

Millennium Challenge Corporation

Guidance on Reporting and Considering Past Performance by Contractors in MCA Entity Program Procurments

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REDUCING POVERTY THROUGH GROWTH

MCC Guidance on Reporting and Considering Past Performance by Contractors in MCA Entity Program Procurements

This paper provides guidance to the MCA Entity¹ on implementing the provisions of the MCC Program Procurement Guidelines² that contemplate that contractor eligibility to receive and maintain MCC-funded awards shall be affected by such contractor's past performance on MCC-funded contracts. Introducing a complete contractor past performance reporting system ("CPPRS"), this paper includes three parts—the policy, the procedures and the requisite forms. Each will be discussed in turn.

CPPRS Policy

The CPPRS Policy has been put in place, with immediate binding effect, 1) to mandate regular reporting on contractor performance and 2) to facilitate information sharing and standardize use of information relating to performance so that better informed decisions can be made across MCC partner countries regarding awarding new contracts or maintaining current contracts with specific contractors. The MCA Entity shall ensure that, for each procurement resulting in a total contract awarded that is valued or estimated to be valued in excess of USD \$100,000,³ a past performance report on the contractor's performance is submitted at least annually (quarterly if one or more aspects of performance are problematic) during the period of contract performance. To accomplish this, the MCA Entity shall use the CPPRS procedures described herein and the forms contained herein. The MCA Entity shall consult the MCC local office in the MCA Entity's country at specific stages in the procurement process to seek relevant CPPRS information on bidders or potential bidders as further described herein. In addition, each MCA Entity must include a provision within their solicitation document(s), and contracts, as the case may be, to ensure that contractors are aware of the CPPRS obligation and how information gathered as a result of compliance with the CPPRS might be used.

CPPRS Procedures

There are several steps relating to the reporting obligation under CPPRS; they are as follows:

Completion and Filing of CPPRS Evaluation Forms

- 1) At least annually and as often as quarterly,⁴ the relevant Project Director⁵ within the MCA Entity accurately and completely fills out a

1 The MCA Entity is the entity designated by the government of the country receiving assistance from the Millennium Challenge Account as responsible for the oversight and management of implementation of the Compact on behalf of the government.

2 May be known as Procurement Guidelines

3 Total value or estimated total value should be based on the base period of performance as well as any option periods of performance.

4 The obligation to report on performance quarterly is mandatory 1) on all contractors providing fiscal or

past performance report form for each eligible contractor (contract value > USD\$100,000) using the CPPRS evaluation form set forth herein (the “**CPPRS Evaluation Form**”).⁶ (The form can also be found independently on the MCC website.)

- 2) The Procurement Director within the MCA Entity then reviews to ensure completion and clarity, including placement of appropriate signatures on the CPPRS Evaluation Form.
- 3) The Procurement Director within the MCA Entity forwards the CPPRS Evaluation Form to the evaluated contractor for comment. Notice will be deemed given when transmitted in accordance with the notice provisions in the evaluated contractor’s contract. From the time notice is given, the evaluated contractor is given 15 calendar days to provide comments and/or signatures.
- 4) Upon receipt of any comments and/or signature on the CPPRS Evaluation Form from the evaluated contractor, or if the time lapses for an evaluated contractor’s response without any such response, the Procurement Director within the MCA Entity forwards the CPPRS Evaluation Form to the MCA Entity’s director general or chief executive officer, or whoever is acting in his or her stead, for review and final action.
- 5) The director general, chief executive officer or the person acting in his or her stead provides final disposition of the contractor’s evaluated performance, including any adjustment to the overall rating he or she, in his or her discretion, deems appropriate. The director general’s role here cannot be delegated.⁷ All CPPRS Evaluation Forms must be endorsed by the director general, chief executive officer or his or her

procurement agent services and 2) on any contractor whose performance is marginal or below in one or more areas.

⁵ The relevant project director is the one in charge of the project for which the evaluated contractor is providing goods, works or services. In the case of program administration contracts, the Procurement Director is the relevant project director, and the deputy chief executive officer will serve as the “Procurement Director” for purposes of steps 2-4.

⁶ The CPPRS Evaluation Form is used to rate contractors in the following four areas: (1) quality of product or service; (2) cost control; (3) timeliness of performance; and, (4) business relations. The above-referenced form contains both rating guidelines for these four areas, as well as, block-by-block instructions to complete the form. An “interim” CPPRS Evaluation Form refers to a past performance record being completed while contract performance is ongoing. The CPPRS Evaluation Form submitted after the contract’s completion is deemed “final”.

⁷ It should be noted, however, that, as regards either the Procurement Director or the Director General/CEO, to the extent that they have any real or apparent conflict of interest, due to a past or ongoing personal relationship or a past professional relationship with the contractor or any of its staff under evaluation, he or she should advise the MCC local office of such conflict. MCC may determine, among other things, that a recusal from the reporting process as relates to that contractor might be appropriate. The MCA Entity shall comply with whatever decision the MCC local office makes.

designee prior to being forwarded to the Contracts and Grants Management Division at MCC Headquarters.

- 6) The MCA Entity then forwards a completed past performance record (“**CPPRS Evaluation Report.**”), via e-mail, to mcccpr@bcc.gov to be incorporated into the CPPRS database. The CPPRS database is an organic tool that amasses information from any CPPRS Evaluation Reports into a simple excel spreadsheet database maintained by MCC staff.

In terms of the aforementioned steps, it should be noted that all MCA-Entity parties involved with the CPPRS must be free of any and all conflicts of interest relating to the contractor under evaluation. Conflicts of interest would include but are not limited to, personal or professional (other than under the current contract being reviewed) relationships with the contractor under review. If there is any prior or current relationship, other than the contractual relationship giving rise to the need to use the CPPRS, the conflicted MCA-Entity party must recuse himself or herself from their role in CPPRS as it relates to the evaluated contractor and an appropriate substitute should be appointed to perform the conflicted MCA Entity party’s function. If there are questions regarding an apparent rather than actual conflict of interest, those should be addressed to the local MCC office.

Checking the CPPRS Database and Consideration of Information contained therein

For eligible procurements, the timing related to when the MCA Entity is obligated to consult the MCC office in country will depend on the category of the procurement. The chart below sets forth the phase at which consultation and consideration of relevant CPPRS Evaluation Reports should occur per procurement category:

	Goods and Works	Consultant and Non-Consultant Services
Consultation should occur as part of:	Prequalification (if applicable), otherwise Qualification	Technical Evaluation

The steps relating to checking and considering CPPRS Evaluation Reports are as follows:

- 1) The Procurement Director of the MCA Entity shall ensure that contractor past performance is listed appropriately as a criterion to be considered in the relevant documents of all procurements being launched going forward so that bidders are aware that past performance is being considered as well as how it will be considered.

- 2) Depending on the category of procurement, once the bidder pool or potential bidder pool is identified, the MCA Entity should contact the MCC local office in its country to gather any CPPRS Evaluation Reports submitted for contractors comprising the bidder or potential bidder pool.
- 3) Once received, the complete file of CPPRS Evaluation Reports shall be transmitted to the body in charge of deliberations relating to the procurement. For goods and works, to the extent a prequalification is held, the information shall be provided to the review panel and shall be given due consideration for purposes of determining which bidders shall be invited to participate in the procurement.⁸ If there is no prequalification phase, the information shall be provided to the review panel at the qualification phase and shall be considered as a qualification factor. For services, both consultant and non-consultant services, the information shall be provided to the technical evaluation panel at the commencement of its deliberations.⁹
- 4) The deliberating body shall provide a timely written synopsis to the MCA Entity regarding how consideration of relevant CPPRS Evaluation Reports affected the procurement. If requested by the MCC, the MCA-Entity shall provide the synopsis to the MCC office in its country.

⁸ At the prequalification stage, the consideration is weighted.

⁹ During the technical evaluation, the consideration is weighted.

CPPRS Evaluation Form

CPPRS EVALUATION FORM

Final Interim – Period Report: From _____ to _____

Note: CONTINUATION SHEETS MAY BE USED IF MORE SPACE IS REQUIRED
 (See Rating Guidelines & Block-by-block Instructions below)

1. Contractor Name and Address: _____ _____ _____ _____ 1a. Country Location _____	2. Contract Number: _____ 3. Contract Value (Base plus Options): _____ 4. Contract Award Date: _____ 5. Contract Completion Date: _____	
6. Category of Procurement: (Check all that apply) Goods <input type="checkbox"/> Works <input type="checkbox"/> Consulting Services <input type="checkbox"/> Non-Consulting Services <input type="checkbox"/> 6a. Subcontract(s)? yes <input type="checkbox"/> no <input type="checkbox"/> If yes, name of 1 st Tier Sub _____ 6b. Consortium? yes <input type="checkbox"/> no <input type="checkbox"/> If yes, name of other members: _____		
7. Description and Location of Requirement: 		
8. Ratings. Summarize contractor performance and circle in the column on the right the number which corresponds to the performance rating for each rating category. Please see below for an explanation of rating scale.		
A. Quality	Comments:	0 1 2 3 4 5
B. Cost Control (<i>Cost Reimbursement only</i>)	Comments:	0 1 2 3 4 5
C. Timeliness of Performance	Comments:	0 1

		2 3 4 5
D. Business Relations	Comments:	0 1 2 3 4 5
E. Performance of Key Personnel:		
Name _____ Employment Dates _____ Title _____ Employment Dates _____ Comments/Rating: _____ _____ _____		0 1 2 3 4 5
Name _____ Employment Dates _____ Title _____ Employment Dates _____ Comments/Rating: _____ _____ _____		0 1 2 3 4 5
Name _____ Employment Dates _____ Title _____ Employment Dates _____ Comments/Rating: _____ _____ _____		0 1 2 3 4 5
AVERAGE SCORE FOR 8E		
9. AVG. Score: (Add the ratings of 8A-8E and divide by 5 or number of areas rated if less than 5)		
10. Would you select this firm again? Please explain.		

11. MCA Entity Project Director Name: _____ Phone/FAX/Internet Address: _____	Signature: _____ Date: _____	
11A. Approval by the Procurement Director : <input type="checkbox"/> Yes <input type="checkbox"/> No Name: _____ Signature: _____ Date: _____		
12. Contractor's Review. Were comments or additional information provided? <input type="checkbox"/> Yes <input type="checkbox"/> No. If yes, please attach. Number of Pages of Attachment ____		
13. Contractor Name: _____ Phone/FAX/Internet Address: _____	Signature: _____ Date: _____	
14. MCA Entity Review. Were contractor's comments reviewed by the director general or chief executive officer of the MCA Entity? <input type="checkbox"/> Yes <input type="checkbox"/> No. If yes, please attach comments of MCA Director General/CEO . Number of Pages of comments ____		
15. Final Ratings. Reassess the Block 8 ratings based on contractor's comments and MCA Director General/CEO review. Revise block 8 rating, if appropriate and indicate the new scores in areas A-E.		
A. Quality _____	B. Cost Control _____	C. Timeliness _____ D. Business Relations _____ E. Performance of Key Personnel _____
16. Final AVG. Score (Add the ratings of 15A-15E and divide by 5 or number of areas rated if less than 5). _____		
17. MCA Director General/CEO Name: _____ Phone/FAX/Internet Address: _____	Signature: _____ Date: _____	
END OF FORM		

CPRS Evaluation Form: Rating Guidelines

Quality of Product or Service

0 = Unsatisfactory 1 = Poor 2 = Fair 3 = Good 4 = Excellent 5 = Outstanding

Unsatisfactory	Non-conformances are jeopardizing the achievement of contract requirements, despite use of MCA Entity resources. Recovery is not likely. If performance cannot be substantially corrected, it constitutes a significant impediment in consideration for future awards containing similar requirements.
Poor	Overall compliance requires significant MCA Entity resources to ensure achievement of contract requirements.
Fair	Overall compliance requires minor MCA Entity resources to ensure achievement of contract requirements.
Good	There are no, or very minimal, quality problems, and the Contractor has met the contract requirements.
Excellent	There are no quality issues, and the Contractor has substantially exceeded the contract performance requirements without commensurate additional costs to the MCA Entity.
Outstanding	The contractor has demonstrated an outstanding performance level that was significantly in excess of anticipated achievements and is commendable as an example for others, so that it justifies adding a point to the score. It is expected that this rating will be used in those rare circumstances where contractor performance clearly exceeds the performance levels described as "Excellent".

Cost Control (Cost Reimbursement only)

0 = Unsatisfactory 1 = Poor 2 = Fair 3 = Good 4 = Excellent 5 = Outstanding

Unsatisfactory	Ability to manage cost issues is jeopardizing performance of contract requirements, despite use of MCA Entity resources. Recovery is not likely. If performance cannot be substantially corrected, this level of ability to manage cost issues constitutes a significant impediment in consideration for future awards.
Poor	Ability to manage cost issues requires significant MCA Entity resources to ensure achievement of contract requirements.
Fair	Ability to control cost issues requires minor MCA Entity resources to ensure achievement of contract requirements.
Good	There are no, or very minimal, cost management issues and the Contractor has met the contract requirements.
Excellent	There are no cost management issues and the Contractor has exceeded the contract requirements, achieving cost savings to the MCA Entity.
Outstanding	The contractor has demonstrated an outstanding performance level that justifies adding a point to the score. It is expected that this rating will be used in those rare circumstances where the contractor achieved cost savings and performance clearly exceeds the performance levels described as "Excellent".

Timeliness of Performance

0 = Unsatisfactory 1 = Poor 2 = Fair 3 = Good 4 = Excellent 5 = Outstanding

Unsatisfactory	Delays are jeopardizing the achievement of contract requirements, despite use of MCA Entity resources. Recovery is not likely. If performance cannot be substantially corrected, it constitutes a significant impediment in consideration for future awards.
Poor	Delays require significant MCA Entity resources to ensure achievement of contract requirements.
Fair	Delays require minor MCA Entity resources to ensure achievement of contract requirements.
Good	There are no, or minimal, delays that impact achievement of contract requirements.
Excellent	There are no delays and the contractor has exceeded the agreed upon time schedule.

Outstanding The contractor has demonstrated an outstanding performance level that justifies adding a point to the score. It is expected that this rating will be used in those rare circumstances where contractor performance clearly exceeds the performance levels described as "Excellent".

Business Relations

0 = Unsatisfactory 1 = Poor 2 = Fair 3 = Good 4 = Excellent 5 = Outstanding

Unsatisfactory Response to inquiries and/or technical, service, administrative issues is not effective. If not substantially mitigated or corrected it should constitute a significant impediment in considerations for future awards.

Poor Response to inquiries and/or technical, service, administrative issues is marginally effective.

Fair Response to inquiries and/or technical, service, administrative issues is somewhat effective.

Good Response to inquiries and/or technical, service, administrative issues is consistently effective.

Excellent Response to inquiries and/or technical, service, administrative issues exceeds Government expectation.

Outstanding The contractor has demonstrated an outstanding performance level that justifies adding a point to the score. It is expected that this rating will be used in those rare circumstances where contractor performance clearly exceeds the performance levels described as "Excellent".

CPRS Evaluation Form: Rating Guidelines

Key Personnel

0 = Unsatisfactory 1 = Poor 2 = Fair 3 = Good 4 = Excellent 5 = Outstanding

Unsatisfactory	Personnel listed as Key were ineffective in the key position to which they were assigned. They were not effective or efficient in managing the project(s) under contract. Their qualifications were overstated for the effort we received in their critical area. They were consistently inaccessible to address critical issues. Deliverables were consistently late or unsatisfactory and did not meet the MCA Entity's needs.
Poor	Personnel listed as Key were usually not effective in the key position to which they were assigned. There were many issues concerning the project(s) under their cognizance that were not addressed to the MCA Entity's satisfaction. They were often inaccessible to address critical issues in a timely manner. Deliverables were often late, of poor quality and/or not helpful towards the MCA Entity's needs.
Fair	Personnel listed as Key were marginally effective in the key position to which they were assigned. They provided minimal effort required under the contract. They were inaccessible on occasion when critical issues arose and provided minimal support in addressing the issues. Deliverables were sometimes late or of mediocre quality and inconsistent in terms of whether they were helpful given the MCA Entity's needs.
Good	Personnel listed as Key were effective in the key position to which they were assigned. They were effective and efficient in managing the project(s) under contract as stated. They were accessible at key times to address critical issues. Deliverables were on-time, of adequate quality and met the MCA Entity's needs.
Excellent	Personnel listed as Key were highly effective and efficient in the key position to which they were assigned. They did an excellent job in managing the project(s) under contract. They were always accessible to address and aid in solving critical issues that arose under the contract. Deliverables were consistently on time, of high quality and always met the MCA Entity's expectations.
Outstanding	Personnel listed as Key were extremely efficient and effective in the key position to which they were assigned and went over and above to help in other areas as well. They did an outstanding job in managing the project(s) under contract. They were always accessible to address and aid in solving critical issues that arose under the contract. Deliverables were consistently on time, of high quality and always met the MCA Entity's expectations.

CPRS Evaluation Form: Rating Guidelines

Block 1: Contractor name and address. Identify the specific division of the company being evaluated if there is more than one.

Block 1a: Identify the country location where work is being performed.

Block 2: Contract number of contract being evaluated.

Block 3: Contract dollar value shall include base period plus all options. If funding is increased, or decreased during the evaluation period, it should be reflected in the overall value.

Block 4: Contract award date.

Block 5: Contract completion date.

Block 6: Category of Procurement: Check all that apply.

Block 6a: List the name of the 1st tier subcontractor, if applicable.

Block 6b: List the members of the consortium, if applicable.

Block 7: Provide a brief description and location of the procurement.

Block 8: Circle rating in far right columns and provide a very brief narrative summarizing performance for the category being rated. Use the rating guidelines included herein.

List the names and employment dates of the contractor's key personnel. This provides a record of how long these managers worked on the contract. If there were many management changes, a second page may be necessary. On the comment/rating line, briefly describe and rate the overall performance of the Key personnel. Average the score for all key personnel and place in the space provided at 8E.

Block 9: Calculate the average score for 8A-E and enter under item 9.

Block 10: If given a choice, please explain why you would or would not select the contractor to perform work on behalf of the MCA Entity again.

Block 11: Within the MCA Entity, it is intended that the Project Director has completed blocks 1 through 10 and should sign this block.

Block 11A: Within the MCA Entity, it is intended that the Procurement Director shall endorse this block, indicating that he/she has reviewed the initial report and rating and is in supports the report.

Block 12-13: **Contractor's Review:** The contractor should be provided an opportunity to review and endorse the past performance report. Forward the completed report (through block 11A to the Contractor) and instruct them to review and sign the document on block 12 within not later than 15 calendar days of the date of your instruction to indicate receipt of the rating. If comments are unfavorable, the contractor **must** be afforded an opportunity to comment. More time may be granted, as reasonable, but should not extend beyond a maximum of 30 calendar days from the date of your instructions. Signature by the Contractor does not necessarily indicate agreement. If concern or disagreement is received from the contractor, additional MCA Entity review at a level higher than the MCA Project Director/Procurement Director is required.

Block 14: **MCA Entity Review:** This is the review by the Director General/CEO of the MCA Entity. Review cannot be delegated. Comments should be provided, as necessary. Attach additional pages as needed.

Block 15: After the MCA Entity review, the Director General/CEO computes a final rating, if necessary based on Contractor comments, and enters the final rating. The final rating may remain unchanged from the original rating of item 9, or it may be revised. Either way, a final rating is required to be entered here by the Director General/CEO.

Block 16: Calculate the average score for 15A-15E and enter in this block.

Block 17: The Director General/CEO's signature certifies that they have reviewed the entire file and have either concurred with the original rating or established a different final rating.

Once complete with this process, the record contains the original report and rating signed by the Project Director, endorsed by the Procurement Director, with a signature reflecting review, and comment if necessary, by the contractor, as well as, a final rating and signature of a Director General/CEO with comments, as necessary. This entire package should be e-mailed to mcccprps@mcc.gov.