

## CFO INDUSTRY DAY QUESTIONS

Q1. Does the government intend to have options on the assessment orders to procure follow-on audits?

**Answer: The Government intends to issue a three year Indefinite Delivery/Indefinite Quantity Multiple Award Contract (MAC) with a base and two twelve-month options at the task order level.**

Q2. Can other components or agencies use these MAC contracts to get ready for an assessment?

**Answer: We would need to look at the work and see if it is in the scope but it is not anticipated at this time.**

Q3. Please describe the contract type.

**Answer: The contract type for the assessment and audit efforts will be a performance based MAC that will provide various pricing arrangements including firm fixed price, cost plus fixed fee, cost plus incentive fee, cost plus award fee, time & materials.**

Q4. Will service auditors be used in validation of our assessment? Will service auditors be available to work with contractors?

**Answer: Service auditors will not perform validation of the assessment nor act as COTRs. Service auditors will be available to work with contractors. The individual task orders detail the responsibilities of service auditors.**

Q5. In conducting SAS type II assessments, how much due diligence must a contractor take to remain independent?

**Answer: Independence responses will have to be based on specific facts and circumstances of the contractor's situation. However, the contractor is ultimately responsible for maintaining independence.**

Q6. What is out of date for questions?

**Answer: Contractors are encouraged to submit all questions prior to the release of the formal Request For Proposal (RFP) to ensure timely posting of all questions and answers on the NAVAIR website. Questions received after the release of the formal RFP may not be answered prior to proposal submission.**

Q7. Will any other contract activities issues orders for assessment?

**Answer: NAVAIR will issue all task orders under the MAC for the information technology assessment, audit assessment and audits efforts.**

Q8. Must you respond to the RFI (Request For Information), to respond to the RFP (Request For Proposal)?

**Answer: You may respond to the RFP if you did not respond to the RFI. We strongly encourage industry to provide inputs throughout the process.**

Q9. Can the dates for award be moved up or back?

**Answer: It is our intention to expeditiously award the Multiple Award Contracts. It is anticipated that awards will be made the beginning of fiscal year 2005.**

Q10. Can the government provide a master schedule?

**Answer: At this time, the government is not able to provide a master schedule. It is the responsibility of the contractor to view the NAVAIR homepage for schedule updates.**

Q11. Please explain the MAC lot structure.

**Answer: The Government had divided each section of this contract into 3 lots on the size standard. Lot I reserved for 8(a) concerns. Lot II is reserved for Small business concerns. Lot III will be issued on an unrestricted basis. As part of their proposal, offerors will indicate the Lot(s) for which they will be submitting their offeror in accordance with the Statement of Work and the instructions provided in Section L of the Solicitation.**

Q12. Will there be awards prior to September 2004 MAC awards?

**Answer: The OIG DoD intends to issue statements of work for the reviews of the following systems and sites before September 30, 2004:**

- **Database Management System (DBMS),**
- **Standard Army Finance Information System (STANFINS)**
- **Defense Property Accounting System (DPAS),**
- **Defense Data Reporting System (DDRS),**
- **Defense Civilian Payroll System (DCPS), and**

The OIG DoD will use GovWorks to award the contracts for the FY 2004 information technology assessments. RFPs can viewed at [GSA Advantage!\(http://www.gsaadvantage.gov\)](http://www.gsaadvantage.gov).

Q13. If you develop an architecture component for an activity, can you participate in MAC delivery orders for assessment or audit?

**Answer: Independence responses will have to be based on specific facts and circumstances of the contractor's situation regarding involvement with systems or accounting entities.**

Q14. Have you thought about knowledge management systems to capture data from contractors?

**Answer: No. We have not thought about knowledge management systems.**

**Q15.** Will there be a different interpretation of independence for each contract?

**Answer: Independence responses will vary depending on the specific facts and circumstances of the contractor's situation. Independence determination will be made at the task order level on the facts and circumstances surrounding the situation.**

**Q16.** How will smaller firms be advised of upcoming procurements?

**Answer: Upcoming procurements will be posted to the Office of Inspector General of the Department of Defense (OIG DOD) (<http://www.dodig.osd.mil/audit/financial/financial.htm>), Naval Air Systems Command (NAVAIR) ([www.navair.navy.mil/doing\\_business/open\\_solicitations](http://www.navair.navy.mil/doing_business/open_solicitations)), GovWorks ([www.gsaadvantage.gov](http://www.gsaadvantage.gov)) and FEDBizOps ([www.fbo.gov](http://www.fbo.gov)) websites. We recommend that industry frequently monitor these websites for all upcoming procurements.**

**Q17.** Will the government e-mail companies that have shown interest?

**Answer: No, interested companies will not be e-mailed. Recommend industry frequently monitor OIG DOD ([www.dodig.osd.mil/audit/financial/financial.htm](http://www.dodig.osd.mil/audit/financial/financial.htm)) and NAVAIR ([www.navair.navy.mil/doing\\_business/open\\_solicitations](http://www.navair.navy.mil/doing_business/open_solicitations)) websites.**

**Q18.** Is there a time delay when things are posted to the OIG DoD and NAVAIR websites?

**Answer: The OIG DoD and NAVAIR are not aware of any posting time delays. Recommend industry frequently monitor the OIG DOD ([www.dodig.osd.mil/audit/financial/financial.htm](http://www.dodig.osd.mil/audit/financial/financial.htm)) and NAVAIR ([www.navair.navy.mil/doing\\_business/open\\_solicitations](http://www.navair.navy.mil/doing_business/open_solicitations)) websites. As NAVAIR is the contracting agent, you may want to check the NAVAIR website first.**

**Q19.** What is in the September 2004 contract? What is in the June 2005 contract?

**Answer: The Information Assurance, Audit assessments and CFO audit requirements have been combined into one three year Multiple Award Contract. This MAC will be awarded the beginning of fiscal year 2005.**

**Q20.** Would NAVAIR consider doing an umbrella contract for corrective actions for the Navy?

**Answer: NAVAIR does not foresee the issuance of an umbrella contract for corrective action.**

**Q21.** If we do program budget work at Office of the Secretary of Defense (OSD), can we do assessments and audits?

**Answer: Independence responses will have to be based on specific facts and circumstances of the contractor's situation regarding involvement with program budget at OSD and assessments and audits.**

Q22. Can contractor's team? Can they be a prime on one contract and a sub to another contract?

**Answer: Yes, the government encourages teaming among contractors. Yes, a contractor can be a prime on one contract and a sub on another contract. Both OIG DoD and NAVAIR websites list Industry Days attendees' information.**

Q 23. Given potential for slow start and given the range of work, how can we make sure there is not a large gap between MAC awards and orders?

**Answer: It is our intent to implement streamlined processes that will allow for task order awards in less than 60 days. However, unforeseen and uncontrollable delays may cause schedule slippage.**

Q 24. Given the number of DoD material weaknesses self-reported under the Federal Managers' Financial Integrity Act of 1982 (FMFIA), how realistic is it to assume the "correction" phase will not be too extensive? And thus slow down the process significantly? How reasonable is the fiscal year 2007 target for a clean opinion?

**Answer: The "correction" phase may or may not be extensive; this is dependent on the assessment and audit phases. The process may be slowed down if extensive correction(s) are needed. Fiscal year 2007 is a target to obtain a clean opinion.**

Q 25. Is OIG DoD staffed to assume responsibility for reviewing audit work performed by contractors?

**Answer: Yes, the OIG DoD will assume responsibility for reviewing audit work performed by contractors.**

Q 26. Would participation in this contract exclude an organization from future participation in DoD financial systems developments, designs and implementations?

**Answer: If this is the only impediment, the answer is no. However, you would be precluded from auditing any of those financial systems developments, designs and implementations. The government would review the facts and circumstances for any independence related issues.**

Q 27. Will there be a possibility that the place of performance will be outside the United States?

**Answer: It is anticipated that work will be performed within and outside the U.S.**

Q 28. This solicitation appears to have substantial opportunity for setting portions of the effort aside for small/small-disadvantaged businesses. What is the plan to set aside efforts for both 8(a) and HUBZONE companies?

**Answer: This is not a set-aside procurement. The solicitation will be issued on an unrestricted, full and open competition basis, with provisions to award to 8(a) and Small Business concerns under a reserved system.**

Q 29. Will NAVAIR use their recently awarded Multiple Award Contract to solicit work required by this effort?

**Answer: No, NAVAIR will not use their recently awarded MACs to solicit work required. A three year MAC will be awarded for the OIG DoD information technology assessments, audit assessments and audit requirements.**

Q 30. Does the contracting office anticipate issuing task orders by lots (i.e. I, II, III or IV)?

**Answer: This is not a set-aside procurement. The lot structure and associated issues will be coordinated with the NAVAIR Small Business Office to ensure companies comply with socio-economic requirements and goals. Prior to soliciting delivery order proposals, the Statement of Work (SOW) will be sent to all awardees with a request to respond within forty-eight (48) hours of their intent to submit or not to submit a proposal for the tasking outlined in the SOW. If the PCO receives reasonable assurance that two or more 8(a) or Small Business concerns will submit a proposal, then the work will be reserved for 8(a) (Lot I) and/or Small Business Concerns (Lot II), thus the RFP will not be open to those awardees in the Unrestricted Lot (Lot III). If it appears that only one or no 8(a) or Small Business concerns will propose, then the RFP will be open to those awardees in Lot III. Notification by awardees of their intent to submit a proposal must be in good faith. A contractor's history of replying to our 48 Hour Notice of Intent will be evaluated under this contract on the 48 Hour Notice of Intent Survey.**

Q 31. Can you please clarify where we should look for information on OIG DoD work that will be acquired under existing contract vehicles?

**Answer: Recommend that industry frequently monitor the OIG DOD ([www.dodig.osd.mil/audit/financial/financial.htm](http://www.dodig.osd.mil/audit/financial/financial.htm)) and NAVAIR ([www.navair.navy.mil/doing\\_business/open\\_solicitations](http://www.navair.navy.mil/doing_business/open_solicitations)), GovWorks ([www.gsaadvantage.gov](http://www.gsaadvantage.gov)) and FEDBIZOPS ([www.fbo.gov](http://www.fbo.gov)) websites.**

Q 32. Will OIG DoD consider using General Service Administration (GSA), Federal Accounting Billing Systems (FABS) to facilitate access to a wide range of firms and accelerate issuance of task orders for work it expects to contract this year?

**Answer: It is anticipated that approximately 5 or 6 contract orders (totaling approximately \$90 million) may be placed prior the September 2004 MAC award. These contracts will primarily focus on information technology. Contracting vehicles for the \$90**

million efforts may be established through the various contracting vehicles such as Department of Interior, GSA Schedule and GovWorks ([www.gsaadvantage.gov](http://www.gsaadvantage.gov)). Recommend industry monitor the OIG DOD ([www.dodig.osd.mil/audit/financial/financial.htm](http://www.dodig.osd.mil/audit/financial/financial.htm)) and NAVAIR ([www.navair.navy.mil/doing\\_business/open\\_solicitations](http://www.navair.navy.mil/doing_business/open_solicitations)) as well as FedBizOps ([www.fbo.gov](http://www.fbo.gov)) websites.

Q 33. Can you share what type of vehicles will be used for the FY 2004 assessments? You mentioned a Government Wide Agency Contract (GWAC) or Department of Interior vehicle last week.

**Answer: It is anticipated that approximately 5 or 6 contract orders (totaling approximately \$90 million) may be placed prior the September 2004 MAC award. These contracts will primarily focus on information technology. Contracting vehicles for the \$90 million efforts may be established through the various contracting vehicles such as Department of Interior, GSA Schedule and GovWorks ([www.gsaadvantage.gov](http://www.gsaadvantage.gov)). Recommend industry monitor the OIG DOD ([www.dodig.osd.mil/audit/financial/financial.htm](http://www.dodig.osd.mil/audit/financial/financial.htm)), NAVAIR ([www.navair.navy.mil/doing\\_business/open\\_solicitations](http://www.navair.navy.mil/doing_business/open_solicitations)) and FedBizOps ([www.fb.gov](http://www.fb.gov)) websites.**

Q 34. Can the audit work potentially be performed by the consulting firms?

**Answer: Consulting firms are not precluded from doing assessments. However, it is highly unlikely that a non-audit type firm will be able to perform audit work.**

Q 35. Will the firms be providing an audit opinion to the OIG DoD?

**Answer: The contractors may be providing an opinion to the OIG DoD based on the assessment and/or audit performed. The OIG DoD is responsible for issuing the opinion.**

Q 36. Do the independent standards change with assessments as opposed to audit work?

**Answer: It is anticipated that independence standards will remain constant for both assessment and audit work. Independence responses will have to be based on specific facts and circumstances of the contractor's situations.**

Q 37. Do you expect the independence standards to change over time?

**Answer: The IG DoD does not set the independence standards. The IG DoD does not know what changes may occur over time.**

Q 38. Will contractors need a security clearance?

**Answer: Security level requirements will be determined by the specific task order requirements. Contractors are encouraged to begin the process of security classification.**

**For additional information please visit the Defense Security Service website at [www.dss.mil](http://www.dss.mil) and click on Industrial Security/Facility Security Clearances.**

Q 39. If the Executive Steering Committee asks for an assessment, will the contractors providing the assessment automatically be able to perform the audit?

**Answer: Our intention is to include an option in the task order that would allow the contractor to continue work on the assessment and perform the audit. However, the OIG DoD exercise of the option depends on the results of the assessment.**

Q 40. Can you provide clarification for preparing for audits and is the vehicle broad enough to get contractors to do the necessary verifications?

**Answer: The requirements for preparing and performing audits will be detailed in the solicitation.**

Q 41. What types of contracts will be used?

**Answer: The contract type will be a performance based MAC that will provide various pricing arrangements including firm fixed price, cost plus fixed fee, cost plus incentive fee, cost plus award fee, time & materials.**

Q 42. If a contractor gives an opinion on the information assurance side then can they do an audit, does that create an independence issue?

**Answer: Independence responses will have to be based on specific facts and circumstances of the contractor's situations.**

Q 43. If you have staff whom need clearances, is there a way to start the process before award?

**Answer: Contractors are encouraged to begin the process of security classification. In addition, interim secret clearances will be acceptable for some of the contract work. According to the Defense Security Service, these clearances are typically processed within a week. For additional information please visit the Defense Security Service website at [www.dss.mil](http://www.dss.mil) and click on Industrial Security/Facility Security Clearances.**

Q 44. Do you have a cut-off date for questions and feedback?

**Answer: Contractors are encouraged to submit all questions prior to the release of the formal Request For Proposal (RFP) to ensure timely posting of all questions and answers on the NAVAIR website. Questions received after the release of the formal RFP may not be answered prior to proposal submission.**

Q 45. Regarding assessments, will there be any contracting activities besides NAVAIR?

**Answer: NAVAIR is the only contracting activity handling the assessment requirements that will be awarded the beginning in fiscal year 2005.**

Q 46. Is there a due date for proposals?

**Answer: The proposal due date is not yet finalized. We anticipate releasing a draft solicitation May 2004. A three year MAC will be competitively awarded the beginning of fiscal year 2005 for the information technology assessment, audit assessment and audit CFO requirements.**

Q 47. What is the plan for starting work? How many Indefinite Delivery Indefinite Quantity (IDIQ) contracts will be issued?

**Answer: It is anticipated that approximately 5 or 6 Statements of Work will be released (totaling approximately \$90 million) prior to the September 2004. The contracts awarded for the Statements of Work will primarily focus on information technology. Contracting vehicles for the \$90 million maybe established through various means such as the GovWorks. One (1) MAC will be competitively awarded in the beginning of fiscal year 2005 for information technology assessment, audit assessment and audits. For upcoming procurements, monitor the OIG DOD ([www.dodig.osd.mil/audit/financial/financial.htm](http://www.dodig.osd.mil/audit/financial/financial.htm)), NAVAIR ([www.navair.navy.mil/doing\\_business/open\\_solicitations](http://www.navair.navy.mil/doing_business/open_solicitations)) and FedBizOps ([www.fbo.gov](http://www.fbo.gov)) websites.**

Q 48. a. Will there be multiple award contracts?  
b. Will there be multiple lots with multiple awards?

**Answer:**

**a. It is anticipated that approximately 5 or 6 Statements of Work will be released (totaling approximately \$90 million) prior to the September 2004. The contracts award for the Statements of Work will primarily focus on information technology. Contracting vehicles for the \$90 million maybe established through various means such as the GovWorks. A MAC contract will be competitively awarded in the beginning of fiscal year 2005 for information technology assessment, audit assessment and audits. For upcoming procurements, monitor the OIG DOD ([www.dodig.osd.mil/audit/financial/financial.htm](http://www.dodig.osd.mil/audit/financial/financial.htm)), NAVAIR ([www.navair.navy.mil/doing\\_business/open\\_solicitations](http://www.navair.navy.mil/doing_business/open_solicitations)) and FedBizOps ([www.fbo.gov](http://www.fbo.gov)) websites.**

**b. This is not a set-aside procurement. The lot structure and associated issues will be coordinated with the NAVAIR Small Business Office to ensure companies comply with socio-economic requirements and goals. Prior to soliciting delivery order proposals, the Statement of Work (SOW) will be sent to all awardees with a request to respond within forty-eight (48) hours of their intent to submit or not to submit a proposal for the tasking outlined in the SOW. If the PCO receives reasonable assurance that two or more 8(a) or Small Business concerns will submit a proposal, then the work will be reserved for 8(a) (Lot I) and/or Small Business Concerns (Lot II), thus the RFP will not be open to those**

**awardees in the Unrestricted Lot (Lot III). If it appears that only one or no 8(a) or Small Business concerns will propose, then the RFP will be open to those awardees in Lot III. Notification by awardees of their intent to submit a proposal must be in good faith. A contractor's history of replying to our 48 Hour Notice of Intent will be evaluated under this contract on the 48 Hour Notice of Intent Survey.**

Q 49. Is there going to be an automated system to track the overall master plan?

**Answer: No.**

Q 50. Have you thought about having a knowledge base for contractors between assessments and audits (if different)?

**Answer: No, the Government had not thought about having a knowledge base for contractors.**

Q 51. Are there any non-U.S. sites?

**Answer: There is a possibility that the place of performance will be non-U.S. sites.**

Q 52. Any difference between independence criteria from assessment to audit phase?

**Answer: It is anticipated that independence standards will remain consistent for both assessment and audit work. Independence responses will have to be based on specific facts and circumstances of the contractor's situations.**

Q 53. Of the \$90 million, how are the vehicles going to be announced and how will smaller firms reach the vehicles?

**Answer: It is anticipated that approximately 5 or 6 contract orders (totaling approximately \$90 million) may be placed prior to MAC award. Contracting vehicles for the \$90 million may be established through various means such as the Department of Interior, GSA Schedule and GovWorks. One (1) MAC will be competitively in the beginning fiscal year 2005 for information technology assessment, audit assessment and audits. For upcoming procurements, monitor the OIG DOD ([www.dodig.osd.mil/audit/financial/financial.htm](http://www.dodig.osd.mil/audit/financial/financial.htm)), NAVAIR ([www.navair.navy.mil/doing\\_business/open\\_solicitations](http://www.navair.navy.mil/doing_business/open_solicitations)) and FEDBIZOPS ([www.fbo.gov](http://www.fbo.gov)) websites.**

Q 54. Will you send out emails to companies that have expressed interest?

**Answer: No, interested companies will not be notified via e-mail. Recommend industry monitor OIG DOD ([www.dodig.osd.mil/audit/financial/financial.htm](http://www.dodig.osd.mil/audit/financial/financial.htm)) and NAVAIR ([www.navair.navy.mil/doing\\_business/open\\_solicitations](http://www.navair.navy.mil/doing_business/open_solicitations)) and FEDBIZOPS ([www.fbo.gov](http://www.fbo.gov)) websites.**

Q 55. When will the information on the sites be available? Will the sites be kept up to date?

**Answer: Information is posted and updated frequently to both OIG DoD and NAVAIR website. Recommend industry frequently monitor the OIG DOD ([www.dodig.osd.mil/audit/financial/financial.htm](http://www.dodig.osd.mil/audit/financial/financial.htm)) and NAVAIR ([www.navair.navy.mil/doing\\_business/open\\_solicitations](http://www.navair.navy.mil/doing_business/open_solicitations)) websites.**

Q 56. Are information assurance and assessment assurance the same phase?

**Answer: The Statement of Work addresses the information assurance and assessment assurance requirements.**

Q 57. Is there a potential to set up an umbrella contract to issue task orders?

**Answer: NAVAIR does not intend to award an umbrella contract for corrective actions for the Navy. This would have to be explored as possible future contracting actions.**

Q 58. If you are doing budget work are you precluded from doing an assessment?

**Answer: Independence responses will have to be based on specific facts and circumstances of the contractor's situation regarding involvement with program budget at OSD and assessments and audits.**

Q 59. Does the September 04 work include SAS 70?

**Answer: During the summer of FY 2004, the government will use existing contracts to issue task orders for SAS 70/88 audits. A MAC to be competitively awarded at the beginning of FY 2005 will include a Statement of Work that will allow the Government to issue task orders for audits using SAS 70/88.**

Q 60. Is there a mechanism to start the security clearance process?

**Answer: In order to obtain a facility security clearance, sponsorship is required. Contractors are encouraged to begin the process of security classification. In addition, interim secret clearances will be acceptable for some of the contract work. According to the Defense Security Service, these clearances are typically processed within a week. For additional information please visit the Defense Security Service website at [www.dss.mil](http://www.dss.mil) and click on Industrial Security/Facility Security Clearances.**

Q 61. Is there a requirement for facilities to have storage?

**Answer: Security level requirements will be determined by the specific task order requirements. Contractors are encouraged to begin the process of security classification. In order to obtain a facility security clearance sponsorship is required. For additional information please visit the Defense Security Service website at [www.dss.mil](http://www.dss.mil) and click on Industrial Security/Facility Security Clearances.**

Q 62. Is the lack of a mechanism going to make firms without clearances behind firms with clearances?

**Answer: In order to obtain a facility security clearance, sponsorship is required. Contractors are encouraged to begin the process of security classification. In addition, interim secret clearances will be acceptable for some of the contract work. According to the Defense Security Service, these clearances are typically processed within a week. For additional information please visit the Defense Security Service website at [www.dss.mil](http://www.dss.mil) and click on Industrial Security/Facility Security Clearances.**

Q 63. Do you expect a top-secret requirement for IT contracts?

**Answer: Security level requirements will be determined by the specific task order requirements. Contractors are encouraged to begin the process of security classification. In order to obtain a facility security clearance, sponsorship is required. In addition, interim secret clearances will be acceptable for some of the contract work. According to the Defense Security Service, these clearances are typically processed within a week. For additional information please visit the Defense Security Service website at [www.dss.mil](http://www.dss.mil) and click on Industrial Security/Facility Security Clearances.**

Q 64. Will the solicitation require companies to tell what work they have done in the past?

**Answer: The solicitation will detail all evaluation criteria and factors.**