

**CONTRACTS DEPARTMENT**  
**Marine Corps Logistics Command**  
**Albany, Georgia 31704-1128**

CDPS 04-01  
Code 890:sb  
May 11, 2004

**CONTRACTS DEPARTMENT POLICY STATEMENT 04-01**

From: Director

To: All Division Directors (Codes 890, 891, and 892), Blount Island Command (BICMD) (Code 920), and MCLB Barstow (Code B530)

Subj **CONTRACT PERFORMANCE ASSESSMENT REPORTING SYSTEM (CPARS)**

Ref (a) FAR Subpart 42.1502  
(b) FAR 15.304  
(c) ASN (RD&A) memo of 25 Sep 00  
(d) DUSD memo of 24 Aug 99  
(e) Department of the Navy CPARS (January 2000)  
(f) DON CPARS Automated Information System Procedures Manual (December 2000)

1. Purpose. To establish policy, assign responsibilities, and provide procedures for the operation of CPARS within the MARCORLOGCOM contracting community. This CPARS Policy Statement Revision, numbered 04-01, updates and replaces preceding CPARS Policy Statement 125-02.

2. Scope. The Department of the Navy has developed the CPARS Automated Information System (AIS) for assessing and tracking contractor past performance information (PPI) The collection of past performance information applicable to the contracts efforts is referred to as Contract Performance Assessment Reporting System (CPARS). The form for assessing (i.e. documenting) contractor past performance is referred to as a CPAR. CPARS is an Internet-based application that has replaced the manual data entry process of tracking past performance. The primary purpose of CPARS is to ensure that data on contractor performance is current and available for use in source selections. Performance assessments will be used as an aid in awarding contracts to contractors that consistently provide quality, on-time products and services that conform

to contractual requirements. CPARS are used to effectively communicate contractor strengths and weaknesses to source selection officials. All CPAR forms, attachments, working papers, and documents relating to, are considered "Sensitive" information and should be treated as "Source Selection Information" at all times in accordance with FAR 3.104. PPI will be collected on contracts meeting the "Business Sector" definition and dollar thresholds [see reference (e)]. The Navy's CPARS AIS is supported at Naval Sea Logistics Center Detachment Portsmouth, NH and can be accessed via the Internet at [www.cpars.navy.mil](http://www.cpars.navy.mil).

### 3. Definitions.

a. "CPARS Assessing Official" is the designated Program Manager, or otherwise the Government employee who is best qualified to assess the performance of the contractor, and is the individual responsible for the execution of the program, project, task order, or job order. The Assessing Official is responsible for objectively assessing and recording, via CPARS, the positive and negative aspects of the contractor's performance during the life of the contract.

b. "Business Sectors" are systems, services, information technology, and operations support [for detailed definitions see Table 1 reference (a)].

c. "CPARS" is an automated information system that documents the assessments of a contractor's performance. It records both positive and negative data on a given contract during a specific period of time.

d. The "CPARS Focal Point (FP)" is the individual responsible for collecting, tracking, distributing, and monitoring CPARs. The CPARS FP authorizes CPARS access and assists in implementing CPARS by providing training and monitoring the timely completion of reports, report integrity, and CPAR system consistency.

e. A "CPARS Representative" is the individual(s) responsible for managing a CPARS Assessing Official's contract performance appraisal program, if the CPARS Assessing Official so designates.

f. An "Initial Report" is a report required for new contracts/delivery orders/task orders meeting the business sector definition with a period of performance greater than 365 days. The initial CPAR must reflect evaluation of at least the first 180 days of performance under the contract, and may include up to the first 365 days of performance.

g. An "Intermediate Report" is a periodic interim report required every 12 months throughout the entire period of performance of the contract. An exception is developmental contracts over \$50 million which require quarterly intermediate reports.

h. An "Out-of Cycle Report" is a report that may be required when there is a significant change in performance that alters the assessment in one or more evaluation area(s).

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i. An "Informational Report" is a report that may be required when the Assessing Official is transferring the contract to another Assessing Official and more than four months have elapsed since the last CPAR was completed.

j. An "Addendum Report" is a report prepared after the final past performance evaluation to capture contractor performance following contract completion.

k. A "Final Report" is a report that will be executed upon contract termination, transfer of program management responsibility outside the original buying activity, delivery of the final major end item on contract, or completion of the period of performance for contracts with a period of performance less than 365 days.

l. "PPI" is relevant information for future source selection purposes regarding a contractor's actions under previously awarded contracts.

m. "Program" means the program, project, or task/job order for which the procurement was initiated.

n. "Reviewing Official" is the person responsible for reviewing, approving, and signing CPARS.

4. Background. Reference (a) directs all Federal agencies to collect contractor PPI on all contracts that meet the criteria specified. Reference (b) requires the evaluation of past performance in source selections for negotiated procurements meeting specific dollar thresholds. Reference (c) prescribes policies and procedures for providing PPI to program managers, procuring contracting officers, and contractors. Reference (d) requires that a CPARS Assessing Official provide prime contractors quarterly assessments of contract performance on development contracts in excess of \$50 million, and changes the rating system (and color rating scheme) to be consistent with current Department of Defense policy on past performance rating elements. Reference (e), which can be accessed via [www.cpars.navy.mil](http://www.cpars.navy.mil), provides the revised DON CPARS Guide for immediate implementation. Reference (f), which can also be accessed via [www.cpars.navy.mil](http://www.cpars.navy.mil), provides the CPARS AIS Procedures Manual.

5. Policy.

a. In accordance with reference (c), use of the CPARS AIS is mandatory and can be accessed via [www.cpars.navy.mil](http://www.cpars.navy.mil). A CPAR will be completed within 60 days after the end of the evaluation period (or within 120 days after the end of the evaluation period if the contractor disputes the CPARS Assessing Official's evaluation) on every system, service, operational support, and information technology contract awarded that meets the business sector thresholds (including any options) as follows:

(1) Systems -greater than or equal to \$5 million (includes new development and major modifications).

(2) Services -greater than or equal to \$1 million

(3) Operations Support -greater than or equal to \$5 million.

(4) Information Technology (IT)-greater than or equal to \$1 million.

(5) Combined Awards –a contract awarded predominantly for supplies that is valued at \$4.2 million (for example) would not normally be considered CPARS – eligible. However, if a portion of the award is valued at \$1 million (services), or \$1 million (IT), then the entire award is CPARS-eligible.

b. In accordance with reference (d), the CPARS Assessing Official will provide prime contractors with quarterly assessments of contract performance on development contracts in excess of \$50 million using a revised past performance rating system and standardized color rating scheme.

## 6. Responsibilities

a. The CPARS FP for MCLC Albany and MCLB Barstow contracting is located in Contracts Department (Code 890), MCLC Albany; the CPARS FP for BICMD contracting is separately designated. The FP is responsible for tracking, distributing, and monitoring CPARS. The FP authorizes CPARS access and assists in implementing CPARS by providing training and monitoring the timely completion of reports, report integrity, and CPAR system consistency. The FP is responsible for authorizing Government and contractor access to CPARS for contracts under their cognizance, based on functions authorized individuals need to perform during the CPARS completion process. The FP will coordinate with contracting officers/contract specialists to identify the Government and contractor users and their levels of access to CPARS (Note: For defense contractor personnel, include the company name, e-mail address and telephone number, and refer to the CPARS matrix form in the database). The FP is responsible for registering and authorizing user identification passwords in order for personnel to input CPARS data and/or access source selection information. The FP will maintain a current list of all contracts that have been identified by the Contracting Officers/Contract Specialists as CPARS - eligible. While the FP is not specifically responsible for the timely submission or content of CPARS reports, he/she is a command resource for information and assistance regarding input and retrieval of CPARS information.

b. Contracting Officers/Contract Specialists are responsible for notifying the FP, the contractor representative, and the CPARS Assessing Official via e-mail when an awarded contract meets the CPARS criteria described above.

c. Each CPARS Assessing Official will select the CPARS Representative for their program (if any), and will determine the level of access that their CPARS Representative will have to CPARS.

d. Each CPARS Representative (if any) is responsible for the collection, input of data, distribution, and control of their program manager's CPARS.

e. Each CPARS Assessing Official is responsible for preparing the CPAR documentation and assessment, reviewing, signing, and processing the CPAR. The assessment is to be based on multifunctional input from specialists familiar with the

contractor's performance. Each CPARS Representative (if any) will be responsible for the periodic screening of CPARS to measure the contractor's performance. Additionally, each CPARS Assessing Official will submit a copy of the required quarterly reports to the FP on prime contractor development contracts in excess of \$50 million for consolidation and submission to the reviewing official.

f. The Director, Contracts Department, MCLC Albany is the reviewing official for contracts awarded by MCLC Albany (Code 890, 891, and 892) and MCLB Barstow (Code B530). The Deputy Director, BICMD is the reviewing official for contracts awarded by Code 920 at BICMD. The reviewing official is responsible for reviewing and signing the completed CPAR when there is a disagreement on ratings between the Assessing Official and the Contractor.

7. Procedures. The procedures for completing the CPARS form are as follows:

a. The Contracting Officer/Contract Specialist will register the appropriate contract information in Blocks 1-14 of CPARS [see Attachments 2 or 4 of reference (e)] within 30 days after contract award.

b. The CPARS Assessing Official responsible for the contract being reviewed prepares the documentation and assessment. (An IPT should be used to gather input from the subject matter experts familiar with the contractor's performance, as well as the user and other applicable organizations.) The CPARS Assessing Official, or their designated CPARS Representative, is responsible for completing Blocks 15-20 of the CPARS.

c. The CPARS Assessing Official will notify the contractor being evaluated when a CPAR is ready for contractor review in CPARS. Meetings with contractor management to discuss ratings may be pre-arranged by the Government or upon written request by the contractor. The contractor must submit this request within 7 days of receipt of the CPAR.

d. The contractor is advised that comments are optional but are due to the originating office within 30 calendar days after receipt. The contractor may provide comments in response to the assessment or return the assessment without comment.

e. The program manager is responsible for signing the CPAR in Block 21 when the contractor returns the CPAR. The CPAR is complete if the contractor agrees with the assessment and so annotates in Block 22. At this point, no further review is required.

f. If the contractor fails to respond within 30 days of being notified that the CPAR is ready for review, the CPARS Assessing Official may finalize/complete the CPAR. Block 22 should be annotated: "The contractor neither signed nor offered comment in response to the assessment."

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g. The contractor may request higher-level review. After receiving and reviewing the contractor's comments on the CPAR, the Assessing Official may revise the assessment. The Assessing Official will notify the contractor of any revisions, but the contractor will not be allowed to further comment. The revised CPAR should be noted "Revision to CPAR for (insert period covered by report)" followed by the program title and phase of acquisition.

h. The CPAR will be sent to the Reviewing Official if there is a disagreement on ratings between the Assessing Official and the contractor or if the Assessing Official chooses to revise the assessment as a result of the contractor's comments. The Reviewing official will complete CPAR Blocks 24-25.

The FP is responsible for reviewing the completed CPARs.

## 8. Reports

a. Initial Reports will be prepared for new contracts and delivery orders/tasks meeting the criteria of the business sector definition, which have a period of performance greater than 365 days. The initial CPAR must reflect evaluation of at least the first 180 days of performance under the contract and may included up to the first 365 days of performance. For contracts with a period of performance of less than 365 days, use a "Final Report."

b. Intermediate Reports will be prepared every 12 months throughout the entire period of performance of the contract and quarterly for developmental contracts over \$50 million.

c. Out-of Cycle Reports will be prepared when there is a change in performance, that significantly alters the assessment in one or more evaluation area(s). The determination as to whether or not to update an evaluation will be made solely by the CPARS Assessing Official. The Out-of-Cycle CPAR that assesses a significant change in performance must be sent to the contractor for comment and signature. Out-of-Cycle reports do not alter the annual reporting requirement.

d. Informational Reports will be prepared when the Assessing Official is transferring the contract to another Assessing Official and more than four months have elapsed since the last CPAR was completed. These reports need not be processed through the contractor or Reviewing Official, but rather should be passed on to the succeeding Assessing Official. Under no circumstances will an informational CPAR be finalized in the CPARS AIS.

e. Addendum Assessments may be prepared after the final past performance evaluation to record the contractor's performance relative to contractor's closeout, warranty performance, and other administrative requirements.

f. Final Reports will be completed upon contract termination, transfer of program management responsibility outside of the original buying activity, delivery of the final major end item on contract, or completion of the period of performance. The final CPAR

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does not include cumulative information, but is limited to the period of contractor performance occurring after the preceding CPAR.

9. Applicability. This Policy Statement, as revised, is applicable to Contracts Department, MCLC Albany, Contracts Support Branch (Code 920) at BICMD, and Contracting and Purchasing Division (Code B530) at MCLB Barstow, effective immediately.

  
W.F. GATES III