



RETURN BIDS TO:
RETOURNER LES SOUMISSIONS À:
Bid Receiving - PWGSC / Réception des soumissions
- TPSGC
11 Laurier St./ 11, rue Laurier
Place du Portage, Phase III
Core 0B2 / Noyau 0B2
Gatineau, Québec K1A 0S5
Bid Fax: (819) 997-9776

SOLICITATION AMENDMENT
MODIFICATION DE L'INVITATION

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

Comments - Commentaires

Vendor/Firm Name and Address
Raison sociale et adresse du fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution
Clothing and Textiles Division / Division des vêtements et des textiles
11 Laurier St./ 11, rue Laurier
6A2, Place du Portage
Gatineau, Québec K1A 0S5

Title - Sujet C2VCO - Ébauche de DS	
Solicitation No. - N° de l'invitation W8486-137549/D	Amendment No. - N° modif. 001
Client Reference No. - N° de référence du client W8486-137549	Date 2016-06-27
GETS Reference No. - N° de référence de SEAG PW-\$\$PR-756-71132	
File No. - N° de dossier pr756.W8486-137549	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2016-08-05	
F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input checked="" type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Benoit, Patrick	Buyer Id - Id de l'acheteur pr756
Telephone No. - N° de téléphone (613) 864-9886 ()	FAX No. - N° de FAX () -
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction:	

Instructions: See Herein

Instructions: Voir aux présentes

Delivery Required - Livraison exigée	Delivery Offered - Livraison proposée
Vendor/Firm Name and Address Raison sociale et adresse du fournisseur/de l'entrepreneur	
Telephone No. - N° de téléphone Facsimile No. - N° de télécopieur	
Name and title of person authorized to sign on behalf of Vendor/Firm (type or print) Nom et titre de la personne autorisée à signer au nom du fournisseur/de l'entrepreneur (taper ou écrire en caractères d'imprimerie)	
Signature	Date

La modification 001 est émise afin de corriger la version anglaise de l'annexe F donc, aucune modification est apportée à la version française.

Tous les autres termes et conditions demeurent les mêmes.

ANNEX F – Performance Measurement Framework

Department of National Defence

**PERFORMANCE MEASUREMENT FRAMEWORK (PMF)
Operational Clothing and
Footwear Consolidated
Contract
(OCFC2)**

Requisition Number: W8486-137549
DND Document #

Date: 17 June 2016
RDIMS 4269244

Prepared by:
DSSPM
National Defence Headquarters
Major General George R. Pearkes Building
Ottawa, Ontario
K1A 0K2



NOTICE

This documentation has been reviewed by the technical authority and does not contain controlled goods.

AVIS

Cette documentation a été révisée par l'autorité technique et ne contient pas de marchandises contrôlées.

ANNEX F – Performance Measurement Framework

TABLE OF CONTENTS

1 INTRODUCTION

- 1.1 Purpose
- 1.2 Structure

2 DEFINITION OF METRICS

- 2.1 Strategic Performance Measures
- 2.2 Key Performance Indicators
- 2.3 System Health Indicators
- 2.4 Framework Summary
- 2.5 Framework Changes

3 ASSESSMENT PROCESS

- 3.1 Annual Performance Review
- 3.2 Contract Review

4 ROLLING WAVE APPROACH

- 4.1 Linkage to Annual Performance Review

APPENDICES

- Appendix 1 Key Performance Indicators

ANNEX F – Performance Measurement Framework

1 INTRODUCTION

1.1 Purpose

1.1.1 The Operational Clothing and Footwear Consolidated Contract (OCFC2) will be managed based on Contractor performance utilizing a Rolling Wave approach. An annual performance review will be conducted resulting in a decision whether or not to exercise one option year. Every two years a strategic review of Contractor performance and the alignment of the contract with government objectives will be conducted resulting in a decision whether or not to continue with the OCFC2 past the period of currently exercised options.

1.1.2 The Department of National Defence (DND) will institute a Performance Measurement Framework (PMF) for the purpose of managing the OCFC2. The PMF will be used to apply the Rolling Wave approach for managing contract option years and ultimately contract duration. The OCFC2 PMF will be based on the following contract Key Result Areas (KRAs):

- a. Performance – Operationally ready and mission capable;
- b. Flexibility – An adaptable and scalable support system that can be readily adjusted to changes in operational requirements and/or operating budgets;
- c. Value for Money – Procured at a price commensurate with the market rate for comparable procurements; and
- d. Socio-Economic Benefit – Leverage industrial benefits from defence procurement to create and maintain jobs and support economic growth for companies in Canada.

1.2 Structure

1.2.1 The PMF is aligned with OCFC2 KRAs and will be comprised of the following metrics:

- a. Strategic Performance Measures (SPMs);
- b. Key Performance Indicators (KPIs); and
- c. System Health Indicators (SHI).

ANNEX F – Performance Measurement Framework

2. DEFINITION OF METRICS

2.1. Strategic Performance Measures

2.1.1 The purpose of SPMs is to determine whether the OCFC2 continues to achieve its strategic objectives and to confirm that it remains aligned with departmental and government direction. SPM review will be a holistic review taking into account Contractor performance, Contractor adherence to contractual commitments, feedback from supported organizations (Canadian Armed Forces (CAF) environments), and consideration of current government policy and priorities.

2.1.2 SPMs listed are not all inclusive and other factors/inputs may be taken into consideration at the sole discretion of the Government of Canada:

- a. Annual contract performance review results, operational outcomes as reported by CAF Environmental staffs, management of technical specifications, and quality conformity.
- b. Degree of success achieved in adjusting to fluctuating demand levels, response to any surge requirements during the period, and response to any changes in scope of work such as Master Item List (MIL) changes.
- c. Total annual contract costs, line item unit costs, costs associated with tasked services, and current market rates for provision of similar products and services.
- d. Adherence to Canadian Content commitments, frequency with which Industry and Technological Benefits (ITB) and Value Proposition commitments have been met on an annual basis, and any outstanding commitments at the time of review.

2.2 Key Performance Indicators

2.2.1 The purpose of KPIs is to measure Contractor performance in the delivery of the Managed Clothing Solution (MCS) under the OCFC2. KPIs will be discussed with the Contractor monthly during Performance Review Meetings (PRMs) to track progress and allow the opportunity to address any concerns. KPIs will be reviewed annually.

2.2.2 The KPIs applied to the OCFC2 will be:

- a. Responsiveness. Achieving required delivery standards.
- b. Order Accuracy. Delivery of items in accordance with orders submitted.
- c. Quality Assurance. OCF items provided by the Contractor meet the applicable specifications as per the MIL (Appendix 1 to Annex A).

ANNEX F – Performance Measurement Framework

- d. Stock Outs/Back Orders. Frequency and duration of any cases of the Contractor running out of stock and being unable to fill orders received.
- e. Customer Complaints. Addressing and resolving customer complaints (such as order delivery and items quality) as well as issues raised by the DND PM, PA or CA.
- f. Taskings. Completion of taskings raised by DND 626 as per established deadlines and to the approved standard/outcome.
- g. Industrial and Technological Benefits (ITB). Achievement and identification of ITB and Value Proposition commitments.

2.3 System Health Indicators (SHI)

2.3.1 The purpose of SHIs is to provide a more detailed view of Contractor performance beyond that provided by a limited set of KPIs. SHIs will be used as 'trend leading' indicators to identify potential areas of concern before they develop to the point of impacting KPIs or SPMs. SHIs will not be formally assessed but will be discussed during monthly PRMs as needed. Example SHIs are defined however the actual SHIs will be adjusted as necessary over the life of the contract.

ANNEX F – Performance Measurement Framework

2.4 Framework Summary

2.4.1 The OCFC2 PMF is summarized in Table 1 below.

KRA	Performance	Flexibility	Value for Money	Socio-Economic Benefit
SPM	<ul style="list-style-type: none"> • Performance assessment against KPIs • Operational outcomes • Specification management • Quality conformity 	<ul style="list-style-type: none"> • Performance assessment against KPIs • Surge response • Response to scope changes 	<ul style="list-style-type: none"> • Total annual costs • LIUC • Tasked Services costs • Market rates for provision of similar products and services 	<ul style="list-style-type: none"> • Annual rate of success in meeting ITB and Value Proposition commitments • Achievement of Canadian Content commitments
KPI	<ul style="list-style-type: none"> • Responsiveness • Order Accuracy • Quality Assurance • Customer Complaints • Taskings 	<ul style="list-style-type: none"> • Responsiveness • Stock Outs/Back Orders • Customer Complaints 		<ul style="list-style-type: none"> • Achievement and identification of ITB and Value Proposition commitments
SHI	<ul style="list-style-type: none"> • Number of failed demands • IP Issues/ infractions • Deviations & Waives required • OMS availability 	<ul style="list-style-type: none"> • Innovation 	<ul style="list-style-type: none"> • Transportation Costs • Additional Work Request frequency & costs 	<ul style="list-style-type: none"> • Completion of all required attestations • Canadian content verification results • Timely delivery of contractual requirements and responsiveness of Contractor to requests for additional information

Table 1 – OCFC 2 Outcomes

2.5 Framework Changes

2.5.1 The Contractor may propose amendments to the DND PMF as part of finalizing the Contractor Performance Management Plan during Phase 1. Further recommendations for changes may also be made during the duration of the contract. All changes will be at the sole discretion of Canada. Proposed amendments must ensure that the data inputs and KPIs conform to the following principles:

ANNEX F – Performance Measurement Framework

- a. Results oriented, focusing on outputs and outcomes;
- b. Reliable, producing data and information that are accurate and consistent over time;
- c. Objective rather than subjective;
- d. Accessible, providing results that are available to the DND PM on an ongoing basis; and
- e. Life cycle-based, enabling continual improvement over time.

3 ASSESSMENT PROCESS

3.1 Annual Performance Review

3.1.1 An Annual Performance Review will be conducted between four and six weeks following the end of each performance period (Fiscal Year) starting in year three (assessing year two performance). Reviews will be conducted annually thereafter. The Contractor must provide all KPI statistics to the DND PM no later than four weeks following the end the Fiscal Year.

3.1.2 The Annual Performance Review will be conducted by an interdepartmental team from the Department of National Defence (DND), Public Works and Government Services Canada (PWGSC) and Innovation, Science and Economic Development (ISED) Canada. The Contractor will be provided feedback including a written assessment following each review which will identify any areas for improvement. The results of the annual performance review will be:

- a. a decision regarding exercising any option years;
- b. a decision regarding any incentive fees payable for the year; and
- c. a decision regarding the application of any contractual penalties such as holdbacks against the contract.

3.2 Contract Review

3.2.1 Every two years a strategic review of contract performance will be conducted in conjunction with the Annual Performance Review. The first review will be conducted in year three. Each review will consider both the performance of the Contractor and the level of success of the OCFC2 in providing an acceptable MCS for operational clothing to the CAF. The entire duration of the contract may be considered but the focus of each review will be on the preceding three years.

ANNEX F – Performance Measurement Framework

3.2.2 Formal Contract Reviews may be conducted more frequently if felt necessary at the sole discretion of the Government of Canada.

3.2.3 The Contract Review will be conducted by senior management from DND, PWGSC and ISED. The Contractor will be advised of the results of the review in writing. As appropriate, feedback on areas of note or areas of concern which arise during the review will be included in this feedback. The results of the Contract Review will be a decision regarding continuing the OCFC2 beyond the currently contracted period.

4. ROLLING WAVE APPROACH

4.1 Linkage to Annual Performance Review

4.1.1 Option years will be managed based on a 'Rolling Wave' concept in which option years are authorized based upon satisfactory performance. A contracted working period (operational window) will be maintained sufficient to provide stability of support and to encourage investment by the Contractor. Based upon the results of the Annual Performance Review, option years will be managed as follows:

- a. In the event that performance against KPIs is assessed to be satisfactory one option year will be exercised. The intention is to maintain a four year operating window of contracted work.
- b. In the event that performance against KPIs is assessed to be unsatisfactory no option year will be exercised. The operating window of the contract will be reduced to three years.
- c. In the event of an assessment of unsatisfactory performance, acceptable Contractor performance assessed during subsequent annual reviews will result in one option year being exercised, maintaining the existing operational window of the contract. Canada may, at its sole discretion, exercise two option years to re-establish the four year operational window of the contract. As a general rule, two consecutive years of above standard performance will be required to authorize two option years.
- d. Should the Contractor not achieve a satisfactory rating twice (resulting in the contract operational window dropping below three years) formal annual performance reviews will cease. No further option years will be authorized unless deemed operationally essential by DND and the OCFC2 will expire at the end of the existing contract period.

4.1.2 Should a review of the SPM indicate that the MCS approach or Contractor performance is not meeting the OCFC2 strategic objectives, the Government of Canada reserves the right to cease authorizing option years and allow the contract to expire at the end of the current authorized period.

ANNEX F – Performance Measurement Framework

4.1.3 The above does not waive, reduce or limit the rights of the Government of Canada to terminate the contract for default, convenience or mutual consent.

DRAFT

Department of National Defence

Key Performance Indicators
for the
Operational Clothing and Footwear
Consolidated Contract (OCFC2)

Requisition Number: W8486-137549
DND Document #

Date: 17 June 2016
RDIMS # 4269251

Prepared by:
DSSPM
National Defence Headquarters
Major General George R. Pearkes Building
Ottawa, Ontario
K1A 0K2



NOTICE

This documentation has been reviewed by the technical authority and does not contain controlled goods.

AVIS

Cette documentation a été révisée par l'autorité technique et ne contient pas de marchandises contrôlées.

Appendix 1 to Annex F – Key Performance Indicators**1. Key Performance Indicators**

This appendix describes the Key Performance Indicators (KPIs) that will be used in the assessment of contractor performance while providing a Managed Clothing Solution under the Operational Clothing and Footwear Consolidated Contract.

KPI	Manner of assessment	Measure	Remarks
Responsiveness	<ul style="list-style-type: none"> Delivery of orders in accordance with standards specified in the Statement of Work 	<ul style="list-style-type: none"> Total orders Complete orders delivered on time Partial orders delivered on time 	<ul style="list-style-type: none"> Partial order delivery 'counts' but discounted (not full points)
Order Accuracy	<ul style="list-style-type: none"> Reject rate of orders for incorrect item 	<ul style="list-style-type: none"> Total orders Items/orders returned for incorrect item 	<ul style="list-style-type: none"> Right item(s) delivered as per inventory mgt sys Picking success rate
Quality Assurance	<ul style="list-style-type: none"> Reject rate of orders for unsatisfactory item Incorrect items identified during QA visits 	<ul style="list-style-type: none"> Total orders Items/order returned for incorrect size Items/order returned for unacceptable quality Items checked during Quality Assurance visits Items identified as non-conforming during Quality Assurance visits 	<ul style="list-style-type: none"> Item stocked/delivered matches established specifications QA success rate
Stock Outs/Back Orders	<ul style="list-style-type: none"> Orders which cannot be filled due to lack of stock 	<ul style="list-style-type: none"> Item/days backlogged 	<ul style="list-style-type: none"> Weighted for importance of item?
Customer Complaints	<ul style="list-style-type: none"> Review of complaints received by contractor Review of Action Item Report 	<ul style="list-style-type: none"> Number of complaints received Response time 	<ul style="list-style-type: none">
Taskings	<ul style="list-style-type: none"> Review of tasking status 	<ul style="list-style-type: none"> Taskings completed within contracted period Taskings completed to specified standard/requirement 	<ul style="list-style-type: none">

Appendix 1 to Annex F – Key Performance Indicators

KPI	Manner of assessment	Measure	Remarks
Achievement and identification of ITB and Value Proposition commitments	<ul style="list-style-type: none"> • Comparison of Contractor's ITB and Value Proposition achievements and value identified versus commitments and ITB/VP Performance Schedule 	<ul style="list-style-type: none"> • Based on values in the annual ITB report 	<ul style="list-style-type: none"> •