Welcome to CPARS for Construction – New Standard Criteria for Evaluations

Moderator: Kyle Huston, Black & Veatch
Speaker:
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NAVFAC CPARS Rating Process

(Contractor Performance Assessment Reporting System)

Ken Gould, PE
NAVFAC Policy:

1. Evaluations must NOT become a surprise to the Contractor (open communication req.)
2. Evaluations must be provided in a timely manner (e.g. provided to KTR w/in 60 days)
3. Fair ratings must be consistently applied (Contractor must be aware of expectations)
4. Past performance information must include details of safety program and key subcontractors and AEs
Purpose of Process Improvements

To establish standards to address:

1. Performance documentation (QA forms and eCMS tools and checklists);
2. Better timeliness;
   a. (CPARS thresholds)
   b. Completing the CPARS evaluation in a timely fashion (CPARS submission milestones)
3. Preparing fair ratings and narratives for required evaluations (CPARS rating matrix);
4. Evaluating the key sub and AE (CPARS “Misc Info” and “Other Areas” tabs);
5. Help improve Contractor performance;
6. Ensure standardization of criteria for evaluation when awarding new construction contracts;
7. Lower likelihood of KTR challenges or litigation to evaluations.
5 W’s of Process Improvement

Who:

What:

When:

Where:

Why:
Who:

– CM’s are typically assessment official (AO), in coordination with Construction Contract Team (Contractor KTR, ET’s, CS’s, and KO)
– KO’s are typically the reviewing official (RO)
– Challenges to a rating are typically done by next higher level administration officer (AO) above the RO

CM needs to ensure there is adequate documentation for any rating given which is more or less than satisfactory.
QA Forms for Performance Documentation

• Follow the BOP regarding frequency of QA visits and documentation

• Use QA Forms
  - Non-Compliance (significant issues)
  - QA Remarks (routine issues)
  - QA Report (as needed)

• Use eCMS tools (esp. CPARS checklists in lieu of QA report)
  - or -
  - “CPARS Checklist” ✓
WHAT

What:

– Provide an accurate objective unbiased evaluation based on documentation;
– Provide concise, supportable evaluations with standard language using NAVFAC spreadsheet.
WHAT

• Six Rating Areas: Quality, Schedule, Cost Control, Management, Regulatory, Other
The CPARS Ratings Matrix provides the framework for consistent evaluations:

<table>
<thead>
<tr>
<th>Item</th>
<th>Factor/Sub-factor</th>
<th>Select Rating of Highlighted OBS ONLY</th>
<th>NARRATIVE</th>
<th>JUSTIFICATIONS/EXAMPLES REQUIRED</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. QUALITY</td>
<td>OVERALL RATING</td>
<td>Very Good</td>
<td>The overall QUALITY performance was VERY GOOD, exceeding SOME contractual requirements with SOME MIRROR problems and EFFECTIVE corrective actions.</td>
<td>Examples are NOT REQUIRED.</td>
</tr>
<tr>
<td>2. Implementation of the G2G Plan</td>
<td>Exceptional</td>
<td>Implementation of the G2G Plan was IMPACTIVE and/or PROACTIVE and was fully completed on SCHEDULE, and/or had SOME REVISIONS.</td>
<td>5 or more examples are REQUIRED.</td>
<td></td>
</tr>
<tr>
<td>1. GC Documentation</td>
<td>Good</td>
<td>GC Documentation was IMPACTIVE and/or PROACTIVE and was fully completed on SCHEDULE, and/or had SOME REVISIONS.</td>
<td>Examples are NOT REQUIRED.</td>
<td></td>
</tr>
<tr>
<td>5. Adequacy of Submittals</td>
<td>Sufficient</td>
<td>Adequacy of Submittals was IMPACTIVE and/or PROACTIVE and was fully completed on SCHEDULE, and/or had SOME REVISIONS.</td>
<td>Examples are NOT REQUIRED.</td>
<td></td>
</tr>
</tbody>
</table>

The Ratings Matrix (as well as the SUMMARY) is only a tool to ensure consistency. The Assessing Official (typically the CM) must apply discretion when determining the final ratings. However, specific examples are REQUIRED to support “other-than-satisfactory” ratings.

Incorporate contractor performance feedback from key parties (e.g. DM, SB, Safety, ET, etc.).

**APPROACH:**
1. All sub-factors are defaulted to “SATISFACTORY”
2. The Assessing Official (CM, ET, or other) selects the appropriate ratings for each sub-factor in the “SUMMARY” tab
3. The Assessing Official provides justifications for selecting “other than satisfactory” ratings

Use the SUMMARY tab to generate ratings and narratives for each factor:

- Examples are REQUIRED to justify all “other than satisfactory” ratings at the sub-factor level
**CPARS “Misc Information” and “Other Areas” Tabs**

**“Misc Information” Tab**
- Provide DUNS, Company Name, and Type of Service in the “Key Subcontractors and Effort Performed” Section (see red text below)

**“Other Areas” Sub-Tab**
- Use Other Areas (1) for SAFETY
- Use Other Areas (2) for KEY SUB (or DB DOR)
- Use Other Areas (3) for OTHER KEY SUB
- Select the appropriate rating
- Provide narratives for respective areas (see below)
WHEN

When:

– Timely
– At least annually, interim as warranted
– At completion of work
CPARS Thresholds

- Summary of FAR Thresholds

Table 1 – Business Sector, Dollar Threshold and Reviewing Official

<table>
<thead>
<tr>
<th>Business Sector</th>
<th>Dollar Threshold</th>
<th>Reviewing Official</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architect-Engineer</td>
<td>≥$35,000; All Terminations for Default</td>
<td>One level above the AO</td>
</tr>
<tr>
<td>Construction</td>
<td>≥$700,000; All Terminations for Default</td>
<td>One level above the AO</td>
</tr>
</tbody>
</table>

\(^2\)Only required when the contractor indicates non-concurrence with the evaluation or if otherwise requested by the contractor during the 60-calendar day comment period.
**CPARS Submission Milestones**

- Complete performance evaluation within the following timeframes:

<table>
<thead>
<tr>
<th>MILESTONE</th>
<th>ANNUAL (12-month period)</th>
<th>INTERIM (as-needed)</th>
<th>TERMINATION FOR DEFAULT (termination issued)</th>
<th>FINAL (BOD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>INITIATE EVALUATION (CPARS Focal Point)</td>
<td></td>
<td></td>
<td>1 day</td>
<td></td>
</tr>
<tr>
<td>COMPLETE RATINGS AND NARRATIVE (Assessing Official, typically CM)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VERIFY RATINGS AND NARRATIVE (Reviewing Official, typically KO)</td>
<td></td>
<td></td>
<td>30 days</td>
<td></td>
</tr>
<tr>
<td>PROVIDE KTR COMMENTS (Contractor Rep)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CLOSE RATINGS (Reviewing Official)</td>
<td></td>
<td></td>
<td>1 day (more time is allowed if contractor does not concur)</td>
<td></td>
</tr>
</tbody>
</table>
WHERE

Where:

– KO should have set up at award of contract for projects meeting the threshold;
– http://www.cpars.gov/
Why:

– Required by FAR 42.1502, and NAVFAC Guidance (NAVFACINST 4335.4).
Subpart 42.15 -- Contractor Performance Information
42.1500 -- Scope of Subpart.

This subpart provides policies and establishes responsibilities for recording and maintaining contractor performance information. This subpart does not apply to procedures used by agencies in determining fees under award or incentive fee contracts. See subpart 16.4. However, the fee amount paid to contractors should be reflective of the contractor’s performance and the past performance evaluation should closely parallel and be consistent with the fee determinations.
Conclusion

NAVFAC New CPARS Process:

– Enables standardized ratings and narratives across NAVFAC;
  • Less preparation time and subjectivity by CMs;
  • More standardization of criteria for evaluation to award new construction contracts;
  • Help improve Contractor performance adherence to contract;
  • Perceived bias and/or unsubstantiated comments in CPARS, and/or lack of contractual notice regarding real or perceived marginal or unsatisfactory work

– Minimizes chance of bias;
  • Requirement for performance documentation;
  • Marginal and/or Unsatisfactory Ratings require documentation for evaluation by Chief of Contracting prior to issuance in CPARS

– Result in more timely CPARS
Comments, Questions?
Recommendations?

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Obtain input from SB Specialist and provide narrative and select color rating based on meeting the following rating criteria:

- Statutory Requirements Established
- Initiatives to Assist, Promote, and Utilize Small Business
- Meeting Participation Requirements - Good Faith Effort to Meet All Subcontracting Goals
- Reporting Submittals - ISR and/or SSRs are Accurate and Submitted Timely
- Implementation of Subcontracting Plan - Timely Payments to SB Subcontractors