

**PERFORMANCE BASED CONTRACTING TEMPLATE
SYSTEM DESIGN/BUSINESS PROCESS RE-ENGINEERING**

Desired Outcomes <i>(What do we want to accomplish as the end result of this contract?)</i>	Required Service <i>(What task must be accomplished to give us the desired result?)</i>	Performance Standard <i>(What should the standards for completeness, reliability, accuracy, timeliness, quality and/or cost be?)</i>	Monitoring Method <i>(How will we determine that success has been achieved?)</i>	Incentives/ Disincentives for Meeting or Not Meeting the Acceptable Quality Level <i>(What carrot or stick will best reward good performance or punish poor performance?)</i>
<p>1) The contractor shall have a thorough understanding of the business process requiring re-design.</p>	<p>Key program managers will be interviewed, system inputs and outputs analyzed, commercial practices shall be analyzed, so the Contractor can present the current process and recommend a re-designed process.</p>	<p>All architectural, security, system and cost restraints shall be analyzed; the contractor shall present an accurate representation of the current system status, both narratively and via graphic depictions. Both shall demonstrate a complete understanding of current status and desired goal.</p>	<p>Reports shall be analyzed by all major stakeholders in the process, including security experts and a sampling of internal and external customers.</p>	<p>Share-in-savings program (negotiated prior to contract award). Contractor shall be paid according to a negotiated payment plan; share-in-savings shall be calculated one year after initial implementation.</p>
<p>2) The Contractor shall take the 20 systems now operating in the program organization(s) and provide for interoperability and reduced operational costs.</p>	<p>Separate and disparate software programs shall be migrated to a single hardware platform, utilizing the agency's enterprise architecture standards and a front-end "wizard."</p>	<p>Original functionality designated as critical by the Government is maintained at the 100% level. Non-critical functionality is provided at not less than a 90% level. All major stakeholders can access requisite data.</p>	<p>Interview users (random sampling); IV&V testing of core functionality; review system logs for usage levels, access to data, and system performance.</p>	<p>Share-in-savings program (negotiated prior to contract award). Contractor shall be paid according to a negotiated payment plan; share-in-savings shall be calculated one year after initial implementation.</p>
<p>3) All phases of the project are completed on time.</p>	<p>Delivery of interim reports, recommendations, designs, installations, and implementations are all</p>	<p>100% compliance is required. Early or late delivery shall impact the share-in-savings plan, as</p>	<p>Periodic reviews of work-in-progress; 100% inspection of all deliverables by all major</p>	<p>Share-in-savings program (negotiated prior to contract award). Contractor shall be paid according to a negotiated</p>

	completed on time.	negotiated.	stakeholders.	payment plan; share-in-savings shall be calculated one year after initial implementation.
4) During the implementation phase, parallel systems are required; the newly designed system shall run in a test bed environment for a minimum of 6 months.	Processing response time shall be maintained on the legacy system and improved on the new system; the legacy system shall be properly maintained in order to make a smooth transition to the new system.	Data shall be 100% accurate; processing speeds (transactions per second) shall be not less than baseline (e.g., initial) processing times.	Measure baseline processing speeds; measure throughput times on newly designed system; conduct customer interviews to determine ease of use, and functional performance.	Share-in-savings program (negotiated prior to contract award). Contractor shall be paid according to a negotiated payment plan; share-in-savings shall be calculated one year after initial implementation.
5) Training provided is appropriate for the users' needs, ranging from desktop users to system administrators.	Upon completion of training, each user is able to function at not less than an 85% level. (Full proficiency requires actual hands-on experience.)	75% of users trained can perform at the 85% proficiency level.	User surveys; proficiency tests; validated calls to and response by system administrators; audit of training course(s) by program manager.	Training class pricing may be adjusted by a percentage proportional to the stated performance standard. Maximum price paid shall be the CLIN price; minimum price shall be 75% of the CLIN price.