

FACT SHEET
THE NIH CONTRACTOR PERFORMANCE SYSTEM

The Federal Acquisition Streamlining Act (1994) requires that a contractor's past performance be considered in the source selection process of granting a Federal contract award. The National Institutes of Health (NIH) Contractor Performance System (CPS) is a multi-agency shared file used to collect, maintain, and disseminate contractor performance evaluations for Federal departments/agencies. The Office of Acquisition Management and Policy, Office of Administration, Office of the Director, NIH, is responsible for the design, development, and implementation of this system as well as its oversight and management. The NIH Center for Information Technology provides all technical support for the NIH CPS.

The CPS is an Internet based system for capturing, maintaining, and disseminating contractor performance evaluations on quality of product/service, cost control, timeliness, business practices, and customer satisfaction throughout the Federal Government's acquisition offices worldwide. Since the information contained in the NIH CPS is highly confidential and since some of the information is protected under the Privacy Act, security is of utmost concern. There are four levels of security plus an Internal Audit Table incorporated into the CPS: Secure Socket Layer (SSL) encryption, Database level, and Application level. Only authorized Federal acquisition personnel have unlimited access to the NIH CPS and can retrieve evaluations for use in the contract award process. All other Federal personnel must be granted access authority by the cognizant Federal contracting officer or Organization administrator within their Dept/ Own Agency. Access authority is then limited to the actual role that person plays in the evaluation process. Contractor's are provided access to each evaluation as it is in process and again, when the evaluation is finalized.

To ensure that the CPS remains "state of the art," a User's Group focuses on the operation and continual improvement of the system. The User's Group is a multi-agency group of operational acquisition personnel working in partnership to achieve those results and they are actively involved in all facets of the system. A subgroup also involves private industry in developing new modules that affect its workflow process as well.

The NIH Contractor Performance System can accommodate all types of evaluations (IT, construction, architect and engineering, and standard). Numeric ratings range from 0 (Unsatisfactory) to 5 (Outstanding). All numeric ratings must be supported by narrative. In addition, Federal acquisition personnel have the option to comment on the performance of Key Personnel, the contractor's oversight and management of subcontractors, and how well the small disadvantaged business subcontracting goals have been met.

The FAR mandates that all contracts greater than \$100,000 and with a period of performance greater than one year, be reviewed at least twice - once during the life of the contract and again at the contract's expiration. In fact, most agencies are performing

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annual evaluations. Each evaluation is maintained in the CPS until the contract has been expired. All standard evaluations are removed from the NIH CPS active file according to the FAR requirement. Three years after the contract has expired, all evaluations associated with that contract are automatically removed from the active file and are archived. For construction and A&E contracts, the period is extended to six years.

The evaluation process is completely automated. This includes providing contractors the ability to access, review, and comment on their own evaluations electronically. Project Officers/COTRs, Agency Reviewers, and Federal Acquisition personnel all may interact electronically during the performance evaluation. Once the contractor has had the opportunity to review and comment on a specific evaluation, the Federal contracting officer finalizes the evaluation. The evaluation is flagged as such and all Federal acquisition personnel authorized to use the NIH CPS have access to that evaluation for use in the contract award process. Federal contracting personnel are made aware that the NIH CPS is to be considered a tool only and is not the sole resource for obtaining contractor performance information. The contractor is provided the opportunity to review the finalized evaluation but cannot comment on the finalized evaluation. Providing contractors the capability to download all of their own evaluations one time will be incorporated into a future version of the NIH CPS.

Nine Federal departments [Health and Human Services, Justice(INS), Agriculture, Treasury, Energy, Transportation, Education, Veterans Affairs, and State] and seven independent Federal agencies [FEMA, USAID, EPA, GSA, SSA, Architect of the Capital, Export-Import Bank] have now mandated the CPS as their standard. With so many Federal departments/agencies using the NIH CPS, a consistent method of evaluating contractors' performance is ensured. Using a shared file/central repository ultimately benefits the American public by expediting the contract award process, thus reducing costs, while ensuring that the most proficient contractors with a history of best performance carry out the Government's business.

Please feel free to visit our website by clicking on the following URL:

<http://cps.od.nih.gov>