeror/Major Subcontractor as analogous. This data shall include, at a minimum, a top-level schedule with critical milestones, production rates, quantities procured by year, sole source or competitive procurement, the Offeror's/Major Subcontractor's actual contribution to the system, and the time period in which the element was developed. These aspects of the historical system and their similarities to and differences from the proposed system shall be explained.

#### TECHNICAL DESCRIPTION

The technical description relates to the performance and physical aspects of the historical system. This data shall describe, at a minimum, the system in terms of weight, power, the number of parts/components (including description), physical configuration, type of material, technology, and physical/performance parameters. These aspects of the historical system and their similarities to and differences from the proposed system shall be explained.

#### ACTUAL COST DATA

Cost or task data shall include the cost account, narrative description of the effort, and the actual cost data (including material, man-hours and total dollars). Actual cost data does not qualify as adequate substantiation when the

Offeror/Major Subcontractor simply refers to a cost account and provides the labor/material resource for the cost account (example: the XYZ program with the cost account 12345 containing 450 man-months). The Offeror/Major Subcontractor shall properly cite, clarify, and establish the proper context of all historical actuals used to substantiate their offer and submit to the Government any relevant documentation needed to support the Offeror's/Major Subcontractor's claims.

#### ADJUSTMENTS TO DERIVE THE PROPOSAL ESTIMATE

The BOEs shall be based on the WBS provided with a BOE for each WBS element for CLIN 0001 only. The BOEs shall be sequentially numbered and include reasons and justification for any adjustments made to programmatic, technical and actual cost data for the historical system. The Offeror/major subcontractor shall provide the basis and document any adjustments applied to the historical data, such as complexity factors and normalization methods, to reflect the characteristics of the proposed system. The BOEs shall also include an audit trail sufficient for the Government to reconstruct the proposed estimate and judge the credibility of data application. The BOEs shall include the estimating methodology and application of the cost data. Material, ODC and travel explanation and costs shall be included in the BOEs.

#### REQUIREMENTS PECULIAR TO COMMONLY USED COST ESTIMATING APPROACHS

The Government recognizes that Offeror/Major Subcontractor may use a variety of cost estimating approaches and techniques to develop their proposed estimates. This section outlines substantiation requirements peculiar to parametric, bottoms-up and analogous estimating techniques. As explained above, historical data from comparable systems/subsystems shall be used to substantiate the Offeror's/Major Subcontractor's estimate to the maximum extent, and may be utilized with any of these techniques.

#### PARAMETRIC TECHNIQUE

Where parametric simulation or statistically derived models are employed, statistical measures of confidence, prediction, capability, and fit shall be provided for independent and dependent variables, as well as the raw data and source(s) of this raw data. The Offeror/Major Subcontractor shall describe any adjustments made to such data, including the reasons and justifications for the adjustments.

#### BOTTOMS-UP TECHNIQUE

If a bottoms-up estimate is used, a summary of the procedures shall be included along with historical data supporting the estimate. This includes any cost improvement (learning) assumptions, quantity buy adjustments, business base adjustments, and any other factors (e.g. scrap, rework, yields, negotiation decrements, etc.) that affect the estimate.

#### ANALOGY TECHNIQUE

If an analogous estimating technique is used, the technical information required in this section, as well as procurement history shall be supplied to support the lowest level of the Offeror's/Major Subcontractor's estimate. In addition, the rationale for any adjustments of analogous data to the proposed estimate shall be explained in full detail with technical and programmatic descriptions.

#### COST SUMMARIES

The Offeror and major subcontractors shall provide summary costs in the following Section L attachments. The content requirements for each attachment are set forth in the paragraphs below.

- Attachment 5-1: Cost Element CLIN Traceability Breakout (applicable to CLIN 0001)
- Attachment 5-2: Total Cost by WBS (applicable to CLIN 0001)
- Attachment 5-3: Program Summary Report (applicable to CLIN 0001)
- Attachment 5-4: Labor Hours by WBS (applicable to CLIN 0001)
- Attachment 5-5: Labor Dollars by WBS (applicable to CLIN 0001)

Attachment 5-6: Material Dollars by WBS (applicable to CLIN 0001)  
 Attachment 5-7: Subcontractor Dollars by WBS (applicable to CLIN 0001)  
 Attachment 5-8: Other Direct Costs (applicable to CLIN 0001)  
 Attachment 5-9: Bill of Material (applicable to CLIN 0001)  
 Attachment 5-10: List of Analogous Programs (applicable to CLIN 0001)  
 Attachment 5-11: Software Information (applicable to CLIN 0001)  
 Attachment 5-12: Indirect Rates (applicable to CLIN 0001 and ESS (CLINs 1005, 2005, 3005, 4005, 5005, and 6005))  
 Attachment 5-13: Direct Rates (applicable to CLIN 0001 and ESS (CLINs 1005, 2005, 3005, 4005, 5005, and 6005))  
 Attachment 5-14: Engineering Support Services (ESS) Summary

#### **ATTACHMENT 5-1: COST ELEMENT CLIN TRACEABILITY BREAKOUT**

The Offeror/Major Subcontractor shall provide a time-phased (by Government Fiscal Year Quarter, Government Fiscal Year and Calendar Year), detailed cost element breakout of labor, material, subcontracts and G&A/other costs at Level 2 of the WBS (**Attachment 5-1**) for CLIN 0001.

The intent of **Attachment 5-1** is to allow the Offeror/Major Subcontractor to provide a consolidated, fully traceable breakout of the proposed cost at Level 2 of the WBS, using the Offeror's/Major Subcontractor's own labor categories, burdens and other aspects of the Offeror's/Major Subcontractor's accounting structure.

Additional requirements for the completion of **Attachment 5-1** are provided below (some of which may be repeated elsewhere in this appendix as general requirements).

- **Attachment 5-1 (and all other attachments)** shall be provided for CLIN 0001 specified on the first sheet of **Attachment 5-1** titled "Matrix" for the particular attachment. Rows that are not applicable shall be left blank.
- Lower level WBS elements (1.1 – 1.8) shall sum up to top level WBS summary level at WBS 1.0 within **Attachment 5-1**. All other attachments shall also be traceable to one another and to **Attachment 5-1** at the top level.
- **Attachment 5-1** shall be provided in soft copy in a Microsoft Excel-compatible format with working formulas intact. For both the Offeror and Subcontractor's Attachment 5-1 the formulas shall apply the proposed labor rates to the proposed labor hours and the Offeror's or Major Subcontractor's overhead and other burden rates to their respective baseline costs. **If Offeror's or Major Subcontractor's direct and indirect rates are composite rates, the formulas showing how the composite rates were calculated shall be included.** The Offeror shall include subcontractor cost totals in its Attachment 5-1 submission to the Government. The Offeror and Subcontractor shall work together to ensure the total from the Subcontractor Attachment 5-1 matches the total used in the Offeror's Attachment 5-1.
- The direct and indirect rates included in **Attachment 5-1** shall match and trace to the rates. This Attachment shall be linked to **Attachment 5-12** Indirect Rates and **Attachment 5-13** Direct Labor Rates so that any changes made to **Attachments 5-12 and 5-13** will flow through to **Attachment 5-1** for cost realism purposes.
- **Attachment 5-1** shall be completed for the Offeror, each Major Subcontractor (see specific requirements for Major Subcontractors elsewhere in this appendix including potential exceptions to the requirement) and a summary.
- The cost elements for each Level 2 WBS element shall be expanded as shown in the example for "1.1 Program Management".
- **Attachment 5-1** shall reflect the Offeror's/Major Subcontractor's own labor and material categories, so that the application of the Offeror's/Major Subcontractor's proposed rates and burdens is traceable and consistent with the Offeror's/Major Subcontractor's accounting system.
- Insert zeroes where applicable
- If the Offeror's/Major Subcontractor's accounting system requires application of rates or burdens that differs from the structure presented in the example, the Offeror/Major Subcontractor shall modify the

attachment to fit his/her accounting system and provide an explanation of the reason for and nature of the modification.

- For brevity and the purpose of demonstration only, the **Attachment 5-1** example provided reflects only those Level 2 WBS elements that the Government expects will be included. If, however, the Offeror's/Major Subcontractor's proposal includes additional Level 2 WBS elements that are not reflected in the example, the Offeror/Major Subcontractor shall add them as appropriate.
- Proposed Fee shall be proposed in accordance with Section B of the RFP.

#### **ATTACHMENT 5-2: TOTAL COST BY WBS**

The Offeror shall provide the proposed contract cost for CLIN 0001 for the Offeror, major subcontractors, a total of other subcontractors and a summary that totals the Prime, major subcontractors and other subcontractors. The Offeror shall follow the format of the WBS provided in **Attachment 5-2**. Costs shall be provided to at least the WBS Level provided in **Attachment 5-2**. The Offeror is free to expand the WBS, however, if the Offeror's proposed contract cost is developed at levels below those specified, the Offeror shall provide those lower level estimates and ensure traceability to the WBS. If the Offeror's proposed contract cost are developed at levels higher than specified above, the Offeror shall provide the estimates at the level at which they were developed, and provide the methodology and justification for allocating costs to the required level. All WBS cost elements shall be burdened without G&A and Fee. **Attachments 5-5, 5-6, 5-7 and 5-8** shall sum to the costs listed in **Attachment 5-2**.

Note that unless otherwise stated, all attachments are to be completed to at least the WBS levels provided in **Attachment 5-2**.

#### **ATTACHMENT 5-3: PROGRAM SUMMARY REPORT**

The Offeror shall provide a Program Summary Report for CLIN 0001 (**Attachment 5-3**) for the Offeror, each Major Subcontractor, a total of other contractors and a summary. The sum of the WBS elements shall correspond to the Offeror's total proposed target cost/price.

#### **ATTACHMENT 5-4: LABOR HOURS BY WBS**

The Offeror shall populate the template provided in **Attachment 5-4** (Labor Hours by WBS) for the Offeror, each Major Subcontractor, a total of other contractors and a summary, in accordance with the following instructions:

The completed templates shall follow the traditional parent-child WBS format (i.e. those WBS elements in Level 1 of the template shall be the sum of those WBS elements in Level 2 and the WBS elements in Level 2 shall be the sum of those in Level 3, etc.). The contractor-completed templates shall each contain the same WBS elements to at least the same WBS Level provided in **Attachments 5-4 and 5-5** (that is, the same WBS shall exist in each of the worksheets within a workbook, and across workbooks to the level specified in **Attachments 5-4 and 5-5**). If there are no costs associated with a certain WBS element, the contractor shall place a zero in the appropriate cell(s) as a placeholder. This data shall be provided in Microsoft Excel spreadsheet format with formulas in place to perform the necessary summing functions.

The Offeror/Major Subcontractor shall provide definitions of all functional labor categories referred to in this proposal.

Additionally, the Offeror and each Major Subcontractor shall provide a table of the following conversions, specific to its respective accounting system (contractor format). Conversions shall be provided for each labor category and site that is used in the proposal. If the conversions do not differ by labor category or site, the Offeror/Major Subcontractor shall clearly state so.

- Number of direct labor hours per Manmonth
- Number of direct labor hours per Manyear

#### **ATTACHMENT 5-5: LABOR DOLLARS BY WBS**

The Offeror shall populate the template provided in **Attachment 5-5** (Labor Dollars by WBS) for the Offeror, each Major Subcontractor, a total of other contractors and a summary, in accordance with the following instructions:

The completed templates shall follow the traditional parent-child WBS format (i.e. those WBS elements in Level 1 of the template shall be the sum of those WBS elements in Level 2 and the WBS elements in Level 2 shall be the sum of those in Level 3, etc.). The contractor-completed templates shall each contain the same WBS elements to at least the same WBS Level provided in **Attachments 5-5** (that is, the same WBS shall exist in each of the worksheets within a workbook, and across workbooks to the level specified in **Attachments 5-5**). If there are no costs associated with a certain WBS element, the contractor shall place a zero in the appropriate cell(s) as a placeholder. This data shall be provided in Microsoft Excel spreadsheet format with formulas in place to perform the necessary summing functions.

#### **ATTACHMENT 5-6 and 5-7: MATERIAL DOLLARS BY WBS/SUBCONTRACTOR DOLLARS BY WBS**

The contractor shall populate the templates provided in (**Attachments 5-6 & 5-7**) for the Offeror, each Major Subcontractor, a total of other contractors and a summary in accordance with the following instructions:

The completed templates shall follow the traditional parent-child WBS format (i.e. those WBS elements in Level 1 of the template shall be the sum of those WBS elements in Level 2 and the WBS elements in Level 2 shall be the sum of those in Level 3, etc.). The contractor-completed templates shall each contain the same WBS elements to at least the same WBS Level provided in **Attachments 5-6 through 5-7** (that is, the same WBS shall exist in each of the worksheets within a workbook, and across workbooks to the level specified in **Attachments 5-6 through 5-7**). If there are no costs associated with a certain WBS element, the contractor shall place a zero in the appropriate cell(s) as a placeholder. This data shall be provided in Microsoft Excel spreadsheet format with formulas in place to perform the necessary summing functions.

#### **ATTACHMENT 5-8: OTHER DIRECT COST BY WBS**

The contractor shall populate the templates provided in **Attachment 5-8** (ODC Dollars by WBS) for the Offeror, each Major Subcontractor, a total of other contractors and a summary in accordance with the following instructions:

The completed templates shall follow the traditional parent-child WBS format (i.e. those WBS elements in Level 1 of the template should be the sum of those WBS elements in Level 2 and the WBS elements in Level 2 should be the sum of those in Level 3, etc.). The contractor-completed templates shall each contain the same WBS elements to at least the same WBS Level provided in **Attachments 5-8** (that is, the same WBS shall exist in each of the worksheets within a workbook, and across workbooks to the level specified in **Attachment 5-8**). If there are no costs associated with a certain WBS element, the contractor shall place a zero in the appropriate cell(s) as a placeholder. This data shall be provided in Microsoft Excel spreadsheet format with formulas in place to perform the necessary summing functions. NOTE: Include Travel Dollars with ODC.

Other direct costs (ODCs) are defined as costs not previously identified as a direct material cost, direct labor cost, or indirect cost. In other words, other direct cost (ODC) is a cost that can be identified specifically with a final cost objective that the Offeror does not treat as a direct material cost or a direct labor cost. Examples of the types of cost that are commonly included as other direct costs include: Travel, Special tooling and test equipment, Computer services, Consultant services, Travel, Federal excise taxes, Royalties, Preservation, packaging, and packing costs, Preproduction costs. These amounts are non-fee bearing and are all inclusive (including contractor burdens such as General & Administrative expense, etc.) and are associated with a specific Cost Type CLIN.

#### **ATTACHMENT 5-9: BILL OF MATERIAL (BOM)**

The Offeror shall provide a list of the BOM (**Attachment 5-9**) broken out by WBS, as defined in **Attachment 5-2**, for each Major Subcontractor and a summary for all items that constitute 80% of the BOM costs (including IDTs for Material). There shall be traceability between the BOM and BOE by WBS. The BOM shall be complete and represent the configuration on which the Offeror/Major Subcontractor bases their cost. Equivalent Offeror/Major Subcontractor formats may be used for information required in **Attachment 5-9**, however, precise instructions must

be provided by the Offeror/Major Subcontractor showing traceability to the Government attachment. Provide the total dollar value of the remaining percent not included in the BOM for traceability.

The BOMs shall include the following (**Attachment 5-9**):

- WBS Number
- WBS Element Description
- Item Description
- Vendor Identification
- Basis of Price (i.e. Written quote, Verbal quote, Estimate, Analogy, FFP, Historical Actuals, etc.)
- Basis of Requirement - how do you know you need this item? (i.e. drawing, engineering estimate, similar program)
- Identification of whether the part is make, sole source or competitively procured
- Identification of Cost Category (i.e., Raw Material, Purchased Part, Purchased Equipment, Subcontract, and IDTs)
- Quantity
- Unit price
- Total Extended \$ without burden
- Total Recurring \$
- Total Nonrecurring \$
- Long Lead (check marks)

Long lead items shall be noted with a check mark. Additionally, **Attachment 5-9** shall also be completed identifying Long Lead material only.

Any burdens associated with BOM shall be included in the **Attachment 5-1**.

#### **ATTACHMENT 5-10: LIST OF ANALOGOUS PROGRAMS**

The Offeror shall provide a list of subcontracts, if any, which are not included in the BOM. This includes IDTs for services, List of Historical Analogous Programs (**Attachment 5-10**)

The Offeror/Major Subcontractor shall provide a collection of narrative summary descriptions of all analogous programs used throughout the proposed estimates contained in CLIN 0001. These narrative descriptions shall contain, at a minimum, the following information:

- Name of the program
- Name of the customer (such as a commercial company or Government agency)
- The total value of the program as well as the total value of the Offeror's/Major Subcontractor's contribution to that program (in cases where those are not one and the same),
- A top level delivery schedule of both the total program and the Offeror's/Major Subcontractor's contribution where those are not one and the same.

#### **ATTACHMENT 5-11: SOFTWARE INFORMATION**

For each of the WBS elements in the contract cost/price, the Offeror shall provide nonrecurring software information included in **Attachment 5-11** for the Offeror, each Major Subcontractor, a total of other contractors and a. This information shall be provided for any element in the proposal where software development is included in the estimate. If relevant analogous programs are used for substantiation, then the Offeror/Major Subcontractor shall provide the following data:

- Equivalent source lines of code in units
- Productivity rate (provide insight on how the numeric data was derived) per man-month/man-hours
- Effort in man-months/man-hours

- Description of Effort (i.e. development, reuse, etc.)
- Actual development, maintenance and rework (if applicable) cost in Then-Year dollars (TY\$)
- Development schedule
- Description of personnel environment and technical attributes
- The percentage of responsibility with the specific analogous program, summary of why it is relevant to GPNTS, and provide ground rules & assumptions (i.e. hours per month).

Since the definitions of what activities are (or are not) included in software development may differ from one company to the next, the Offeror/Major Subcontractor shall clearly explain what activities are reflected in the proposed effort(s) as well as in the analogous program(s).

If the Offeror/Major Subcontractor uses a commercially available software-modeling tool for either substantiation or as a cross-check, the populated software cost model shall be provided.

The Offeror/Major Subcontractor shall describe how much of the software is off-the-shelf, modified off-the-shelf (provide details as to the extent of modifications), reused code, and newly developed code. The Offeror/Major Subcontractor shall describe the anticipated programmer productivity by comparing productivities experienced on analogous programs and indicating the programming languages used. The Offeror/Major Subcontractor shall clearly indicate what phases from the list below (taken from the SRDR DD Form 2630-3) are included in the productivity factors. If using a COTS software product to estimate software, all parameters used shall be provided.

- Software Requirements Analysis
- Software Architecture and Detailed Design
- Software Coding and Unit Testing
- Software Integration and System/Software Integration
- Software Qualification Testing
- Software Development Test and Evaluation
- Other Direct SW Development Efforts

Information to be provided shall also include the lines of code per element, the methodology for the estimated lines of code, and the WBS element(s) under which development costs are included. The definition of a "line of code" shall be provided in terms of the language in which it is written and identification of host hardware.

The Proposal WBS does indicate where software development may occur, however, the Offeror/Major Subcontractor shall include and identify software costs where appropriate (all applicable WBS elements, **not** limited to just the elements labeled as "software") in the WBS elements included in **Attachment 5-2** and shall demonstrate the traceability of these costs to the data captured in **Attachment 5-11**.

The Government realizes that the Offeror's/Major Subcontractor's proposed design may utilize alternative technical solutions for software development. If Application Specific Integrated Circuits (ASICs) or similar software-intensive hardware items are part of the proposed design, the Offeror/Major Subcontractor shall provide a narrative description, to include associated costs and technical complexity, which addresses the following issues:

- Design specification development
- Logic design development
- Verification
- Physical design
- Fabrication of the chip
- Testing and Qualifications
- The percentage of ASIC cost accounted for by each of the above efforts
- The number of chips designed and their associated recurring & nonrecurring costs
- The integration cost of ASICs developed by the Offeror/Major Subcontractor, or procured as COTS

Also, if the Offeror/Major Subcontractor plans to utilize other approaches that will streamline the software development effort (e.g. "turbo" code), the Offeror/Major Subcontractor shall ensure that those approaches and their associated costs are fully substantiated.

CONTRACTOR RATES (applicable to CLINs 0001, 1005, 2005, 3005, 4005, 5005 and 6005). The Offeror and each major subcontractor shall provide the rates used in the proposed cost in accordance with the format described in this section. Due to the proprietary nature of company rates, this information may be presented separately for each Offeror and major subcontractor. A trace to the cost reimbursable CLINs shall be included to ensure the proper application of the rates. The Offeror shall use Government Fiscal Year (GFY) rates in developing the estimate. If for accounting purposes, the Offeror uses a yearly base different from the GFY base, a detailed description is required.

**ATTACHMENT 5-12: INDIRECT RATES (applicable to CLINs 0001, 1005, 2005, 3005, 4005, 5005 and 6005)**

The Offeror and major subcontractors shall submit the indirect rates used in the proposal. Sample indirect rate accounts are listed below.

- Engineering Overhead
- Manufacturing Overhead
- General & Administrative (G&A)
- Material Handling Overhead
- Facilities Capital Cost of Money (FCCM)

The Offeror and major subcontractors shall include a projection of indirect rates that assumes the award and inclusion of the GPNTS contract in the business base. Any changes to the current Forward Pricing Rate Agreement (FPRA) indirect rates due to variation of the business base or other factors impacting the rates shall be fully described and justified.

The Offeror and major subcontractors shall describe and substantiate the development of composite indirect rates that represent a combination of company labor categories, functional elements, or Government Fiscal Year accounts. Furthermore, the Offeror and major subcontractors shall submit detailed definitions for each indirect rate account (overhead pool). Definitions shall identify for each account: (1) the specific costs that accrue to it and (2) a breakout of the top 80% of the costs. If the Offeror has a Forward Pricing Rate Agreement (FPRA) or a Forward Pricing Rate Proposal (FPRP) which has been approved by DCAA for use on proposal submission the Offeror is not required to describe, substantiate or provide definitions of indirect rates. The Offerors shall identify the effective date of the FRPA/FPRP that is in place at the time of proposal submission.

**ATTACHMENT 5-13: DIRECT RATES (applicable to CLINs 0001, 1005, 2005, 3005, 4005, 5005 and 6005)**

The Offeror and major subcontractors shall provide the most current rates, for each cost center, that are in effect at the time of proposal submission. This shall include the current FPRA direct labor rates, the projected direct labor rates assuming contract award, the current company labor categories, and the mix of company labor categories proposed for this contract. The Offeror and major subcontractors shall document the development of composite direct rates, which represent a combination of company labor categories, functional elements, or Government Fiscal Year accounts. In addition, the Offeror and major subcontractors shall submit detailed definitions for each direct labor category. The Offeror and major subcontractors shall also include the basis for any projected annual increases and any other factors applied to direct rates. If the Offeror has a Forward Pricing Rate Agreement (FPRA) or a Forward Pricing Rate Proposal (FPRP) which has been approved by DCAA for use on proposal submission the Offeror is not required to document the development of, provide definitions, or include a basis for direct rates. The Offerors shall identify the effective date of the FRPA/FPRP that is in place at the time of proposal submission.

Using the rates identified in **Attachments 5-12 and 5-13**, the Offeror and subcontractors shall price the labor mix provided in the ESS Summary paragraph. The Offeror shall segregate the hours the prime will perform and each subcontractor will perform.

**ATTACHMENT 5-14: ESS SUMMARY (Applicable to option CLINs 1005, 2005, 3005, 4005, 5005, and 6005)**

The Offeror and all Subcontractors shall provide information to support evaluation of the labor mix for the ESS CLINs identified in the ESS summary paragraph. For evaluation of ESS pricing the Offeror and all Subcontractors shall provide the direct and indirect costs for both the prime contractor and all subcontractor. The Offeror shall include subcontractor cost totals in its Attachment 5-14 submission to the Government. The Offeror and Subcontractor shall work together to ensure the total from the Subcontractor Attachment 5-14 matches the total used in the Offeror's Attachment 5-14.

Pricing Information for LRIP and FRP (Applicable to Option CLINs 1000-1002, 2000-2002, 3000-3002, 4000-4002, 5000-5002 and 6000-6002, if options are exercised.)

The Offeror shall provide information to support evaluation of the unit prices proposed for the LRIP an FRP hardware quantities indentified in Section B of the RFP. For evaluation of LRIP hardware pricing, the offeror shall provide a narrative description of its pricing approach for the quantities contained in Section B, including the estimating techniques used, learning curve assumptions, quantity discounts, and formulas applied to derive the prices.

For the FRP hardware, the Offeror shall provided a narrative description of its pricing approach for the FRP quantities provided in Section B, including the estimating techniques used, learning curve assumptions, quantity discounts, and formulas applied to derive the prices.

The price for each GPNTS configuration shall include all material costs, subcontract costs, other direct costs (to include license fees for use of commercial components, if applicable), direct and indirect engineering and manufacturing labor costs, inclusive of, but not limited to, systems engineering, program management, and configuration and data management activities, other indirect costs included in approved Forward Pricing Rate Agreements, and profit. The learning curve may also include escalation.

### 3.3 VOLUME III – CONTRACT DOCUMENTS

This volume is the Offeror's contractual commitment, complete in every respect and ready for acceptance by the Government. The Offeror's proposal shall be signed by a company official having actual authority to bind the contractor contractually. Use contract number N00039-10-R-0032 everywhere a contract number is required.

#### 3.3.1 SECTION A – COVER LETTER, SIGNATURE PAGE (SF33), COMPLETED SECTIONS B-K

The cover letter/signature page shall state that the proposal will remain valid for no less than 300 calendar days from the date the proposal is due. An executive of the company who possesses actual authority to contractually bind the Offeror shall sign the cover letter/signature page.

If the Offeror takes any exceptions to solicitation, those exceptions shall be provided in the cover letter of the Contract Volume. The Offeror shall provide a full explanation for all exceptions taken to the solicitation. Each exception shall be referenced to the applicable paragraph or contract line item number. Any material exceptions to the RFP may render the proposal unacceptable and ineligible for award on initial proposals.

The Space and Naval Warfare Systems Command (SPAWAR) may use non-Government personnel for tasks, which are administrative in nature to support this evaluation. The Government currently plans to use personnel from Booz Allen Hamilton. **Offerors shall expressly grant the Government permission to provide copies of all portions of their proposals to Booz Allen Hamilton in their cover letter.** Offerors that object to this organization assisting the Government with administrative tasks during the evaluation process shall expressly state such objections in their cover letter.

The offeror's proposal shall include a cover letter on the offeror's letterhead stationery and signed by an executive of the company who possesses authority to contractually bind the offeror. The cover letter shall acknowledge receipt of all amendments (if any are issued) to the RFP. The submittal letter shall identify all enclosures being transmitted as part of the response to the RFP. The letter shall reference the RFP number and acknowledge that it transmits an offer in response to the RFP. It shall state: (1) Commercial and Government Entity (CAGE) number, (2) Data Universal Numbering System (DUNS) Number, (3) Taxpayer Identification Number (TIN), (4) address(es)

of the location(s) at which the offeror intends to perform the proposed effort, (5) state the name, address and telephone number of the cognizant DCAA audit office, (6) the name, address and telephone number of the cognizant Defense Contract Management Command (DCMC) office, and (7) a statement that the proposal is valid for no less than **300 calendar days** after the date established for receipt of offers. Prime contractors shall ensure that all first tier subcontractors include the information (items 1-7) in their cost proposal submission to the Government.

The offeror’s proposal shall provide a completed RFP to include completed SF33 and Sections B – K.

**3.3.2 SECTION B – SECURITY CLEARANCE LEVELS**

Offerors must document that facilities and personnel proposed to perform this contract and requiring access to classified material as required by the contract possess at a minimum the security clearance levels required by the RFP (DD Form 254).

**3.3.3 SECTION C – PROPRIETARY DATA PROTECTION AGREEMENTS (PDPAs)**

In accordance with solicitation provision “Notification of use of Contractor Support”, offerors shall provide fully executed PDPAs between the Offeror and Booz Allen Hamilton in which the Offeror agrees to allow access to its proposal by employees of Booz Allen Hamilton who work under support contracts to PMW/A 170 and which obligate the support personnel from these companies to protect such data from unauthorized use or disclosure in accordance with the terms of the agreements.

**3.3.4 SECTION D – ORGANIZATIONAL CONFLICT OF INTEREST (OCI) MITIGATION PLAN(S)**

The Offeror shall submit draft versions of any required OCI Mitigation Plans, consistent with the guidance contained in the “Organizational Conflict of Interest” section in Section L.

**3.3.5 SECTION E – SMALL BUSINESS SUBCONTRACTING PLAN**

Offerors, unless otherwise exempt, due to being a small business concern or a company performing outside of any State, territory, or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, shall, in accordance with FAR 19.7 and FAR 52.219-9, submit a Small Business Subcontracting Plan (or approved comprehensive plan), as part of Volume III. Failure to submit and negotiate a subcontracting plan acceptable to the Contracting Officer shall make the offer ineligible for award of a contract.

**3.3.6 SECTION G – FOREIGN OWNED SUBCONTRACTORS**

The proposed Offeror shall identify any and all potential foreign-owned subcontractors they intend to team with for the procurement in the following format:

|  |  |
|--|--|
| Name of Subcontractor:                                 |  |
| Country of Origin:                                     |  |
| Date of executed Technical Assistance Agreement (TAA): |  |

The Offeror shall provide a copy of the executed TAA within the Contracts Volume. In the event that a TAA is not in place at the time of proposal submission, the Offeror shall provide a copy of a draft TAA for Government review. The Offeror shall ensure that the TAA will be in place prior to the award of the contract. The Offeror shall ensure all applicable subcontractor flow down clauses are complied with by the all subcontractors, including foreign-owned.

(End of provision)

The following have been modified:

## L-349 SUBMISSION OF ELECTRONIC PROPOSALS (SEP 2003)

Offerors shall submit one (1) signed paper version of their entire proposal to Space and Naval Warfare Systems Command, Attn: Frederick D. Renz, Code 02A2-D, 4301 Pacific Highway, San Diego 92110-3127 not later than 10:00 a.m. San Diego, CA time on 12 October 2010. The offeror's original proposal shall be prepared on standard 8 1/2" by 11" paper, single-spaced, with 1" minimum margins. Foldouts may be used, but shall be no larger than 17" by 11", shall be printed on one side only, and shall count as two pages. The type used shall be no smaller than Times New Roman, 8-point. Tables, drawings and graphics may be single spaced, with type no smaller than Times New Roman, 8-point.

Offerors shall also submit their proposals electronically to SPAWAR under the instructions contained in this provision. Electronic proposals must be identical to the signed paper proposal submission and all text documents shall be prepared in Microsoft WORD 2007 and converted to searchable "PDF" documents for submission. All Microsoft EXCEL 2007 and Microsoft PROJECT 2007 documents shall be submitted in the original electronic format. Microsoft Electronic copies shall be submitted via the SPAWAR E-Commerce Central (SPAWAR E-CC). Offerors submitting electronic proposals (e-Proposals) shall register in the SPAWAR E-CC and select their own password in order to submit a proposal. Offerors are required to read the "Submitting a Proposal?" web page found in the SPAWAR E-CC. For information about "e-Proposal" submission, please visit the SPAWAR E-CC URL <https://e-commerce.spawar.navy.mil>.

E-Proposal files shall not contain classified data. The offeror's e-proposal files shall be structured and named in accordance with the conventions outlined in the table below. The full name for each file will consist of solicitation number, offeror name, volume, and content type suffix (e.g. *N0003908R0002.OFFEROR\_NAME.V1.TASK.pdf*). Files submitted as attachments or enclosures shall be indicated by adding .ENCLx or .ATTx, where x is the sequential attachment/enclosure for each file (e.g. *N0003908R0002.OFFEROR\_NAME.V2.COST.ATT1.xls*).

| NUMBER OF PAPER COPIES | VOLUME  | SECTION L REFERENCE | PAGE LIMIT   | SECTION SUFFIX |
|------------------------|---|---------------------|--|----------------|
| 1                      | <b>I. TECHNICAL PROPOSAL</b>                                      |                     |  |                |
|                        | <b>Section A - Technical Approach (Factor 1)</b>                  | <b>3.1.1</b>        | <b>75 pages total (exclusive of Subfactor 1.2, which is not page limited).</b> | <b>V1.TECH</b> |
|                        | System Design (Subfactor 1.1)                                     | 3.1.1.1             |  |                |
|                        | Software Development Approach (Subfactor 1.2)                     | 3.1.1.2             | No page limit.   |                |
|                        | Information Assurance (IA) (Subfactor 1.3)                        | 3.1.1.3             |  |                |
|                        | Test and Evaluation (T&E) (Subfactor 1.4)                         | 3.1.1.4             |  |                |
|                        | Integrated Logistics Support (Subfactor 1.5)                      | 3.1.1.5             |  |                |
|                        | <b>Section B – Technical Data Rights (Factor 2)</b>               | <b>3.1.2</b>        | <b>No page limit</b>   | <b>V1.DATA</b> |
|                        | <b>Section C - Management Approach (Factor 3)</b>                 | <b>3.1.3</b>        | <b>See below.</b>  | <b>V1.MGMT</b> |
|                        | Integrated Master Schedule/Integrated Master Plan (Subfactor 3.1) | 3.1.3.1             | No page limit.   |                |
|                        | Program Management  | 3.1.3.2             | 25 pages   |                |

|   |   |              |  |                     |
|---|---|--------------|--|---------------------|
|   | Approach (Subfactor 3.2)  |              |  |                     |
|   | <b>Section D – Relevant Past Performance (Factor 4)</b>   | <b>3.1.4</b> | <b>3 pages total</b> per reference (Exclusive of CPARS evaluations (if provided))  | <b>V1.PAST</b>      |
|   | <b>Section E - Small Business Participation (Factor 5)</b>  | <b>3.1.5</b> | <b>Ten (10) pages total</b> (excluding SF-294s, copies of binding agreements, enforceable comments, and letters of intent) | <b>V1.SBP</b>       |
|   | <b>Section F - Correlation Matrix</b>   | <b>3.1.6</b> |  | <b>V1.MATX</b>      |
| 1 | <b>II. Cost/Price Proposal (Factor 6)</b>   | <b>3.2</b>   | <b>No page limit</b>   | <b>V2.COST</b>      |
|   |   |              | <b>No page limit</b>   |                     |
| 1 | <b>III.Contract Documents</b>   | <b>3.3</b>   |  | <b>V3. CONTRACT</b> |
|   | Section A: Letter of Transmittal, Completed Standard Form (SF) 33, and Completed RFP Sections B - K | 3.3.1        | 3 pages maximum for Letter of Transmittal  |                     |
|   | Section B: Security Clearance Levels  | 3.3.2        |  |                     |
|   | Section C: Proposal Access Agreements   | 3.3.3        |  |                     |
|   | Section D: Organizational Conflict of Interest Mitigation Plan(s)                                   | 3.3.4        |  |                     |
|   | Section E: Small Business Subcontracting Plan   | 3.3.5        |  |                     |
|   | Section G: Foreign Owned Subcontractors   | 3.3.6        |  |                     |

Adobe Acrobat version 4.01 or greater shall be used to create the “PDF” files. All attachments that are required in Excel shall be provided in soft copy in Microsoft Excel 2003 **with all formulas intact**. Additionally, all text (e.g., BOEs) shall be provided in a searchable format (e.g., PDF). Any table that is provided in the cost volume shall either be in MS Excel **with all formulas intact** or shall have a backup in MS Excel **with all formulas intact**. The IMS shall be submitted in Microsoft Project 2003.

The proposal submission files may be compressed (zipped) into one, ZIP file entitled “PROPOSAL.ZIP” using WinZip version 6.3 or greater.

Cost or Pricing Type Data: All information relating to cost and pricing type data shall be included only in the section of the proposal designated by the Contracting Officer as the Cost Proposal. Under no circumstances shall cost and pricing type data be included elsewhere in the proposal. Paragraph cross-referencing between Cost Proposal paragraphs and technical/management proposal paragraphs is requested to provide clarity.

The electronic submission governs for the purpose of the submission, modification and withdrawal of bids and proposals coverage in the FAR 52.212-1 “Instructions to Offerors--Commercial Items”, FAR 52.214-7 “Late Submissions, Modifications, and Withdrawals of Bids”, FAR 52.214-23 “Late Submissions, Modifications, Revisions, and Withdrawals of Technical Proposals under Two-Step Sealed Bidding”, or the FAR 52.215-1 “Instructions to Offerors--Competitive Acquisition” provision contained in the solicitation. Bids and proposals submitted electronically will be considered “late” unless the bidder or offeror completes the entire transmission of

the bid or proposal prior to the due date and time for receipt of bids or proposals. This paragraph supplements the submission, modification and withdrawal of bids and proposals coverage in the FAR 52.212-1 “Instructions to Offerors--Commercial Items”, FAR 52.214-7 “Late Submissions, Modifications, and Withdrawals of Bids”, FAR 52.214-23 “Late Submissions, Modifications, Revisions, and Withdrawals of Technical Proposals under Two-Step Sealed Bidding”, or the FAR 52.215-1 “Instructions to Offerors--Competitive Acquisition” provision contained in the solicitation.

(End of provision)

The following have been modified:

**NOTIFICATION OF USE OF CONTRACTOR SUPPORT**

Pursuant to 41 U.S.C.419, Federal Acquisition Regulation (FAR) 37.204, and other applicable laws and regulations, contractor support personnel from Booz Allen Hamilton under contract **N00178-04-D-4024, task order NS22**, will be used for administrative support during the evaluation of proposals submitted in response to this solicitation. Examples of administrative support include document control, arranging facilities, organizing proposals, note taking in source selection meetings, transcribing, and finding references within documents. This support will not include analyzing or reviewing proposals, answering technical questions, writing draft reports, or any other tasks requiring the rating or scoring of the proposal itself.

**Responses to this solicitation MUST clearly state whether permission is granted or not granted to allow contractor support personnel from the company identified above access to the contractor’s proposal.** Should such permission be denied, the Government will review the contractor’s proposal without the contractor support identified. Offerors are encouraged to execute a proposal access agreement with Booz Allen Hamilton. The points of contact for the companies are listed below:

| Company             | Point of Contact                           |
|---------------------|--|
| Booz Allen Hamilton | Rick Burroughs (burroughs_richard@bah.com) |

The following have been modified:

**ORGANIZATIONAL CONFLICT OF INTEREST**

The offeror's attention is directed to FAR Subpart 9.5 relating to organizational conflicts of interest. Any resultant contract will provide for the design, development, testing and delivery of the GPNTS system. Offerors shall recognize that performing this effort may result in a potential or actual conflict of interest as defined by FAR 2.101 and FAR 9.5. The term "contractor" means the contractor, its subsidiaries and affiliates, joint ventures involving the contractor, any entity with which the contractor may hereafter merge or affiliate, and any other successor of the contractor and any subcontractors of the contractor. Contractors shall identify and describe any contractual support they are presently providing to PEO C4I and/or SPAWAR, and/or other organizations/agencies that may have a relationship to GPNTS (including but not limited to OPNAV N2/N6F, Naval Sea Systems Command (NAVSEA), Commander Operational Test and Evaluation Force (OPTEVFOR), and the Air Force GPS Wing). If a potential Organizational Conflict of Interest exists, the Offeror shall provide an Organizational Conflict of Interest Mitigation Plan as part of their proposal. It is the Government's intent to avoid, neutralize, or mitigate potential conflicts as early in the acquisition process as possible.

An OCI mitigation plan, if submitted, should address but not be limited to the following information:

- (a) How the company plans to identify and track actual or potential OCIs;

- (b) How source selection information or proprietary data will be physically safeguarded (including detailed job descriptions of personnel whose work creates the appearance of a potential or actual OCI);
- (c) How company personnel working on the contract will be segregated from the rest of the company workforce and if need be, report through separate chains of command;
- (d) How data security measures, including computer workstations dedicated to the contract will be in separate, secure areas and require unique passwords for access;
- (e) How the company handles an improper disclosure of sensitive information and how that is communicated to the Contracting Officer;
- (f) How the OCI clause is flowed down to subcontractors and how that process is administered;
- (g) Training of personnel in their non-disclosure and procurement integrity responsibilities and penalties the company may impose if sensitive information is disclosed; and
- (h) The process the company goes through to obtain Non-Disclosure Agreements executed between it and subcontractors as well as those signed by company employees

A mitigation plan should be submitted if the offeror provides support to the listed organizations/agencies or other organizations/agencies so as to create the appearance of an OCI. If applicable, the plan should state in detail why the offeror's support contracts do not create an OCI. If an offeror has previously submitted a mitigation plan and had that plan approved as sufficient, the offeror will submit the plan with its proposal and include any updated information.

## SECTION M - EVALUATION FACTORS FOR AWARD

The following have been deleted:

52.232-15                      Progress Payments Not Included                      APR 1984

The following have been modified:

### M-307 EVALUATION CRITERIA AND BASIS FOR AWARD (BEST VALUE) (DEC 1999)

(a) The contract resulting from this solicitation will be awarded to that responsible offeror whose offer conforming to the solicitation, is determined to provide the "best value" to the Government. Such offer may not necessarily be the proposal offering the lowest cost or receiving the highest technical rating.

(b) Proposals will be rated and ranked on the evaluation factors listed below. It should be noted that cost is not a numerically weighted factor. Although technical factors are significantly more important than cost, cost is an important factor and should be considered when preparing responsive proposals. The importance of cost as an evaluation factor will increase with the degree of equality of the proposals in relation to the remaining evaluation factors. When the offerors within the competitive range are considered essentially equal in terms of technical capability, or when cost is so significantly high as to diminish the value of the technical superiority to the government, cost may become the determining factor for award. In summary, cost/technical trade-offs will be made, and the extent to which one may be sacrificed for the other is governed only by the tests of rationality and consistency with the established evaluation factors.

(c) The Government intends to award a contract without discussions as permitted by FAR 15.306(a) and 52.215-1. Therefore offerors are cautioned not to submit an offer which takes exception to any term or condition of the RFP or imposes any additional condition or omits any required information. The Government reserves the right to conduct discussions and to permit offerors to revise their proposals if it is determined to be in the best interest of the Government.

Note that the Government will not award a contract to an Offeror's team that has an organizational conflict of interest unless an approved mitigation plan is on file with the Contracting Officer.

(d) Evaluation of an offeror's proposal shall be based on the information presented in the proposal and information available to the contracting office from sources deemed appropriate. Sources typically considered Defense Contract Audit Agency, Defense Contract Management Administration offices, other contracts with same firms for similar items or services, known commercial sources such as Data Resources, Inc., Standard and Poor, etc. Proposals which are unrealistic in terms of technical or schedule commitments, or unrealistically high or low in terms of cost, may be deemed to be reflective of an inherent lack of technical competence, or indicative of a failure to comprehend the complexity and risks of the proposed work and may be grounds for rejection of the proposal. If the proposed contract requires the delivery of data, the quality of organization and writing reflected in the proposal will be considered to be an indication of the quality of organization and writing which would be prevalent in the proposed deliverable data. Subject judgment on the part of the Government evaluators is implicit in the entire process.

(e) The relative importance of the factors/subfactors is as follows:

Factors 1 – 5 are in descending order of importance: Factor 1 (Technical Approach) is more important than Factor 2 (Technical Data Rights); Factor 2 (Technical Data Rights) is more important than Factor 3, (Management Approach); and Factor 3 (Management Approach) is more important than Factor 4, (Relevant Past Performance); Factor 4, (Relevant Past Performance) is more important than Factor 5, (Small Business Participation). Factors 1, 2, 3, and 4 when combined are significantly more important than Factor 5. Factors 1-5, when combined, are significantly more important than Factor 6 (Cost/Price).

Within Factor 1 (Technical Approach), Subfactors 1-5 are in descending order of importance with Subfactor 1 (System Design) more important than Subfactor 2 (Software Development Approach); Subfactor 2 (Software Development Approach) more important than Subfactor 3 (Information Assurance (IA) Approach); Subfactor 3 more important than Subfactor 4 (Test and Evaluation (T&E) Approach); Subfactor 4 (Test and Evaluation (T&E) Approach) more important than Subfactor 5 (Integrated Logistics Support Approach).

Within Factor 3 (Management Approach), Subfactors 1 and 2 are in descending order of importance with Subfactor 1 (Integrated Master Schedule/Integrated Master Plan) more important than Subfactor 2 (Program Management Approach).

(f) The evaluation factors and subfactors are as follows:

**3.1.1 FACTOR 1 – TECHNICAL APPROACH:** The Government will evaluate the Offeror's proposed Technical Approach (hardware and software) to design, develop, and test the GPNTS system. The Technical Approach factor contains the following five (5) subfactors:

**3.1.1.1 Subfactor 1.1 – System Design.** The Government will evaluate the extent to which the Offeror's GPNTS system design (hardware and software) meets the threshold requirements of the GPNTS Technical Requirements Document (TRD) for the following GPNTS System Elements:

- (a) Real Time Component (RTC) (TRD Section 3.3)
- (b) System Access Component (SAC) and Indirect SAC (TRD Section 3.4; TRD Appendix B)
- (c) Time and Frequency Component (TFC) (TRD Section 3.5)
- (d) GPS Receiver Module (TRD Section 3.6)
- (e) Crypto Distribution (TRD Appendix A)

The Government will also evaluate the extent to which the Offeror's GPNTS design satisfies the requirements for the multiple configurations identified in TRD Section 3.10.

The Government will evaluate the extent to which the Offeror's system design (hardware and software) addresses open architecture tenets and employs a modular, standards-based open systems approach, as well as the extent to which the offeror's design incorporates the design tenets of interoperability, extensibility, maintainability, and composeability. The Government will evaluate the Offeror's approach for selecting and adhering to the standards it selected for inclusion in its system design. The Government will evaluate the extent to which the interfaces selected will accommodate technology insertion (hardware and software) and facilitate the reuse of alternative or reusable modular system elements.

If the Offeror proposes to reuse existing software as part of its design, the Government will evaluate the rationale for the software that was selected for reuse.

The Government will evaluate the extent to which the offeror's system design minimizes reliance on proprietary, vendor unique, or closed software and/or hardware elements and the extent to which the use of proprietary, vendor unique or closed elements hinder the Government's ability to do the following (see list below). In the event that proprietary, vendor unique, or closed elements are included in the offeror's system design, the Government will evaluate the offeror's justification for selection of such components. The offeror will receive favorable consideration for proposing a system design that minimizes reliance on proprietary, vendor unique, or closed elements.

- Enable Government to separately purchase its own equipment and assemble GPNTS configurations in Government labs;
- Enable third party Government or contractor teams to integrate additional hosted applications;
- Enable third party Government or contractor teams to do LRIP/Full Rate Production installations;
- Enable third party Government or contractor teams to perform ISEA functions;
- Enable hand off of design documents, install documents, and software to the LRIP/Full Rate Production contractor for production; and
- Enable hand off of design documents and software to the LRIP/Full Rate Production contractor for modifying and extending GPNTS design and GPNTS software.

The Government will evaluate the extent to which the Offeror's system design incorporates Non-Developmental Items and COTS items to meet the GPNTS performance requirements.

**3.1.1.2 Subfactor 1.2 - Software Development Approach** - The Government will evaluate the offeror's proposed software development approach to ensure it is appropriate for the system to be developed and meets standard levels of completeness and process quality. The Government will evaluate how the Offeror's proposed processes are equivalent to CMMI Level capability level 3. For this evaluation, the Government will rely primarily on the draft SDP and the SDP Rationale.

The Government will evaluate the offeror's previous experience in developing software of the same nature as that being acquired with this solicitation. The Government will also evaluate the offeror's previous experience in developing software using the same or similar approach as proposed for this solicitation. The results of any standard model-based process maturity appraisals performed within 24 months prior to proposal submission, and the number of proposed staff experienced in using these processes will be part of the evaluation criteria.

**3.1.1.3 Subfactor 1.3 - Information Assurance (IA) Approach**. The Government will evaluate the extent to which the Offeror's proposed IA approach meets the requirements specified in Section 4.1.1.5 of the GPNTS SOW.

**3.1.1.4 Subfactor 1.4 - Test & Evaluation (T&E) Approach.** The Government will evaluate the extent to which the Offeror's T&E approach meets the requirements specified in Sections 4.1.9-4.1.9.5, 4.2.6-4.2.6.3 and 4.3.6-4.3.6.2 of the GPNTS SOW.

The Government will also evaluate the adequacy of the Offeror's proposed test facilities, and the offeror's approach for using modeling and simulation tools, and the rationale for any proposed Special Test Equipment.

**3.1.1.5 Subfactor 1.5 - Integrated Logistics Support (ILS) Approach.** The Government will evaluate the extent to which the Offeror's ILS approach meets the requirements specified in Sections 4.1.12-4.1.12.5, 4.2.3 and 4.3.3 of the GPNTS SOW. The Government will evaluate the offer's approach for minimizing life cycle sustainment costs (hardware and software) for a 20 year period.

**3.1.2 FACTOR 2 – TECHNICAL DATA RIGHTS:** The Government will evaluate the extent to which the rights offered by the Offeror allow unimpeded, cost effective, installation, maintenance, production, operation and upgrade of the GPNTS system throughout its lifecycle; and allow for future competitive procurements of the GPNTS system. The Government will evaluate the extent to which the Offeror proposes to provide to the Government the rights to which the Government is entitled in accordance with DFARS 252.227-7013 and 252.227-7014, in the TD, CS and/or CSD to be delivered under the contract, including but not limited to engineering diagrams, analysis, reports and designs. In the event the Offeror proposes to deliver any commercial or noncommercial TD/CS/CSD with less than such rights as desired by the Government, the Government will evaluate the impact on the Government's ability to use, modify, release or disclose such TD, CS, and/or CSD.

The Offeror will receive favorable consideration for proposing to provide GPR, or better, as defined by DFARS 252.227-7013 and 252.227-7014 in TD, CS and/or CSD that might otherwise have been delivered with more restrictive rights in accordance with the DFARS data and software rights clauses contained in the solicitation. However, an Offeror will not be deemed non-responsive if it offers to provide rights more restrictive than GPR on any portion of the technical data, computer software, or computer software documentation to be delivered under this contract for which it is entitled to assert those restrictions pursuant to the DFARS clauses. The Government's goal of acquiring GPR is not a condition of award; rather it is a factor in the source selection decision.

**3.1.3 FACTOR 3 - MANAGEMENT APPROACH.** The Government will evaluate the Offeror's proposed management approach for the GPNTS design, development, and production efforts. The Management Approach factor consists of the following two subfactors.

**3.1.3.1 Subfactor 3.1 - Integrated Master Plan (IMP)/Integrated Master Schedule (IMS).** The Government will evaluate the extent to which the Offeror's proposed IMP identifies all activities required to complete the design and development required by CLIN 0001. The Government will also evaluate the extent to which the efforts identified in the IMP correspond to the content defined in the SOW and the IMS. The Government will evaluate the extent to which the Offeror's IMS identifies major program milestones, tasks, task interrelationships and dependencies, and task durations to meet the design and development requirements of CLIN 0001.

**3.1.3.2 Subfactor 3.2 - Program Management Approach.** The Government will evaluate the proposed program management approach for managing and directing the GPNTS design, development, and production efforts. This evaluation will include an assessment of the policies, plans, and procedures that will be used to manage cost, schedule, and performance risk. The Government will also evaluate the extent to which the Offeror's proposed organizational structure supports the program management approach, and identifies lines of responsibility, authority, and communication through which design, development, and production activities will be managed, including the offeror's approach for managing subcontractor efforts. The Government will evaluate whether the Offeror's Earned Value Management System to be used is in accordance with DFARS clause 252.234-7002 Earned Value Management System. The Government will also evaluate the extent to which the Offeror's EVMS documentation or evidence shows Defense Contract Management Agency (DCMA) EVMS validation/acceptance and is in accordance with ANSI/EIA-748-B standards.

**3.1.4 FACTOR 4 – RELEVANT PAST PERFORMANCE.** The Government will evaluate the Offeror’s management, cost, and technical performance with the design, development, integration, production, and testing of the following (listed in descending order of relevance):

- (a) Military-grade positioning, navigation, and timing (PNT) systems for U.S. Navy applications.
- (b) Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems for U.S. Navy applications.
- (c) C4ISR systems for U.S. Department of Defense (DoD) applications.
- (d) C4ISR systems for foreign military applications.
- (e) Experience with large software development efforts for U.S. DoD applications.

The performance attributes the Government will assess include the Offeror’s record of conforming to contract requirements, the Offeror’s reputation for good workmanship; the Offeror’s record of forecasting and controlling costs, the Offeror’s record for adhering to contract schedules, the Offeror’s reputation for reasonable and cooperative behavior, and commitment to customer satisfaction.

The Government reserves the right to use past performance information obtained from sources other than the offeror. The Government does not assume the duty to search for data to cure the problems it finds in the information provided by the Offeror. The burden of proof of providing thorough and complete past performance information remains with the Offeror. The Offeror is cautioned that the Government may use past performance data provided by the Offeror in the development of performance risk assessments.

**3.1.5 FACTOR 5 - SMALL BUSINESS COMMITMENT.** The Government will evaluate the extent to which the offeror’s Small Business Subcontracting Plan complies with the following subcontracting goals:

| <u>Small Business Categories</u>              | <u>SPAWAR Target</u> (Based upon % of subcontracted amount) |
|---|---|
| Total Small Business (includes the below)     | 30%   |
| Small Disadvantaged Business                  | 5%  |
| Woman-Owned Small Business                    | 5%  |
| Veteran-Owned Small Business                  | 3%  |
| HUBZone                                       | 3%  |
| Service-Disabled Veteran Owned Small Business | 3%  |

The Government will evaluate the extent to which the offeror’s most recent SF 294/ISR for each of the contracts identified in the proposal as “Past Performance”, or SF 295/SSR if the Offeror is, or was, a participant in the DoD Comprehensive Subcontracting Plan Test Program during the period of performance for the contracts identified, demonstrates a good faith effort to meet Small Business Subcontracting Plan goals set forth in those contracts. The Government will evaluate the extent to which the Offeror’s proposal demonstrates a commitment to utilize small business.

\*Small Businesses include Small Disadvantaged Businesses, Women-Owned Small Businesses, Veteran Owned Small Businesses, Service Disabled Veteran Owned Small Businesses, HUB Zone Small Businesses, and Historically Black Colleges or Universities and Minority Institutions.

**3.2 FACTOR 6 - COST/PRICE.** The Government will perform an evaluation of all costs and prices proposed. This analysis will consist of cost analysis, cost realism analysis, and price analysis. Cost analysis and cost realism analysis will be performed on all firm and option cost reimbursement line items (except for the non-fee bearing ODC CLINs) in accordance with FAR 15.404-1(c) and FAR 15.404-1(d) respectively. Proposed costs may be adjusted for purposes of evaluation, based upon the results of the cost realism analysis. Price analysis will be conducted in accordance with FAR 15.404-1(b) on all firm fixed price line items. In addition to evaluating the prices proposed, the Government will evaluate the extent to which evidence of unbalanced pricing exists, either between CLINs or between different quantities within one CLIN that may render a proposal unacceptable.

In addition to easily identifiable cost adjustments, unrealistic cost proposals may result in a re-evaluation and concurrent rescoring of technical proposals. Such re-evaluation based on cost or probable cost analysis could negatively impact the technical rating and ranking of the proposal.

The Government will arrive at a total evaluated proposed cost/price for each proposal by adding: (1) the total evaluated Cost Plus Target Fee for CLIN 0001; (2) FFP data rights amounts (if any) for the CDRL items identified in the pricing tables in Section B; (3) the total evaluated or Cost-Plus-Fixed-Fee (for CLINs 1005, 2005, 3005, 4005, 5005, and 6005); (4) the not to exceed (NTE) ODC amounts provided in Section L for CLINs 0005, 1007, 2007, 3007, 4007, 5007, and 6007; (5) for LRIP options (CLINs 1000-1002) a total evaluated price for a best estimated quantity of two (2) GPNTS Configurations As, six (6) GPNTS Configurations Bs, and two (2) GPNTS Configurations Cs; (6) for FRP options (CLINs 2000-2002, 3000-3002, 4000-4002, 5000-5002, and 6000-6002) a total evaluated price for a best estimated quantity of four (4) GPNTS Configuration As, twelve (12) GPNTS Configuration Bs, and four (4) GPNTS Configuration Cs for each option year; (7) the not to exceed amounts provided in Section L for Provisioning Item Order CLINs (CLINs 1003, 2003, 3003, 4003, 5003, and 6003); and (8) the not to exceed amounts provided in Section L for upgrade kit CLINs (CLINs 1004, 2004, 3004, 4004, 5005, and 6004).

(End of provision)

(End of Summary of Changes)