

DELIVERY ORDER						FINAL							
1. CONTRACT NO. N00178-05-D-4466		2. DELIVERY ORDER NO. M80307		3. EFFECTIVE DATE ORIG 12/01/2006 MOD 12/01/2008		4. PURCHASE REQUEST NO. N00421-09-MR-30871		Rating Unrated					
5. ISSUED BY NAVAIR Aircraft Division Pax River 21983 BUNDY ROAD, Bldg 441 Patuxent River MD 20670 helen.choo@navy.mil 301-757-9740			CODE N00421		6. ADMINISTERED BY DCMA MARYLAND 217 EAST REDWOOD STREET, SUITE 1800 BALTIMORE MD 21202-5299			CODE S2101A					
7. CONTRACTOR Naval Systems, Inc. 21491 Great Mills Road Suite 100 Lexington Park MD 20653-1220			CODE 3PWC2		FACILITY		8. DELIVERY DATE See Section F						
							9. CLOSING DATE/TIME (hours local time – Block 5 issuing office)						
							SET ASIDE TYPE						
							10. MAIL INVOICES TO See Section G						
11. SHIP TO See Section D				12. PAYMENT WILL BE MADE BY DFAS Columbus Center, South Entitlement Operations P.O. Box 182264 Columbus OH 43218-2264									
13. TYPE OF ORDER		D	X	This delivery order/call is issued on another Government agency or in accordance with and subject to terms and conditions of above-numbered contract.									
ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.													
Naval Systems, Inc.				Daniel R. Seifert Chief Operating Offi									
NAME OF CONTRACTOR		SIGNATURE		TYPED NAME AND TITLE			DATE SIGNED						
14. ACCOUNTING AND APPROPRIATION DATA See Section G													
15. ITEM NO.		16. SCHEDULE OF SUPPLIES/SERVICES			17. QUANTITY ORDERED/ACCEPTED*		18. UNIT		19. UNIT PRICE		20. AMOUNT		
See the Following Pages													
*If quantity accepted by the Government is same as quantity ordered, indicate by X. If different, enter actual quantity accepted below quantity ordered and encircle.				21. UNITED STATES OF AMERICA By: Margaret E Hayden Stone						11/25/2008 CONTRACTING/ORDERING OFFICER		22. TOTAL	
SECTION		DESCRIPTION				SECTION		DESCRIPTION					
B		SUPPLIES OR SERVICES AND PRICES/COSTS				H		SPECIAL CONTRACT REQUIREMENTS					
C		DESCRIPTION/SPECS/WORK STATEMENT				I		CONTRACT CLAUSES					
D		PACKAGING AND MARKING				J		LIST OF ATTACHMENTS					
E		INSPECTION AND ACCEPTANCE											
F		DELIVERIES OR PERFORMANCE											
G		CONTRACT ADMINISTRATION DATA											

CONTRACT NO.	DELIVERY ORDER NO.	PAGE
N00178-05-D-4466	M80307	2 of 4

GENERAL INFORMATION

The purpose of this modification is to exercise option year 2 and to provide incremental funding for task order M803 under Contract N00178-05-D-4466. Accordingly, said Task Order is modified as follows:

A conformed copy of this Task Order is attached to this modification for information purposes only.

) is

-
f

CONTRACT NO.	DELIVERY ORDER NO.	PAGE
N00178-05-D-4466	M80307	3 of 4

ESTIMATED PERIOD OF PERFORMANCE: 01 DECEMBER 2006 - 30 NOVEMBER 2007

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 4 of 4
----------------------------------	------------------------------	----------------

CONTRACT NO.	DELIVERY ORDER NO.	PAGE
N00178-05-D-4466	M80307	1 of 27

SECTION B SUPPLIES OR SERVICES AND PRICES

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 2 of 27
----------------------------------	------------------------------	-----------------

Services for
PMA-231 - Option
2 (O&MN,N)

120001 INCREMENTAL
FUNDING in
support of CLIN
1200

120002 INCREMENTAL
FUNDING in
support of CLIN
1200

For ODC Items:

Item	Supplies/Services Qty	Unit Est. Cost
3000	Travel, NMCI, Material/ODCs in support of CLIN 1000 (O&MN,N)	
300001	INCREMENTALLY FUND in support of CLIN 3000	
3100	Travel, NMCI, Material/ODCs in support of CLIN 1100 - Option 1 (O&MN,N)	
310001	Incremental funding in support of CLIN 3100	
310002	Incremental funding in support of CLIN 3100	
310003	Incremental funding in support of CLIN 3100	
310004	Incremental funding in support of CLIN 3100	
310005	Incremental funding in support of CLIN 3100	
3200	Travel, NMCI, Material/ODCs in support of CLIN 1200 - Option 2 (O&MN,N)	

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 3 of 27
----------------------------------	------------------------------	-----------------

320001 INCREMENTAL
FUNDING in
support of CLIN
3200

320002 INCREMENTAL
FUNDING in
support of CLIN
3200

For Cost Type Items:

Item	Supplies/Services Qty	Unit Est. Cost	Fixed Fee	CPFF
4300	Logistic Support Services for PMA-231 - Option 3 (O&MN,N) Option			
4400	Logistic Support Services for PMA-231 - Option 4 (O&MN,N) Option			

For ODC Items:

Item	Supplies/Services Qty	Unit Est. Cost
6300	Travel, NMCI, Material/ODCs in support of CLIN 4300 - Option 3 (O&MN,N) Option	
6400	Travel, NMCI, Material/ODCs in support of CLIN 4400 - Option 4 (O&MN,N) Option	

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 4 of 27
----------------------------------	------------------------------	-----------------

SECTION C DESCRIPTIONS AND SPECIFICATIONS

1.0 INTRODUCTION.

The Naval Air Systems Command Aircraft Division (NAVAIR AD) is acquiring logistics services in support of the PMA-231.

2.0 BACKGROUND

This requirement resides in the AIR 6.6.2. PMA-231, a program under the Program Executive Officer, Tactical Aircraft Programs supports multiple E-2 and C-2A. The E-2 is a variant of the carrier-based Airborne Early Warning/Command and Control (AEW/CC) system developed and produced for the Navy under a succession of contracts with Northrop Grumman Corporation (NGC). Throughout its lifecycle, the E-2 has undergone various configuration changes designed to improve system performance, enhance capabilities, and increase reliability. These changes include the Update Development Programs (UDP) Group I and Group II, Navigation Upgrade, Mission Computer Upgrade, and Hawkeye 2000. The C-2A Greyhound provides critical logistics support to Carrier Strike Groups. Its primary mission is the transport of high-priority cargo, mail and passengers between carriers and shore bases. Powered by twin Allison T56-A-425 turboprop engines and Hamilton-Standard constant speed propellers, the C-2A can deliver a combined payload of 10,000 pounds over a distance in excess of 1,000 nm. The interior arrangement of the cabin can readily accommodate cargo, passengers and litter patients.

3.0 SCOPE

The E-2/C-2 aircraft are currently deployed in the Fleet and require numerous modifications/upgrades, and supportability analyses to address survivability, safety, avionics, component improvements, and aircraft sustainability. Contractor support is required to provide Logistics Program Management Support, and Logistics Supportability Analyses for the E-2/C-2 Weapon System, Power and Propulsion System, and Support Equipment. The contractor shall perform the services detailed in Section 5.0, below.

4.0 APPLICABLE DIRECTIVES

4.1 DoDD 5000.1 The Defense Acquisition System

4.2 DoDI 5002 Operation of the Defense Acquisition System

4.3 Defense Acquisition Guidebook

4.4 All applicable Navy directive, Instructions, Handbooks, and policy driven documentation

5.0 REQUIREMENTS

5.1 Logistic Planning

5.1.1 Provide logistics management support in the preparation, coordination, operation, and post evaluation of Integrated Logistics Support Management Team (ILSMT) meetings, Critical Items Logistics Reviews (CILR), Logistics Elements Managers (LEM) reviews, Product Enterprise Team (PET) reviews, Power and Propulsion Problem Solving Conferences (SPSC), Manage and disseminate applicable PMA-231 Message traffic, and other supportability related meetings and conference calls.

5.1.2 Attend and participate in logistics meetings, conferences and reviews. Prepare conference agenda and follow-up minutes documenting results of the meetings and action items identified. The contractor shall assist in the resolution of action item documented at the above listed logistics meetings, and develop plans to systematically track action items generated at ILS meetings.

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 5 of 27
----------------------------------	------------------------------	-----------------

5.1.3 Provide recommendations for developing and modifying Acquisition logistics (ALS) Plans, User logistics Support Summary (ULSS), and Post Production Support Plan (PPSP) for the E-2 Weapon System, subsystems and its support systems.

5.1.4 Assess program-planning documents, investigate discrete activities within each element of logistics, recommend interrelationships and dependencies of all activities, and compare these with established milestones and constraints. Recommend schedules for each discrete activity and provide recommendations for the schedules that ensure the accomplishment of program milestones.

5.1.5 Provide technical support for the identification of E-2/C-2 in service Program Related Logistics (PRL) support requirements; budgeting for PRL requirements and other program related logistics support requirements.

5.1.6 Develop the in-service support funding spend plans, ensure the allocation of resources in accordance with spend plans, track and report the obligation and execution of those resources.

5.1.7 Coordinate and develop briefs in support of the Naval Aviation Readiness Integrated Improvement Program (NAVRIP) Program Assessment Reports (PAR) and Board of Directors (BOD) meetings.

5.1.8 Develop and track implementation of the yearly technical publications update plans, and provide bi-weekly publication plan implementation progress reports.

5.2 Develop Logistics Supportability Analysis

5.2.1 Utilize the Logistics Management Decision Support System (LMDSS), Naval Aviation Logistics Data Analysis (NALDA), Aircraft Inventory Record Reporting System (AIRRS) and other decision support systems to identify and document readiness, operations/support cost degraders and, develop alternative support solutions.

5.2.2 Conduct on-site quantitative and qualitative analyses of the logistics elements for new hardware at selected sites. Identify variances from the documented plan and recommend corrective actions and track implementation to meet planning milestones.

5.2.3 Provide recommendations for developing and modifying logistics support strategies for weapon systems, subsystems to identify the most cost effective plan to ensure the accomplishment of program objectives.

5.2.4 Prepare readiness degrader charts, create the supply and maintenance Subsystem Capability Impact Reporting (SCIR) degrader matrix from the LMDSS and DECKPLATE databases in support of the quarterly Critical Items Logistics Reviews (CILRs).

5.2.5 Conduct analysis of Engineering Change Proposals (ECPs) to assess and document the Aviation Depot Level Repairables (AVDLR) and consumable cost impact to the fleet Flying Hour Programs (FHP).

5.2.6 Document the results of the FHP impact analysis utilizing the Cost Adjustment Sheets (CAS). The contractor shall coordinate the development of the yearly Flying Hour Program (FHP) budget impact data call.

5.2.7 Conduct reliability, maintainability, and availability analysis of the NP-2000 propeller system. Provide monthly MFHBF/MFHBMA, TAT status report.

5.2.8 Identify and assess the principal factors impacting the supportability of an E-2 / C-2 specified weapon system/subsystem to quantify the scope and nature of logistic support required to meet specific operational mission requirements efficiently and effectively. Assess E-2 / C-2 ILS planning/management data and documentation to identify supportability problem areas. Recommend quantitative and qualitative methodologies to evaluate the impact of ILS shortfalls. Recommend actions to correct/alleviate identified support problems.

5.2.9 Provide recommendations for developing and maintaining comprehensive affordable readiness plans for the E-2C weapon systems, training equipment, subsystems or support systems. The plans shall be developed utilizing Command developed templates. The plan shall contain operations and support cost reduction targets, define initiatives to achieve those targets, identify metrics used to measure program progress, and identify barriers and

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 6 of 27
----------------------------------	------------------------------	-----------------

impediments to reach program goals.

5.3 Configuration Management

5.3.1 Review and assess Engineering Change Proposals (ECPs), Technical Directives (TDs) and publication changes affecting aircraft, systems, and sub-systems to assure Integrated Logistics Support requirements are addressed. Provide recommendations regarding problem areas, improvements, planning factors and program impacts.

5.3.2 Maintain the E-2/C-2 Resource Allocation Management Program (RAMP) configuration database. The contractor shall utilize the RAMP database to input and track the implementation actions of approved Engineering Change Proposals.

5.4 OPSEC

The contractor shall develop, implement and maintain a facility level OPSEC program to protect controlled unclassified information to be used at the contractor facility during the performance of this contract. Contract data requirements list (CDRL) and data item description (DID) attached. The OPSEC plan shall be submitted to NAVAIR within 90 days of contract award for acceptance and approval. Contractor shall mail preliminary draft OPSEC Plan in MS Word 6.0 (or later) on Compact Disc and hard copy to: Commander, Attn: PMA-231 Security Manager, Naval Air Systems Command, 47017 Hinkle Circle, B420 Patuxent River, MD 20670-1547. Final plan is due 45 days after Government approval of draft. While performing aboard NAVAIR sites, the contractor shall comply with the provisions of OPNAVINST 3432.1 and the local command 3432 instruction series for Operations Security; at all other sites, the contractor shall comply with the local command and/or program OPSEC plan.

5.5 PERFORMANCE STANDARDS

This requirement is performance based. The contractor shall comply with and is subject to the below Performance Standards:

Required Service	Standard	AQL Requirement	Method of Surveillance
Monthly Progress Reports	Delivered on or before due date. Satisfactory TOM Review	90% of reports delivered on time	TOM review
Monthly Funds and Expenditure Reports	Delivered on or before due date. Satisfactory TOM Review	90% of reports delivered on time	TOM review
Program Report and Minutes	Delivered on or before due date. Satisfactory TOM Review	90% of reports delivered on time	TOM review
OPSEC Plan	Satisfactory TOM Review	Satisfactory completion of CDRL requirements by the second submission to TOM	TOM review

6.0 DELIVERABLES

All Deliverables shall be delivered in accordance with schedules and conditions specified in the attached Contracts Data Requirements List (CDRL), DD Form 1423.

A001 Contractor's Progress, Status and Management Report – Monthly Progress Report

A002 Funds and Man-Hour Expenditure Report

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 7 of 27
----------------------------------	------------------------------	-----------------

A003 Technical Report – Study/Services – Program Review / Minutes

A004 Technical Report- OPSEC Plan

7.0 CONSTRAINTS

7.1 Place of Performance

The place of performance shall be located at the following locations:

- 1 position at Naval Air Station Patuxent River, MD.
- Remaining personnel at contractor facility within 30 miles of Patuxent River, MD.

7.2 Electronic Data Reporting Standard

All electronic data and reports submitted by the contractor in support of this tasking shall use Microsoft Office package software compatible with NMCI standards for MS Word, Access, PowerPoint and Excel. The contractor shall maintain NMCI MS office version compatibility.

7.3 Work Schedule

The contractor shall provide the required services and staffing coverage during normal working hours. Normal working hours are usually 8.5 hours including a 30-minute lunch break, from 0730-1600 each Monday through Friday (except on the legal holidays specified elsewhere). Some supported Government offices have flexibility to start as early as 0600/0630 and end as late as 1800 Monday-Friday. Services and staffing shall be provided for each office at least 8 hours per day (during the 8.5 hours workday which includes the 30-minute lunch break).

Government Employees are allowed to voluntarily work a "Compressed Work Schedule" (CWS). CWS is an alternative work schedule to the traditional five 8.5 workdays (which includes a 30-minute lunch) worked per week. Under a CWS schedule, an employee completed the following schedule within a two-week period of time: eight weekdays are worked at 9.5 hours each (which includes a 30-minute lunch), one weekday is alternately worked as 8.5 (which includes a 30 minute lunch) and one weekday, is not worked by the employee. The result is 80 hours worked every two weeks, with 44 work hours one week and 36 work hours the other.

The contractor awarded this contract, with agreement by the Task Order Manager (TOM), may allow its employees to work a CWS schedule. Any Contractor that chooses to allow its employees to work a CWS schedule in support of this contract, agrees that any additional costs associated with the implementation of the CWS schedule vice the standard schedule are unallowable costs under this contract and will not be reimbursed by the Government.. Additionally, the CWS schedule shall not prevent contractor employees from providing necessary staffing and services coverage when required by the Government facility.

8.0 ESTIMATED TRAVEL DESTINATIONS

Estimated annual travel requirements are as follows (For informational purposes only):

Location	# of Days	# of Trips	# of People
Washington, DC	2	5	1
Pt. Mugu, CA	4	10	1
Norfolk, VA	4	13	1
San Diego, CA	4	5	1
Jacksonville, FL	4	2	1
Bethpage, NY	3	2	1

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 8 of 27
----------------------------------	------------------------------	-----------------

Cherry Point, SC 3

3

1

5252.204-9505 INFORMATION ASSURANCE AND PERSONNEL SECURITY REQUIREMENTS FOR ACCESSING GOVERNMENT INFORMATION TECHNOLOGY SYSTEMS (OCT 2007)

(a) Contractor personnel assigned to perform work under this contract may require access to Government IT Systems. Contractor personnel requiring access to Government IT Systems shall comply with AIR-7.2/7.4 Policy Memo 5510, "Information Technology (IT) Positions" dtd 17 May 2007 or latest version thereof, available at IT POSITIONS.pdf as amended IT Policy Amendment 6 June 07 or through the Procuring Contracting Officer (PCO) [Attachment 2]. Prior to accessing any Government IT System, contractor personnel shall submit a completed Systems Authorization Access Request (SAAR), DD Form 2875, Annual Information Assurance (IA) training certificate, and initiate the requisite background investigation (or provide proof of a current background investigation) to the Contracting Officer's Representative (COR). For purposes of this clause, reference to the COR shall mean the PCO for contracts that do not have a designated COR. In order to maintain access to required systems, the contractor shall ensure completion of annual IA training, monitor expiration of requisite background investigations, and initiate re-investigations as required.

(b) Contractor personnel shall complete, sign and date Part I of the SAAR (available at DD2875 12 June 2006.pdf [Attachment 3] and coordinate with the COR to designate in Part III, block 28c, the appropriate IT level designation (IT-1, IT-2, or IT-3). The completed SAAR and proof of a current background investigation is to be provided to the COR. The COR will review the SAAR submitted by the contractor, and if the COR concurs that the contractor requires the IT access designated, the COR will complete and sign Part II. When a background investigation is required, contractor personnel shall coordinate with Command Personnel Security, AIR-7.4, and follow the procedures as described at the NAVAIR website IT Positions Process for Contractors.doc.

(c) The contractor shall provide separate Information Technology Personnel Security Reports to the COR and to NAVAIR Security in accordance with CDRL B001 and CDRL B002. The report submitted to the COR shall not contain Social Security information that is required in the report submitted to NAVAIR Security. Both reports shall show that all contractor personnel meet the requirements for obtaining access to Government IT Systems, and that all requirements are verified and validated thereafter on an annual basis. All prime, subcontractor, consultants, and temporary employees shall be included in the reports. Revised reports shall be submitted when gains and/or losses of employees occur to ensure that all employees comply with these requirements prior to accessing Government IT Systems.

CONTRACT NO.	DELIVERY ORDER NO.	PAGE
N00178-05-D-4466	M80307	9 of 27

SECTION D PACKAGING AND MARKING

Packaging and Marking shall be in accordance with Section D of the SeaPort-e Multiple Award Basic Contract.

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 10 of 27
----------------------------------	------------------------------	------------------

SECTION E INSPECTION AND ACCEPTANCE

Inspection and Acceptance shall be in accordance with Section E of the SeaPort-e Multiple Award Basic Contract.

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 11 of 27
----------------------------------	------------------------------	------------------

SECTION F DELIVERABLES OR PERFORMANCE

CLIN - DELIVERIES OR PERFORMANCE

The periods of performance for the following firm items are from date of task order award through 12 months thereafter, ESTIMATED at:

CLIN 1000 1 Dec 06 – 30 Nov 07

CLIN 3000 1 Dec 06 – 30 Nov 07

The period of performance for the following option items are from date of option exercise through 12 months thereafter, ESTIMATED at:

CLIN 1100 1 Dec 07 – 30 Nov 08

CLIN 3100 1 Dec 07 – 30 Nov 08

CLIN 1200 1 Dec 08 – 30 Nov 09

CLIN 3200 1 Dec 08 – 30 Nov 09

CLIN 4300 1 Dec 09 – 30 Nov 10

CLIN 6300 1 Dec 09 – 30 Nov 10

CLIN 4400 1 Dec 10 – 30 Nov 11

CLIN 6400 1 Dec 10 – 30 Nov 11

Place of Performance

Patuxent River Naval Air Station -- 1 position

Contractor site within 30 miles of Patuxent River, MD -- remaining personnel

Note: It is anticipated that no Temporary Additional Duty (TDY) assignments away from the primary site of performance will be required. However, the Government reserves the right to assign TDY tasks away from the primary duty station.

F-1 Task Order Options

(b) The Government may extend the term of this order by written notice to the contractor within 5 days of the current period of performance; provided, that the Government gives the contractor a preliminary written notice of its intent to extend at least 30 days before the end of the current period of performance. The preliminary notice does not commit the Government to an extension.

(c) If the Government exercises this option, the extended order shall be considered to include this option provision.

(d) The total duration of this order, including the exercise of any options under this clause, shall not exceed 5 years.

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 12 of 27
----------------------------------	------------------------------	------------------

SECTION G CONTRACT ADMINISTRATION DATA

CONTRACT TYPE SUMMARY FOR PAYMENT OFFICE (COST TYPE) (NAVSEA) (FEB 1997)

This entire contract is cost type.

The clause entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF FUNDS" (FAR 52.232-22), as appropriate, shall apply separately and independently to each separately identified cost.

5252.232-9504 I SPECIAL PAY INSTRUCTIONS FOR PAYING OFFICE ALTERNATE I (NAVAIR)(JUN 2006)

(a) All payments against informational (numeric) sub-line items (SLINs) shall be processed manually by the paying office.

(b) Invoices submitted for payment, which do not contain contract line item number (CLIN) or subline item number (SLIN), and the accounting classification references number (ACRN) information, will be returned for correction.

(c) The disbursement of funds will be by the CLIN/SLIN/ACRN designation.

(d) If progress payments are authorized, payments will be made against the unliquidated balance of all applicable CLINs/SLINs.

(e) Informational SLINs, e.g. 000101, are as follows:

Numeric SLIN	ACRN	Amount Obligated
SEE ACCOUNTING DATA BELOW		

(c) Only the Task Order Ordering Officer has the authority to modify the terms of the task order. Therefore, in no event will any understanding, agreement, modification, change order, or other matter deviating from the terms of the basic contract or this task order between the contractor and any other person be effective or binding on the Government. If, in the opinion of the contractor, an effort outside the existing scope of this task order is requested, the contractor shall promptly notify the Task Order Ordering Office in writing. No action shall be taken by the contractor unless the Task Order Ordering Officer, PCO or ACO has issued a formal modification.

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 13 of 27
----------------------------------	------------------------------	------------------

252.232-7003 ELECTRONIC SUBMISSION OF PAYMENT REQUESTS (JAN 2004)

(a) Definitions. As used in this clause—

(1) “Contract financing payment” and “invoice payment” have the meanings given in section 32.001 of the Federal Acquisition Regulation.

(2) “Electronic form” means any automated system that transmits information electronically from the initiating system to all affected systems. Facsimile, e-mail, and scanned documents are not acceptable electronic forms for submission of payment requests. However, scanned documents are acceptable when they are part of a submission of a payment request made using one of the electronic forms provided for in paragraph (b) of this clause.

(3) “Payment request” means any request for contract financing payment or invoice payment submitted by the Contractor under this contract.

(b) Except as provided in paragraph (c) of this clause, the Contractor shall submit payment requests using one of the following electronic forms:

(1) Wide Area Work Flow-Receipt and Acceptance (WAWF-RA). Information regarding WAWF-RA is available on the Internet at <https://wawf.eb.mil>.

(2) Web Invoicing System (WInS). Information regarding WInS is available on the Internet at <https://ecweb.dfas.mil>.

(3) American National Standards Institute (ANSI) X.12 electronic data interchange (EDI) formats.

(i) Information regarding EDI formats is available on the Internet at <http://www.X12.org>.

(ii) EDI implementation guides are available on the Internet at <http://www.dfas.mil/ecedi>.

(4) Another electronic form authorized by the Contracting Officer.

(c) If the Contractor is unable to submit a payment request in electronic form, or DoD is unable to receive a payment request in electronic form, the Contractor shall submit the payment request using a method mutually agreed to by the Contractor, the Contracting Officer, the contract administration office, and the payment office.

(d) In addition to the requirements of this clause, the Contractor shall meet the requirements of the appropriate payment clauses in this contract when submitting payment requests.

5252.232-9513 INVOICING INSTRUCTIONS AND PAYMENT (WAWF INSTRUCTIONS) (March 2006)

(a) Invoices for goods received or services rendered under this contract shall be submitted electronically through Wide Area Work Flow – Receipt and Acceptance (WAWF):

(1) The vendor shall self-register at the web site <https://wawf.eb.mil>. Vendor training is available on the Internet at <http://www.wawftraining.com>. Additional support can be obtained by calling the NAVY WAWF Assistance Line: 1-800-559-WAWF (9293).

(2) WAWF Vendor “Quick Reference” Guides are located at the following web site:
<http://www.acquisition.navy.mil/navyaos/content/view/full/3521>

(3) Select the invoice type within WAWF as specified below. Back up documentation (such as timesheets, etc.) can be included and attached to the invoice in WAWF. Attachments created in any Microsoft Office product are

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 14 of 27
----------------------------------	------------------------------	------------------

attachable to the invoice in WAWF. Total limit for the size of files per invoice is 5 megabytes.

(b) The following information, regarding invoice routing DODAAC's, must be entered for completion of the invoice in WAWF:

WAWF Invoice Type: Access the following web site for information on invoice types:
http://www.wawftraining.com/courses/_content_package/content_files/menuTree.html

Click on Vendor, then Determine Type of Document to Create.

Issuing Office DODAAC	N00421
Admin Office DODAAC:	S2101A
Inspector DODAAC (if applicable):	N/A
Service Approver DODAAC (for Final Cost Voucher)	DCMA DODAAC
Acceptor DODAAC (if applicable):	DCMA DODAAC
Local Processing Office (LPO –if applicable):	N/A
DCAA Office DODAAC (Cost Voucher Approver – if applicable):	DCAA DODAAC
Paying Office DODAAC:	HQ0338

(c) The contractor shall submit invoices / cost vouchers for payment per contract terms. Contractors approved by DCAA for direct billing will not process vouchers through DCAA, but may submit directly to DFAS. Final voucher submission will be approved by the ACO.

(d) The Government shall process invoices / cost vouchers for payment per contract terms.

(e) For each invoice / cost voucher submitted for payment, the contractor shall also email the WAWF automated invoice notice directly to the following points of contact:

CONTRACT NO.	DELIVERY ORDER NO.	PAGE
N00178-05-D-4466	M80307	15 of 27

(b) The parties contemplate that the Government will allot additional amounts to this contract from time to time for the incrementally funded CLINs/SLINs by unilateral contract modification, and any such modification shall state separately the amount(s) allotted for cost, the amount(s) allotted for fee, the CLINs/SLINs covered thereby, and the period of performance which the amount(s) are expected to cover.

(c) CLINs/SLINs are fully funded and performance under these CLINs/SLINs is subject to the clause of this contract entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF COST (FACILITIES)" (FAR 52.232-21), as applicable.

(d) The Contractor shall segregate costs for the performance of incrementally funded CLINs/SLINs from the costs of performance of fully funded CLINs/SLINs.

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 16 of 27
----------------------------------	------------------------------	------------------

Option Year One: 1100 & 3100
Total Funded- \$866,162.00

All terms and conditions of the subject task order remain unchanged and in full force and effect.

SEA 5252.216-9122 LEVEL OF EFFORT (DEC 2000)

(a) The Contractor agrees to provide the total level of effort specified in the next sentence in performance of the work described in Sections B and C of this contract. The total level of effort for the performance of this contract shall be total man-hours of direct labor, including subcontractor direct labor for those subcontractors specifically identified in the Contractor's proposal as having hours included in the proposed level of effort.

(b) Of the total man-hours of direct labor set forth above, it is estimated that man-hours are uncompensated effort.

Uncompensated effort is defined as hours provided by personnel in excess of 40 hours per week without additional compensation for such excess work. All other effort is defined as compensated effort. If no effort is indicated in the first sentence of this paragraph, uncompensated effort performed by the Contractor shall not be counted in fulfillment of the level of effort obligations under this contract.

(c) Effort performed in fulfilling the total level of effort obligations specified above shall only include effort performed in direct support of this contract and shall not include time and effort expended on such things as (local travel to and from an employee's usual work location), uncompensated effort while on travel status, truncated lunch periods, work (actual or inferred) at an employee's residence or other non-work locations (except as provided in paragraph (j) below), or other time and effort which does not have a specific and direct contribution to the tasks described in Sections B and C.

(d) The level of effort for this contract shall be expended at an average rate of approximately hours per week. It is understood and agreed that the rate of man-hours per month may fluctuate in pursuit of the technical objective, provided such fluctuation does not result in the use of the total man-hours of effort prior to the expiration of the term hereof, except as provided in the following paragraph.

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 17 of 27
----------------------------------	------------------------------	------------------

(e) If, during the term hereof, the Contractor finds it necessary to accelerate the expenditure of direct labor to such an extent that the total man hours of effort specified above would be used prior to the expiration of the term, the Contractor shall notify the Contracting Officer in writing setting forth the acceleration required, the probable benefits which would result, and an offer to undertake the acceleration at no increase in the estimated cost or fee together with an offer, setting forth a proposed level of effort, cost breakdown, and proposed fee, for continuation of the work until expiration of the term hereof. The offer shall provide that the work proposed will be subject to the terms and conditions of this contract and any additions or changes required by then current law, regulations, or directives, and that the offer, with a written notice of acceptance by the Contracting Officer, shall constitute a binding contract. The Contractor shall not accelerate any effort until receipt of such written approval by the Contracting Officer. Any agreement to accelerate will be formalized by contract modification.

(f) The Contracting Officer may, by written order, direct the Contractor to accelerate the expenditure of direct labor such that the total man hours of effort specified in paragraph (a) above would be used prior to the expiration of the term. This order shall specify the acceleration required and the resulting revised term. The Contractor shall acknowledge this order within five days of receipt.

(g) If the total level of effort specified in paragraph (a) above is not provided by the Contractor during the period of this contract, the Contracting Officer, at its sole discretion, shall either (i) reduce the fee of this contract as follows:

Fee Reduction = Fee (Required LOE minus Expended LOE divided by Required LOE)

or (ii) subject to the provisions of the clause of this contract entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF COST (FACILITIES)" (FAR 52.232-21), as applicable, require the Contractor to continue to perform the work until the total number of man hours of direct labor specified in paragraph (a) above shall have been expended, at no increase in the fee of this contract.

(h) The Contractor shall provide and maintain an accounting system, acceptable to the Administrative Contracting Officer and the Defense Contract Audit Agency (DCAA), which collects costs incurred and effort (compensated and uncompensated, if any) provided in fulfillment of the level of effort obligations of this contract. The Contractor shall indicate on each invoice the total level of effort claimed during the period covered by the invoice, separately identifying compensated effort and uncompensated effort, if any.

(i) Within 45 days after completion of the work under each separately identified period of performance hereunder, the Contractor shall submit the following information in writing to the Contracting Officer with copies to the cognizant Contract Administration Office and to the DCAA office to which vouchers are submitted: (1) the total number of man hours of direct labor expended during the applicable period; (2) a breakdown of this total showing the number of man hours expended in each direct labor classification and associated direct and indirect costs; (3) a breakdown of other costs incurred; and (4) the Contractor's estimate of the total allowable cost incurred under the contract for the period. Within 45 days after completion of the work under the contract, the Contractor shall submit, in addition, in the case of a cost overrun; (5) the amount by which the estimated cost of this contract may be reduced to recover excess funds and, in the case of an overrun in hours specified as the total level of effort; and (6) a calculation of the appropriate fee reduction in accordance with this clause. All submissions shall include subcontractor information.

(j) Deleted per Amendment 0001

(k) Notwithstanding any of the provisions in the above paragraphs, the Contractor may furnish man hours up to five percent in excess of the total man hours specified in paragraph (a) above, provided that the additional effort is furnished within the term hereof, and provided further that no increase in the estimated cost or fee is required.

PAYMENTS OF FEE(S) (LEVEL OF EFFORT) (NAVSEA) (MAY 1993)

(a) For purposes of this contract, "fee" means "target fee" in cost-plus-incentive-fee type contracts, "base fee" in cost-plus-award-fee type contracts, or "fixed fee" in cost-plus-fixed-fee type contracts for level of effort type contracts.

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 18 of 27
----------------------------------	------------------------------	------------------

(b) The Government shall make payments to the Contractor, subject to and in accordance with the clause in this contract entitled "FIXED FEE" (FAR 52.216-8) or "INCENTIVE FEE", (FAR 52.216-10), as applicable. Such payments shall be equal to percent (%) of the allowable cost of each invoice submitted by and payable to the Contractor pursuant to the clause of this contract entitled "ALLOWABLE COST AND PAYMENT" (FAR 52.216-7), subject to the withholding terms and conditions of the "FIXED FEE" or "INCENTIVE FEE" clause, as applicable (percentage of fee is based on fee dollars divided by estimated cost dollars, including facilities capital cost of money). Total fee(s) paid to the Contractor shall not exceed the fee amount(s) set forth in this contract.

(c) The fee(s) specified in SECTION B, and payment thereof, is subject to adjustment pursuant to paragraph (g) of the special contract requirement entitled "LEVEL OF EFFORT." If the fee(s) is reduced and the reduced fee(s) is less than the sum of all fee payments made to the Contractor under this contract, the Contractor shall repay the excess amount to the Government. If the final adjusted fee exceeds all fee payments made to the contractor under this contract, the Contractor shall be paid the additional amount, subject to the availability of funds. In no event shall the Government be required to pay the Contractor any amount in excess of the funds obligated under this contract at the time of the discontinuance of work.

(d) Fee(s) withheld pursuant to the terms and conditions of this contract shall not be paid until the contract has been modified to reduce the fee(s) in accordance with the "LEVEL OF EFFORT" special contract requirement, or until the Procuring Contracting Officer has advised the paying office in writing that no fee adjustment is required.

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 19 of 27
----------------------------------	------------------------------	------------------

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 20 of 27
----------------------------------	------------------------------	------------------

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 21 of 27
----------------------------------	------------------------------	------------------

SECTION H SPECIAL CONTRACT REQUIREMENTS

H-1 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 SBA's 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.

5252.209-9510 ORGANIZATIONAL CONFLICTS OF INTEREST (NAVAIR) (SERVICES)(OCT 2005)

(a) Purpose. This clause seeks to ensure that the contractor (1) does not obtain an unfair competitive advantage over other parties by virtue of its performance of this contract, and (2) is not biased because of its current or planned interests (financial, contractual, organizational or otherwise) that relate to the work under this contract.

(b) Scope. The restrictions described herein shall apply to performance or participation by the contractor (as defined in paragraph (d)(7)) in the activities covered by this clause.

(1) The restrictions set forth in paragraph (e) apply to supplies, services, and other performance rendered with respect to the suppliers and/or equipment used in the performance of this contract.

(2) The financial, contractual, organizational and other interests of contractor personnel performing work under this contract shall be deemed to be the interests of the contractor for the purposes of determining the existence of an Organizational Conflict of Interest. Any subcontractor that performs any work relative to this contract shall be subject to this clause. The contractor agrees to place in each subcontract affected by these provisions the necessary language contained in this clause.

(c) Waiver. Any request for waiver of the provisions of this clause shall be submitted in writing to the Procuring Contracting Officer. The request for waiver shall set forth all relevant factors including proposed contractual safeguards or job procedures to mitigate conflicting roles that might produce an Organizational Conflict of Interest. No waiver shall be granted by the Government with respect to prohibitions pursuant to access to proprietary data.

(d) Definitions. For purposes of application of this clause only, the following definitions are applicable:

(1) "System" includes system, major component, subassembly or subsystem, project, or item.

(2) "Nondevelopmental items" as defined in FAR 2.101.

(3) "Systems Engineering" (SE) includes, but is not limited to, the activities in FAR 9.505-1(b).

(4) "Technical direction" (TD) includes, but is not limited to, the activities in FAR 9.505-1(b).

(5) "Advisory and Assistance Services" (AAS) are those services acquired from non-governmental sources to support or improve agency policy development or decision making; or, to support or improve the management of organizations or the operation of hardware systems. Such services may encompass consulting activities, engineering and technical services, management support services and studies, analyses and evaluations.

(6) "Consultant services" as defined in FAR 31.205-33(a).

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 22 of 27
----------------------------------	------------------------------	------------------

(7) "Contractor", for the purposes of this clause, means the firm signing this contract, its subsidiaries and affiliates, joint ventures involving the firm, any entity with which the firm may hereafter merge or affiliate, and any other successor or assignee of the firm.

(8) "Affiliates," means officers or employees of the prime contractor and first tier subcontractors involved in the program and technical decision-making process concerning this contract.

(9) "Interest" means organizational or financial interest.

(10) "Weapons system supplier" means any prime contractor or first tier subcontractor engaged in, or having a known prospective interest in the development, production or analysis of any of the weapon systems, as well as any major component or subassembly of such system.

(e) Contracting restrictions.

[X] (1) To the extent the contractor provides systems engineering and/or technical direction for a system or commodity but does not have overall contractual responsibility for the development, the integration, assembly and checkout (IAC) or the production of the system, the contractor shall not (i) be awarded a contract to supply the system or any of its major components or (ii) be a subcontractor or consultant to a supplier of the system or of its major components. The contractor agrees that it will not supply to the Department of Defense (either as a prime contractor or as a subcontractor) or act as consultant to a supplier of, any system, subsystem, or major component utilized for or in connection with any item or other matter that is (directly or indirectly) the subject of the systems engineering and/or technical direction or other services performed under this contract for a period of 2 years after the date of completion of the contract. (FAR 9.505-1(a))

[X] (2) To the extent the contractor prepares and furnishes complete specifications covering nondevelopmental items to be used in a competitive acquisition, the contractor shall not be allowed to furnish these items either as a prime contractor or subcontractor. This rule applies to the initial production contract, for such items plus a specified time period or event. The contractor agrees to prepare complete specifications covering non-developmental items to be used in competitive acquisitions, and the contractor agrees not to be a supplier to the Department of Defense, subcontract supplier, or a consultant to a supplier of any system or subsystem for which complete specifications were prepared hereunder. The prohibition relative to being a supplier, a subcontract supplier, or a consultant to a supplier of these systems of their subsystems extends for a period of [insert the period of prohibition] after the terms of this contract. (FAR 9.505-2(a)(1))

[X] (3) To the extent the contractor prepares or assists in preparing a statement of work to be used in competitively acquiring a system or services or provides material leading directly, predictably and without delay to such a work statement, the contractor may not supply the system, major components thereof or the services unless the contractor is the sole source, or a participant in the design or development work, or a contractor involved in preparation of the work statement. The contractor agrees to prepare, support the preparation of or provide material leading directly, predictably and without delay to a work statement to be used in competitive acquisitions, and the contractor agrees not to be a supplier or consultant to a supplier of any services, systems or subsystems for which the contractor participated in preparing the work statement. The prohibition relative to being a supplier, a subcontract supplier, or a consultant to a supplier of any services, systems or subsystems extends for a period of 2 years after the terms of this contract. (FAR 9.505-2(a)(1))

[X] (4) To the extent work to be performed under this contract requires evaluation of offers for products or services, a contract will not be awarded to a contractor that will evaluate its own offers for products or services, or those of a competitor, without proper safeguards to ensure objectivity to protect the Government's interests. Contractor agrees to the terms and conditions set forth in the Statement of Work that are established to ensure objectivity to protect the Government's interests. (FAR 9.505-3)

[X] (5) To the extent work to be performed under this contract requires access to proprietary data of other companies, the contractor must enter into agreements with such other companies which set forth procedures deemed adequate by those companies (i) to protect such data from unauthorized use or disclosure so long as it remains proprietary and (ii) to refrain from using the information for any other purpose other than that for which it was furnished. Evidence of such agreement(s) must be made available to the Procuring Contracting Officer upon request. The contractor shall restrict access to proprietary information to the minimum number of employees necessary for performance of this contract. Further, the contractor agrees that it will not utilize proprietary data obtained from such

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 23 of 27
----------------------------------	------------------------------	------------------

other companies in preparing proposals (solicited or unsolicited) to perform additional services or studies for the United States Government. The contractor agrees to execute agreements with companies furnishing proprietary data in connection with work performed under this contract, obligating the contractor to protect such data from unauthorized use or disclosure so long as such data remains proprietary, and to furnish copies of such agreement to the Contracting Officer. Contractor further agrees that such proprietary data shall not be used in performing for the Department of Defense additional work in the same field as work performed under this contract if such additional work is procured competitively. (FAR 9.505-4(b))

[X] (6) Preparation of Statements of Work or Specifications. If the contractor under this contract assists substantially in the preparation of a statement of work or specifications, the contractor shall be ineligible to perform or participate in any capacity in any contractual effort (solicited or unsolicited) that is based on such statement of work or specifications. The contractor shall not incorporate its products or services in such statement of work or specifications unless so directed in writing by the Contracting Officer, in which case the restrictions in this subparagraph shall not apply. Contractor agrees that it will not supply to the Department of Defense (either as a prime contractor or as a subcontractor) or act as consultant to a supplier of, any system, subsystem or major component utilized for or in connection with any item or work statement prepared or other services performed or materials delivered under this contract, and is procured on a competitive basis, by the Department of Defense with 2 years after completion of work under this contract. The provisions of this clause shall not apply to any system, subsystem, or major component for which the contractor is the sole source of supply or which it participated in designing or developing. (FAR 9.505-4(b))

[X] (7) Advisory and Assistance Services (AAS). If the contractor provides AAS services as defined in paragraph (d) of this clause, it shall be ineligible thereafter to participate in any capacity in Government contractual efforts (solicited or unsolicited) which stem directly from such work, and the contractor agrees not to perform similar work for prospective offerors with respect to any such contractual efforts. Furthermore, unless so directed in writing by the Contracting Officer, the contractor shall not perform any such work under this contract on any of its products or services, or the products or services of another firm for which the contractor performs similar work. Nothing in this subparagraph shall preclude the contractor from competing for follow-on contracts for AAS.

(f) Remedies. In the event the contractor fails to comply with the provisions of this clause, such noncompliance shall be deemed a material breach of the provisions of this contract. If such noncompliance is the result of conflicting financial interest involving contractor personnel performing work under this contract, the Government may require the contractor to remove such personnel from performance of work under this contract. Further, the Government may elect to exercise its right to terminate for default in the event of such noncompliance. Nothing herein shall prevent the Government from electing any other appropriate remedies afforded by other provisions of this contract, or statute or regulation.

(g) Disclosure of Potential Conflicts of Interest. The contractor recognizes that during the term of this contract, conditions may change which may give rise to the appearance of a new conflict of interest. In such an event, the contractor shall disclose to the Government information concerning the new conflict of interest. The contractor shall provide, as a minimum, the following information:

- (1) a description of the new conflict of interest (e.g., additional weapons systems supplier(s), corporate restructuring, new first-tier subcontractor(s), new contract) and identity of parties involved;
- (2) a description of the work to be performed;
- (3) the dollar amount;
- (4) the period of performance; and
- (5) a description of the contractor's internal controls and planned actions, to avoid any potential organizational conflict of interest.

5252.211-9502 GOVERNMENT INSTALLATION WORK SCHEDULE (NAVAIR) (OCT 2005)

(a) The Holidays applicable to this contract are: New Year's Day, Martin Luther King's Birthday, President's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, and

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 24 of 27
----------------------------------	------------------------------	------------------

Christmas Day.

(b) In the event that the contractor is prevented from performance as the result of an Executive Order or an administrative leave determination that applies to the using activity, such time may be charged to the contract as a direct cost provided such charges are consistent with the contractor's accounting practices. In the event that any of the above holidays occur on a Saturday or Sunday, then such holiday shall be observed as they are by the assigned Government employees at the using activity.

5252.232-9509 REIMBURSEMENT OF TRAVEL, PER DIEM, AND SPECIAL MATERIAL COSTS (NAVAIR) (MAR 2000)

(a) Area of Travel. Performance under this contract may require travel by contractor personnel. If travel, domestic or overseas, is required, the contractor is responsible for making all necessary arrangements for its personnel. These include but are not limited to: medical examinations, immunizations, passports/visas/etc., and security clearances. All contractor personnel required to perform work on any U.S. Navy vessel shall obtain boarding authorization from the Commanding Officer of the vessel before boarding.

(b) Travel Policy. The Government will reimburse the contractor for allowable travel costs incurred by the contractor in performance of the contract in accordance with FAR Subpart 31.2. Travel required for tasks assigned under this contract shall be governed in accordance with: Federal Travel Regulations, prescribed by the General Services Administration for travel in the conterminous 48 United States, (hereinafter the FTR); Joint Travel Regulation, Volume 2, DoD Civilian Personnel, Appendix A, prescribed by the Department of Defense, for travel in Alaska, Hawaii, The Commonwealth of Puerto Rico, and territories and possessions of the United States (hereinafter JTR); and Standardized Regulations (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas," prescribed by the Department of State, for travel in areas not covered in the FTR or JTR (hereinafter the SR).

(c) Travel. Travel and subsistence are authorized for travel beyond a fifty-mile radius of the contractor's office whenever a task assignment requires work to be accomplished at a temporary alternate worksite. No travel or subsistence shall be charged for work performed within a fifty-mile radius of the contractor's office. The contractor shall not be paid for travel or subsistence for contractor personnel who reside in the metropolitan area in which the tasks are being performed. Travel performed for personal convenience, in conjunction with personal recreation, or daily travel to and from work at the contractor's facility will not be reimbursed.

(1) For travel costs other than described in paragraph (c) above, the contractor shall be paid on the basis of actual amount paid to the extent that such travel is necessary for the performance of services under the contract and is authorized by the COR in writing.

(2) When transportation by privately owned conveyance is authorized, the contractor shall be paid on a mileage basis not to exceed the applicable Government transportation rate as contained in the FTR, JTR or SR. Authorization for the use of privately owned conveyance shall be indicated in the basic contract. Distances traveled between points shall be shown on invoices as listed in standard highway mileage guides. Reimbursement will not exceed the mileage shown in the standard highway mileage guides.

(3) The contractor agrees, in the performance of necessary travel, to use the lowest cost mode commensurate with the requirements of the mission as set forth in the basic contract and in accordance with food traffic management principles. When it is necessary to use air or rail travel, the contractor agrees to use coach, tourist class, or similar accommodations to the extent consistent with the successful and economical accomplishment of the mission for which the travel is being performed.

(4) The contractor's invoices shall include receipts or other evidence substantiating actual costs incurred for authorized travel. In no event will such payments exceed the rates of common carriers.

(d) Vehicle and/or Truck Rentals. The contractor shall be reimbursed for actual rental/lease of special vehicles and/or trucks (i.e., of a type not normally used by the contractor in the conduct of its business) only if authorized in the basic contract or upon approval by the COR. Reimbursement of such rental shall be made based on actual amounts paid by the contractor. Use of rental/lease costs of vehicles and/or trucks that are of a type normally used by the contractor in the conduct of its business are not subject to reimbursement.

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 25 of 27
----------------------------------	------------------------------	------------------

(e) Car Rental. The contractor shall be reimbursed for car rental, exclusive of mileage charges, as authorized in the basic contract or upon approval by the COR, when the services are required to be performed beyond the normal commuting distance from the contractor's facilities. Car rental for a team on TDY at one site will be allowed for a minimum of four (4) persons per car, provided that such number or greater comprise the TDY team.

(f) Per Diem. The contractor shall not be paid for per diem for contractor personnel who reside in the metropolitan areas in which the tasks are being performed. Per Diem shall not be paid on services performed within a fifty-mile radius of the contractor's home office or the contractor's local office. Per Diem is authorized for contractor personnel beyond a fifty-mile radius of the contractor's home or local offices whenever a task assigned requires work to be done at a temporary alternate worksite. Per Diem shall be paid to the contractor only to the extent that overnight stay is necessary and authorized under this contract. The authorized per diem rate shall be the same as the prevailing per diem in the worksite locality. These rates will be based on rates contained in the FTR, JTR or SR. The applicable rate is authorized at a flat seventy-five (75%) percent on the day of departure from contractor's home or local office, and on the day of return. Reimbursement to the contractor for per diem shall be limited to actual payments to per diem defined herein. The contractor shall provide actual payments of per diem defined herein. The contractor shall provide supporting documentation for per diem expenses as evidence of actual payment.

(g) Shipboard Stays. Whenever work assignments require temporary duty aboard a Government ship, the contractor will be reimbursed at the per diem rates identified in paragraph C8101.2C or C81181.3B(6) of the Department of Defense Joint Travel Regulations, Volume II.

(h) Special Material. "Special material" includes only the costs of material, supplies, or services which is peculiar to the ordered data and which is not suitable for use in the course of the contractor's normal business. It shall be furnished pursuant to specific authorization approved by the COR. The contractor will be required to support all material costs claimed by its costs less any applicable discounts. "Special materials" include, but are not limited to, graphic reproduction expenses, or technical illustrative or design requirements needing special processing.

5252.242-9515 RESTRICTION ON THE DIRECT CHARGING OF MATERIAL (NAVAIR) (JUL 1998)

(a) The term "material" includes supplies, materials, parts, equipment, hardware, and Information Technology (IT) resources including equipment, services and software. This is a service contract and the procurement of material of any kind that are not incidental to and necessary for contract performance may be determined to be unallowable costs pursuant to FAR Part 31. No materials may be acquired under the contract without the prior written authorization of the Contracting Officer's Representative (COR). IT resources may not be procured under the material line item of this contract unless the approvals required by Department of Defense purchasing procedures have been obtained. Any material provided by the contractor is subject to the requirements of the Federal Acquisition Regulation (FAR), the Defense Federal Acquisition Regulation Supplement (DFARS), and applicable Department of the Navy regulations and instructions.

(b) Prior written approval of the COR shall be required for all purchases of materials. If the contractor's proposal submitted for a task order includes a list of materials with associated prices, then the COR's acceptance of the contractor's proposal shall constitute written approval of those purchases.

(c) The costs of general purpose business expenses required for the conduct of the contractor's normal business operations will not be considered an allowable direct cost in the performance of this contract. General purpose business expenses include, but are not limited to, the cost for items such as telephones and telephone charges, reproduction machines, word processing equipment, personal computers and other office equipment and office supplies.

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 26 of 27
----------------------------------	------------------------------	------------------

SECTION I CONTRACT CLAUSES

CLAUSES INCORPORATED BY REFERENCE

52.216-8 -- FIXED FEE (MAR 1997)

CLAUSES INCORPORATED BY FULL TEXT

52.219-6 -- NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE. (JUNE 2003)

(a) Definition. "Small business concern," as used in this clause, means a concern, including its affiliates, that 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.

(b) General.

(1) Offers are solicited only from small business concerns. Offers received from concerns that are not small business concerns shall be considered nonresponsive and will be rejected.

(2) Any award resulting from this solicitation will be made to a small business concern.

(c) Agreement. A small business concern submitting an offer in its own name shall furnish, in performing the contract, only end items manufactured or produced by small business concerns in the United States or its outlying areas. If this procurement is processed under simplified acquisition procedures and the total amount of this contract does not exceed \$25,000, a small business concern may furnish the product of any domestic firm. This paragraph does not apply to construction or service contracts.

CONTRACT NO. N00178-05-D-4466	DELIVERY ORDER NO. M80307	PAGE 27 of 27
----------------------------------	------------------------------	------------------

SECTION J LIST OF ATTACHMENTS

Attachment 1: Labor Category Breakdown

Attachment 2: Security Spreadsheet

Attachment 3: COR Spreadsheet

Attachment 4: TOM Appointment Letter

Attachment 5: IT Position Policy

Attachment 6: DD2875

Exhibit A: Contract Data Requirements List

Exhibit B: Contract Data Requirements List