

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE U	PAGE OF PAGES 1 2	
2. AMENDMENT/MODIFICATION NO. 02	3. EFFECTIVE DATE 22-Dec-2009	4. REQUISITION/PURCHASE REQ. NO. 1300142102		5. PROJECT NO. (If applicable) N/A
6. ISSUED BY FISC Norfolk, Contracting Dept Philadelphia 700 Robbins Avenue, Bldg. 2B Philadelphia PA 19111-5083 claryce.holt-bond@navy.mil 215-697-9684	CODE N00189	7. ADMINISTERED BY (If other than Item 6) DCMA Ohio River Valley Area C, Building 30 1725 Van Patton Drive Wright-Patterson AFB OH 45433-5302		CODE S3605A

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State, and Zip Code) Mainsail LLC 20820 Chagrin Blvd Cleveland OH 44122		9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
		10A. MODIFICATION OF CONTRACT/ORDER NO. N00178-06-D-4801-EX01
		10B. DATED (SEE ITEM 13) 01-Jan-2009
CAGE CODE 1XLF8	FACILITY CODE 066480802	

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
SEE SECTION G

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

<input type="checkbox"/>	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input checked="" type="checkbox"/>	D. OTHER (Specify type of modification and authority) FAR 52.217-9

E. IMPORTANT: Contractor is not, is required to sign this document and return ___ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
SEE PAGE 2

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Kenneth Bullock, Contracting Officer	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY /s/Kenneth Bullock (Signature of Contracting Officer)	16C. DATE SIGNED 22-Dec-2009
(Signature of person authorized to sign)			

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GENERAL INFORMATION

The purpose of this modification is to exercise the option period for 1 January 2010 through 31 December 2010. Accordingly, said Task Order is modified as follows: A conformed copy of this Task Order is attached to this modification for informational purposes only.

The total amount of funds obligated to the task is hereby increased by \$183,705.00 from \$178,844.00 to \$362,549.00.

CLIN/SLIN	Type Of Fund	From (\$)	By (\$)	To (\$)
4000	OTHER	0.00	167,205.00	167,205.00
6000	OTHER	0.00	16,500.00	16,500.00

The total value of the order is hereby increased by \$0.00 from \$362,549.00 to \$362,549.00.

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SECTION B SUPPLIES OR SERVICES AND PRICES

CLIN - SUPPLIES OR SERVICES

For Cost Type Items:

Item	Supplies/Services Qty	Unit	Est. Cost	Fixed Fee	CPFF
1000	Labor for Inventory and Distribution Operations Support Services (OTHER)	1.0 Lot	\$151,723.00	\$10,621.00	\$162,344.00

For ODC Items:

Item	Supplies/Services Qty	Unit	Est. Cost
3000	Travel in Support of CLIN 1000 (OTHER)	1.0 Lot	\$16,500.00

For Cost Type Items:

Item	Supplies/Services Qty	Unit	Est. Cost	Fixed Fee	CPFF
4000	Labor for Inventory and Distribution Operations Support Services (OTHER)	1.0 Lot	\$156,266.00	\$10,939.00	\$167,205.00

For ODC Items:

Item	Supplies/Services Qty	Unit	Est. Cost
6000	Travel in Support of CLIN 4000. (OTHER)	1.0 Lot	\$16,500.00

Estimated Level of Effort for Base Year

Labor	Hours
Project Manager	208
Subject Matter Expert	1040
Analyst (Financial)	624
Analyst (Accounting)	208

Estimated Level Of Effort for Option Year

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Labor	Hours
Project Manager	208
Subject Matter Expert	1040
Analyst (Financial)	624
Analyst (Accounting)	208

PAYMENT OF FIXED FEE (FEB 1996)

The fixed fee for work performed under this contract is \$_*__ provided that approximately __**__ hours of technical effort are employed by the contractor in performance of this contract. The Government shall make monthly payments of the fixed fee at the rate of \$_***__ per direct labor hour invoiced by the contractor. All payments shall be in accordance with the provisions of FAR 52.216-8, "Fixed Fee," and FAR 52.216-7, "Allowable Cost and Payment." Payments shall be subject to the withholding provisions of Paragraph (b) of FAR 52.216-8, provided that the total of all such monthly payment shall not exceed eighty-five (85%) percent of the fixed fee. Any balance of fixed fee due the contractor shall be paid to the Contractor, and any over-payment of fixed fee shall be repaid to the Government by the Contractor, or otherwise credited to the Government at the time of final payment.

Base Period (CLIN 1000)

* - Fee	** - Hours	*** - Rate
\$10,621.00	2080	\$5.11

Option Period (CLIN 4000)

* - Fee	** - Hours	*** - Rate
\$10,939.00	2080	\$5.26

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SECTION C DESCRIPTIONS AND SPECIFICATIONS

Performance Work Statement (PWS)

Analysis of Inventory Storage & Distribution Operations

For

Naval Supply Systems Command

1.0 Purpose:

This PWS is for research, analysis, assessments, special studies to be performed that will identify tangible and substantial opportunities for efficiencies, economies, reengineering and savings related to Navy Inventory Storage and Distribution Operations at DLA Distribution Depots.

2.0 Scope of Task Order:

2.1 Transportation. The scope of this PWS includes the contractor's review of transportation charges of Navy wholesale and retail inventories, in and out of DLA depots and on Navy TACs. The contractor's analysis will be conducted on a transactional basis. Reviewing these bills at the transactional level will identify potential policy and process changes enabling NAVSUP to reduce the bills. The contractor will interface directly with NAVSUP HQs and field activities, Navy SYSCOMS, Fleets, DLA and other Navy/DoD personnel to accomplish and track work efforts related to this PWS.

2.2 Material Storage & Distribution. The scope of this PWS also requires the contractors to analyze, make recommendations for, and normalize efficiencies gained in storage and distribution operations of Navy wholesale and retail inventories, sponsor owned materials in distribution depots, as well as, other related and associated inventories. The contractor will interface directly with NAVSUP HQs and field activities, Navy SYSCOMS, Fleets, DLA and other Navy/DoD personnel to accomplish and track work efforts related to this PWS.

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3.0 Mission:

NAVSUP's primary mission is to provide U.S. naval forces with quality supplies and services. With headquarters in Mechanicsburg, PA., and employing a worldwide workforce of more than 24,000 military and civilian personnel, NAVSUP oversees logistics programs in the areas of supply operations, conventional ordnance, contracting, resale, fuel, transportation, and security assistance. In addition, NAVSUP is responsible for quality-of-life issues for our Naval forces, including food service, postal services, Navy Exchanges, and movement of household goods.

4.0 TASK REQUIREMENTS:

4.1 General. The Contractor shall perform technical analysis (to include process and management elements and their resultant financial impacts), provide assessments, research, report on, and recommend solutions that will identify tangible and substantial opportunities for efficiencies, economies, reengineering and savings as it relates to Navy Inventory Storage and Distribution Operations. At least monthly, the contractor shall report on the status of work performed under this PWS. Standard commercial report format (letter, memoranda, presentation briefing) is acceptable.

4.2 Transportation: The contractor shall provide a comprehensive analysis, in all respects, of the current state of billing processes and procedures in relation to Navy WCF TAC transportation, second destination transportation account charges, and transportation out of DLA Depots for Navy Wholesale and Retail material. The analysis will include how transportation bills are developed and assessed for Navy material, as well as validation and verification of the accuracy of those charges. The contractor shall identify multiple tangible, substantial and far-reaching opportunities for efficiencies, economies, reengineering and savings.

4.3 Distribution Operations: The contractor shall provide a comprehensive analysis, in all respects, of the current state of distribution operations as it relates to Navy inventory/material. The analysis will include validation of material positioning and distribution strategies, verification of related costs and billing, and accuracy of associated charges. The contractor will identify multiple tangible, substantial and far reaching opportunities for efficiencies, economies, reengineering and savings.

4.4 Inventory/Material Storage: The contractor shall familiarize themselves with procedural changes and efficiencies gained through the comprehensive analysis of Navy WCF funded warehousing operations in FY08, and provide strategy to institutionalize and maintain those efficiencies.

4.5 Technical Interchange: The contractor shall assign a task manager to administer all task order activities and serve as principal point of contact (POC) for all matters regarding the task order. The POC shall ensure efficient on-site management and administration of the order. The POC shall provide the interface between the contractor and the Contracting Officers Representative (COR). The contractor shall promptly notify the Contracting Officer and the COR of significant issues or problems requiring a Government response.

4.6 Inventory: The contractor may be required to perform inventories located at some of the designated Defense Logistics Agency (DLA) Defense Depots (DD). These inventories will either be a wall-to-wall or spot, as required / needed by NAVSUP. Inventories are designed to obtain accurate inventory data and to ensure DLA inventory records are correct. The contractor shall report these findings to NAVSUP within 5 working days upon

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completion of the inventory and make any necessary recommendations for correcting any noted discrepancies.

4.7 Quality Improvement Team Support: At the COR's discretion, the Government may require the contractor's support regarding Quality Improvement Teams whose work is related to the scope of this order.

5.0 Deliverables/Delivery Schedule:

5.1 Project Management Plan: The contractor shall prepare a Project Management Plan describing the technical approach, organizational resources and management controls to be employed to meet the cost, performance and schedule requirements for this effort. The Project Management Plan shall detail the products, methods for developing the products, allocation of staff and other resources necessary to produce the products and a revised timeline for producing the products, if necessary. The COR shall receive the Project Management Plan in both hard copy and electronic form, Microsoft Word. Based on the Project Management Plan, the COR will provide approval to move forward on activities planned. The contractor shall request prior approval on all activities not included in the plan or any modifications to the plan after approval has been given.

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5.2 Phase I Analysis - Comprehensive analysis, in all respects, of the current state of within scope Navy inventory/material storage, distribution and transportation operations, to include the identification of multiple tangible, substantial and far reaching opportunities for efficiencies, economies, reengineering and savings. Analysis shall include Go/No-Go recommendations for each proposed opportunity to include a risk/return assessment, POA&M and roadmap for process improvement.

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5.3 Phase II Analysis – Team and engage Government personnel to affect the recommended solutions for achieving and attaining for efficiencies, economies, reengineering and savings in Navy inventory/material storage, distribution and transportation operations. The contractor shall establish a web enabled tool to facilitate validation of charges from all service providers and to enable the identification of future opportunities for efficiencies, economies, reengineering and savings.

5.3.1 Monthly Status / Financial Report – During Phase II the contractor shall provide a monthly status report to the Government with the following information:

- . Hours expended during the reporting period by individual
- . Cumulative hours expended throughout the reporting period by job category

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- . Contract funds expended during the reporting period
- . Summary of work accomplished during the reporting period and percent complete
- . Problem areas
- . Schedule of activities planned and estimated hours for the next reporting period and number of remaining hours to complete activities.

This report is due NLT the 15th day of each month. Additionally, the contractor will be responsible for submitting scheduled periodic reports regarding the status of work initiatives and documentation updates.

5.4 Deliverable Table

Item#	Description	WBS #	Prior Approval Required	Draft Due Date	Final Due Date
<u>1</u>	<u>Project Management Plan</u>	<u>5.1</u>	<u>Yes</u>	<u>5 days after award</u>	<u>10 days after award</u>
<u>2</u>	<u>Phase I Analysis</u>	<u>5.2</u>	<u>Yes</u>	<u>60 days after award</u>	<u>90 days after award</u>
<u>3</u>	<u>Phase II Analysis</u>	<u>5.3</u>	<u>Yes</u>	<u>N/A</u>	<u>15th of each month</u>
<u>4</u>	<u>Summary of Findings</u> <u>(base period)</u>	<u>5.4</u>	<u>Yes</u>	<u>60 days prior to end of base period</u>	<u>End of base period</u>
<u>5</u>	<u>Summary of Findings</u> <u>(option period)</u>	<u>5.5</u>	<u>Yes</u>	<u>60 days prior to end of option period</u>	<u>End of option period</u>

5.5 DELIVERABLES/DELIVERY SCHEDULE

Unless otherwise specified, the Government will have a maximum of thirty (30) working days from the day the draft deliverable is received to review the document, provide comments back to the contractor, approve or disapprove the deliverable(s). The contractor will have a maximum of ten (10) working days from the day comments are received to incorporate all changes and submit the final deliverable to the Government. The contractor

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may assume a deliverable is acceptable if it receives no feedback within this time. All days identified above are intended to be workdays unless otherwise specified.

6.0 INSPECTION AND ACCEPTANCE CRITERIA

Final inspection and acceptance of all work performed, reports and other deliverables will be performed at the place of delivery by the COR.

6.1 General Acceptance Criteria

General quality measures as set forth below will be applied to each work product received from the contractor under this PWS.

- . **Accuracy** - Work Products shall be accurate in presentation, technical content, and adherence to accepted elements of style.

- . **Clarity** - Work Products shall be clear and concise. Any/All diagrams shall be easy to understand and be relevant to the supporting narrative.

- . **Consistency to Requirements** - All work products must satisfy the requirements of this PWS.

- . **File Editing** - All text and diagrammatic files shall be editable by the Government.

- . **Format** - Work Products shall be submitted in hard copy (where applicable) and in media mutually agreed upon prior to submission. Hard copy formats shall follow any specified Directives or Manuals.

- . **Timeliness** - Work Products shall be submitted on or before the due date specified in this PWS or submitted in accordance with a later scheduled date determined by the Government.

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7.0 Government Furnished Equipment (GFE) / Government Furnished Information

7.1 Government Furnished Equipment (GFE):

Not Applicable

7.2 Government Furnished Information:

The contractor shall be furnished current task working papers, project descriptions, program briefing material and other pertinent information, and other documentation or material required to carry out the tasks described hereunder.

8.0 Type of Contract: Cost Plus Fixed Fee (CPFF)

9.0 PERIOD OF PERFORMANCE:

Base Period: 01 JAN 2009 through 31 DEC 2009

Option Period: 01 JAN 2010 through 31 DEC 2010

10.0 PLACE OF PERFORMANCE

Contractor's facility within Mechanicsburg, PA commuting area.

11.0 TRAVEL & OTHER DIRECT COSTS (ODCS):

11.1 TRAVEL

11.1.1 Local and long-distance travel may be required. Accordingly, anticipated travel should be included in the contractor's cost proposal. All estimated travel will conform to the current Federal Travel Regulations (FTRs). After task order award, any travel for which the contractor desires reimbursement from the Government must be approved in writing, in advance of the travel, by the COR. Travel expenses invoiced to the Government must be

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in accordance with FTR; the Government will not reimburse expenditures that exceed the FTR

11.1.2 Potential destinations for travel

- . Norfolk, VA
- . San Diego, CA
- . Fort Belvoir, VA

11.2 OTHER DIRECT COSTS (ODC'S) – ODC's are not required for this task.

12.0 SECURITY

All contractor employees shall have a current U.S. Government Confidential clearance before performing work under this order. It shall be the contractor's responsibility to obtain necessary information to ensure personnel have the proper clearances prior to the start of work.

14.0 DATA USE, DISCLOSURE OF INFORMATION AND HANDLING OF SENSITIVE INFORMATION

The Contractor shall maintain, transmit, retain in strictest confidence, and prevent the unauthorized duplication, use, and disclosure of information. The Contractor shall provide information only to employees, Contractors, and subcontractors having a need to know such information in the performance of their duties for this project.

Information made available to the contractor by the Government for the performance or administration of this effort shall be used only for those purposes and shall not be used in any other way without the written agreement of the Contracting Officer.

If public information is provided to the contractor for use in performance or administration of this effort, the contractor except with the written permission of the Contracting Officer may not use such information for any other purpose. If the contractor is uncertain about the availability or proposed use of information provided for the performance or administration, the contractor will consult with the COTR regarding use of that information for other purposes.

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The contractor agrees to assume responsibility for protecting the confidentiality of Government records, which are not public information. Each offeror or employee of the contractor to whom information may be made available or disclosed shall be notified in writing by the contractor that such information may be disclosed only for a purpose and to the extent authorized herein.

Performance of this effort may require the Contractor to access and use data and information proprietary to a Government agency or Government Contractor, which is of such a nature that its dissemination or use, other than in performance of this effort, would be adverse to the interests of the Government and/or others.

Contractor and/or Contractor personnel shall not divulge or release data or information developed or obtained in performance of this effort, until made public by the Government, except to authorized Government personnel or upon written approval of the CO. The Contractor shall not use, disclose, or reproduce proprietary data that bears a restrictive legend, other than as required in the performance of this effort. Nothing herein shall preclude the use of any data independently acquired by the Contractor without such limitations or prohibit an agreement at not cost to the Government between the Contractor and the data owner that provides for greater rights to the Contractor.

All data received, processed, evaluated, loaded, and/or created as a result of this delivery order shall remain the sole property of the Government unless specific exception is granted by the Contracting Officer.

15.0 Other Administrative Considerations:

15.1 Productive Direct Labor Hours

The contractor can only charge the Government "direct labor" for "Productive Direct Labor Hours". "Productive Direct Labor Hours" are defined as those hours expended by Contractor personnel in performing work under this Task Order. This does not include sick leave, vacation, Government or contractor holidays, jury duty, military leave, or any other kind of administrative leave.

15.2 CONTRACT MANAGEMENT

The Contractor shall be responsible for managing and overseeing the activities of all Contractor personnel, as well as subcontractor efforts used in performance of this contract. The Contractor's management responsibilities shall include all activities necessary to ensure the accomplishment of timely and effective support, performed in accordance with the requirements contained in the PWS. Resumes submitted for employees assigned to perform under this PWS shall contain documented experience directly applicable to the functions to be performed. Further, these prior work experiences shall be specific and of sufficient variety and duration that the employee is able to effectively and efficiently perform

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the functions assigned.

15.2.1 PROJECT MANAGER, CO, AND COR MEETINGS

The Contractor's Project Manager shall meet with the COR as necessary to maintain satisfactory performance and to resolve other issues pertaining to Government/Contractor procedures. At these meetings, a mutual effort will be made to resolve any and all problems identified. Written minutes of these meetings shall be prepared by the Contractor, signed by the Contractor's designated representative, and furnished to the Government within two (2) workdays of the subject meeting.

16.0 SECTION 508 COMPLIANCE REQUIREMENTS

ALL ELECTRONIC AND INFORMATION TECHNOLOGY (EIT) PROCURED THROUGH THIS ORDER MUST MEET THE FOLLOWING APPLICABLE ACCESSIBILITY STANDARDS AT 36 CFR 1194, UNLESS AN AGENCY EXCEPTION TO THIS REQUIREMENT EXISTS. 36 CFR 1194 IMPLEMENTS SECTION 508 OF THE REHABILITATION ACT OF 1973, AS AMENDED, AND IS VIEWABLE AT [HTTP://WWW.SECTION508.GOV](http://www.section508.gov).

FULL DETAILS DEMONSTRATING COMPLIANCE WITH SECTION 508 REQUIREMENTS SHALL BE INCLUDED AS AN ATTACHMENT.

17.0 POINTS OF CONTACT:

ALL CONTRACT QUESTIONS AND CONCERNS WILL BE DIRECTED TO THE CONTRACTING OFFICER. THE CONTRACTING OFFICER IS THE ONLY INDIVIDUAL WITH THE AUTHORITY TO MODIFY THIS CONTRACT.

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SECTION D PACKAGING AND MARKING

PLACE OF PERFORMANCE

Place of performance shall be at Contractor's facility within Mechanicsburg, PA's commuting area.

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SECTION E INSPECTION AND ACCEPTANCE

The solicitation and resultant order will include a Performance Work Statement that identifies key deliverables and the types of tasks to be performed. The Performance Work Statement enables assessment of work performed against measurable performance standards in terms of timeliness, completeness and format of reporting. NAVSUP will utilize these evaluation methods and standards to monitor performance.

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SECTION F DELIVERABLES OR PERFORMANCE

PERIOD OF PERFORMANCE

Period of Performance shall be as follows:

Base Period: 01 JAN 2009 through 31 DEC 2009

Option Period: 01 JAN 2010 through 31 DEC 2010

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SECTION G CONTRACT ADMINISTRATION DATA

The Contracting officer has appointed a Task order Manager (TOM). The TOM will be the liaison between Government personnel at the installation and the contractor personnel on site. The TOM will provide front line, day-to-day monitoring of the task order during execution. The TOM will be responsible for providing quality assurance surveillance, making sure the contractor satisfies security requirements while on the installation, and certifying invoices for payment. The TOM will be an integral part in assessing the contractor's quality of work under this task order.

The following information regarding CONTRACT N00178-06-D-4801-EX01 is provided for completion of the invoice in WAWF:

WAWF Invoice Type	COST VOUCHER
Issuing Office DoDAAC	N00189
Admin DoDAAC	S3605A
Inspector DoDAAC (if applicable)	N00023
Service Acceptor DoDAAC	N00023
LPO (Certifier) DoDAAC (if applicable)	N00023
*DCAA Auditor DoDAAC *Required on COST VOUCHERS ONLY	HAA361
*Service Approver DoDAAC *Required on COST VOUCHERS ONLY	S3605A
PAY DoDAAC	HQ0337
Contractor to send e-mail notification of invoice submission to:	james.macaranas@navy.mil Tamara.Workman@dcma.mil

The contractor shall submit invoices for payment per contract terms.

The Government shall process invoices for payment per contract terms.

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Accounting Data

SLINID	PR Number	Amount
1000	130011594200010	162344.00
LLA :		
AA 97X4930 NC1H 251 91001 0 050120 2F 000000 A00000075237		
Standard Number: 130011594200010		

3000	130011594200010	16500.00
LLA :		
AA 97X4930 NC1H 251 91001 0 050120 2F 000000 A00000075237		
Standard Number: 130011594200010		

BASE Funding 178844.00
Cumulative Funding 178844.00

MOD 02

4000	1300142102	167205.00
LLA :		
AB 97X4930 NC1H 251 91001 0 050120 2F 000000 A00000342470		
Standard Number: 1300142102		
The Fiscal Year (FY) 2010 funding cited herein will become available upon enactment of a FY10 DoD Appropriations Act, or will become proportionally available under any relevant Continuing Resolution authority, and is subject to the terms of whichever becomes applicable. FAR 52.232-18 applies.		

6000	1300142102	16500.00
LLA :		
AB 97X4930 NC1H 251 91001 0 050120 2F 000000 A00000342470		
Standard Number: 1300142102		
The Fiscal Year (FY) 2010 funding cited herein will become available upon enactment of a FY10 DoD Appropriations Act, or will become proportionally available under any relevant Continuing Resolution authority, and is subject to the terms of whichever becomes applicable. FAR 52.232-18 applies.		

MOD 02 Funding 183705.00
Cumulative Funding 362549.00

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SECTION H SPECIAL CONTRACT REQUIREMENTS

H-XX NOTIFICATION CONCERNING DETERMINATION OF SMALL BUSINESS SIZE STATUS

For the purposes of FAR clauses 52.219-6, NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE, 52.219-3, NOTICE OF TOTAL HUBZONE SET-ASIDE, 52.219-18, NOTIFICATION OF COMPETITION LIMITED TO ELIGIBLE 8(A) CONCERNS, and 52.219-27 NOTICE OF TOTAL SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS SET-ASIDE, the determination of whether a small business concern is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the size standards in this solicitation, and further, meets the definition of a HUBZone small business concern, a small business concern certified by the SBA for participation in the SBAs 8(a) program, or a service disabled veteran-owned small business concern, as applicable, shall be based on the status of said concern at the time of award of the SeaPort-e MACs and as further determined in accordance with Special Contract Requirement H-19.

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SECTION I CONTRACT CLAUSES

OPTION TO EXTEND THE TERM OF THE TASK ORDER

The Government may extend the term of this task order by written notice to the Contractor not later than the expiration date of the base period of the order.

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SECTION J LIST OF ATTACHMENTS

Attachment I - Quality Assurance Surveillance Plan (QASP)

QUALITY ASSURANCE SURVEILLANCE PLAN FOR N00178-06-D-4801-EX01

Purpose: To ensure that the Government has an effective and systematic method of surveillance for the services in the PWS. The QASP will be used primarily as a tool to verify that the contractor is performing all services required by the PWS in a timely, accurate and complete fashion.

1. Critical performance processes and requirements. Critical to the performance of Inventory and Distribution Operations Analysis Support Services is the timely, accurate and thorough completion of all contract/task order requirements.
2. Performance Standards
 - a. Schedule - The due dates for deliverables and the actual accomplishment of the schedule will be assessed against original due dates and milestones established for the contract or task order(s).
 - b. Deliverables – The deliverables required to be submitted will be assessed against the specifications for the deliverables detailed in the contract/task order(s) and the Quality Control Plan (QCP), if required by the contract, for the required content, quality, timeliness, and accuracy.
 - c. Cost - The COR will review monthly cost vouchers to monitor the contractor’s expenditures throughout the contract and/or task order performance period(s). Also, the COR will analyze the impact on cost of any inaccurate management assertions, acceleration of the due dates for the financial reports, or the lack of personnel.
 - d. Past Performance - In addition to any schedule, deliverables, and cost aspects of performance discussed above, pursuant to FAR 42.15, the Government will assess the contractor’s record of conforming to contract requirements and to standards of good workmanship, the contractor’s record of forecasting and controlling costs, the contractor’s adherence to contract schedules including the administrative aspects of performance, the contractor’s history of reasonable and cooperative behavior and commitment to customer satisfaction, and the contractor’s business-like concern for the interest of the customer.
3. Surveillance methods: The primary methods of surveillance used to monitor performance of this contract will include, but not be limited to, random or planned sampling, periodic or inspection, and validated customer complaints.
4. Performance Measurement: Performance will be measured in accordance with the following table:

Performance Element	Performance Requirement	Surveillance Method	Frequency	Acceptable Quality Level
Contractor Quality Control Plan <i>(If required by the contract)</i>	QC activities, inspections, and corrective actions completed as required by the plan.	Inspection by the COR	Quarterly for overall QC activities; As Required for corrective actions.	100% Compliance with the contractor plan.
Contract	Contract deliverables	Inspection by the	100% inspection of	>95% of

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Deliverables	furnished as prescribed in the PWS, attachments, CDRLs, Task Orders, etc., as applicable.	COR	all contract deliverables.	deliverables submitted timely and without rework required.
Overall Contract Performance	Overall contract performance of sufficient quality to earn a Satisfactory (or higher) rating in the COR's annual report on Contractor Performance	Assessment by the COR	Annual	All performance elements rated Satisfactory (or higher)
Invoicing	Monthly invoices per contract procedures are timely and accurate.	Review & acceptance of the invoice	Monthly	100% accuracy

If performance is within acceptable levels, it will be considered to be satisfactory. If not, overall performance may be considered unsatisfactory.

Incentives/Disincentives:

The COR's makes an annual report on Contractor Performance (CPARS or other annual report). The contractor's failure to achieve satisfactory performance under the contract/task order, reflected in the COR's annual report, may result in termination of the contract/task order and may also result in the loss of future Government contracts/task orders. The contractor's failure to achieve satisfactory performance under the contract/task order may result in the non-exercise of available options.

For each item that does not meet acceptable levels, the Government may issue a Contract Discrepancy Report (CDR). CDRs will be forwarded to the Contracting Officer with a copy sent to the contractor. The contractor must reply in writing within 5 days of receipt identifying how future occurrences of the problem will be prevented. Based upon the contractor's past performance and plan to solve the problem, the Contracting Officer will determine if any further action will be taken.

In accordance with inspection of services provisions of the contract, the contractor will be incentivized to provide quality products in a timely manner since the Government can require the Contractor, at no additional fee, to replace or correct work that fails to meet contract requirements. To maximize the profit earned on costs incurred, the contractor is incentivized to ensure that quality products are provided in a timely manner.