

NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

**American Rescue Plan Act (ARPA)  
Prequalification Program Plan**

**American Rescue Plan Act (ARPA)  
Prequalification Program Plan**

Table of Contents

Version Date:  
November 2021

I.	Introduction	2
II.	Objectives	2
III.	Definitions	3
IV.	Purpose	3
V.	Scope of Services	4
VI.	Project Types	4
VII.	Framework	5
VIII.	Program Components	6
	A. Prequalification Criteria	
	B. Standardized Questionnaire	
	C. Approval Process	
	D. Appeals Process	
	E. Other Rules	
IX.	General	9
	A. Announcement	
	B. Vendor Essential Requirements	
	C. Using Commodity Codes	
X.	Master Agreement and Task Orders	10
	A. Competition	
	B. Minimum and Maximum Awards	
	C. Task Order Pricing	
	D. Special Requirement for Payment Types	
	E. Period of Performance	
	F. Vendor Management	
	1. On Ramping	
	2. Off Ramping	
	3. Vendor Inactive Status and Procedure	
XI.	Task Order Management (Reserved)	13
XII.	Vendor Performance Management (Reserved)	14

# American Rescue Plan Act (ARPA)

## Prequalification Program Plan

### I. INTRODUCTION

Doing business with the North Carolina Department of Health and Human Services (NCDHHS – the “Department”) has never been easier. With a reengineered procurement process, increased transparency and more intuitive technology, the ARPA Prequalification Program simplifies how to do business with the Agency. The ARPA Prequalification Program’s technology is straightforward and will not only save time and paperwork, but will help vendors to proactively manage their applications. An approved prequalification will allow vendors to submit proposals in response to Task Orders from the Department.

To become eligible to conduct business with the Department, vendors must submit a completed application, which is composed of a Responsibility Assessment and a Technical Evaluation. The following resources provide additional clarification and reference documents related to the ARPA Prequalification Program:

- The [ARPA Projects Portal](#) is a web presence, located on the NCDHHS website, that was developed to provide a one-stop resource for vendors to learn about and apply for prequalification. The web presence hosts solicitation documents, vendor education recordings; calendar of events; prequalified vendor lists; debriefing and protest guides; a feedback form that allows vendors to communicate directly with Department points of contact; and the Service Now application.
- On the ARPA Projects Portal is the Service Now application, that houses the [ARPA Vendor Portal](#) which was developed to increase efficiency in the ARPA contracting process by providing a technological solution to gather information to prequalify vendors to participate on NCDHHS non-IT projects. The application allows vendors to develop a profile, as well as enter and update a prequalification questionnaire. In the future, the application will be used to respond to Task Orders and manage Vendor Performance. A [Portal Guide](#) is provided to guide vendors through the prequalification process.

### II. OBJECTIVES

ARPA, which stands for “American Rescue Plan Act of 2021”, is a federal law that was passed in March 2021 to provide direct relief to Americans, contain the COVID-19 virus, and rescue the economy. ARPA is foundational for America’s recovery from the effects of COVID-19. NCDHHS is a direct recipient of ARPA funds.

ARPA funds will be used to strengthen current health and human services-related programs and invest in new programs. To meet program goals timely and efficiently, and comply with funding stipulations, Vendor Prequalification is employed to meet the following requirements:

- Address the agency’s need for a full range of service requirements that integrate multiple professional service disciplines and ancillary services/products with the flexibility for all contract types and pricing at the task order level.
- Capable of addressing specific needs of historically marginalized and underserved communities, and provide opportunities for small businesses and historically underutilized businesses to fully participate in the provision of contractual services.
- Allow for competitive acquisitions while providing for maximum participation by all NC vendors.
- Include performance-based evaluations for vendors.
- Include vendors whose employee base (or subcontractors) can be deployed into historically marginalized communities to overcome social, economic, and cultural barriers; and
- Comply with the NC General Statutes, Administrative Code, and DHHS Procurement, Contracts and Grants Policies.

By implementing a value-based solution that affords continual evaluation of services, refreshment of the vendor pool, and the capability to front-load the work effort, DHHS will deliver value-added services and reduce overall operational costs for all stakeholders

### III. DEFINITIONS

For purposes of this documents, the following terms or acronyms are defined as follows:

- A. *Agreement*, also referred to as “Master Agreement” is the foundational document that contains all general terms and conditions agreed to by the vendor and the agency upon which all contracts are based.
- B. *ARPA* means “American Rescue Plan Act of 2021”.
- C. *Contract* refers to the document that results from a competitive task order solicitation which sets out the specific work to be accomplished
- D. *OPCG* means “Office of Procurement, Contracts and Grants”. OPCG is the central procurement entity for the Department of Health and Human Services.
- E. *Task Order* is a competitive solicitation circulated among vendors that are prequalified to perform the specific work outlined therein.
- F. *Announcement* is the publicly advertised request to vendors to submit their qualifications per commodity code to be evaluated for listing on the prequalified vendor list, which results in their eligibility to bid on task orders in approved commodity codes. May also be referred to as RFPQ (Request for Prequalification).

### IV. PURPOSE

The overall purpose of the Prequalification Program is to prescreen vendors against general requirements and capabilities to ensure the reasonable probability that each vendor that competes for projects will have demonstrated their capacity to perform satisfactorily. Through prequalification assessment processes, vendors are required to demonstrate that they have the potential to perform a contract by giving evidence of their experience on similar work; staff training,

experience and other expertise; compliance with health, safety or similar policies; business and financial structure and resources; and previous levels of customer satisfaction in relation to similar work.

Prequalification, as a contracting tool, provides several advantages that benefit both the agency and prospective vendors.

For the agency:

- Pre-screens potential vendors for contract specific requirements and capability
- Reduces or eliminates the need to evaluate bids from unqualified vendors
- Enables the sourcing strategy to be altered in response to the level of interest from qualified vendors

For vendors:

- Prequalification reduces a vendor's administrative burden by eliminating the need to submit the same information with each separate bid.
- Prospective vendors avoid the expense of bidding if not sufficiently qualified
- Enables prospective vendors to understand minimum requirements, providing them with the opportunity to join with other prequalified vendors to bid for a contract

This [ARPA Prequalification Program Plan](#) provides a brief overview of the vendor prequalification process created to promote efficiency in the procurement process by placing vendor "responsibility" determinations at the beginning of the process.

## **V. SCOPE OF SERVICES**

The ARPA Prequalification Program comprises many areas of expertise and includes all requirements necessary to formulate a total professional services solution necessary to meet Healthcare, Social Services, Public Health Services, and other related services.

Ancillary support services are defined as services not within the scope of the program that are integral and necessary to complete a total integrated solution under a professional service based requirement. Ancillary support services may include, but are not limited to other professional and/or non-professional services; commercial and/or non-commercial items; administrative support; data entry; and subject matter expertise.

OPCG may allow and the Vendor may propose ancillary services at the task order level.

Task Orders cannot be issued and the Vendor shall not accept or perform work when the predominate task order scope of work is:

- 1) An ancillary support service.
- 2) A requirement that primarily uses employees not employed in classifications that directly support the purpose and intent of the Master Agreement.
- 3) An abrogation of the agency's responsibilities.

## **VI. PROJECT TYPES**

Prequalification of vendors under the Master Agreement seeks to establish a list of pre-qualified vendors that can perform an array of services in the health and human services arena on an “as needed” basis. Such services include integrated human services that aid communities, families, and individuals in a more effective and efficient way.

The following is a non-exhaustive list of potential projects within the health and human services spectrum:

- Public Health Services
- Mental Health Services
- Developmental Services
- Employment Services
- Child and Family Services
- Emergency Preparedness

Interested bidders with expertise and experience in commodity codes related to health and human services must meet the pre-qualifications requirement of the Vendor Pre-Qualification Announcement in order to be added to the pre-qualified list of vendors.

Prequalified vendors may be requested to perform the following services:

- Develop plans in accordance with specified regulatory requirements.
- Organizational assessment for purposes of assessing problems and proposing solutions to improve the work culture and program operations.
- Provide staff support for the process of reviewing and updating operations plans for project work.
- Project Management Consultation.
- Planning and Program Coordination.
- Health and Safety Services.
- Update emergency plans and essential functions in accordance with federal and/or state requirements.
- Management consultation to collaborate and develop work projects to mitigate public health risks.
- Develop tools in conjunction with identified stakeholders to provide a focused assessment of risks to the public health, behavioral health, and healthcare sectors.
- Improve performance and health outcomes.
- Optimize resources and streamline health care delivery processes.
- Capacity building and technical management assistance on healthcare related subject matter.
- Assess objective research of health indicators from surveys, focus groups, and interviews with community leaders.
- Prepare comprehensive reports on communities’ health strengths and problems.
- Anticipate and respond to changes in health policy.
- Other services as described in a competitive Task Order request.

## **VII. FRAMEWORK**

The ARPA Prequalification Program is a program-wide, exclusive program that prequalifies vendors to bid on opportunities solicited under the ARPA umbrella. In this program, vendors are generally prequalified to bid on many contracts (program-wide), and bidding is reserved for

vendors that have been prequalified (exclusive). Vendors that are not prequalified are excluded from bidding for the contract. This screening helps ensure all contractors submitting bids on the contract are responsible and capable of successfully performing the work.

This framework has the essential elements of a comprehensive, legally sound prequalification program, including:

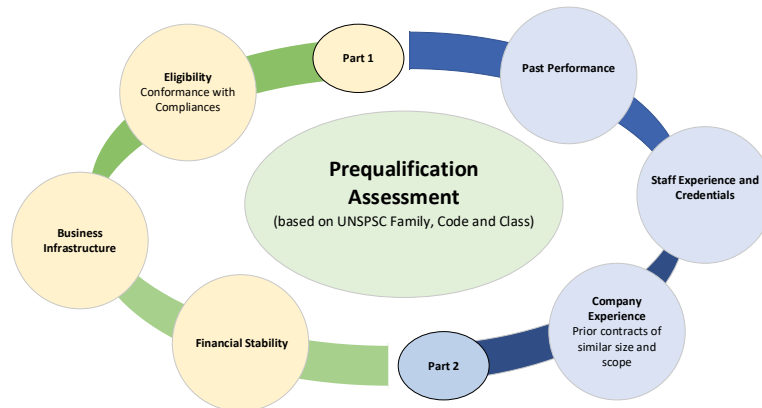
- A. Prequalification Criteria: qualifying criteria that identify the attributes of vendors with whom the Department desires to do business;
- B. Standardized Questionnaire: a standardized questionnaire used to elicit information regarding the qualifying criteria;
- C. Approval Process: a scoring system used to objectively determine compliance with qualifying criteria;
- D. Appeals Process: an appeals process for vendors whose applications are denied; and
- E. Other Rules: other rules governing operation of the program (such as standards concerning reapplication for or revocation of prequalified status).

### VIII. PROGRAM COMPONENTS

#### A. Prequalification Criteria

Vendor prequalification is an information gathering and assessment process that facilitates the Department’s determination of a vendor’s capability, capacity, resources, management processes, and performance.

Vendor prequalification requires “passing” two screening gates: Vendor Responsibility (Part 1) and Technical Competence (Part 2).



#### (1) *Vendor Responsibility:*

The concept of responsibility is the same for the traditional procurement model and for this prequalification program, which intends to prequalify vendors for responsibility under applicable competitive bidding statutes and administrative rules. Responsibility potentially incorporates a wide range of possible attributes, including a contractor’s past experience in successfully completing projects, its financial condition, its claims history, and its compliance with numerous different regulatory requirements, including environmental, health, and safety laws. Responsibility may also incorporate the

vendor's demonstration of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform a contract.

Consistent with 01 NCAC 05A .0112, "Responsible Vendor" means a Vendor who demonstrates in its Offer that it has the capability to perform the requirements of the Solicitation, the Agency defines responsibility in terms of the experience and ability of a vendor to successfully complete the contract on the terms agreed to with the Agency.

(2) *Technical Competence:*

Technical Competence focuses more closely on the experience, past performance, and staff credentials of potential vendors with projects involving similar requirements as those expected to be advertised by the agency. Technical competence is evaluated using information provided per commodity code. Contractors lacking experience in a particular commodity code may not prequalify despite their demonstration of *responsibility* as technical competence necessitates specialized experience in a particular area.

B. Standardized Questionnaire

*General:* Information and documents collected as a part of the procurement process are typically required of vendors each time a Division solicits proposals. With ARPA Prequalification, vendors are required to enter application information once and critical documents required for compliance annually. When vendors prequalify, they agree to update their organizational profile as required for general contact and contract administration.

In order to become eligible to respond to Task Order solicitations through the ARPA Prequalification Program, vendors must fully complete all sections of the questionnaire, provide all required documentation, and be approved by the ARPA Approval Team.

Responses and documentation will be reviewed by the ARPA Approval Team. As vendors complete their questionnaires, the following points are offered:

- Completing the questionnaire in one sitting is not required after the Vendor Profile and password have been created. Vendors can save their work and return to complete it at a later time.
- As the vendor organization grows and changes, they can update basic information and add additional experience when new prequalification solicitations are posted.
- Online help is available on the ARPA Projects website and vendors can also contact the ARPA Approval Team through the feedback form provided on the website.
- Multiple users can complete different sections of the questionnaire. The questionnaire is not necessarily linear; however, the answers to questions will dictate which documents are required to complete your application.
- The Vendor Homepage shows where the questionnaire is incomplete and/or missing information. Alerts will appear on your homepage and will be automatically sent when the profile or solicitation is close to expiration.
- Reference the [ARPA Portal Guide](#) for more information for creating a profile and completing questionnaires.



*Meeting Documentation Requirements:* Before starting, we suggest that you assemble and scan an official digital copy of any of the following documents that apply to your organization. Based on how you respond to the application questions, you will be prompted to attach a combination of the documents listed below:

- Certificate of Assumed Name
- Certificate of Incorporation or equivalent
- Substitute W-9 Form
- Organizational Chart
- Corrective Action Plan
- Capability Statement
- Previous/Existing Contract information
- Key Staff – Resumes

*Submitting your Questionnaire:* We strongly suggest that vendors complete the prequalification questionnaire as soon as possible. Only vendors that have completed and been approved by the ARPA Approval Team will receive notification of Task Order releases. In order to respond to Task Orders, vendors must be fully prequalified for the commodity code advertised in the Task Order.

#### C. Approval Process

Full prequalification requires two approvals: (1) Responsibility Determinations and (2) Technical Evaluations.

- Responsibility Determinations are either pass or fail based on whether the vendor has answered required questions acceptably and/or submitted required documentation. The Responsibility test must be passed before the vendor's application can progress to Technical Evaluation.
- Technical Evaluations are conducted by Subject Matter Experts (SME) with knowledge and expertise relevant to the specific commodity code for which prequalification is requested. SMEs will review the information provided by vendors in their questionnaires to determine if experience, expertise, and performance are satisfactory and acceptable to meet project's/program's deliverable(s) as defined by stakeholders, legislation, policies, standards, and best practices

Vendors may request prequalification in multiple commodity codes. A vendor must have at least one approved commodity code to be deemed prequalified.

#### D. Appeals Process

Vendors that are fully prequalified must execute a Master Agreement that establishes the terms and conditions that will govern all current and future Task Orders. The Master Agreement creates a framework for future contracting actions, and allows the vendor and the Agency to plan for expeditious execution of future contracts. Thus, no contract will result from the prequalification solicitation. Contracts are competed at the task order level for various DHHS services based specific project requirements.

After award of a Task Order, the Department encourages vendors to obtain feedback through a post-award debriefing. Debriefings are important for several reasons, but primarily because they help vendors improve their competitive performance for future procurements. A post-award debriefing is a meeting after contract award with OPCG personnel requested by an offeror who was eliminated from the competition or otherwise unsuccessful in contract award. Successful offerors may also request post-award debriefings.

Excepted where excluded or as otherwise provided, it is the policy of the OPCG to provide Interested Vendors with an opportunity to administratively resolve protests related to contract awards. All protests that are Timely Filed and contain sufficient information will be accorded consideration, although not every protest submitted to DHHS will necessarily be afforded a protest meeting. Along with other limitations on protests referenced in the Policy, protests relating to cancellation of solicitations and protests relating to the rejection of all bids or proposals are not permitted.

Vendors are encouraged to refer to the [Debriefing Policy](#) and [Protest Policy](#) for additional guidance.

#### E. Other Rules

*Maintaining Eligibility:* Once a vendor's application for prequalification has been approved, the vendor remains qualified for three (3) years, until disqualified, until funding for the program is exhausted, or until the program ends, whichever comes first.

*Updating Information:* If substantive changes in the information provided in the prequalification application changes, the ARPA Approval Team must be notified immediately.

*Annual Compliances:* Vendors must complete all required annual compliances and update documentation in the ARPA Prequalification application.

### IX. **GENERAL**

#### A. Announcement

An Announcement is a formal document that targets multiple vendors in order to meet service requirements within each advertised commodity code. Announcements inviting prequalification are publicly advertised on the State's Electronic Bid System. Each Announcement will have a primary commodity code, but may include codes from varying code families.

Vendors must have demonstrated experience and core competencies providing services for customers that are similar in size and that match applicable commodity code requirements in the Announcement.

Overall, bidders must describe their specialized service and provide detailed information on their expertise and core competencies for each applicable commodity code in their response.

## B. Vendor Essential Requirements

One of the primary purposes of prequalification is to reduce the total acquisition process cycle time. Much time is lost in the contracting process as the Agency waits for necessary documents required for contract execution. To achieve efficiency objectives, vendors are required to complete or upload proof of their “readiness” to do business with the State.

- Vendors must be registered in eProcurement and have a valid vendor number to enter into the ARPA Prequalification Program application.
- Vendors are required to be activated as a vendor with the Office of State Controller through the Agency. As such, Vendors are required to upload a completed (or updated) Substitute W-9 form.
- Vendors must be a validly registered entity with the Secretary of State’s Office.

## C. Using Commodity Codes

The State uses the United Nations Standard Products and Services Code (UNSPSC) codes within its eProcurement system to classify, track, and analyze purchases. The UNSPSC is a classification of products and services developed by the United Nations Development Programme (UNDP). It is an open, global, multi-sector standard and is internationally used by industry and government in procurement to identify the commodity acquired, and to support financial analysis of goods and services (i.e. how much is spent, on which products, and from which suppliers).

Prequalification is driven by UNSPSC commodity codes. Vendors may request prequalification in multiple commodity codes. To be prequalified, vendors must provide evidence of competencies to support requested commodity codes.

Approval of requested commodity codes will be determined based on past experience (as a prime or subcontractor), past performance, and staff capabilities. A vendor must have at least one approved commodity code to be deemed prequalified.

Tasks Orders are advertised based on commodity codes. Only vendors prequalified to perform services in the advertised commodity code may submit a response to the advertised Task Order.

## X. **MASTER AGREEMENTS and TASK ORDERS**

From each prequalification solicitation, a Multiple Award, Indefinite Delivery, Indefinite Quantity Limited Services Agreement will be produced. The Master Agreement creates the foundational document on which competitively awarded Task Order contracts rely.

- A. Competition. Competition for projects occur at the task order level. Invitations to bid and acceptance of offers is limited to those vendors who have been prequalified to perform the specific work described in the Task Order Request per commodity code.

- B. Minimum and Maximum Awards.** There is no minimum task order dollar guarantee for a prequalified vendor that does not obtain a task order award for the term of the Master Contract. There is no maximum dollar ceiling amount for each individual task order placed under the Master Contract. An unlimited number of task orders may be placed under the Master Contract.
- C. Task Order Pricing.** The Department has the flexibility to determine fair and reasonable pricing tailored to the task order’s requirement and dependent upon competition, risk, complexity, urgency, and contract type.

The Master Agreement permits the use of all contract types at the task order level (e.g., Cost-Reimbursement (all types), Fixed-Price (all types), Time-and-Materials, and Labor-Hour. Task orders may also combine more than one contract type (e.g., FFP/Cost, FFP/Labor Hour etc.). Additionally, task orders may include incentives, performance based measures, and multi-year or option periods.

**D. Special Requirement for Payment Types**

All contract payment types may be employed at the task order level (e.g., Cost-Reimbursement (all types), Fixed-Price (all types), Time-and-Materials, and Labor-Hour. Cost plus percentage of cost contracts are disallowed.

1. *Fixed Price* and *Lump Sum* contracts are based on delivery of the total scope of work. The vendor may invoice a predetermined amount or percentage based on predetermined milestones.
2. *Cost Reimbursement* contract types requires that the vendor have and maintain an acceptable accounting system that will permit timely development of all necessary cost data in the form required by the proposed contract type. The vendor may be required to submit a cost proposal with supporting information for each cost element, including, but not limited to, direct labor, fringe benefits, overhead, general and administrative (G&A) expenses, facilities capital cost of money, other direct costs, and fees (as determined by CPA or other acceptable source).
3. *Incentive* contract types allow the business unit to pay an incentive based on delivery, performance, or another requirement.
4. *Time and Materials* and *Labor Hours* contract types allows the vendor to provide separate and/or blended loaded hourly labor rates for vendor’s employees. Hourly labor rates must be reviewed and approved by Budget and Analysis or Internal Audit. Reasonableness is determined by comparing the loaded state employee hourly rate for a similar classification to the vendor’s proposed hourly rate. Subcontractor labor is proposed and awarded as “materials”.

Task orders may combine more than one contract payment type, and may include incentives and multi-year option periods.

**E. Period of Performance**

1. The period of performance for the Master Agreement is from the date of the NTP (Notice-To-Proceed) through three (3) years thereafter, with two (2) one year option(s) that may extend the cumulative term of the Agreement to five (5) years, if exercised.
2. The period of performance for each task order awarded under the Agreement shall be specified in the Task Order Contract. Task Orders must be solicited and awarded prior to the Agreement term expiring and may extend up to five (5) years after the Agreement term expires.
3. Task order option periods may be exercised after the Agreement term expires as long as the final task order option period does not extend the cumulative term of the task order beyond five (5) years after the Agreement term expires.
4. After the Agreement term expires, the Agreement will remain active until the final Task Order is closed-out and shall govern the terms and conditions with respect to active task orders to the same extent as if it were completed during the Agreement term.
5. Task Order deliverables and reporting will be specified in the Task Order. The State reserves its right to request other deliverables or reports not specifically listed in the Task Order. Deliverables or reports are required until the final task order is closed-out. If a deliverable is due on a calendar day that falls on a weekend day or a state holiday, the deliverable or report is due the following business day.
6. Task Order compliances will be specified in the task order. The State reserves its right to request other compliances in order to align the Agreement with new statutory or regulatory requirements. The state will provide the vendor with at least 45 days' notice of requirements.

**F. Vendor Participation Requirement**

**1. On Ramping**

It is in the state's best interest to maintain an adequate number of vendors eligible to compete for task orders to meet the state's health and human services mission requirements. The total number of vendors within any of the UNSPSC classifications may fluctuate due to any number of reasons including but not limited to, competition levels on task orders, inclusion of additional classifications, or the Agency's right to exercise of the vendor off-ramp process. On Ramping is the process of adding additional vendors to a prequalified list for an existing commodity code.

Vendors are informed that utilization of any on-ramping procedure does not obligate the Agency to perform any other on-ramping procedure. The Agency reserves the right to on-ramp any or all classifications at any time.

OPCG, through consultation with Division leadership, will determine whether it would be in the Agency's best interest to initiate "open enrollment" to add additional vendors to any or all classifications at any time, subject to the following conditions:

- a) Open Enrollment is publicly advertised.

- b) The Open Enrollment solicitation is issued under current state procurement law.
- c) The solicitation identifies the total anticipated number of new vendors per classification that OPCG intends to award.
- d) Any Offeror that meets the eligibility requirements set forth in the open enrollment solicitation may submit a proposal in response to the solicitation, including vendors that were previously removed from active prequalification for any reason.
- e) The prequalification decision under the open enrollment is based upon substantially the same evaluation factors/sub-factors as the original solicitation.
- f) An Offeror's proposal must meet all of the Prequalification Pass/Fail Criteria of the original solicitation.
- g) The terms and conditions of any resulting awards are materially identical to the existing version of the Agreement.
- h) The period of performance term for any new awards is coterminous with the existing term for all other vendors.
- i) Upon on-ramping, the vendor is eligible to submit a proposal in response to any task order solicitation and receive task order awards with the same rights and obligations as any other vendor.

## 2. Off Ramping

OPCG reserves the unilateral right to Off-Ramp non-performing or disengaged vendors. Vendors under a single classification that are Off-Ramped for failure to respond (compete for task orders) can have no active task orders under their classification at the time of the Off-Ramping. Vendors under more than one classification will only be off-ramped when non-performance issues have occurred.

Off-ramping methods may occur from employing one of the following measures:

- a) Permitting the vendor's Agreement term to expire instead of exercising an Option.
- b) After a Contractor is placed in Inactive status and the vendor has completed all previously awarded task orders under the Agreement.
- c) Debarment, Suspension, or Ineligibility
- d) Termination.
- e) Vendors that fail to meet the standards of performance, deliverables, or compliances.
- f) Taking any other action which may be permitted under the Agreement's terms and conditions

## 3. Vendor Inactive Status Procedure

OPCG is responsible for ensuring performance and compliance with the terms of the Agreement and safeguarding the interests of the state in its contractual relationships. Additionally, OPCG must ensure that vendors receive impartial, fair, and equitable treatment. Agreements must be reserved for actively engaged and high performing vendors. Accordingly, if OPCG determines that any requirement of the Agreement is not being met, the vendor may be placed into Inactive Status. Inactive status may be triggered for any and/or all classifications that a vendor has been awarded.

If Inactive Status is initiated, the vendor is not eligible to participate or compete in any subsequent task order solicitations while the vendor is in Inactive status; however, vendors placed in Inactive status may continue performance on previously awarded and active task orders, including the exercise of options and modifications at the task order level.

Inactive status is not a Debarment, Suspension, or Ineligibility; it is a condition that applies to the Agreement only. Grounds for being placed in Inactive status specifically include, but are not limited to, trends or patterns of behavior associated with the failure to meet the deliverables and compliances as specified in the Agreement.

Inactive status will only be imposed after careful consideration of the situation and collaboration with the vendor to resolve the issues.

- a) To place a vendor in Inactive status, the Contract Manager must first send a letter, in writing, to the vendor regarding the poor performance or non-compliance issue.
- b) The vendor will be allowed reasonable time, at the discretion of the Contract Manager and in cooperation with the OPCG Contract Administrator, to provide the Contract Manager with a remediation plan to correct identified deficiencies/issues.
- c) If the Contract Manager is satisfied with the Vendor's response, the Vendor will not be placed in Inactive status.
- d) If the Contract Manager is not satisfied with the response, or the remediation plan is not effective, the Contract Manager will refer a recommendation to the OPCG Contract Administrator who will issue a final decision, in writing, potentially placing the vendor in an Inactive status.
- e) The Contract Administrator's final decision may be appealed to the OPCG Director.

## **XI. Task Order Management (Reserved)**

*This section is reserved for details related to Task Order Management. Task Orders are contracts that define a specific project's scope, cost, and schedule. As a component of the Master Agreement, the Task Order's scope, cost, and schedule must conform to terms of the Master Agreement.*

## **XII. Vendor Performance Management (Reserved)**

*This section is reserved for details related to Vendor Performance Management. Vendor Performance Management is a business practice that is used to measure, analyze, and manage the performance of a vendor. Contract Managers seek to cut costs, alleviate risks, and drive continuous improvement through dynamic vendor performance management techniques.*