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US ARMY MEDICAL RESEARCH AND MATERIEL COMMAND
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MCMR-AAP-A

17 November 2016

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Procurement Advisory Notice (PAN) 17-04 Administration and Surveillance of Service Contracts

1. INTRODUCTION. On 26 March 2015, Department of Defense Instruction (DoDI) 5000.72, "DoD Standard for Contracting Officer's Representative (COR) Certification" was released which establishes uniform guidance for identification, development, certification, and management of CORs within the DoD. DoDI 5000.72 also establishes policies and standards, assigns responsibilities, and provides procedures to certify CORs to implement the recommendation of the DoD Panel on Contracting Integrity as listed in their 2008 report to Congress. This PAN captures, delineates, and explains the process for appointing CORs resultant of this initiative. This document also addresses the continued need for Quality Assurance Surveillance Plans (QASPs) for particular service contracts.

2. BACKGROUND.

The DoD Panel on Contracting Integrity was convened as a result of Section 813 of the John Warner National Defense Authorization Act (NDAA) for Fiscal Year 2007. The Panel was tasked with eliminating areas of vulnerability within the defense contracting system that allowed fraud, waste, and abuse to occur.

The Panel's 2008 report to Congress, dated 5 January 2009, detailed several Government Accountability Office (GAO) and DoD Inspector General (DoDIG) reports that found Government contracts had been subjected to insufficient surveillance by accepting substandard performance, paying for services not received, and awarding contracts to contractors with substandard past performance. DoDI 5000.72 was established to implement the recommendation of the Panel as provided in their 2008 report.

3. REFERENCES.

a. MEMORANDA:

(1) Memorandum, Department of the Army, Selection and Training of CORs, 2 Mar 2010. PCO/KOs must review COR qualifications and provide contract-specific

This PAN supersedes PAN 11-01, dated 01 October 2012 Administration and Surveillance of Service Contracts.

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training.

http://www.acq.osd.mil/dpap/ccap/cc/corhb/Files/Training_and_Guidance/Selection%20and%20Training%20of%20CORs%20-%20Army%20memo.pdf

(2) OUSD(AT&L) memorandum, dated February 10, 2014, Update to the Department of Defense Contracting Officer Representative Tracking Tool.

<http://www.acq.osd.mil/dpap/policy/policyvault/USA001548-13-DPAP.pdf>

b. GUIDANCE:

(1) GAO Report GAO-05-274, Opportunities to Improve Surveillance on Department of Defense Service Contracts, <http://www.gao.gov/assets/250/245676.pdf>

(2) DoD COR Handbook, 22 Mar 2012. Handbook for CORs to use every day for guidance. http://www.acq.osd.mil/dpap/cpic/cp/docs/USA001390-12_DoD_COR_Handbook_Signed.pdf

(3) Department of Defense Instruction (DoDI) 5000.72 - DoD Standard for Contracting Officer's Representative (COR) Certification, 26 March 2015. <http://www.dtic.mil/whs/directives/corres/pdf/500072p.pdf>

(4) Procurement Advisory Notice (PAN) 17-05 Contractor Performance Assessment Reporting System (CPARS) Guidance for Contracting Officer Representatives (CORs).

(5) See Attachment A for applicable FAR, DFARs, and AFARs references.

4. DEFINITIONS.

a. Contracting Officer's Representative (COR) - A COR is an individual designated by the Procuring Contracting Officer (PCO)/Contracting Officer (KO) to act as their representative in the technical monitoring and surveillance of a contract. These individuals serve as subject matter experts and perform surveillance to insure that the goods and services obtained meet the government's acceptance standards.

b. Contracting Officer's Representative Tracking (CORT) Tool – The CORT Tool is a web-based management tool for the nomination and appointment of CORs. The CORT Tool serves as the official COR electronic contract file and is the repository for training certificates, Quality Assurance Surveillance Plans (QASPs), monthly status reports, and all other required COR documents. The CORT Tool contains built-in workflows for the nomination process and email alerts/status reminders for monthly status report due-ins and delinquencies.

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5. PROCEDURES.

a. USAMRAA KOs shall appoint a properly trained COR in the CORT Tool before awarding all service contracts and orders, including both firm-fixed price and other than firm-fixed-price contracts. Per AFARS 5101.602-2-91(b), KOs will allow 45 calendar days after receipt of the procurement request (PR) for the requiring activity to satisfy all COR requirements. If, after the 45 days, a COR has not been properly trained and nominated, contracting officers will cease further action on the PR package and return it to the supported requiring activity. The CORT Tool is located at <https://wawf.eb.mil>. Per DFARS PGI 201.602-2, KOs may exempt service contracts from the COR appointment requirement when the following three conditions are met:

- (1) The contract will be awarded using simplified acquisition procedures; and
- (2) The requirement is not complex; and
- (3) The KO documents the file, in writing, with the specific reasons why the appointment of a COR is unnecessary.

b. Service requirements are categorized as Type A, B, or C work efforts.

- (1) Type A: Fixed-price requirements without incentives, low performance risk;
- (2) Type B: Other than fixed-price requirements without incentives, low performance risk;
- (3) Type C: Unique contract requirements that necessitate a professional license, higher education, or specialized training beyond the Type B requirements.

The DoD's standards for COR certification are provided in detail as follows:

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DoD Standard for Certification of CORs – Type A

NATURE OF TYPE A: WORK OR REQUIREMENT	REQUIRED COMPETENCY TOPICS	REQUIRED COMPETENCIES	EXPERIENCE AND TRAINING REQUIREMENTS
<p>Fixed-price contracts without incentives and low performance risk.</p> <p>Attributes of such requirements might include:</p> <ul style="list-style-type: none"> Lack of technical or administrative complexity No identifiable risk factors Limited requirement for technical expertise Low likelihood of modification Effort is a follow-on to an existing contract <p>COR responsibilities are generally limited to minimal technical and administrative contract surveillance.</p>	<p><u>General:</u></p> <ul style="list-style-type: none"> Attention to detail Decision making Flexibility Oral and written communication Problem solving and reasoning Self-management and initiative Teamwork <p><u>Technical:</u></p> <ul style="list-style-type: none"> Business ethics Effective communication of contract requirements Effective contract performance management Effective COR performance 	<p>On completion of mandatory training, the COR should be able to perform at least these competencies in a manner consistent with the nature of Type A work or requirements:</p> <ul style="list-style-type: none"> Assist in acquisition planning. Assist in contract award process. Establish and maintain a COR file with all required documentation. Identify and prevent unethical conduct and instances of fraud, waste and abuse. Perform technical and administrative contract surveillance and reporting responsibilities in accordance with the letter of designation and surveillance plan. Recommend contract changes when necessary and monitor contract performance as modified. Monitor contract expenditures and payments. Monitor contract schedule compliance. Perform liaison responsibilities between the contracting officer, the requiring activity, and the contractor for management of the contract. Inspect and accept or reject deliverables during contract performance and at close-out in conformance with contract terms and conditions. Monitor the control and disposition of U.S. Government furnished assets. Perform surveillance in a contingency environment, when applicable. 	<p><u>Experience:</u></p> <ul style="list-style-type: none"> Agency experience: Minimum of 6 months unless waived. The waiver must be addressed in the nomination package. Relevant technical experience: As determined by the requiring activity and COR Management for the contracting officer's consideration. General competencies: As determined by the nominating supervisor for the contracting officer's consideration. <p><u>Training:</u></p> <ul style="list-style-type: none"> DAU course, "Contracting Officer's Representative with a Mission Focus" (online). DAU course, "COR in a Contingency Environment," when applicable (classroom or online). WAWF training (online). DoD Component provided ethics (designated OGE Form 450 filers only) & CTIP training. Additional training mandated by the contracting activity or agency (e.g., security, etc.). <p><u>Refresher Training:</u></p> <ul style="list-style-type: none"> Minimum of 8 hours COR specific training: <ul style="list-style-type: none"> Every 3 years, OR Before assuming COR responsibilities, if the individual has not served as a COR within the previous 24 months. Annual DoD Component provided ethics (designated OGE Form 450 filers only) & CTIP training. Any additional training mandated by the contracting activity or agency.

DoD Standard for Certification of CORs – Type B

NATURE OF TYPE B: WORK OR REQUIREMENT	REQUIRED COMPETENCY TOPICS	REQUIRED COMPETENCIES	EXPERIENCE AND TRAINING REQUIREMENTS
<p>Fixed-price contracts with incentives; fixed-price contracts with other than low performance risk; and other than fixed-price contracts. This includes everything other than Types A and C.</p> <p>Attributes of such requirements might include:</p> <ul style="list-style-type: none"> Contract complexity or performance risk Effort will be performed in multiple regions or remote geographic locations The need for increased surveillance Magnitude of the requirement The contract contains incentive arrangements or cost sharing provisions The contract is cost-type of T&M or LH type, or FP LOE <p>COR responsibilities are of increased complexity.</p>	<p><u>General:</u></p> <ul style="list-style-type: none"> Attention to detail Decision making Flexibility Influencing and persuasive interpersonal skills Oral and written communication Planning and evaluating Problem solving Reasoning Self-management and initiative Teamwork <p><u>Technical:</u></p> <ul style="list-style-type: none"> Business ethics Defining government requirements Understanding and knowledge of contract type Effective analytic skills Effective communication of contract requirements Effective contract performance management Effective COR performance Project management Strategic planning Understanding the marketplace 	<p>On completion of mandatory training, the COR should be able to perform at least these competencies in a manner consistent with the nature of Type B work or requirements:</p> <ul style="list-style-type: none"> Assist in acquisition planning. Assist in contract award process. Establish and maintain COR file with all required documentation. Identify and prevent unethical conduct and instances of fraud, waste and abuse. Review technical deliverables and ensure compliance with Statement of Work or Statement of Objectives (e.g., perform technical monitoring and reporting in accordance with a quality assurance surveillance plan or other quality surveillance plan). Perform administrative monitoring and reporting responsibilities (e.g., handle security issues, attend meetings, etc.). Recommend contract changes when necessary and monitor contract performance as modified. Monitor contract expenditures and payments. Monitor contract schedule compliance. Perform liaison responsibilities between the contracting officer and the contractor for management of the contract. Inspect, and accept or reject deliverables during contract performance and at close-out in conformance with contract terms and conditions. Review and validate that contractor payment requests are commensurate with performance. Monitor control and disposition of U.S. Government furnished assets. Perform surveillance in a contingency environment, when applicable. 	<p><u>Experience:</u></p> <ul style="list-style-type: none"> Agency experience: Minimum of 12 months unless waived. The waiver must be addressed in the nomination package. Relevant technical experience: As determined by the requiring activity or COR management for the contracting officer's consideration. General competencies: As determined by the nominating supervisor for the contracting officer's consideration. <p><u>Training:</u></p> <ul style="list-style-type: none"> DAU course, "Contracting Officer's Representative" (classroom or on-line) or ALU-CL or equivalent course. DAU course, "COR in a Contingency Environment," when applicable (classroom or online). WAWF training (online). DoD Component provided ethics (designated OGE Form 450 filers only) & CTIP training. Additional training mandated by the contracting activity or agency (e.g., security, etc.). <p><u>Refresher Training:</u></p> <ul style="list-style-type: none"> Minimum of 16 hours COR specific training: <ul style="list-style-type: none"> Every 3 years, OR Before assuming COR responsibilities, if the individual has not served as a COR within the previous 24 months. Annual DoD Component provided ethics (designated OGE Form 450 filers only) & CTIP training. Any additional training mandated by the contracting activity or agency.

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DoD Standard for Certification of CORs – Type C

NATURE OF TYPE C: WORK OR REQUIREMENT	REQUIRED COMPETENCY TOPICS	REQUIRED COMPETENCIES	EXPERIENCE AND TRAINING REQUIREMENTS
<p>Unique contract requirements that necessitate the COR have a higher education or specialized training beyond the Type B requirements.</p> <p>Attributes of such requirements might include:</p> <ul style="list-style-type: none"> • Environmental remediation • Major weapons systems • Medical or dental or veterinarian services, etc. <p>COR responsibilities are of increased complexity.</p>	<p><u>General:</u></p> <ul style="list-style-type: none"> • Attention to detail • Decision making • Flexibility • Influencing and persuasive interpersonal skills • Oral and written communication • Planning and evaluating • Problem solving • Reasoning • Self-management and initiative • Teamwork <p><u>Technical:</u></p> <ul style="list-style-type: none"> • Business ethics • Defining government requirements • Understanding and knowledge of contract type • Effective analytic skills • Effective communication of contract requirements • Effective contract performance management • Effective COR performance • Project management • Strategic planning • Understanding the marketplace 	<p>On completion of mandatory training, COR should be able to perform at least these competencies in a manner consistent with the nature of Type C work or requirements:</p> <ul style="list-style-type: none"> • Assist in acquisition planning. • Assist in contract award process. • Establish and maintain COR file with all required documentation. • Identify and prevent unethical conduct and instances of fraud, waste and abuse. • Review technical deliverables and ensure compliance with Statement of Work or Statement of Objectives (e.g., perform technical monitoring and reporting in accordance with a quality assurance surveillance plan or other quality surveillance plan). • Perform administrative monitoring and reporting responsibilities (e.g., handle security issues, attend meetings, etc.). • Recommend contract changes when necessary and monitor contract performance as modified. • Monitor contract expenditures. • Monitor contract schedule compliance. • Perform liaison responsibilities between the contracting officer and the contractor for management of the contract. • Inspect, accept or reject deliverables during contract performance and at close-out in conformance with contract terms and conditions. • Review and validate that contractor payment requests are commensurate with performance. • Monitor and control disposition of government furnished assets. • Perform surveillance in a contingency environment, when applicable. • Other specific functions consistent with the objectives of the activity's mandatory specialized or technical training. 	<p><u>Experience:</u></p> <ul style="list-style-type: none"> • Agency experience: Minimum of 12 months unless waived. The waiver must be addressed in nomination package. • Relevant technical experience: As determined by the requiring activity or COR management for the contracting officer's consideration. • General competencies: As determined by the nominating supervisor for the contracting officer's consideration. <p><u>Training:</u></p> <ul style="list-style-type: none"> • DAU course, "Contracting Officer's Representative" (classroom or on-line) or ALU-CL or equivalent course. • DAU course "COR in a Contingency Environment," when applicable (classroom or online). • WAWF training (online). • DoD Component provided ethics (designated OGE Form 450 filers only) & CTIP training. • Additional training mandated by the contracting activity or agency (e.g., security, etc.). <p><u>Refresher Training:</u></p> <ul style="list-style-type: none"> • Minimum of 16 hours COR specific training: <ul style="list-style-type: none"> o Every 3 years, OR o Before assuming COR responsibilities, if the individual has not served as a COR within the previous 24 months. • Annual DoD Component provided ethics (designated OGE Form 450 filers only) & CTIP training. • Any additional training mandated by the contracting activity or agency. • Any necessary for maintenance of license or certification, etc.

c. COR TRAINING RESOURCES.

(1) DAU COR Training Center: <https://learn.dau.mil> or <https://acc.dau.mil/CommunityBrowser.aspx?id=21991>

(2) CORT Tool Training: <https://wawf.eb.mil/xhtml/unauth/help/help.xhtml>

(3) CORT Tool registration: <https://wawf.eb.mil/>

(4) DoD Podcast - CORT Tool: <https://acc.dau.mil/CommunityBrowser.aspx?id=456861>
[Add CPARs](#) website

d. COR REFRESHER TRAINING. Refresher training is required for all CORs. Refresher training requirements are considered the minimum necessary for continued performance as a COR.

(1) Annual refresher training for standard Type A, B and C CORs, in addition to training mandated by the contracting activity, includes:

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(a) Annual activity provided ethics training (designated OGE Form 450 filers only).

(b) Annual "CTIP" training located within ALMS. ALMS is accessed by logging into at AKO at <https://www.us.army.mil>.

(2) In addition to the annual refresher training requirements listed above at 5.d.1, Type A CORs shall also complete a minimum of 8 hours of COR-specific training (DAU CLC 106) required every 3 years, or before assuming COR responsibility, if the individual has not performed COR responsibilities within the previous 24 months. Contracting offices will determine what the COR-specific refresher training course requirements should be commensurate with the contract work being performed.

(3) In addition to the annual refresher training requirements listed above at 5.d.1, Type B and C CORs shall also complete a minimum of 16 hours of COR-specific (DAU CLC 222) training required every 3 years, or before assuming COR responsibility if the individual has not performed COR responsibilities within the previous 24 months. Contracting offices will determine what the COR-specific refresher training course requirements should be commensurate with the contract work being performed.

e. Certificates of training commensurate with Type A, B, or C work efforts shall be uploaded in CORT for each COR candidate. The certificates shall be furnished as part of the initial procurement package submitted to USAMRAA for processing. Current certificates of training completion shall be uploaded into CORT, as refresher training is required.

f. In accordance with Under Secretary of Defense (Acquisition, Logistics, and Technology) guidance, a COR's contributions must be addressed in their annual performance appraisals. Therefore, USAMRAA KOs shall provide input relative to the COR's performance surveillance duties, when approached by a COR's rating official.

g. Quality assurance shall be performed on all contracts per FAR 46.102 and 37.604. To this end, a QASP is necessary to ensure the Government receives and pays for an acceptable level of goods and services required by the contract. The QASP shall be prepared in accordance with the performance work statement (PWS)/statement of work (SOW) and documented in writing whenever a COR is appointed, unless specifically exempted in writing by the KOs. KOs shall not exempt the QASP without a justifiable reason. During contract administration, the QASP shall ensure systematic quality assurance methods are used. The level of surveillance described in the QASP should be commensurate with the dollar level and complexity of the acquisition. USAMRAA KOs should be prepared to provide guidance to customers pertaining to QASP development whenever approached.

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h. In each designation of a COR, the KO will require the COR to furnish results of the surveillance conducted in accordance with the QASP.

6. PROPONENT. The proponent for this Procurement Advisory Notice (PAN) 17-04 is the USAMRAA Procurement Policy Branch. Please submit any comments, concerns and suggestions to the Procurement Policy Branch e-mail address at USARMY Ft Detrick MEDCOM USAMRAA Mailbox policy usarmy.detrick.medcom-usamraa.mbx.policy@mail.mil.

//ORIGINAL SIGNED//
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Attachment A

1. FAR 1.602-2(d) - COR required for all contracts other than firm-fixed price (See DFARS PGI 201.602-2 for DoD instructions).
2. FAR 1.604 - COR definition and duties.
3. FAR 7.104(e) - COR to be nominated by the requiring office as early as practicable in the acquisition process.
4. FAR 46.4 - Government Contract Quality Assurance.
5. DFARS PGI 201.602-2 - Contracting Authority & Responsibilities, 30 Oct 2015. [NOTE: Army began using the DoD CORT Tool in Dec 2015.]
6. DFARS 201-602-2 - Contracting Authority & Responsibilities.
7. AFARS 5101.602-2-91(a) - PCO/KOs will designate a properly trained COR prior to contract award. PARCs may specify additional training at their discretion within their contracting activity. [NOTE: current DoD policy requires CLC 106 for Type A contracts and CLC 222 for Type B/C contracts.]
8. AFARS 5101.602-2-91(b) - PCO/KOs will allow 45 calendar days after receipt of the Procurement Request (PR) package for the Requiring Activity (RA) to satisfy all COR requirements. If, after the 45 days, a COR has not been properly trained and nominated, PCO/KOs will cease further action on the PR package and return it to the supported RA.
9. AFARS 5101.602-2-91(c) - PCO/KOs will validate COR and ordering officer records every 12 months in accordance with DFARS PGI 201.602-2(d)(vii) to ensure contractor compliance with the terms of the contract. PCO/KOs will document the review in the contract file.