

Management

Management of Contracted Advisory and Assistance Services

Headquarters
Department of the Army
Washington, DC
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UNCLASSIFIED

SUMMARY of CHANGE

AR 5-14

Management of Contracted Advisory and Assistance Services

This major revision, dated 13 March 2014--

- o Eliminates responsibilities of Contracted Advisory and Assistance Services for Director, Center for Army Analysis (para 2-4).
- o Revises responsibilities for the Army Study Program Management Office, eliminating compilation requirement for Army model improvement for Center for Army Analysis (para 2-5b).
- o Revises appendix C and the glossary to incorporate definitional changes (app C).
- o Makes administrative changes (throughout).

Effective 13 April 2014

Management

Management of Contracted Advisory and Assistance Services

By Order of the Secretary of the Army:

RAYMOND T. ODIERNO
General, United States Army
Chief of Staff

Official:



GERALD B. O'KEEFE
Administrative Assistant to the
Secretary of the Army

History. This publication is a major revision.

Summary. This regulation prescribes policies, procedures, and responsibilities for a disciplined approach to the management, acquisition, and reporting of Contracted Advisory and Assistance Services

requirements to meet Department of Defense requirements. It is required to implement the definitions and guidance in Federal Acquisition Regulation 37.2.

Applicability. This regulation applies to the Active Army and the U.S. Army Reserve. It applies to the Army National Guard when using Federal funds for Contracted Advisory and Assistance Services efforts.

Proponent and exception authority. The proponent for this regulation is the Under Secretary of the Army. The Under Secretary of the Army has the authority to approve exceptions to this regulation that are consistent with controlling law and regulation. The Under Secretary of the Army may delegate this authority in writing. The designated lead agent is the Deputy Chief of Staff, G–8.

Army internal control process. This regulation is subject to the requirements of AR 11–2. This regulation contains internal controls and provides an Internal Control Evaluation for use in evaluating key internal controls (see appendix I).

Supplementation. Supplementation of this regulation and establishment of command local forms are prohibited without prior approval from the Deputy Chief of Staff, G–8, ATTN: DAPR–ASP, 700 Army Pentagon, Washington, DC 20310–0700.

Suggested improvements. Users are invited to send comments and suggestions directly to the Deputy Chief of Staff, G–8, Army Study Program Management Office, ATTN: DAPR–ASP, 700 Army Pentagon, Room 3E393, Washington, DC 20310–0700.

Distribution. Distribution of this publication is made in accordance with the requirements of initial distribution number 093500, intended for command levels C, D and E for Active Army, and D and E for the Army National Guard and United States Army Reserve.

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*This regulation supersedes AR 5–14, dated 15 January 1993.

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Glossary

Chapter 1 Introduction

1–1. Purpose

This regulation prescribes policies and guidance for managing the acquisition of contracted advisory and assistance services (CAAS).

a. This regulation covers—

- (1) CAAS that are funded by Army appropriations, civil works appropriations, and Army industrial funds.
- (2) Responsibilities of the requiring activity in managing and overseeing CAAS.

b. This regulation does not cover—

- (1) Services performed in-house by Army or regular Government (military or civilian) employees.
- (2) Services funded by nonappropriated funds.
- (3) Advisory and assistance services obtained by personnel appointments under Federal Personnel Manual (FPM) chapter 304 procedures or from chartered Federal advisory committees (AR 15–1).
- (4) Activities of contracting officers in acquiring and administering CAAS.

c. This regulation is not intended to interpret or modify the Federal Acquisition Regulation (FAR), including the Department of Defense (DOD) and the Army FAR supplements, the principal regulations governing acquisition within the Army. When any potential conflict exists between this regulation and the FAR system, the latter regulations will govern.

1–2. References

Required and related publications and prescribed and referenced forms are listed in appendix A.

1–3. Explanation of abbreviations and terms

Abbreviations and special terms used in this regulation are explained in the glossary.

1–4. Responsibilities

Responsibilities are listed in chapter 2.

1–5. Contracted Advisory and Assistance Services

Contracted advisory and assistance services are those services acquired under contract, by the Army or through the use of another Government agency's contract, from nongovernmental sources to include Federally Funded Research and Development Centers (FFRDCs). CAAS support or improve policy development, decisionmaking, management and administration, program and project management, to improve the effectiveness of management processes or procedures or the operations of weapon systems, equipment, or components.

a. The three reporting categories of CAAS under object class 25 and their associated financial Element of Resource (EOR) are as follows:

- (1) Category A (Management and Professional Support Services) reported under EORs 25.11 and 25.12 (General Fund Enterprise Business System (GFEBS) Commitment Item 251A).
- (2) Category B (Studies, Analyses, and Evaluations) reported under EORs 25.13 and 25.14 (GFEBS Commitment Item 251B).
- (3) Category C (Engineering and Technical Services) reported under EORs 25.15 and 25.16 (GFEBS Commitment Item 251C).

b. General definitions of these reporting categories are provided in appendices B and C.

Chapter 2 Responsibilities

2–1. Under Secretary of the Army

The Under Secretary of the Army (SAUS) will—

- a.* Retain approval authority and responsibility for policy guidance for the activities that conduct CAAS.
- b.* Designate and oversee the activities of the Army CAAS Director, who shall be at the General Officer or Senior Executive Service (SES) level.

2–2. Deputy Chief of Staff, G–8

a. The DCS, G–8 will serve as Headquarters, Department of the Army (HQDA) lead agent for annually reporting Army CAAS requirements and expenditures by EOR for the Presidential Budget submission.

- b. Provide necessary input for Congressional testimony and responses to Congressional inquiries about CAAS.

2-3. Assistant Secretary of the Army (Manpower and Reserve Affairs)

The Assistant Secretary of the Army (Manpower and Reserve Affairs) (ASA (M&RA)) will provide manpower policy and guidance to assist in determining when procurement of CAAS is appropriate to perform necessary Army requirements.

2-4. Auditor General, United States Army Audit Agency

The Auditor General, U.S. Army Audit Agency (USAAA) will conduct special audits of CAAS acquisitions and associated management studies when requested.

2-5. Commanding General, United States Army Criminal Investigation Command

The Commanding General (CG), U.S. Army Criminal Investigation Command (USACIDC) will conduct investigations according to AR 195-2 when reviews, inspections, audits, or investigations indicate criminal violations in CAAS acquisitions and associated management activities.

2-6. Principal Headquarters, Department of the Army Officials, Army Commands, Army Service Component Commands, Direct Reporting Units, Directors, and Agency Heads within the Army

Principal HQDA officials, Army Commands (ACOMs), Army Service Component Commands (ASCCs), Direct Reporting Units (DRUs), directors and agency heads within the Army will—

- a. Manage the planning and conduct for CAAS services by appointing a General Officer, SES civilian level agency, command CAAS director or colonel or GS-15 equivalent, or as delegated by Command Directors.
- b. Ensure that the policies and procedures in this regulation are followed.
- c. Plan, program, and budget for required CAAS.
- d. Designate approval authorities within the organization for management approval of CAAS sponsored by the organization.
- e. Submit to the DCS, G-8 ASPMO the annual report of Schedule 10 funded and planned CAAS requirements by EOR.
- f. Train staff on the acquisition, management, and proper use of CAAS.
- g. Implement recommendations derived from CAAS projects when directed by Army management.
- h. Maintain record copies of all CAAS projects to include the approved procurement request and supporting documentation, copies of all deliverables, record of Government acceptances, and history of payments.

2-7. Contracting Officer

The contracting officer will—

- a. Enter into a contract on behalf of the U.S. Government.
- b. Ensure performance of all necessary actions for effective contract(s) processing and compliance with the terms and conditions of the contract to safeguard the best interests of the Government in the contractual relationship.
- c. Exercise responsibility for the final determination of the adequacy of the contractor's performance.
- d. Serve as the sole Government agent authorized to:
 - (1) Award Government contracts; and,
 - (2) Modify the terms and conditions of Government contracts.

2-8. Contracting Officer's Representatives

- a. Contracting officer's representatives (CORs) will—
 - (1) Comply with all duties and responsibilities identified in the designation letter from the contracting officer.
 - (2) Monitor contract activities to ensure that the responsibilities of the contractor, in accordance with the terms and conditions of the contract, are accomplished and that the contracting officer and requiring activity are informed of deviations from required performance.
 - (3) Ensure that the terms and conditions of the contract are not modified without explicit direction from the contracting officer.
 - (4) Certify acceptable contract technical performance at established milestones.
 - (5) Maintain a comprehensive administrative file on the contract, including all documents originating from the requiring activity, and memo for record on interaction and/or oversight of the contract.
- b. The COR must be trained in accordance with the DOD COR and Army nomination and certification standard, which defines minimum COR competencies, experience and training, and meet minimum standard competencies for duties assigned in the contracting officer's designation letter.

2–9. Agency or Command Contracted Advisory and Assistance Services Directors

Agency or Command CAAS directors or delegated command representatives will—

- a.* Oversee the preparation of an annual operating plan and budget for CAAS.
- b.* Ensure that all individual contract actions are screened to identify CAAS items subject to the provisions of this regulation.
- c.* Review and approve the following:
 - (1) All individual CAAS contract actions according to this regulation.
 - (2) The agency's or command's annual operating plan.
 - (3) The agency's or command's annual CAAS budget submission that is submitted to the DCS, G–8 ASPMO under Schedule 10.
- d.* Ensure purchasing, finance and accounting offices are provided required information to execute individual contract payments and to account for all contract transactions.
- e.* Ensure Performance Work Statements (PWSs) (for CAAS requirements) fully identify and define the requiring activity's requirements.
- f.* Ensure that all proposals for CAAS are evaluated per the FAR, Defense Federal Acquisition Regulation Supplement (DFARS) and/or Army Federal Acquisition Regulation Supplement (AFARS).
- g.* Monitor and control obligation of funds expended for CAAS through accounting records.
- h.* Monitor project status and funded obligations for all command sponsored contracts.
- i.* Update the annual Agency or Command operating plan to maintain the current status of CAAS requirements.
- j.* Prepare the Agency or Command annual Schedule 10 report for submission to the HQDA, DCS G–8 ASPMO (see appendix D for sample Schedule 10 report format).

Chapter 3 Applications and Restrictions

3–1. General

This chapter provides applications and restrictions on the management, acquisition, and use of CAAS. The acquisition of CAAS is a legitimate way to support DOD services and operations. The following should be used as a guideline to identify when CAAS is an appropriate resource:

- a.* If expertise within the Federal Government does not exist, or if such expertise is unable to be assigned in a timely manner, or if it is not cost effective.
- b.* If the requirement is anticipated to be of a limited duration.

3–2. Applications of Contracted Advisory and Assistance Services

It is appropriate to use CAAS in the following examples:

- a.* Obtain professional, technical, scientific, or management input that is not available within the Army.
- b.* Obtain improved program or project management of DOD systems or programs through advice; assistance or training to include program monitoring; resource management, planning and programming; and milestone and schedule tracking.
- c.* Acquire an independent assessment or evaluation of an issue to provide insight for Army decisionmakers.
- d.* Obtain advice on the potential application of recent developments in industry, academia, or research foundation.
- e.* Obtain citizen advisory participation in developing or implementing Army programs that call for such participation (for example, Base Realignment and Closure (BRAC) program implementation).

3–3. Restrictions of Contracted Advisory and Assistance Services

- a.* CAAS will not be used to perform inherently Governmental functions.
- b.* CAAS will not be used to bypass or undermine personnel ceilings, pay limitations, or competitive employment procedures.
- c.* Acquisition of CAAS does not obviate the need for commitment of Army employees to exercise contract oversight of the effort. The Army must retain the technical capability to prescribe, monitor, and evaluate the performance of the contractor.
- d.* CAAS will not be procured using grants and cooperative agreements.
- e.* Contracts for CAAS will not be awarded on a preferential basis to former Government employees.
- f.* CAAS will not be used under any circumstances to specifically aid in influencing or enacting legislation.
- g.* Each proposed contract requirement shall be evaluated separately to determine if the specified services meet the CAAS definition.

h. CAAS contracts will be acquired through full and open competition. (See paragraphs 3–3h(1), 3–3h(2), and 3–3h(3) of this regulation.)

(1) Full and open competition can be facilitated by—

(a) Early planning to allow reasonable lead-time for the competitive process.

(b) Diligent attention to timely and detailed generation of requirements, and to close coordination of acquisition strategy.

(2) Other than full and open competition is permitted only on an exceptional basis and only when clearly in accordance with Part 6 of the FAR, DFARS and/or AFARS, and the serving contracting office's implementation. Before a contract is entered into by other than full and open competition, a justification and approval is required.

(a) The final determination on whether anything other than full and open competition is authorized rests with the contracting officer as approved by higher level acquisition officials pursuant to law and the FAR.

(b) Before a proposed action that is anything other than full and open competition action is submitted to the contracting officer, the requirement must be supported by a written justification and approval statement. Such justifications will be certified as accurate and complete and will be reviewed and approved by the proper officials as required.

(3) These policies apply whether or not the following conditions exist:

(a) The contracting office is within the Army.

(b) The Army is the sole provider of funds.

(c) A basic ordering agreement exists.

(d) An approved class justification and approval or an indefinite delivery contract exists that might facilitate noncompetitive acquisition with a certain firm, unless these instruments were issued taking into consideration the required CAAS.

i. Army officials must be alert for potential conflicts of interest. To avoid conflicts of interest, proper disclosure is required according to the guidance in the FAR. CAAS procurement requests will contain a requirement for the bidder or offeror to indicate whether, when, and to what other Government agency they have provided similar services. If they have provided similar services as a Government employee, either military or civilian, or contractor with any Federal agency, disclosure is required.

j. Modification to an existing CAAS contract should be undertaken only with great caution and then only by the contracting officer. A modification may be proper if changes are required within the scope of the contract, or if additional related requirements have been identified and a noncompetitive award to the contractor is justified and authorized. However, other alternatives should be considered first; for example, continuing the work in-house or seeking a new competitive acquisition. The sponsor or COR must avoid suggesting any commitment to changes in a contract. The contracting officer is the only person authorized to make changes in the contract.

k. Contracts for CAAS may not continue for longer than five years without review by the agency or command CAAS Director, or designee, for compliance with this regulation.

Chapter 4

Management of Contracted Advisory and Assistance Services

4–1. Policies, guidance and procedures

a. This chapter provides policies, guidance, and procedures for managing a CAAS effort.

b. Responsibilities and activities of contracting officers and designated CORs are governed by applicable FAR, DFAR and AFARS regulations and are not controlled by this regulation.

4–2. General guidance

A Performance-Based-Service-Acquisition (PBSA) is the preferred method of contracting for CAAS services. Essential elements of PBSA include:

a. Performance requirements, detailed in either a PWS or Statement of Objectives (SOO).

b. Performance standards or measurements, which are criteria for determining whether the performance requirements are met.

c. Performance incentives.

d. A surveillance plan that documents the approach that the Government will utilize in monitoring the contractor's performance.

4–3. Policy

FAR 37.102 has established the policy to use a PBSA approach. Services exempted from this policy are: Architect-engineer, construction, utility and services that are incidental to supply purchases. Use of any other approach must be

justified to the Ordering Contacting Officer. For Defense agencies, DFARS 237.170–2 requires higher-level approval for any acquisition of services that is not performance-based.

4–4. Selection of contract-type

A Firm Fixed-Price contract or task order is the preferred approach for PBSA. The order of precedence set forth in FAR 37.102(a)(2) establishes the following order: A firm fixed price performance based contract or task order; a performance based contract or task order that is not firm fixed price; a contract or task order that is not performance based.

4–5. Development of performance work statements

The PWS identifies the technical, functional, and performance characteristics of the Government’s requirements. The PWS (see appendix E for a typical PWS format example) describes the work in terms of the purpose of the work to be performed. The format for the PWS is similar to the traditional Statement of Work (SOW). In addition, the PWS will include performance standards, incentives and a Quality Assurance Surveillance Plan (QASP) (see appendix F for a typical QASP format example). At a minimum, a PWS may contain the following information:

a. Performance Standards and/or metrics reflect level of service required by the Government to meet performance objectives. If performance standards are not available, the PWS may include a requirement for the contractor to provide a Performance Matrix to assist in the development of performance standards for future task orders. Standards may be objective (for example, response time) or subjective (for example, customer satisfaction) as noted in the following:

- (1) Use commercial standards where practicable, for example, International Standards Organization (ISO) 9000.
- (2) Ensure the standard is needed and not unduly burdensome.
- (3) Must be measurable, easy to apply, and attainable.

b. Performance Incentives. Incentives may be positive or negative, and they may be monetary or non-monetary. If a financial incentive is promised, ensure that adequate funds are available and set aside at time of contract.

(1) Examples of monetary incentives include:

- (a)* Incentive fees.
- (b)* Share-in-Savings.

(c) A negative incentive can be included if the desired results are not achieved with the deduction estimated to be equal to the value of the service lost.

(2) Examples of non-monetary incentives include:

- (a)* Revised schedule.
- (b)* Positive performance evaluation.
- (c)* Automatic extension of contract term or option exercise.
- (d)* Lengthened contract term (award term contracting) or purchase of extra items (award purchase).

c. Quality Assurance Surveillance Plan. The QASP is a plan for assessing contractor performance to ensure compliance with the Government’s performance objectives. It describes the surveillance schedule, methods, performance measures, and incentives.

(1) The level of surveillance should be commensurate with the dollar amount, risk, and complexity of the requirement.

(2) The QASP is included as part of the PWS.

4–6. Development of statement of objectives

The SOO (see appendix G) is an alternative to the PWS. It summarizes key agency goals and outcomes, to which contractors respond. When a SOO is used, offerors develop and propose a PWS as part of their solution. At a minimum, a SOO must contain the following information:

- a.* Purpose.
- b.* Scope or mission.
- c.* Period and place of performance.
- d.* Background.
- e.* Performance objectives (for example, required results).
- f.* Any operating constraints.
- g.* A surveillance plan from the contractor.

4–7. Execution

This phase covers the execution of the contract, from award to completion or termination. The requiring activity’s designated CAAS officer, or the COR, if one has been appointed—

a. Assists the contracting officer in ensuring that each contract effort or task is properly managed and is progressing satisfactorily. Conducts progress review meetings to evaluate contract or task order milestones, ensure effective coordination, and facilitate proper and timely decisions at proper milestones.

b. Reviews and endorses contract invoices prior to submittal to the Defense Finance and Accounting Service (DFAS) to assure that contract payments correspond to the effort expended on the contract and that the contract is progressing satisfactorily.

c. Assists the contracting officer in ensuring that duties listed in paragraphs 2–7a through 2–7e are executed and documented.

d. Assists the Command Study Coordinator in execution of CAAS contracts. Study Coordinators are appointed by the GO or SES level members of the Study Program Coordination Committee.

e. Ensures that any requirement proposed as a modification to the existing contract is—

(1) Within the scope of the contract.

(2) Approved by the proper management official before formal submission to the contracting officer for action.

(3) Coordinated with the contracting officer for action.

f. Assess contract performance in accordance with FAR Part 42.1502 in the Contract Performance Assessment Report System (CPARS), COR will provide monthly status reports to the contracting officer. Agency evaluations of contractor performance prepared under this subpart shall be provided to the contractor as soon as practicable after completion of the evaluation. Contractors shall be given a minimum of 30 days to submit comments, rebutting statements or additional information. Agencies shall provide for review at a level above the contracting officer to consider disagreements between the parties regarding the evaluation. The ultimate conclusion on the performance evaluation is a decision of the contracting agency. Copies of the evaluation, contractor response and review comments, if any, shall be retained as part of the evaluation.

4–8. Documentation and reporting

Studies and analyses efforts conducted under CAAS will be documented with a final report that will be provided as a contract deliverable. A copy of the report will be forwarded to the Defense Technical Information Center (DTIC) and/or the sponsoring command with appropriate security markings and distribution instructions. The final report will include a completed Standard Form (SF) 298, Report Documentation Page, and will be forwarded to Commander, Defense Technical Information Center, 8725 John J. Kingman Road, Suite 0944, Fort Belvoir, VA 22060–6218. The only exception will be when the sponsoring command has directed that the study documents will be restricted to an internal command designated archive.

Appendix A References

Section I Required Publications

AR 5-5

Army Studies and Analyses (Cited in para 4-7d.)

Section II Related Publications

A related publication is a source of additional information. The user does not have to read it to understand this regulation. Unless otherwise stated, all Army publications are available at <http://www.apd.army.mil/>. U.S. Codes are available at <http://www.gpo.gov/fdsys/>.

Army Federal Acquisition Regulation Supplement (AFARS)

(Available at <http://farsite.hill.af.mil/VFAFAR1.HTM>.)

AR 10-87

Army Commands, Army Service Component Commands, and Direct Reporting Units

AR 11-2

Managers' Internal Control Program

AR 15-1

Committee Management

AR 20-1

Inspector General Activities and Procedures

AR 25-1

Army Information Technology

AR 25-55

The Department of Army Freedom of Information Act Program

AR 36-2

Audit Services in the Department of the Army

AR 70-1

Army Acquisition Policy

AR 70-31

Standards for Technical Reporting

AR 335-15

Management Information Control System

AR 340-21

The Army Privacy Program

AR 380-5

Department of the Army Information Security Program

AR 381-11

Intelligence Support to Capability Development

AR 600-46

Attitude and Opinion Survey Program

AR 700-4

Logistics Assistance

DOD Federal Acquisition Regulation Supplement (DFARS)

(Available at <http://farsite.hill.af.mil/VFDFAR1.HTM>.)

DOD Budget Guidance Manual

(Available at <http://www.fas.org/man/docs/basic/man4.html>)

Federal Acquisition Regulation (FAR)

(Available at <http://farsite.hill.af.mil/VFFAR1.HTM>.)

Federal Personnel Manual, FPM, Chapter 304

Employment of Experts and Consultants (Available at <http://www.apd.army.mil/cpol/ar690-300/chapter304/chapter304.html>.)

Information Technology Management Reform Act (ITMRA)

(Available at <http://www.dol.gov/ocfo/media/regs/ITMRA.pdf>)

International Standards Organization (ISO) 9000

Quality Management (Available at http://www.iso.org/iso/home/standards/management-standards/iso_9000.htm.)

OMB Circular A-76

Performance of Commercial Activities (Available at http://www.whitehouse.gov/omb/Circulars_a076_a76_incl_tech_correction)

10 USC 2212

Obligations for contract services; reporting in budget object classes

10 USC 2315

Law Inapplicable to the Procurement of Automatic Data Processing Equipment and Services for Certain Defense Purposes

Section III

Prescribed Forms

This section contains no entries.

Section IV

Referenced Forms

Unless otherwise stated, DA Forms can be downloaded from the Army Publishing Directorate (APD) Web site, <http://www.apd.army.mil/>, and SF Forms can be downloaded from the GSA Web site, <http://www.gsa.gov/portal/forms/type/SF>.

DA Form 11-2

Internal Control Evaluation Certification

DA Form 2028

Recommended Changes to Publications and Blank Forms

SF Form 298

Report Documentation Page

Appendix B

Contracted Advisory and Assistance Services Reporting Categories

B-1. Category A Management and Professional Support Services

Management and Professional Support Services contracts are funded under EORs 25.11 and 25.12 (GFEBs Commitment Item 251A) to provide management support services, engineering or technical support, assistance, advice, or training for the efficient and effective management and operation of Army organizations, activities, or systems. They

are closely related to the basic responsibilities and mission of the employing organization. This category includes efforts that support or contribute to improved organization or program management, logistics management, project monitoring and reporting, data collection, budgeting, accounting, auditing, and administrative and/or technical support for conferences and training programs. Management and Professional Support Services contracts are performed by personnel from non-Governmental analytic organizations including FFRDCs.

B–2. Category B Studies, Analyses and Evaluations

Studies, Analyses, and Evaluations are funded under EORs 25.13 and 25.14 (GFEBs Commitment Item 251B) to provide analytic assessments to understand and/or evaluate complex issues, to improve policy development, decision-making, management, or administration. Studies, Analyses, and Evaluations result in conclusions and/or recommendations for use by decisionmakers. Databases, models, methodologies, and related software created in support of Studies, Analyses, and Evaluations are to be considered part of the overall effort. They are performed by personnel from non-Governmental analytic organizations including FFRDCs.

B–3. Category C Engineering and Technical Services

Engineering and Technical Services contracts are funded under EORs 25.15 and 25.16 (GFEBs Commitment Item 251C) to provide technical assistance, instruction and training to DOD personnel by commercial or industrial companies in the installation, operation and maintenance of DOD weapons, equipment, and systems. This includes transmitting the knowledge necessary to develop among those DOD personnel the technical skill required for installing, maintaining, and operating such equipment. These services are to assure that existing weapon systems, equipment, and components operate at design or required specifications. Engineering and Technical Services contracts are performed by personnel from non-Governmental analytic organizations including FFRDCs.

Appendix C

Contracted Advisory and Assistance Services – Exemptions

C–1. Activities that are reviewed

Activities that are reviewed and/or acquired in accordance with the Office of Management and Budget (OMB) Circular A–76 program.

C–2. Architectural and engineering services

Architectural and engineering services for construction and construction management services procured in accordance with the FAR, Part 36.

C–3. Day-to-day operation

Day-to-day operation of facilities and maintenance services and functions.

C–4. Routine maintenance of systems

Routine maintenance of systems, equipment and software; routine administrative services; printing services; and direct advertising (media) services.

C–5. Initial training services

Initial training services acquired as an integral part of the procurement of weapon systems, automated data processing systems, equipment or components and training obtained for individual professional development.

C–6. Basic operation and management

Basic operation and management contracts for Government-owned, contractor-operated (GOCO) facilities.

C–7. Clinical and medical services

Clinical and medical services for direct health care.

C–8. Automatic Data Processing and/or telecommunication functions

Automatic Data Processing (ADP) and/or telecommunication functions and related services controlled in accordance with the Information Technology Management Reform Act (ITMRA) and reported in Schedule 80–Information Technology Budget of the Command Budget Estimates.

C–9. Automatic Data Processing and/or telecommunications functions and related services exempted

ADP and/or telecommunications functions and related services exempted from ITMRA control pursuant to section

2315, title 10, United States Code (10 USC 2315) and reported in Schedule 80–Information Technology Budget of the Command Budget Estimates.

C–10. Services supporting the policy development, management, and administration

Services supporting the policy development, management and administration of the Foreign Military Sales Program that are not paid for with funds appropriated by the U.S. Congress (Includes CAAS funded with appropriated funds and reimbursed by the foreign customer.)

C–11. Services acquired by or for a program office

Services acquired by or for a program office to increase the design performance capabilities of existing or new systems, or where the services are integral to the logistics support and maintenance of a system or major component and/or end item of equipment essential to the operation of the system before final Government acceptance of a complete hardware system. Care must be exercised to avoid exempting services acquired to advise and assist program office and/or manager for program and/or contractor oversight and administration processes, resource management, planning and programming, milestone and schedule tracking, or other professional or administrative service necessary in performing its mission.

C–12. Auctioneers

Auctioneers, realty-brokers, appraisers, and surveyors.

C–13. The National Foreign Intelligence Program

The National Foreign Intelligence Program (NFIP).

C–14. The General Defense Intelligence Program

The General Defense Intelligence Program (GDIP).

C–15. Military Intelligence Program

Military Intelligence Program (MIP).

C–16. Programs managed by the Director

Programs managed by the Director, National Security Agency and/or Central Security.

Appendix D

Schedule 10 CAAS Data Call Format

To submit a Schedule 10, go to the Automated Schedule and Reporting System (ASARS) at <https://www.asars.army.mil>.

ROC	Cmd	Identifier	FFRDC	APPN	MDEP	APE	SSN	POM Estimates					Narrative
								FY 01 (\$0)	FY 02 (\$0)	FY 03 (\$0)	FY 04 (\$0)	FY 05 (\$0)	
Data Field Element	Description of the Data Field Element												
ROC	Resource Organization/Command												
Command	Select appropriate command or sub-command												
Identifier	One of the three categories for Advisory and Assistance Services (1 - Management and Professional Support Services, 2 - Studies Analysis and Evaluation and 3 - Engineering and Technical Services)												
FFRDC	Federally Funded Research and Development Centers												
APPN	Appropriation												
MDEP	Management Decision Package												
APE (9 digits)	Army Program Element												
SNN (6 digits)	Standard Study Number for procurement appropriations												
FY 01 - FY 05	Year 01 to Year 05 of the Program Objective Memorandum (POM) Cycle												
Contract Number	Number of the contract assigned upon award												
Narrative	Description of the required services												

Figure D-1. A&AS funded requirements

Appendix E Performance Work Statement Format

E-1. Project Title

Provide a short, descriptive title of the work to be performed.

E-2. Background

Describe the need for the services, the current environment, and the office's mission as it relates to this requirement. Provide a brief description and/or summary of the services sought.

E-3. Scope

Briefly describe the contract task area(s) that should be applied to the CAAS effort that are to be performed. Include a high-level view of the procurement, its objectives, size, and projected outcomes. Include impacts and/or implications.

E-4. Applicable documents

List relevant legal, regulatory, policy, and security documents. Include publication number, title, version, date, and applicable portions.

E-5. Performance requirements

Provide a narrative of the specific performance requirements or tasks that make up the PWS. Describe the work in terms of the required output and number the tasks sequentially. The requirement must be defined sufficiently for the contractor to submit a realistic proposal and for the Government to negotiate a meaningful price or estimated cost.

E-6. Performance standards

Performance standards establish the performance levels required by the Government. Examples of performance standards:

a. Quality Standards: Condition, Error rates, Accuracy, Form and/or Function, Reliability, Maintainability; for example, Deliverables were delivered accurate, complete and incorporate all pertinent data with no (or minor) adjustments required by the Government with 100 percent inspection by the COR. Any errors identified by the Government are corrected within five business days 95 percent of the time.

b. Quantity Standards: Capacity, Output, Volume, Amount; for example, Management of contract personnel and allocation of contract resources required to complete the PWS does not negatively impact quality of products and services 95 percent of the time.

c. Timeliness Standards: Response times, Delivery, Completion times, Milestones; for example, submission of invoices to the COR within seven business days of the close of a billing cycle 100 percent of the time.

E-7. Incentives

Incentives may be either positive, negative, or a combination of both. Incentives may be monetary or non-monetary. In a fixed price contract, the incentives would be embodied in the pricing and the contractor could either maximize profit through effective performance or have payments reduced because of failure to meet the performance standard. Positive incentives are actions to take if the work exceeds the standards and negative incentives are actions to take if work does not meet standards.

E-8. Deliverables and delivery schedule

List all outputs and/or outcomes with specific due dates or time frames. Include media type, quantity, and delivery point(s). State due dates in terms of calendar days after task order award.

E-9. Government furnished equipment and Government furnished information

Identify the Government furnished equipment (GFE) and Government furnished information (GFI) information, if any, to be provided to the contractor, and identify any limitations on use.

E-10. Place of performance

Specify whether the work will be performed at the contractor's site or at a Government site, with exact address if possible. Describe any local or long distance travel the contractor will be required to perform.

E-11. Period of performance

State in terms of total calendar days after contract or task order award (for example, 365 calendar days after award), or in terms of start and end date (for example, October 1, 20XX through September 30, 20XX).

E-12. Security

State whether the work will be "UNCLASSIFIED," "CONFIDENTIAL," "SECRET," "TOP SECRET," or "TOP SECRET SENSITIVE COMPARTMENTED INFORMATION" (SCI) and include Contract Security Classification Specification, Department of Defense (DD) Form 254, if required.

E-13. Quality assurance surveillance plan

The QASP explains the Government's expectations, how (and how often) deliverables or services will be monitored and evaluated, and incentives.

Appendix F

Quality Assurance Surveillance Plan Format

F-1. Task order title

The task order title is derived from the title of the PWS.

F-2. Work requirements

These will correspond to those tasks specified in paragraph 5 of the PWS. Here is an example of a CAAS project on analysis of sustainment operations:

- a. Task 1 – Conduct Assessment of Predictive and/or Preventive Maintenance Procedures.
- b. Task 2 – Conduct Level of Repair Analysis.
- c. Task 3 – Assess Retrograde Procedures for Major End Items.
- d. Task 4 – Document Impact of Transportation Delays for Class VII and Class IX Materiel.
- e. Task 5 – Develop Final Report and Brief Project Sponsor.

F-3. Primary method of surveillance

Select a method that best fits your requirement based on the criticality of work to be performed, the relative importance of tasks, lot size and/or frequency of service, surveillance period, stated performance standard, performance requirement, availability of agency people and/or resources and cost-effectiveness of surveillance versus task importance. Acceptable surveillance methods could include any of the following methods, and should be defined for all measurable CAAS tasks:

- a. 100 Percent Inspection. This is recommended where health and safety are at issue or when assessing a contract deliverable that is a document.
- b. Random Sampling. Appropriate for recurring tasks or production requirements.

- c. Periodic Inspection. Use a pre-determined plan based on analyses of agency resources and requirements.
- d. Customer Input. Suitable for service-oriented tasks.
- e. Contractor Self-Reporting. Appropriate for tasks such as system maintenance where the contractor can provide system records that document performance.

F-4. Scope of performance

The scope of performance is found in paragraph 3 of the PWS.

F-5. Performance standards

The performance standards are found in paragraph 6 of the PWS.

F-6. Acceptable quality level

This is the minimum standard, the percentage of errors allowed and/or the level of cost trade-offs permitted.

F-7. Quality control plan

The contractor is responsible for management and quality control actions as necessary. The contractor shall develop and maintain a comprehensive Quality Control Plan (QCP) to ensure services are performed in accordance with the PWS. The contractor's quality control plan shall verify and validate that the product and service development process is complete, in compliance with contract requirements and meets the sponsoring command's expectations. The QCP shall be incorporated into the contract. The contractor shall receive the contracting officer's acceptance in writing prior to any proposed changes to its quality control plan.

F-8. Incentives

Incentives are listed in paragraph 7 of the PWS.

Appendix G

Statement of Objectives (SOO) Format

The following figures are examples of the Statement of Objectives (SOO) format.

Appendix G

Statement of Objectives (SOO) Format

1. PURPOSE:

2. SCOPE OR MISSION:

3. PERIOD AND PLACE OF PERFORMANCE:

4. BACKGROUND:

5. PERFORMANCE OBJECTIVES, GOALS AND OUTCOMES: Examples include:

a. Overall Objectives:

1. Personnel - Provide a proper skill mix, experience and required number of qualified personnel.

2. Materials - Provide all necessary supplies, spares, tools and test equipment, consumables, hardware, software, automatic data processing equipment, documentation and other applicable properties.

3. Facilities - Provide administrative and workspaces.

4. Organizational Processes - provide internal controls, management oversight, and supply support.

b. Task Order Objectives:

(1) Identify specific task order objectives here. Objectives identified within the SOO are addressed by the contractors within a SOW.

(2) Technical objectives:

(2.a). Make maximum use of commercial products.

(2.b). Install the system with a minimum impact to other systems that may be located in the designated facility.

(2.c). Develop and document procedures for managing system engineering, software and hardware development. Utilize commercial standards and procedures to the maximum extent in achievement of this objective.

c. Program Objectives:

(1). Establish program management that provides accurate and timely schedule and performance information throughout the life cycle of the program.

Figure G-1. Statement of Objectives (SOO) format

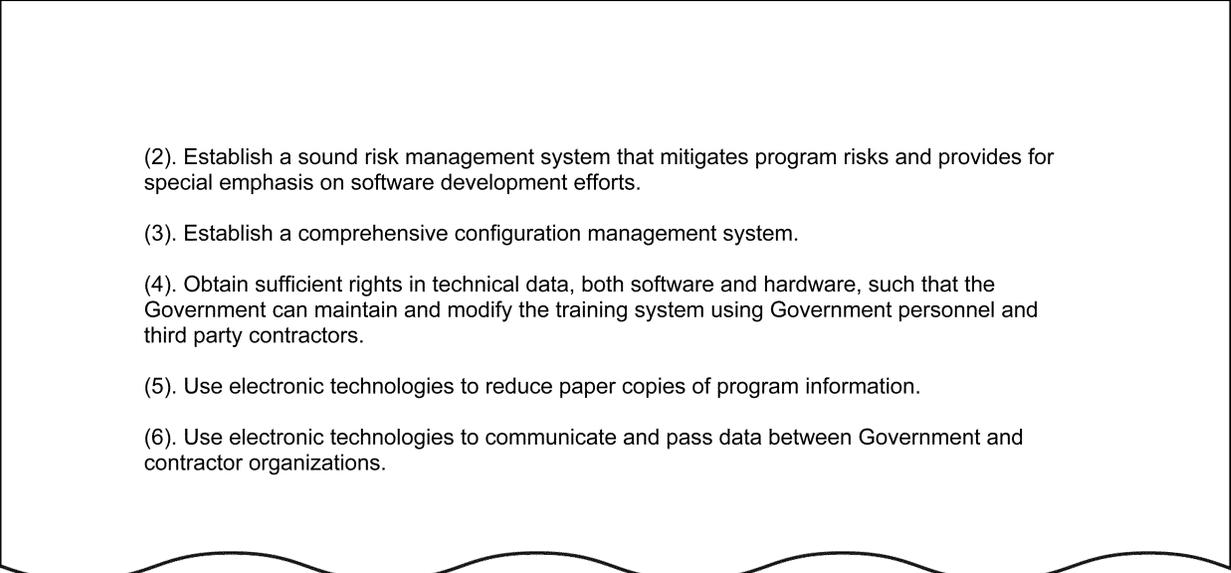
-
- 
- (2). Establish a sound risk management system that mitigates program risks and provides for special emphasis on software development efforts.
 - (3). Establish a comprehensive configuration management system.
 - (4). Obtain sufficient rights in technical data, both software and hardware, such that the Government can maintain and modify the training system using Government personnel and third party contractors.
 - (5). Use electronic technologies to reduce paper copies of program information.
 - (6). Use electronic technologies to communicate and pass data between Government and contractor organizations.

Figure G-1. Statement of Objectives (SOO) format (continued)

Appendix H CAAS Evaluation Report Format

The following is an example of the CAAS Evaluation Report format.

Appendix H

CAAS Evaluation Report Format

Subject: Title of CAAS Effort

1. Purpose: Objectives of CAAS requirement.
2. Deliverables: List major milestones with delivery dates, a description of accomplishments, and products delivered.
3. Contract Information: Provide the following data:
 - a. Requiring Activity
 - b. COR or Requiring Activity Technical Representative
 - c. Contracting Office and Contracting Officer
 - d. Contractor
 - e. Date of Award
 - f. Date of Completion or Termination
 - g. Total contract cost
4. Principal Accomplishments and Results. List benefits derived from the contractual effort to include identifying estimated benefits and/or cost avoidance.
5. Contract Issues. List problems encountered and actions taken to mitigate.
6. Evaluation. Provide a brief assessment on the following:
 - a. Contractor Performance
 - b. Contractor Deliverables
 - c. CAAS management by the administering contracting office
7. Lessons Learned. List
8. Reports. State whether a report was filed with the Defense Technical Information Center (DTIC), provide the report accession number and date of submission.

Figure H-1. CAAS Evaluation Report format

Appendix I Internal Control Evaluation

I-1. Function

The function covered by this regulation is the management of CAAS.

I-2. Purpose

The purpose of this regulation is to assist study personnel in evaluating the key internal controls outlined below. The regulation contains internal control provisions, and identifies key internal controls.

I-3. Instructions

Answers should be based on the actual testing of key internal controls (for example, document analysis, direct observation, sampling, simulation). Answers that indicate deficiencies should be explained and corrective action indicated in supporting documentation. Certification that this evaluation has been conducted should be accomplished on DA Form 11-2 (Internal Control Evaluation Certification).

I-4. Test questions

- a.* Is an annual CAAS program established and implemented to meet reporting requirements under Section 2212(b) of Title 10 USC?
- b.* Has the command met CAAS reporting requirements with an annual Schedule 10 submission to HQDA, DCS G-8?
- c.* Is there an approved annual CAAS plan in place that details command requirements?
- d.* Are PWSs and/or SOWs sufficiently detailed to describe study requirements to include deliverables?
- e.* If CAAS requirements are developed, are Independent Government Cost Estimates (IGCE) developed based on current market research and current contract rates?
- f.* Is a QASP developed and implemented to assess contractor performance of CAAS requirements?
- g.* Are final reports provided as a CAAS deliverable submitted to the DTIC or retained by the sponsoring command in a designated archive?
- h.* Are final CAAS synopses provided to ASPMO for inclusion in the ASPMO database when CAAS deliverables result in a final report?
- i.* Are CAAS evaluation reports submitted to the contracting officer at the conclusion of a contract?

I-5. Supersession

There is no previous checklist for this functional area.

I-6. Comments

Help to make this a better tool for evaluating internal controls. Submit comments to: ATTN: Army Study Program Management Office (ASPMO), 700 Army Pentagon, Washington, DC 20310-0700.

Glossary

Section I Abbreviations

ACOM

Army Command

ADP

Automatic Data Processing

AFARS

Army Federal Acquisition Regulation Supplement

AQL

Acceptable Quality Level

AR

Army Regulation

ARNG

Army National Guard

ASA (M&RA)

Assistant Secretary of the Army (Manpower and Reserve Affairs)

ASCC

Army Service Component Command

ASPMO

Army Study Program Management Office

BRAC

Base realignment and closure

CAA

Center of Army Analysis

CAAS

Contracted Advisory and Assistance Services

CG

Commanding General

COR

Contracting Officer's Representative

DCS

Deputy Chief of Staff

DFARS

Defense Federal Acquisition Regulation Supplement

DFAS

Defense Finance and Accounting Services

DOD

Department of Defense

DRU

Direct Reporting Unit

DTIC

Defense Technical Information Center

EOB

Element of Resource

FAR

Federal Acquisition Regulation

FFRDC

Federally Funded Research and Development Center

GDIP

General Defense Intelligence Program

GFE

Government furnished equipment

GFEB

General Fund Enterprise Business System

GFI

Government furnished information

GOCO

Government-owned, contractor-operated

HQDA

Headquarters, Department of the Army

IDN

Initial distribution number

IGCE

Independent Government cost estimates

ISO

International Standards Organization

ITMRA

Information Technology Management Reform Act

MIP

Military Intelligence Program

NFIP

National Foreign Intelligence Program

POM

Program Objective Memorandum

PWS

Performance Work Statement

QASP

Quality Assurance Surveillance Plan

QCP

Quality Control Plan

SCI

Sensitive Compartmented Information

SES

Senior Executive Service

SF

Standard Form

SOO

Statement of Objectives

SOW

Statement of Work

USAAA

United States Army Audit Agency

USACIDC

United States Army Criminal Investigation Command

USAR

United States Army Reserve

USC

United States Code

Section II**Terms****Consulting services**

Those services of an advisory nature relating to the Governmental functions of agency administration and management and agency program management. These services are provided by persons or organizations who are external to the Government and considered to have knowledge and special abilities that are either not available within the Government or are only available on an insufficient basis to meet a limited duration requirement.

Contracted Advisory and Assistance Services (CAAS)

Those services acquired by contract, by the Army, from non-Governmental sources to include FFRDCs, to support or improve agency policy development, decisionmaking, management and administration, program and project management and administration, or to improve the effectiveness of management processes or procedures, or the operations of weapon systems, equipment, or components.

Contracted Advisory and Assistance Services exemptions

Specific kinds of services or activities exempted from the purview of this regulation.

Contracted services

Services that directly engage the time and effort of a contractor to perform an identifiable task rather than furnish a materiel supply item. Includes separately identified services delivered under a contract when the primary purpose is to provide supplies, equipment, or hardware.

Contracting action

Any written action obligating or de-obligating funds for procuring services to meet DOD requirements (that is, definitive contracts, purchase orders, job orders, task orders, delivery orders, other orders against existing contracts, and contract modifications, change orders or agreements, supplemental agreements, funding changes, option exercises, and notices of termination or cancellation).

Contracting Officer's Representative

A Government employee, military or civilian, designated in writing by a contracting officer to act as his or her representative to assist in administering a contract. No other person is authorized to use the title COR or other similar title (such as contracting officer's technical representative) that would imply authority to act for the contracting officer or the Government in dealing with the contractor. Contracting officer's representative (COR) means an individual,

including a contracting officer's technical representative, designated and authorized in writing by the contracting officer to perform specific technical or administrative functions.

Inherently Governmental Functions

This has the same meaning as Governmental functions in Section 6.e. of OMB Circular A-76. That section provides as follows: A Governmental function is a function that is so intimately related to the public interest as to mandate performance by Government employees. These functions include those activities that require either the exercise of discretion in applying Government authority.

Management Decision Document

A written document (letter or memorandum), submitted to the proper management official, that seeks approval for initiation of a CAAS effort.

Operating Plan

The Operating Plan identifies projected and ongoing CAAS actions for a specified fiscal year. The Schedule 10 of the command budget estimates will provide the initial input into the Operating Plan.

Performance Work Statement

A statement of work for performance-based acquisitions that describes the required results in clear, specific and objective terms with measurable outcomes.

Progress review

The review of an effort at critical points.

Quality Assurance Surveillance Plan

A Government developed and applied document used to make sure that systematic quality assurance methods are used in the administration of a Performance Based Service Contract in accordance with the defined standards. The intent is to ensure that the contractor performs in accordance with the performance metrics and that the Government receives the quality of services called for under the contract.

Requiring activity

The element of the agency or command that identifies and initiates a requirement for CAAS.

Statement of Objectives

A solicitation document in which the Government describes the top-level objectives that offerors are required to support. It is used in solicitations in order to maximize the flexibility afforded offerors to propose innovative and/or cost effective approaches that will be incorporated within a PWS upon contract award.

Unsolicited proposal

A written proposal for a new or innovative idea that is submitted to an agency on the initiative of the offeror for the purpose of obtaining a contract with the Government, and that is not in response to a request for proposals, Broad Agency Announcement, Small Business Innovation Research topic, Small Business Technology Transfer Research topic, Program Research and Development Announcement, or any other Government-initiated solicitation or program.

Section III

Special Abbreviations and Terms

CPARS

Contract Performance Assessment Report System

PBSA

Performance-Based-Service Acquisition

SAUS

Under Secretary of the Army

UNCLASSIFIED

PIN 049926-000