AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE

PAGE OF PAGES: 1 | 109

2. AMENDMENT/MODIFICATION NO.: 0001

3. EFFECTIVE DATE: See Block 16C

4. REQUISITION/PURCHASE REQ. NO.:

5. PROJECT NO. *(If applicable)*:

6. ISSUED BY — CODE 00091

U.S. DOT/ Maritime Administration
Office of Acquisition MAR-380
1200 NEW JERSEY AVENUE SE
MAIL STOP W-28-201
WASHINGTON DC 20590-0001

7. ADMINISTERED BY *(If other than Item 6)* — CODE 00093

U. S. DOT Maritime Administration
Gulf Div. Acquisition Office,
MAR 380.3
500 Poydras Street, Suite 1223
Hale Boggs Building
New Orleans LA 70130-3396

8. NAME AND ADDRESS OF CONTRACTOR *(No., street, county, State and ZIP Code)*

Interocean American Shipping Corporation
Attn: Mitch Walker
302 Harper Dr Ste 200
Moorestown NJ 08057-4701

CODE 132835366 — FACILITY CODE

(x) 9A. AMENDMENT OF SOLICITATION NO.:

9B. DATED *(SEE ITEM 11)*:

x 10A. MODIFICATION OF CONTRACT/ORDER NO.: DTMA8C11025

10B. DATED *(SEE ITEM 13)*: 02/16/2011

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*
See Schedule

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
X	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation date, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION *(Organized by UCF section headings, including solicitation/contract subject matter where feasible.)*

HQ Admin Mod JUN 2011

SUMMARY OF CHANGES

1. Section C.6 Business Management, paragraphs 6.4 and 6.5.1.3 have been revised; paragraphs 6.4.2 (previously reserved) and 6.4.3 have been added.
2. Section J, List of Documents, Exhibits and Other Attachments has been updated includes combining elements of J.4 into a single item.
3. Section J-2 Ship Manager Subcontract Purchasing Policies has been revised at 3.2 SEGREGATION AND MONITORING OF FUNDS to address the greater level of detail to be provided on the EIS Invoice supporting Excel spreadsheet to show subtotals by Project Line Item

Continued ...

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER *(Type or print)*:

16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*: Jill M. Kline

15B. CONTRACTOR/OFFEROR — *(Signature of person authorized to sign)*

15C. DATE SIGNED

16B. UNITED STATES OF AMERICA — *(Signature of Contracting Officer)*

16C. DATE SIGNED: 06/09/2011

NAME OF OFFEROR OR CONTRACTOR
Interocean American Shipping Corporation

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Category names. 4. Section J-4 Deliverables - Category 1 has been revised by adding Item 59. 5. Section J-4 Deliverables - Submitting Contract Deliverables in NS5 is hereby eliminated in its entirety (all 17 pages). 6. Renamed Section J-5 (Reserved) 7. Attachment J.12, USCG CERTIFICATE OF INSPECTION (COI), is renamed QASP Administration Plan: Ship Manager - Performance Appraisal Evaluation System (SM-PEAS) (8 pages). 8. Technical Exhibit TE-3, RMS Protocols, is hereby updated and renamed MARAD NS5 Business Protocol Guidance (72 pages). 9. TE-7, REQUIRED VESSEL SPEEDS, is revised and updated to show all RRF Vessels. Payment: MARAD A/P INVOICES P.O.BOX 25710 OKLAHOMA CITY OK 73125 Period of Performance: 02/16/2011 to 07/27/2015				

C.6 BUSINESS MANAGEMENT

Performance Goal 5: Comply with government and company business policies, procedures and practices.

The Ship Manager shall:

6.1 Availability Requirements. Establish procedures to maximize retention and continuity of experienced and high performing shoreside staff and ROS crew. J4,3,11

6.2 Establish procedures to ensure reliable and timely communications between Ship Manager points-of-contact and the Maritime Administration program office on a 24/7 basis. The Ship Manager points-of-contact shall have the inherent authority to commit the company if circumstances deem it necessary. J4,3,12

6.3 Compliance Documents. Comply with applicable performance standards of the documents reflected below (in Sections C.6.3.1.1 through C.6.3.1.3) in successfully performing ship manager services. Standards include:

- Voluntary Consensus Standards (Definition TE-1, Section 2)
- Non-consensus Standards (Definition TE-1, Section 2)
- U.S. Government Standards (Definition TE-1, Section 2) J4.3.13

6.3.1 Standards include:

6.3.1.1 Voluntary consensus standards include:

· ISM standards

· Generally Accepted Accounting Principles (GAAP) U.S., as established by the Finance Accounting Standards Board

· IMO and other conventions which the U.S. is a signator to SOLAS

· ABS Rules for Steel Vessels

· ACP

· PMCM

· Code of International Ship Management

· STCW-95 or current agreement

· Current ITU Radio Regulations

· Bridge to Bridge Radio Telephone Act

· International Maritime Satellite (INMARSAT) and MF/HF, UHF, and VHF

· Procedures for communication

· The International Regulations for Preventing Collisions at Sea

· U.S. Inland Rules of the Road

· ISO 9002

· ISO 9000 (series) - refers to all those features of a product (or service) which are required by the customer. "Quality management" means what the organization does to ensure that its products conform to the customer's requirements

· ISO 14000 (series) to minimize harmful effects on the environment caused by its activities

· ISO 18000 Occupational Health and Safety Management Systems (series)

· Trim and Stability Booklet

· Manufacturer's Directions for Safety Handling of Equipment

· Cargo Loading Plan

6.3.1.2 Non-consensus standards include:

· Ship Manager Quality Assurance Plan

· Manufacturer's Equipment Operating Manuals (per ship)

· Ship Manager developed Commercial Procurement Procedures

· Ship Manager developed Preventive Maintenance Plan Phase M

· Ship Manager developed Preventive Maintenance Plan Phase O

· Ship Manager developed Activation Plan

· Ship Manager developed Operational Plan

· Ship Manager developed Deactivation Plan

6.3.1.3 Government specific Standards include:

· U.S. CFRs (mandated by law)

· FAR Part 44, Subcontracting Policies and Procedures

· The Maritime Administration Operational Management Manual (TE-1)

· The Maritime Administration Logistics Management Manual (TE-5) and the following:

· Logistics Management Standards

· General Performance Standards for All GFP. Preserve, manage and control all spare parts, accountable property, ship's drawings and technical manuals in a manner that prevents waste, theft and unnecessary procurement.

· Special Performance Standards for the Management of accountable property

· Maintain a complete and 100% accurate inventory of all accountable property in RMS

· Engineering Operating Manuals (per ship)

· Deck Operating Manuals (per ship)

· The contract itself

· NDRF Severe Weather Plan

· Mooring Plan for Outported vessels

· MSC SOP (electronic version - provided at activation)

· Navy, MSC, and Area Command SOPs (electronic versions provided as needed)

· Rules and regulations of the Federal Communications Commission (FCC)

· COMSC Communications Policies and Procedures Manual

· U.S. Public Health Service Regulations - to maximum extent possible

· Carriage of HAZARDOUS or Explosive CARGOES: USCG regulations, Occupational Safety and Health Act of 1970 (29 USC 655, et. seq.); regulations prescribed by the Department of Labor (DOL) for longshoremen; and COMSC instruction 9023.1 Subj: Safety regulations Governing Handling and Transportation of Ammunition and Other Hazardous Cargoes.

· U.S. Department of State (Passports)

· Admiralty Law

· USCG (Licensing, Documentation, Safety)

· U.S. DOL (Wage Determination)

· Occupational Safety and Health Act

· Internal Revenue Service (Taxation)

· State Policies and Regulations (Taxation, Unemployment, Workers Compensation, Safety)

· Industrial Security Manual

· Other (public health, FCC, etc.)

· Exceptions (waivers, public vessel exemptions)

· Claims Package (Attachment J-3)

6.4 The Budget Year and Budget Year +1, Business Plans (BP) shall encompass all known facets of the maintenance, repair, manning, , regulatory compliance, and planned operations of the vessel. The Business Plans shall identify all estimated resources and scheduling for successful execution. Demonstrate adequate risk management of M&R performance/cost/schedule/readiness etc. in the development of the BP. Each vessel shall have an Initial Business Plan, a Final Business Plan **and an Approved Baseline Business Plan**. J4,2,4

6.4.1 MARAD will provide the current year and budget year business plans for in-coming Ship Managers. The Ship Manager must review these plans, discuss any modification and execution plans with the COTR and other designated MARAD representatives. Within 30 days of NTP the business plans are then owned by the ship manager.

6.4.2 **Final Business Plan: Ship Managers shall submit a final business plan consisting of the Notional Business Plan spreadsheet (including all tabs), Narrative, Configuration change proposal(s) (if applicable), and special survey and dry-dock planning (if applicable). The final business plan shall be supported by NS5 budget project entries in accordance with the latest NS5 business protocol. Submit to the Maritime Administration no later than July 1 of each year**.

6.4.3 Approved Baseline Business Plan: Ship Managers shall submit the Approved Baseline Business Plan (ABBP) as an acceptance of the Maritime Administration Resource Management Board (RMB) approved budget. Ship Managers shall match the ABBP budget to the RMB approved budget; the individual accounts within each vessel can only be adjusted by the Ship Manager to suit the Ship Manager's business plan priorities after obtaining concurrence from the Area Division. Submit to the Maritime Administration no later than 14 calendar days after Ship Manager's receipt of the SOMO transmittal of the RMB approvals each year.

6.5 Business Plan Development and Update

6.5.1 Current Year Business Plan (CY BP) is the Resource Management Board (RMB) approved work plan the ship manager (SM) is executing during the current fiscal year (FY). J4,2,4

6.5.1.1 **Establish from the Budget Year Approved Baseline Business Plan, as approved by the Maritime Administration.**

6.5.1.2 Effective on October 1 of each contract year J4,2,4

6.5.1.3 Identify the required work; estimate the cost and schedule for projected actions, i.e., preventative maintenance, corrective maintenance, and regulatory surveys and inspections; define the necessary resources; and schedule the execution of these actions to sustain the vessel in its required readiness. **Ship Manager shall develop their Business Plan each year in accordance with the Annual Business Plan Guidance from the SOMO, and enter supporting entries into NS5 in accordance with the latest NS5 Business Protocol.** J4,2,4

6.5.1.4 Update to reflect actual work performed costs and dates as work is accomplished and invoices are received. J4,2,4

6.5.1.5 Adjust to include changes as required for unknown work changes to schedules, and the Maritime Administration mandated adjustments. J4,2,4

6.5.1.6 Upon completion of the fiscal year, the Current Year Business will become historical data. J4,2,4

6.5.2 Budget Year Business Plan (BY BP) estimates, schedules, and projects work the ship manager will execute in the following fiscal year (FY). The Budget Year Business Plan becomes the Current Year Business Plan in the following fiscal year. J4,2,4

6.5.2.1 Establish from the prior fiscal year Budget Year plus One (BY+1). J4,2,4

6.5.2.2 Identify all known and required work; estimate the cost and schedule for projected actions, i.e., preventative maintenance, corrective maintenance, and regulatory surveys and inspections; define the necessary resources; and schedule the execution of these actions to sustain the vessel in its required readiness. J4,2,4

6.5.2.3 Provide cost estimates by equipment, system or space for possible unknown repairs and corrective maintenance actions based on historical data. J4,2,4

6.5.2.4 Continuously update as requirements are identified and refined utilizing RMS. J4,2,4

6.5.2.5 Report requirements identified after July 1 and required in the following fiscal year to the COTR for inclusion in the plan. J4,2,4

6.6 Business Plan Execution

6.6.1 Through a Maritime Administration issued TO, accomplish all facets of the Current Year Business Plan as approved by the Maritime Administration.

6.6.2 Accomplish corrective actions and repairs not specifically identified in the Current Year Business Plan but projected as an estimate for a system or space.

6.6.3 Provide updates to RMS to reflect actual start and completion dates, actual costs, and changes to scope of work. J4,2,6

6.6.4 Notify the COTR of any events or required actions which will warrant a change to the business plan.

6.6.4.1 Accomplish changes to the business plan as directed by the COTR. Changes will be administered through a Contract Modification, new TO, or TO Modification.

6.6.5 The Maritime Administration ADP Interface: Provide ISP for vessels while in ROS.. Ensure Ship Manager ADP is compliant with the Maritime Administration ADP system. The Maritime Administration ADP system is provided in the Tech Library under MISC. The Maritime Administration will provide the following software programs and appropriate training:

CARGOMAX
RMS J4,3,114

6.6.6 ABS Nautical Systems v. 5 (NS5) will be provided as the Ready Reserve Force Management System (RMS) and will be used by FSS, PACIFIC COLLECTOR and PACIFIC TRACKER.RMS consists of a customized Nautical Systems 5 (NS5) software package, business protocols, and other such products designed to support operational requirements of the RRF, Reserve Fleets, training ships, and special mission ships. The program also manages the shipboard computer infrastructure and related communications and encompasses support for the development of Preventative Maintenance Plans. PACIFIC COLLECTOR AND PACIFIC TRACKER require a dedicated T1 line for the Sponsor's sole use.. This is a fixed price item. The major MARAD business processes functions currently supported by NS5 are:

1. Budget planning and budget execution
2. Requisitioning of services and materials
3. Spare parts inventory management
4. Maintenance planning, tracking and history
5. Financial and purchasing tracking
6. Interfaces (manual or automatic) with ship manager and MARAD accounting and purchasing systems.

Ongoing major initiatives within the program include:

1. Drydock Module. This recently released module adds new capability to document work in NS5 so that the maintenance history is attached to the drydock and to the equipment. We are running it in parallel with our old system for the drydocking of Cape Taylor and the conversion of Beaver State.
2.On-Demand Reporting. This is a totally new capability to schedule and produce customized reports tailored to the needs of the individual user. We will begin limited deployment in the first quarter FY-10.

The Maritime Administration has transferred all legacy systems and provided training in the use of NS5. Enter accurate and timely data into RMS as required. The Maritime Administration 's license comes with the following mandatory modules which the SM will use:

- Maintenance and Purchasing
- Drydock
- My Tasks
-

. Ship Manager must use the purchasing module to enter cost data and vendor data. Further use of the purchasing module, is at the optional discretion of the Ship Manager.

6.6.6.1 Ship Manager Responsibilities towards RMS:

6.6.6.1.2 The ship manager is required to review all outstanding repair and procurement Work Orders. These items should have associated scheduled completion dates and cost estimates as well as associated equipments and systems. Ship Manager shall validate each within the system.

6.6.6.1.3 The ship manager shall use the system to identify new work and procurements required through the utilization of the system's "Work Order". Each item shall include: Title; Priority (4 level); Category (General, Hull, Mechanical, or Electrical) Associated equipment(s), System, or Space(s) (entered via a drop-down menu); clear and concise Statement of Work; Estimated Materials and Labor; Estimated, Committed, and Actual Costs; Vendor; Parts Required if procured or used from onboard or warehouse spares (from existing spare parts database).

6.6.6.1.4 Where applicable, the ship manager shall develop "Events". Events are a group of "Work Orders" that occur during a common time period or shipyard availability (i.e. a drydocking).

6.6.6.1.5 The ship manager may attach electronic files, as appropriate, within the system. This can occur at various points for work orders or for specific parts. The files may be drawings or contractor reports. Any file format is accepted.

6.6.6.1.6 All spare parts data will be entered into RMS. The ship manager shall record usage and management in accordance with the Logistics Management Manual.

6.6.6.1.7 Establish, apply and maintain appropriate resources to input, maintain and integrate data, information and processes for all contract requirements.

6.6.6.2 Attend the Maritime Administration RMS-related user training as directed.

6.6.6.3 Computer requirement. Ship Managers will provide computers for shorebased use, and for use of their port engineering team(s) as follows:

Hard drive:	40 GB
Processor:	2 GHz or higher
RAM:	2 GB or higher for Port Engineers.
	4 GB or higher for office server.
Display:	Super VGA (1024 x 768)
Peripherals:	CD-ROM and DVD, Keyboard, MS Mouse
OS	Windows 2000 Pro, Windows XP Pro, Windows VISTA, or Windows 7.

Ship Managers shall provide Microsoft Office 2003 Professional Edition, and capability to attach, transmit, and receive email.

The Maritime Administration will provide computers for RRF vessels which meet these minimum requirements.

6.6.7 Reporting and Analysis Support

Provide ADP support to ensure successful generation of all reports required under Reporting Requirements. J4,3,115

6.7 Subcontractor Management

6.7.1 Subcontracting Policies and Procedures - See Attachment J-2.

6.7.1.1 Provide acquisition services compliant with FAR Part 44. J4,4,14.

6.7.1.2 Provide timely and accurate data concerning subcontract awards as required by FAR 19.7 using the Electronic Subcontracting Reporting Systems (eSRS) J4,3,15

6.7.1.3 Submit subcontract specifications/solicitations for review, obtain consent to subcontract, and provide advance notification in accordance with FAR 44.2 and the subcontracts clause of this contract. In addition, the CO may require review/consent of any individual action or invoke lower thresholds as deemed necessary irrespective of the above review requirements. J4,2,35

6.7.1.4 Submit written commercial purchasing procedures for commercial purchasing system review (CPSR) and notify the CO (PCO and ACO) of any changes thereafter. J4,1,4

6.7.2 Quality Assurance

6.7.2.1 Develop and execute a Ship Manager Quality Assurance Plan (QA). Notify the Maritime Administration of any changes to the Ship Manager developed QA which was submitted as part of the proposal. J4,1,9

6.7.2.2 Ensure the Maritime Administration receives copies of all third party audits of any Ship Manager policies, procedures, processes or system, in particular those relating to ISM certification and quality assurance. J4,1,5

6.7.2.3 Permit the Maritime Administration employees (ACO or COTR) to accompany third party auditors during their inspections. J4,3,16

6.8 Phone Lines on ROS Vessels: Three (3) phone lines are available for ROS vessels. These are part of the utilities provided under layberth contracts. Additional phone lines are to be included in the Ship Manager's fixed price or may be installed at the Ship Manager's cost during the performance period. Ship Managers are responsible for all costs associated with the use of phone lines. Telephone jacks may be disconnected during activations. Disconnection/re-connection of three (3) telephone lines are reimbursable.

6.9 Provide those items normally associated with Ship Manager staff performance, including, but not limited to: laptop computers, cell phones, personnel assistant devices, dedicated phone, fax and ISP, and required technological up-dates as such items become common to administrative performance.

SECTION J – LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

Attach No.	Description
J.1	DOL Wage Determination WD1998-0298, Revision 13 Dated 08 November 2010
J.2	Ship Manager Subcontracting Purchasing Policies
J.3a	Processing Seafarer's Personal Injury/Illness Claims (Supplement A)
J.3b	Incidents Involving Third Party Personal Injury/Illness and Third-Party Property Damage/Loss (Supplement B)
J.4	Deliverables
J.5	(Reserved)
J.6	(Reserved)
J.7	(Reserved)
J.8	(Reserved)
J.9	Contract Reimbursables
J.11	SF-3881 – ACH Vendor/Miscellaneous Payment Enrollment Form
J.12	QASP Administration Plan: Ship Manager – Performance Appraisal Evaluation System (SM-PEAS)
J.13	Required Training
J.14	(Reserved)
J.15	Section B (See Section B in Contract, Optional Form 336 Continuation Sheet)
J.17	US Customs Form 226 - Record of Vessel Foreign Repair or Equipment Purchase
J.18	SF-1012 - Travel Voucher
J.19	(Reserved)
J.20	Notice of Prohibition on Liens
J.21	(Reserved)
J.22	(Reserved)

TECHNICAL EXHIBITS

TE-1	RRF Operations Management Manual
TE-2	Quality Assurance Surveillance Plan (QASP)
TE-3	MARAD NS5 Business Protocol Guidance
TE-4	Ship Requirements
TE-5	Logistics Management Manual
TE-6	Ship Values
TE-7	Required Vessel Speed
TE-8	PCS Requirements Matrix

[END OF SECTION J]

J-2 SHIP MANAGER (SM) SUBCONTRACT PURCHASING POLICIES

The purpose of this instruction is to establish policies and procedures for

1.0 review and approval of the commercial purchasing system (CPS);

2.0 consent to subcontract and review/advance notification of subcontracts; and

3.0 MARAD specific subcontract requirements, in conjunction with Federal Acquisition Regulation (FAR) Part 44, Subcontracting Policies and Procedures.

1.0 COMMERCIAL PURCHASING SYSTEM (CPS)

1.1 SM DELIVERABLE

The SM is required to provide its CPS procedures to the Procuring Contracting Officer (PCO) within 90 days of NTP. However, the SM is encouraged to provide the deliverable early to enable the review process to be completed in a timely manner.

1.1.1 The CPS will be reviewed in accordance with FAR 44.303. In addition, special attention shall be given to:

1.1.1.1 "Best value" practices. In a "best value" practice, all aspects of ship's requirements and subcontractor's capabilities must be considered. In so doing, such enhanced performance factors as increased readiness, shortened repair period or prompt response may outweigh low price alone. The SM procedures shall be well defined and consistently applied and shall follow purchasing practices appropriate for the requirement and the dollar value of the purchase.

1.1.1.2 Methodology for the acquisition of quality products and services at fair and reasonable prices.

1.1.1.3 Minimization of acquisition lead-time and administrative costs of purchasing.

1.1.1.4 Use of self-assessment to support continuous improvements in purchasing.

1.1.1.5 Ability to segregate and track costs (Section 3.2).

1.1.1.6 Maintenance of complete subcontract documentation (Section 3.4).

1.1.1.7 Use of electronic commerce to the maximum extent practicable, for transmission, processing, invoicing and storing data associated with the SM contract.

1.1.1.8 Procedures to identify capable and reliable contractors who have successful past performance records and who can demonstrate a current ability to perform.

1.1.1.9 Procedures for inclusion of appropriate, current flow-down clauses, terms and conditions (Section 3.7).

SMs with CPSs previously approved by other Government agencies shall submit a copy of the documentation of the approval to the PCO in addition to a copy of its procedures for review.

1.2 MARAD REVIEW OF CPS

Review of the CPS may take upwards of 90 days. To ensure consistency in the CPS review and approval process, MARAD has retained the services of the Defense Contract Audit Agency (DCAA) to perform a review of the CPS deliverable. DCAA's review will consist of a combined audit of procurement and accounting procedures and may include an on-site audit at the SM's facility.

If deficiencies are found, the PCO will advise the SM of the deficiencies and recommend the necessary steps the SM must take to gain approval. In accordance with FAR 44.305-2, the SM shall be expected to reply within 15 days with a position regarding the recommendations.

Upon receipt of a favorable review, the PCO will issue notification of approval. Until such time as SM's CPS has been approved by MARAD under the current SM contract, subcontracts are subject to the approvals outlined in Section 2.2.1.2. MARAD CPS approval issued under a prior contract does not apply to the current SM contract.

1.3 MAINTENANCE OF CPS

The SM shall advise the PCO and Administrative Contracting Officer (ACO) of any change to its commercial procedures 14 calendar days prior to implementation throughout the performance period of the SMC.

The ACO will monitor the SM purchasing program in accordance with FAR 44.304. ACO review(s) may require on-site attendance at the SM's facility. The SM shall assist the ACO by providing space, administrative support, and access to records/reference documents during these inspections.

In accordance with FAR 44.302, once initial approval has been given, at least every 3 years, the ACO will determine whether a purchasing system review is necessary. The ACO will provide CPS re-certifications. MARAD will conduct annual cost incurred financial audits on SM records utilizing the services of DCAA. If warranted, interim cost-incurred audits will be ordered.

1.4 WITHDRAWAL OF CPS APPROVAL

During the performance period of the SMC, the ACO may lower the advance notification/consent thresholds, if there has been deterioration of the SM CPS or to protect the Government's interests. The ACO will issue a deficiency report to the SM, with a copy to the COCO and PCO. The SM shall immediately conform to the ACO's lower thresholds, and respond to the deficiency report within 15 days. Upon review of the response, the ACO may determine that the lower thresholds should continue or make a decision to withdraw approval of the CPS if it is determined that the SMC is deviating substantially from the approved CPS.

2.0 SUBCONTRACT REVIEWS

The SM shall provide subcontracts and documentation for review as follows:

2.1 ADVANCE NOTIFICATION

2.1.1 Notification to ACO prior to award, with copy of intended subcontract

Dollar Level	Type of Contract
Any	Other Than Fixed Price

2.1.2 The PCO waives the requirement for advance notification of fixed price contracts.

2.2 CONSENT

2.2.1 Request for consent to subcontract to ACO

2.2.1.1 With Approved CPS

Dollar Level	Type of Contract
>$125K	Other Than Fixed Price
>$1M	Fixed Price (sole source)
>$2.5M	Fixed Price (competitive)

2.2.1.2 Without Approved CPS

Dollar Level	Type of Contract
>$25K	Other Than Fixed Price (except T&M)
>$50K	Time-and-Materials
>$100K	Fixed Price

2.3 CONSENT TO SUBCONTRACT GUIDELINES

The request for consent to subcontract and supporting documentation shall be submitted to the ACO electronically at least 10 working days prior to intended subcontract award date. The ACO review will include the considerations listed in FAR 44.202-2 as well as consent limitations in 44.203. The SM request shall include all applicable informational elements listed in FAR 52.244-2, Subcontracts, subparagraph (f)(1). Additionally, the consent request shall include:

- A clear analysis of the award decision, including all factors considered
- Copy of proposals received and an abstract of proposals
- Copy of proposed subcontract, including any changes to terms and conditions
- Summary of negotiations, including explanation of variance between proposed and negotiated prices
- Separately priced bonds and insurance, if coverage exceed 3.7.4 requirements
- Specific funding required for the basic subcontract, supplemental growth, options, and projected SM administrative costs
- Milestone schedule

2.4 ADDITIONAL REVIEW REQUIREMENTS

2.4.1 COTR/ACOTR specification reviews are always required regardless of the level of subcontract review.

2.4.2 For any subcontract requiring formal consent, the associated solicitation shall be submitted to the ACO for pre-issuance review electronically at least 10 working days prior to intended issuance date. The solicitation package submitted shall include:

- Solicitation
- Documentation of specification review and approval by the COTR/ACOTR
- Source List
- Detailed estimate
- Basis for determination of liquidated damages, diversion/inter-port differentials, bonding, and insurance, if coverage exceeds 3.7.4 requirements

Thereafter, a copy of all changes or amendments to the solicitation will be provided to the ACO and COTR/ACOTR concurrent with issuance.

2.4.3 Notwithstanding the established review thresholds, the ACO or PCO may request a pre-award review of any complete subcontract, or part thereof (e.g., sole source, non-commercial items).

2.5 SPECIAL PROCEDURES FOR MISSION ESSENTIAL AND EMERGENCY REPAIRS

The SM shall only purchase supplies or services authorized by a Task Order (TO) or TO modification except for mission essential and emergency repairs described below:

2.5.1 Mission Essential and Emergency Repairs: Foreign and domestic

Mission essential repairs are defined as repairs necessary to support a No-Notice Activation, or repairs necessary to prevent or correct unanticipated change in a ship's readiness status to C-3 or C-4.

An emergency is any action that is needed to protect or prevent the loss of life, limb, or property.

2.5.2 Mission Essential Repair: General Policy

The SM shall notify the ACO and COTR/ACOTR as soon as possible, and at a minimum:

- Define the intended work in as much detail as possible.
- Develop an estimate of cost, and an initial not to exceed value.
- Make all attempts possible to obtain competition, given the circumstances.
- Obtain fixed price rates for subcontracted labor (to include straight time and overtime) fully burdened material, mutually acceptable terms and conditions.
- Recommend project start and completion dates.
- Obtain verbal authorization for no-notice activation from personnel designated in Section G.6. Obtain verbal authorization for other mission essential and emergency repairs from the ACO as soon as practical. The ACO will issue a written TO confirming verbal authorizations as soon as possible.

2.5.3 Mission Essential Repairs Inside the United States

2.5.3.1 The SM shall comply with the policies of Section 2.5.2 and all appropriate aspects of its approved CPS.

2.5.3.2 All appropriate flow-down clauses shall be used, inclusive of Service Contract Act FAR-52.222-41.

2.5.4 Mission Essential Repairs Outside the United States

MARAD has been granted authority to waive the flow-down clauses required by FAR Part 44 for all non-commercial subcontract repairs accomplished in foreign ports. There are no mandatory flow-down clauses for foreign commercial item repairs. The SM shall comply with the policies of Section 2.5.2 and all appropriate aspects of its approved CPS as closely as possible, given the circumstances.

2.5.5 Planned Repairs Outside the United States

Aside from the waived flow-down clauses of FAR Part 44 noted above, the SM shall conduct planned foreign repairs (e.g. prepositioned vessels) in accordance with all other aspects of Section 2.5.2 and its approved CPS.

2.5.6 Emergency

The SM is authorized to take whatever action is deemed necessary to protect or prevent the loss of life, limb, or property.

3.0 MARAD SPECIFIC SUBCONTRACT REQUIREMENTS

3.1 SUBCONTRACT FUNDING

MARAD may obligate funding for subcontracts on the initial TO, or may elect to obligate funding at a later date via TO modification. The SM is expected to timely execute the approved business plan by soliciting services or supplies "subject to the availability of funds;" however, the SM shall not sign a contract with a subcontractor and shall not incur a legal obligation without a funded TO.

3.2 SEGREGATION AND MONITORING OF FUNDS

The SM is responsible for performing the ordered work, by the required delivery date, and within the authorized funding levels for each CLIN of the TO. The SM shall segregate and monitor costs accordingly.

The SM must notify the ACO in writing when 75% of the funds provided on the TO have been expended. SM are cautioned that this notification requirement applies to individual TOs even when multiple TOs are used on a project. Further, the SM shall notify the COTR/ACOTR and ACO at any point that it is determined that the ordered work cannot be accomplished within the required delivery and/or within the authorized funding.

The SM shall provide a tracking report in Excel spreadsheet format **attached to each invoice submitted in the Electronic Invoice System (EIS) for either (1) FYXX M&R DRYDOCK or (2) OPER No-Notice Test Activation. The SM will utilize an Excel spreadsheet template provided by MARAD which provides an automated compilation of**

reimbursable costs segregated by Project Line Item Categories (M&R, ESL, Activation, Operating Costs, and/or Deactivation). In addition the spreadsheet shall include the following data elements, at a minimum:

- **SM Name**
- SM Contract Number
- Task Order Number
- Vessel Name
- SM Invoice Number
- CLIN number
- **Project Line Item Category Name**
- **NS5 Work Order or Service Request Number**
- Short Description of Supplies or Services
- **SM Purchase Order Number**
- Dollar Amount of Invoice
- Subcontractor Name
- Subcontractor Invoice Number
- **Receipt Date of Subcontractor Invoice**
- **Fixed Fee Period Start Date**
- **Fixed Fee Period End Date**
- **Fixed Fee Days**
- **Fixed Fee Rate**
- **Fixed Fee Calculated Amount**

3.3 SUBCONTRACT SOCIOECONOMIC STATISTICAL REPORTING

All SM regardless of business size shall report to each ACO by the 5th of each month, the total number and total dollar value of subcontracts awarded by the SM for that MARAD region as follows:

Type of Firm (U.S.)	Total # of Subcontracts	Total Dollars
SDB Awards	_____	_____
Women Owned SB	_____	_____
SBA 8(a) SB Awards	_____	_____
HUBZone SB Awards	_____	_____
Veteran Owned SB Awards	_____	_____
Service Disabled Veteran Owned SB	_____	_____
Total Small Business Awards	_____	_____
Other U.S. Large Business Awards	_____	_____
Total U.S. Subcontract Awards	_____	_____
Total Foreign Subcontract Awards	_____	_____

Total Subcontract Awards	_____	_____

NOTE: Awards to small businesses must be counted in all appropriate categories. For example, an award to a Woman-owned, HUBZone certified firm would be included in both Woman-owned and HUBZone firm figures, but included only one time in Total Small Business Awards. In other words, the Total Small Business Awards will not necessarily equal the sum of all small business awards for the several types of small business firms.

SM certified as a large business shall monitor small and minority business awards in relation to the SM's subcontracting plan goals, accumulate data on all subcontract awards, including those less than $50,000 and submit a SF-294 (Exhibit I), Subcontracting Report for Individual Contracts and SF-295 (Exhibit II), Summary Subcontract Report to the ACO as required by FAR.

3.4 SUBCONTRACT DOCUMENTATION

For purposes of Government auditing, the SM shall establish and maintain an individual file for each subcontract, which may be in electronic format. The file shall be identified with a sequential number for tracking. The file shall be adequately documented to establish the propriety of the transaction and the price paid, and that the SM complied with its commercial purchasing procedures. The subcontract file shall contain the following, as a minimum:

- Copy of TO(s), with adequate funding authorized for this purpose
- Subcontract, including clearly defined requirements (see Section 3.7)
- Copy of all modifications to the subcontract
- Documentation of competition obtained for purchases of supplies >$3,000 and services >$2,500 or, in the absence of competition, proper justification for not competing the requirement.
- Documentation of purchase decision, evidencing that the price paid was fair and reasonable and the subcontractor selected represented the best value to the government
- Documentation of negotiations (if conducted), including explanation of variance between proposed and negotiated subcontract prices
- Proper approvals, including SM internal approvals in accordance with commercial procedures and MARAD specification, solicitation, and award approvals
- Documentation of inspection and acceptance
- Documentation of payment in accordance with subcontract terms
- Copy of ACO direction to use Government source of supply (i.e., GSA) or approval of unique terms and conditions (i.e., insurance, bonds, demurrage, progress payment)
- Documentation of rationale for not using directed sources (i.e., fuel)
- Closeout documentation, including final invoice payment marked as such.

Documentation may be maintained in separate files/systems where logical (e.g., documentation of payment in electronic accounting system), provided that the individual subcontract file indicates where the documentation is located and it is available for Government review at the SMGR corporate facility.

3.5 SUBCONTRACTOR PAYMENTS

The SM shall encourage vendors to submit invoices promptly. Ideally, the SM should encourage the use of electronic invoicing from the subcontractor to achieve accurate, timely invoices for review and payment. Prompt submission of invoices can be a consideration for best value as it permits obligated funds to be liquidated and excess funds deobligated.

The SM is responsible to verify the validity and accuracy of all subcontractor invoices prior to forwarding them to MARAD for reimbursement. Repeated invoice inconsistencies and errors are a reflection of poor quality control processes and will impact the SM's performance assessment. MARAD will reclaim overpayments directly from SM. The SM shall submit invoices after receipt of supplies/services in accordance with Section G.14.

In the rare situation where commercial practice is for buyer financing of goods or services in excess of the SM stipulated minimum working capital requirements (Section G.10), the SM may request advance payment on a case-by-case basis. For purchases of commercial items, financing of the contract is normally the contractor's responsibility. However, in some markets the provision of financing by the buyer is a commercial practice. The amount of advance payment requested shall not exceed the amount to be actually paid in advance based on the best terms the SM is able to negotiate with the agent or service provider. SM shall submit their request for advance payment (i.e., payment in advance of receipt of supplies/services) to the ACO via e-mail with a copy to the COTR/ACOTR and FCO, in the following format. The e-mail should be marked as URGENT.

"Request advance payment in the amount of $_____ (insert amount) under Contract _____ (insert SM Contract #) / Task Order _____ (insert TO #, if applicable), for _____ (insert description of services/supplies). Documents to support the amount requested are attached (i.e., detailed estimate, pro forma invoice from the subcontractor). The scheduled pay date is _____ (insert date)."

The SM is to include a clear statement or rationale stating why advance payment is necessary and that the value exceeds their contract stipulated minimum working capital.

The ACO will evaluate and approve/disapprove the request via e-mail. If approved, the TO will also indicate that advance payment is authorized. The SM shall submit an invoice, indicating the date when payment is required in the certification statement block on the EIS invoice form and indicating in the description field on the supporting spreadsheet that this is an advance payment. MARAD will endeavor to meet the specified payment date, however, be advised that commercial advance payments are not subject to the interest penalty provisions of the Prompt Payment Act in accordance with FAR 32.9.

3.6 SUBCONTRACTOR CLAIMS AND DISPUTES

Subcontracts are between the SM and the subcontractor, and the SM is responsible for resolving subcontract disputes. The SM shall advise the ACO and COTR/ACOTR of disputes, changes in status of disputes, and potential costs or delays in delivery or possible litigation. MARAD will not directly participate in disputes and/or settlement.

MARAD endorses and recommends the use of alternative disputes resolution (ADR) procedures. The SM is responsible for all administrative and legal costs associated with resolving such disputes, except when the government has authorized reimbursement by issuance of a TO. When private counsel has been authorized, the

government will reimburse reasonable costs associated with such representation subject to the funding limitations of TO.

Payments of judgments or settlements resulting from this disputes resolution process are the responsibility of the SM, although the SM may request reimbursement provided that indemnification under Section G.7.4.1 does not apply. SM is cautioned to seek prior approval from the ACO of settlements, which the SM intends to submit for reimbursement, in order that a reserve of appropriated funds can be made for the claim. The liability of the United States under this clause is subject to the availability of appropriated funds.

If a dispute is not settled between the SM and the subcontractor and the matter advances to a formal claim in the Courts, Section G.7 Claims and Litigation will apply.

3.7 GENERAL SUBCONTRACT POLICIES

3.7.1 Subcontract Basic Content - SM subcontracts shall contain the following information, at a minimum:

- Identification number
- Date of Subcontract Award
- Description of supply/service
- Delivery/performance date
- Place of delivery/performance
- Packing or shipping instructions, if any
- Address to submit invoices
- Terms and Conditions

3.7.2 Flow Down Clauses - The SM shall incorporate appropriate flow-down clauses in subcontracts. Flow-down clauses vary with the type of item, price, and place of purchase. The SM is responsible to select and apply the correct clauses to avoid unnecessary cost to the Government.

3.7.2.1 Commercial Items - In accordance with FAR 44.402, all commercial item purchases shall include the flow-down clauses listed in FAR 52.244-6, Subcontracts for Commercial Items, and SCA, except for subcontracts obtained outside the United States. Supplies/services ordered by MARAD are considered commercial items unless otherwise stated on the TO.

3.7.2.2 Non Commercial Items - Purchases for supplies and services that do not qualify as commercial items (as determined by the MARAD ACO) shall include all appropriate clauses that flow-down from the SM Contract, including SCA.

3.7.3 Subcontract terms - The subcontract shall not include any language implying or stating that it is an agent of the Federal Government, and the SM shall not sign as "agent" or 'SM for MARAD." The subcontract shall not include terms that bind the Government to the results of arbitration, judicial determination, or voluntary settlement between the prime contractor and subcontractor.

3.7.4 Insurance - The SM shall require insurance from subcontractors to protect Government property in an amount appropriate to the subcontract, which shall be determined on a case-by-case basis. Typically, when a

vessel is transported to a shipyard facility for a repair availability, MARAD requires the following types of insurance and minimum coverage during the entire performance of the subcontract:

(a) Workmen's Compensation, including Longshoremen & Harbor Worker's Act coverage - no minimum.

(b) Employers Liability - $5 million bodily injury by accident, each accident - $5 million bodily injury by disease each accident - $5 million bodily injury by disease in the aggregate.

(c) Maritime Employers Liability (Jones Act) - $5 million for each person per occurrence and $5 million in the aggregate.

(d) Comprehensive General Liability - $5 million combined single per occurrence limit for bodily injury and property damage and $5 million in the aggregate.

(e) Ship Repairers Legal Liability - $5 million per vessel, per occurrence.

(f) Pollution Liability - $5 Million per occurrence.

The SM shall ensure that indemnification extends to MARAD, and the insurance certificate shall name the United States of America as a secondary source certificate holder as owner, along with the SM as vessel operator. Such policies shall contain a statement that there is no recourse against the USA for payment of premium. The SM shall stipulate that upon request the subcontractor shall provide a copy of all original insurance policies within 5 calendar days. The SM shall ensure that the coverage does not contain exclusions that would effectively negate coverage for all but third party liabilities. All such insurance will contain 30 calendar days advance notice of cancellation or of any non-renewal which is the option of the insurer be provided in writing to the U.S. Department of Transportation, Division of Marine Insurance, MAR-780, W23-453, 1200 New Jersey Ave., SE, Washington, DC 20590.

The SM shall obtain and review proof of insurance coverage (i.e., certificate of insurance, policy). The ACO may request that the SM send the subcontractor insurance to the MARAD Division of Marine Insurance for review.

3.7.5 Supplemental Material/Lower Tier Subcontract Markup - The SM shall not include a percentage markup (i.e., material handling charge, burden rate) in its subcontracts for supplemental material or lower tier subcontracts. This type of arrangement is considered a Cost-Plus-A-Percentage-Of-Cost type contract, which is prohibited by FAR.

3.7.6 Subcontractor Screening

3.7.6.1 The SM shall verify that no apparent conflict of interest/improper affiliations exist between the SM and subcontractors.

3.7.6.2 The SM shall verify that proposed subcontractors are not suspended and/or debarred by consulting the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-procurement Programs, website at https://www.epls.gov/. If the SM intends to subcontract with a party that is debarred, suspended, or proposed for debarment, notification to the ACO is required in accordance with FAR 9.405-2.

3.7.6.3 SM shall evaluate subcontractor performance to establish qualified sources, and to be used as part of the evaluation of best value. The SM is expected to factor subcontractor past performance into its decision on award. The SM must support decisions not to award based on past performance.

[END OF ATTACHMENT J-2]

	Office/ Ship	Contract Section Cross Reference	Category	Title/Name/Item	Submittal Period	Submittal Date/ Frequency	Submittal Medium Entry into RMS - Default	Deliver To
1	S	C1.5; C3.2.5.1-C3.2.5.2	Activation	Activation Plan	Within 60 days of NTP	As Required	File attachment to NS5 work order & NS5 message	COTR
2	S	C3.2.7.1.7.1	Activation	Lessons Learned	30-45 Days Post Activation/ Operation	As Required	File attachment to NS5 work order & NS5 message	COTR
3	S	C6.4.2	Business Management	Budget year business plan	Annual	July 1 annually	File attachment to NS5 work order & NS5 message	COTR
4	O	C6.7.1.4	Business Management	Commercial Purchasing Procedures	NTP	Continuous	Entry into company record	ACO
5	O	C6.7.2.2	Business Management	Provide copies of third party audits	As Necessary	As Required	Entry into company record	ACO
6	O	J-2	Business Management	Third Party Certification of SM Acquisition/ Procurement Procedures	One-Time		Entry into company record	ACO
7	S	E.6	Business Management	Receipt of audit summaries	Within 30 days of SM receipt of them	Continuous	File attachment to NS5 work order & NS5 message	ACO
8	S	C1.5	Business Management	Updating/Currency of SM Quality Assurance Plan	Annual	Upon Change	File attachment to NS5 work order & NS5 message	COTR
9	S	C6.7.2.1	Business Management	Quality Assurance Plan	Within 90 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	COTR
10	S	C1.5	Deactivation	Deactivation Plan review and update	NLT Annually	Upon Change	File attachment to NS5 work order & NS5 message	COTR
11	S	C1.5; C3.4.3 - C3.4.4	Deactivation	Deactivation Plan	Within 90 days of NTP	One Time	File attachment to NS5 work order & NS5 message	COTR
12	S	C1.5; C4.2.11	Environmental	Develop, maintain and use a Waste Mgt Plan	Within 90 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	COTR

	Office/ Ship	Contract Section Cross Reference	Category	Title/Name/Item	Submittal Period	Submittal Date/ Frequency	Submittal Medium Entry into RMS - Default	Deliver To
13	S	C4.2.11	Environmental	Develop/Maintain Shipboard Recycling Plan	Within 90 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	COTR
14	S	C4.2.12	Environmental	Copies of all documentation of work performed (during repair) as it relates to environmental regulations	As Necessary	As Required	File attachment to NS5 work order & NS5 message	COTR
15	O	C1.5; C5.3	Human Resources	A contingency plan	At NTP	Upon Change	Entry into company record	COTR
16	O	C5.2	Human Resources	Provide terms and conditions within CBA or other negotiated bargaining agreements	At NTP	Upon Change	Entry into company record	ACO
17	S	C5.4.3	Human Resources	provide vetting information	During Crewing	Upon Change	File attachment to NS5 work order & NS5 message	MAR-613
18	S	C5.5.4	Human Resources	medical screening service	within 60 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	ACO
19	S	C5.6.1.2	Human Resources	list of crew training	Continuous	As Required	File attachment to NS5 work order & NS5 message	COTR
20		RESERVED						
21	O	C2.8.2	All Phases – all the time	Property Control System, Matrix is TE-8	60 days after NTP	Continuous	Entry into company record	MAR-614
22	S	C-2.8.9; C2.8.10	Activations, Operations, Deactivation	INVENTORY OF ACCOUNTABLE PROPERTY UPON DEACTIVATION FROM PHASE “O”	WITHIN 30 DAYS OF DEACTIVATI ON FROM PHASE “O	Annual	File attachment to NS5 work order & NS5 message	COTR
23	S	RESERVED						
24	S	C2.7.2	Activations, Operations, Deactivation	ACCEPTANCE INVENTORY	Within 60 days of NTP	One Time	File attachment to NS5 work order & NS5 message	LMO/COTR

	Office/ Ship	Contract Section Cross Reference	Category	Title/Name/Item	Submittal Period	Submittal Date/ Frequency	Submittal Medium Entry into RMS - Default	Deliver To
25	S	C2.8.6	Activations, Operations, Deactivation	COMPLETION AND TERMINATION INVENTORIES	Within 45 days prior to termination of contract	One Time	File attachment to NS5 work order & NS5 message	LMO/COTR
26	S	C2.8.8	Activations, Operations, Deactivation	ANNUAL INVENTORY OF ACCOUNTABLE PROPERTY	WITHIN 30 DAYS OF THE ANNIVERSARY OF THE NTP	Annual	File attachment to NS5 work order & NS5 message	LMO/COTR
27	S	C1.5	Maintenance, Logistics	Develop, implement, manage, and maintain including lessons learned all required plans	As Necessary	Continuously	File attachment to NS5 work order & NS5 message	COTR
28	S	C2.3.1.1	Maintenance, Logistics	Cost estimate for maintenance activations and/or sea trials	Within 45 days of NTP	As Required no less than annual review and update	File attachment to NS5 work order & NS5 message	NS5
29	S	C2.3.1.1;	Maintenance, Logistics	Thermography and Vibration analysis services as directed	As Necessary	As Required	File attachment to NS5 work order & NS5 message	NS5
30	S	C1.5; C2.3 through C2.3.4	Maintenance, Logistics	Ship-specific Preventative Maintenance Plan for both Phase M and O per vessel and associated Spreadsheet	1-Mar-06	Continuous	File attachment to NS5 work order & NS5 message	NS5
31		RESERVED						
32	S	C2.7.1	Maintenance, Logistics	Joint Material Condition Report at Turnover	One time	within 14 days of NTP determine survey date	File attachment to NS5 work order & NS5 message	NS5

	Office/ Ship	Contract Section Cross Reference	Category	Title/Name/Item	Submittal Period	Submittal Date/ Frequency	Submittal Medium Entry into RMS - Default	Deliver To
33	S	C2.7.2.	Maintenance, Logistics	Joint Material Condition Report at contract conclusion	One time	45 days prior to conclusion of contract or as mutually agreed	File attachment to NS5 work order & NS5 message	NS5
34	S	C2.3.2	Maintenance, Logistics	Water Chemistry Logs	Monthly	Monthly	File attachment to NS5 work order & NS5 message	Water Chemistry Contractor
35	S	C1.5; C3.3.4	Operations	SM Operational Plan and updates	Within 60 days of NTP	As Required	File attachment to NS5 work order & NS5 message	COTR
36	O	C4.1.1.1	Safety, Environmental, Security	Valid ISM DOC	During Evaluation	Any Change	Entry into company record	PCO
37	S	C4.1.1.3	Safety, Environmental, Security	Update ISM safety plan to incorporate characteristics of awarded vessels	Within 60 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	MAR-613 & COTR
38	S	C1.5	Safety, Environmental, Security	Accept responsibility for Safety Plan content and enforcement	Continuous	As Required	File attachment to NS5 work order & NS5 message	Vessel
39	S	C4.1.1.2	Safety, Environmental, Security	Valid ISM SMC	for vessels as designated by MARAD in TE-4		File attachment to NS5 work order & NS5 message	MAR-613 safety officer
40	S	C4.1.11 through C4.1.11.3	Safety, Environmental, Security	Report of litigation and claims	Continuous	Quarterly	File attachment to NS5 work order & NS5 message	MAR-575/ MAR-611
41	S	C4.1.12.1	Safety, Environmental, Security	Submittal of SM Severe Weather Plan	Within 60 days of Award Within 60 Days of Transfer to Outport	One-Time	File attachment to NS5 work order & NS5 message	COTR

	Office/ Ship	Contract Section Cross Reference	Category	Title/Name/Item	Submittal Period	Submittal Date/ Frequency	Submittal Medium Entry into RMS - Default	Deliver To
42	S	C1.5	Safety, Environmental, Security	Update/Currency of SM Vessel Severe Weather Plan	Annual	Upon Change	File attachment to NS5 work order & NS5 message	COTR
43	S	C4.1.13.1	Safety, Environmental, Security	Review of Vessel Outport Mooring Plan	Within 60 days of Award Within 60 Days of Transfer to Outport	One-Time	File attachment to NS5 work order & NS5 message	COTR
44	S	C1.5	Safety, Environmental, Security	Update/Currency of SM Vessel Outport Mooring Plan	Annual -on mutually agreed to date prior to Hurricane Season	Upon Change	File attachment to NS5 work order & NS5 message	COTR
45	O	C4.3.4.1	Security	Identification of Company Security Officer	Within 15 days of NTP	Upon Change	Entry into company record	NS5 Company record
46	S	C1.5; C4.3.4.3	Security	Ship ISPS Security Plan	Within 90 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	RMS
47	S	C4.3.4.1	Security	Identification of Ship Security Officer	Within 15 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	RMS
48	S	C4.3.4.2	Security	Security Risk Assessment	Within 30 days of NTP	Upon Change	File attachment to NS5 work order & NS5 message	RMS
49	S	C4.3.5	Security	Reports required by ISPS	As Necessary	as directed by ISPS Part A paragraph 12.2.8	File attachment to NS5 work order & NS5 message	COTR
50		C1.5	Maintenance, Logistics	Update to Five Year Business plan	Annually	As Required	Enter into NS5	NS 5 message to COTR

	Office/ Ship	Contract Section Cross Reference	Category	Title/Name/Item	Submittal Period	Submittal Date/ Frequency	Submittal Medium Entry into RMS - Default	Deliver To
51	O	J2.3.3	Business Management	Subcontract Socioeconomic Statistical Reporting (P.O. logs)	Monthly	5th of every month	E-mail	ACO
52	O	J2.3.3	Business Management	Submission of SF 294	Semi-annually	1 Oct/1 Apr	E-mail	ACO
53	O	J2.3.3	Business Management	Submission of SF 295	Annually	October 1st	E-mail	ACO
54	O	G8.3 & J3A#5	Human Resources	Report of illness/injuries	Quarterly	Oct Jan, Apr, Jun	E-mail	ACO, COTR, MAR-610.3, MAR-782
55		RESERVED						
56		TE-1 Sec 18.7	Safety, Environmental, Security	Annual Safety Inspection	Annually		Email	613
57	O	TE-1 Sec 16.10	Safety, Environmental, Security	Pre-Fire Plans (Firefighting Doctrine)	Within 90 days of NTP	Update up change	Hard copy via mail and email electronically	COTR
58		C2.3.1.1.1	Maintenance, Logistics	Spreadsheet for frequency of maintenance	one time	1-Apr-06	email	COTR
59	**O**	**C6.4; C6.4.3**	**Business Management**	**Approved Baseline Business Plan**	**Annually**	**Within 14 days after SM receipt of SOMO transmittal of RMB approval results annually**	**Enter into NS5**	**NS5 message to COTR**

Category 1 Definition:
1. Entered into NS5 as an attachment plus an email notification within NS5.
2. RMS (NS5) tracked Deliverables:
S: SHIP: Standard Jobs/Work Orders/attachments
O: CORPORATE OFFICE: Entry into Company record

QASP Administration Plan Using the Ship Manager – Performance Appraisal Evaluation System (SM-PEAS)

For
Ready Reserve Force (RRF)
Ship Manager Contracts
Awarded Under
Solicitation DTMA8R09011

Approved by

Procuring Contracting Officer

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PART 1 INTRODUCTION

A. Overview

This plan covers the administration of the Quality Assurance Surveillance Plan (QASP) using the Ship Manager – Performance Evaluation and Appraisal System (SM-PEAS) software for contracts awarded from Solicitation DTMA8R09011 for ship manager services in support of the Maritime Administration's (MARAD) Ready Reserve Force (RRF) Program.

B. Contract Matters

The following matters, among others, are covered in the contract(s):

1. The contractor (Ship Manager) is required to provide services to maintain assigned RRF vessels in Fully Mission Capable Readiness Status and efficiently activate and operate these vessels in support of national emergencies and defense objectives. The scope of services to be provided is detailed in Section C of the Contract.

2. There are ten (10) vessels included in this acquisition. On initial award each group consists of two ships of the same class awarded under Multi-year contracts. The total term of the resulting contracts shall not exceed fifty-three (53) months unless extended pursuant to FAR 52.217-08 Option to Extend Services.

3. Fixed fee daily rates for all contract line items for all periods of performance are described in Section B of the contract. The services to be performed under this contract will be incrementally funded via task orders for each performance period.

4. Performance periods beyond Fiscal Year (FY) 2011 will be subject to availability of funds.

5. In order to retain an awarded ship group for the duration of contract performance periods, the contractor must maintain an acceptable level of quality in overall performance as defined in PART II EVALUATION SCHEDULE AND SCORING.

6. The Procuring Contracting Officer (PCO) may unilaterally change the particulars of this Plan, as covered in Part VI, below, providing the contractor receives notice of the change at least fifteen (15) calendar days prior to the beginning of the evaluation period to which the changes apply.

PART II EVALUATION SCHEDULE AND SCORING

A. Schedule of Evaluation Periods

The initial Performance Appraisal Period (PAP) for which evaluation data will be collected using SM-PEAS will be the six-month period commencing April 28, 2011 and ending October 27, 2011. Subsequent six-month Performance Evaluation Periods will continue through April 27, 2015 followed by an abbreviated evaluation period beginning April 28, 2015 and ending July 27, 2015 unless extended pursuant to FAR 52.217-08 Option to Extend Services.

B. Evaluation Scoring

1. For each PAP, full performance including activation and operation is worth 600 points. Without Goal 2, activation, operation, deactivation scores are worth a cumulative amount of 450 points. These points are converted by SM-PEAS into a numerical score. The SM-PEAS system accounts for this variance automatically and adjusts the overall percentage. SM shall earn an average of 80 for the initial PAP for the SM's overall performance to be deemed

acceptable. Following the initial PAP, a score of 85 for each subsequent PAP must be maintained for overall performance to be deemed acceptable.

2. Beyond the point score evaluation, the PCO will consider other relevant contractor performance data. If a contractor falls within 10% of the minimum score, the PCO may permit continued contract performance if other performance data supports such a consideration, and if continued performance by the SM is in the best interests of the program and the Government. If after giving due consideration to a contractor's score that falls below 10 percentage points of the acceptable score, it is determined that continued performance is not in the best interests of the program and the Government, the PCO may proceed to exercise contractual remedies under default termination provisions and, if it is determined to be in the best interests of the program and the Government, arrange to reassign the vessels to another qualified firm for contract completion. In the event the contractor's score falls more than 10 percentage points below the acceptable score, the PCO will proceed to exercise contractual remedies under default termination provisions and, if it is determined to be in the best interests of the program and the Government, arrange to reassign the vessels to another qualified firm for contract completion.

PART III EVALUATION CRITERIA

A. Performance Goals

Six (6) critical Performance Goals will be evaluated. Note that for any performance period, Performance Goals and their associated evaluation criteria and weights may be changed to reflect the type of work being performance or changes in program emphasis.

1. Responsive and High-Quality of Fleet Maintenance Requirements
2. Successfully Perform and Support Core RRF Requirements (Activation/Operation/Deactivation)
3. Adhere to Sound Safety, Security and Environmental Standards and Practices with No Adverse Impact on Personnel, Environment and Property
4. Adequately Crew Vessels with Qualified Marine Personnel
5. Compliance with Government and Company Business Policies, Procedures and Practices
6. Effective Management and Control of Costs

B. Performance Elements

The Performance Elements will be evaluated based on the following general criteria. Specific evaluation criteria for each Performance Element are included in the QASP, Technical Exhibit 2 of the contract.

1. Responsive and High-Quality of Fleet Maintenance Requirements

1-1 Preventive Maintenance Plan (PMP) Execution

1-2 Regulatory Body Classification/Certification

1-3 Readiness of the Vessel

1-4 Quality and Completeness of Business Plan (M&R Work Plan)

1-5 Quality of Ship Manager's Execution of Business Plan (M&R Work Plan)

1-6 Logistics

2. Successfully Perform and Support Core RRF Requirements (Activation/Operation/Deactivation/Logistics)

2-1 Quality of Vessel Activation and Deactivation

2-2 Quality of Ship Operations

3. Adhere to Sound Safety, Security and Environmental Standards and Practices with No Adverse Impact on Personnel, Environment, and Property

3-1 Environmental

3-2 Security

3-3 Safety

4. Adequately Crew Vessels with Qualified Marine Personnel

4-1 Contract Manning Levels and Quality

5. Compliance with Government and Company Business Policies, Procedures and Practices

5-1 Quality Assurance

5-2 Acquisition Procedures

5-3 Acquisition Operations

5-4 Deliverables

6. Effective Management and Control of Costs

6-1 Effectively manages and controls costs by implementing business processes and practices that accurately estimate, track, reconcile and close-out actions; as well as provide reduced costs to the Government while continuously improving performance throughout contract performance period.

PART IV CHANGES IN PLAN COVERAGE

Right to Make Unilateral Changes

Any matters covered in this Plan not otherwise requiring mutual agreement under the contract will be changed by the PCO via a unilateral modification attaching the revised Plan. The change(s) will be made no later than fifteen (15) calendar days before the start of the applicable evaluation period.

Method for Changing Plan Coverage

1. Personnel involved in the administration of the Plan are encouraged to recommend changes in plan coverage with a view toward changing management emphasis, motivating higher performance levels, or improving the award term determination process. Recommended changes should be sent to the PCO for consideration and drafting.

2. Prior to the end of each evaluation period, the PCO will submit changes to the next evaluation period for approval by the Program Office with appropriate comments and justifications, or inform the Program Office that no changes are recommended for the next period.

3. The Program Office will notify the PCO at least fifteen (15) days before the beginning of the evaluation period what changes, if any, are to be applied and the PCO will make the changes via a revised Plan as stated in Paragraph VI.A above. If the contractor is not provided with this modification at least fifteen (15) calendar days before the beginning of the next evaluation period, the existing plan coverage will continue in effect for the next evaluation period.

4. No change to the Plan shall be effective until a written directive is issued by the Contracting Officer.

PART V APPENDICES OF EXHIBITS

Exhibit 1 – Performance Monitors

Exhibit 2 – General Instructions for Performance Monitors

Exhibit 1

Performance Monitors

Performance Monitors	Major Functional Areas
Marine Surveyors	Performance monitors include the Contracting Officer's Technical Representative and other Quality Control Personnel assigned to evaluation specialized areas of performance. Maintains written records of the contractor's performance in their assigned evaluation area(s) so that a fair and accurate evaluation is obtained. Prepares interim and end of year evaluation reports as directed by the ATRB Chairperson.
Administrative Contracting Officers (ACOs)	Ensures compliance with contract requirements, specifically all regulatory and reporting requirements, company commercial purchasing procedures, management of subcontracts, and implementation of approved subcontracting plans. Conducts surveillance, prepares written report of findings in SM-PEAS, and maintains written records of contractor's performance in assigned evaluation area(s).

Exhibit 2

General Instructions for Performance Monitors

1. Monitoring and Assessing Performance

a. Monitors will review the QASP Administration Plan, and may discuss it with appropriate contractor personnel, and encourage maximum understanding of the evaluation and assessment environment.

b. Monitors may schedule status meetings, as appropriate, to ensure tasks are on schedule or problems are identified as early in the evaluation period as possible.

c. Monitors will plan and accomplish both announced and unannounced assessment visits at the contractor's facility and/or vessel locations; however, before each announced visit, the monitor should contact appropriate contractor personnel who may accompany the monitor, if desired.

d. Monitors will discuss with contractor personnel, as appropriate, any observed deficiencies and/or recommendations. Adverse items or areas of poor performance will be addressed to afford the contractor an opportunity to clarify possible misunderstandings and to correct or resolve deficiencies.

e. Monitors must remember that contacts and visits with contractor personnel are to be accomplished within the context of official contractual relationships. Monitors shall avoid any activity or association which might cause, or give the appearance of causing, a conflict of interest.

f. Monitor discussions with contractor personnel are not to be used to instruct, to direct, to supervise, or as an attempt to control those personnel in the performance of this contract. The role of the monitor is to monitor, assess, and evaluate the contractor's performance; not to manage the contractor's effort.

2. Documenting Evaluations and Assessments

Evaluations and assessment conducted, and results obtained will be documented in SM-PEAS.

MARAD NS5 Business Protocol Guidance

Revision 3 – 26 May 2011

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Revision Notes

Revision 0 – Original Revision

Revision 1 – Internal Revision

Revision 2 – Addition of Operations Projects

Revision 3 – Numerous Comprehensive Modifications

- Reduced Planning Requirements to 2 Years from 7
- Updated Flow Charts
- Updated screen shots to latest version of NS5
- Revised Budget Project instructions
- Revised Related Project instructions
- Revised Project closing and hiding instructions
- Added requirement for attaching detailed estimates to SR/MRs
- Added Deferred Work Event guidance
    - changed Deferred Work Event date to 10/1/2020
- Added File Attachment Guidance
- Added Ship Manager Deliverables Guidance
- Updated Accounts
- Modified all Project Text templates
    - added verbiage about the supporting SRs for bottom-up projects
    - Created multi-account , two CLIN Drydock Project text
    - Created multi-account No-Notice Test Activation Project text

Requests for next Revision to Protocol

Any user or reviewer may submit requests for any recommended changes in this MARAD NS5 Business Protocol to the NS5 ROP for review by the MARAD NS5 Business Protocol Team. All requests from Ship Manager personnel shall be routed through the cognizant Ship Manager's RRF Program Manager. All requests from MARAD personnel shall be routed through the cognizant SOMO, COCO or Division Chief as applicable. The MARAD NS5 Business Protocol Team shall review all requests and make recommendations to the MARAD Process Owners for approval. Any further revisions will only be effective when formally issued by the Director, Office of Ship Operations, PCO or designee.

Introduction

The following document describes the revised guidance surrounding the Business Protocol to be used by the Ship Managers and MARAD at all levels in both the planning and the execution of the Budget as seen from the perspective of how NS5 is used. The document provides guidance for the consistent use of NS5 which will result in consistent data that is necessary for the efficient management of ship maintenance and operations by MARAD and Ship Managers

This document is divided up into the following sections:

- Budget Planning and Execution Overview
- NS5 and Budget Projects
- Budget Planning (Pre-RMB Approval)
- Budget Stabilization Period in NS5
- Budget Execution
- Project Activities
- Project Definition Requirements
- Appendices
    - Account Codes
    - Project Text – Related Projects
    - Project Text – Operations Projects

Emphasis should be made once again that the processes defined in this document reflect those which are applicable in NS5. This document is not intended to cover the various non-NS5 items which may arise. Also, it does not contain guidance for the development of the Business Plan because it is covered in other MARAD guidance.

Budget Planning and Execution Overview

In the MARAD implementation of NS5, budget planning and execution are processes that are linked closely and progress from one stage to the next. Each budget year is represented by a single multi-account project (known as a Budget Project) which goes through three basic stages during its lifetime:

POM Year	(Project Index to be used is the POM Year)	Budget Year +1
Budget Year	(Project Index to be used is Budget Year)	Upcoming Budget Year
Baseline Year	(Project Index to be used is Baseline)	Executing Year (Current Year)

These budget projects will always remain in the "Projects To Be Approved" list, and should never be approved by either the Ship Manager or MARAD personnel.

POM (Program Objective Memorandum) Year refers to year immediately following the upcoming Budget Year.. When the project enters the Budget Year stage, it is being prepared for submission to the RMB. Once the funding levels have been approved, the project progresses to the Baseline (Current Year) stage, at which time the actual budget execution will take place.

Ship Manager can create POM Year projects (Budget Year +2 and beyond) for his own planning purposes to capture outyear major activities.

It should be noted that the Baseline (Current Year) Project never gets executed per se; instead, Related Projects are booked against it. Related Projects are essentially the task orders equivalent in NS5 and are the authorizing documents by which purchases of both materials and services are made in NS5.

The guiding philosophy for both planning and execution of work is that where work details are known, they are included; where work scope is generally known but details are not known the general work scope is included. These two cases are referred to "Bottom Up" where details are known and "Top Down" where only general scope is known. As explained later in this document, certain categories of work are defined as "Top Down" (Ship Support, Regulatory Fees and Support) while others are defined as "Bottom Up" (Repairs, Drydocks, Approved Improvements/Replacements, Program Sponsor Required, Extended Service Life, Safety, Security, Environmental Initiatives).

The following graphic is a flowchart of the overall process with respect to the Budget Year and Baseline (Current Year) Projects. POM Year Projects are refined as details become available.

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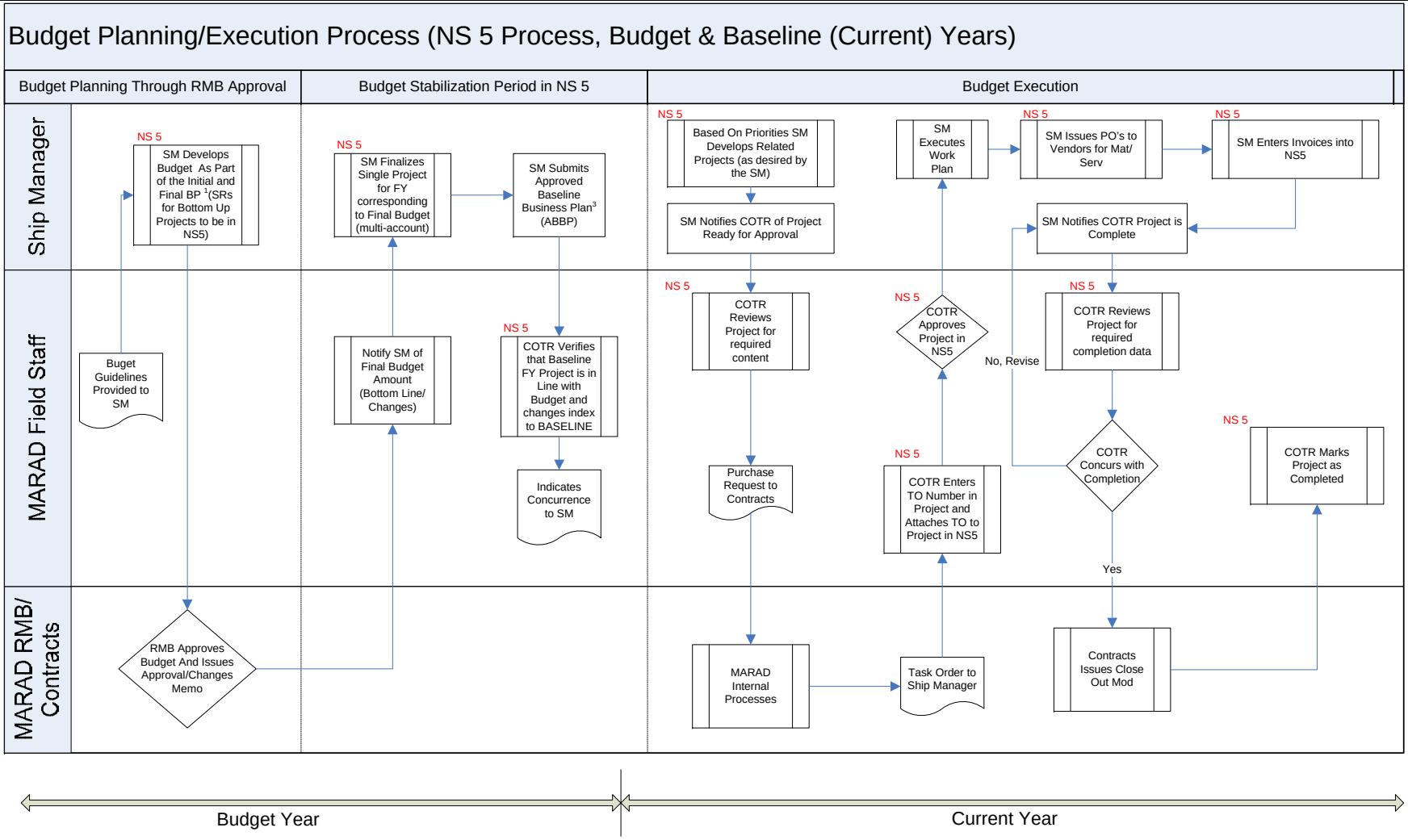


Notes:

1. Business Plan
2. Deleted
3. Approved Baseline Business Plan

As can be seen, there are three basic stages of the process:

- Budget Planning (Budget year)
- Budget Stabilization Period in NS5 (Budget Year)
- Budget Execution [Baseline (Current Year)]/Baseline

Each one of these stages will be discussed in greater detail in later sections of this document. The point to see at this early stage is that the system builds upon the various steps from the NS5 perspective. The overall goal is to use NS5 to plan the budget as much as possible and to entirely execute the budget, keeping in mind that the process must be transparent and useful to both the Ship Manager as well as MARAD.

NS5 Budget Projects and Related Projects

Prior to discussing the various steps in the Business Protocol, it is important to set out how projects are going to be used in the system to track costs. In the MARAD implementation, the NS5 system has a setting known as "Enforce Project Based Approval Controls" which is used to control how purchasing is done in the system and dictates that prior to any purchase being made, it must first be associated with an approved project. This is true for both services and materials.

In the MARAD implementation, there are two conceptual types of projects:

- Budget Projects (POM Year/Budget Year/Baseline)
- Related Projects (Budget Item)

As an overview, each Fiscal Year will start with a "Budget Project" which will always remain in "Projects To Be Approved" in NS5. These Budget Projects are initiated in the POM years, are further refined during the Budget Year, and then executed during the Current Year. It is important to note that the Budget Project will progress through these various stages (controlled by the Project Index) as shown below.

POM Years(s) → Budget Year → Baseline (Current Year)

These Budget Projects will be used for both developing the budget as well as executing the budget during the Current Year, where the project is in a phase known as "Baseline". It is during this Baseline stage that a Budget Project will be executed via Related Projects.

Related Projects will be used for the actual budget execution and will initially serve as task order requests and then will serve as the tool to execute the task orders once they are approved. Related Projects are the location in NS5 where the Ship Managers will execute the work and record the actual costs.

Initially, the Related Project is simply a request for a Task Order, however, after they are approved and the Task Order issued, they will be "Approved Projects" in NS5 and will be used to expend the funds associated with the Task Order.

Upon receipt of the issued task order the COTR will enter the Task Order Number and end date onto the Related Project, attach an electronic copy of the task order to the project, and then will finally approve the related project indicating to the SM that the funding is available.

Budget Projects

There is a single, multiple-account Budget Project per year for each ship and cost center, an example of which can be seen below. Note that the projects are in different stages as per the Project Index.

✓	Project Number	Description	Project Index	Created	Task Order En...	Task Order No	Approved	Ships	Budget	Account	Parent Project
	KEY-VIC08-BDGT	FY08 VIC BUDGET	BASELINE REVISI...	06/26/2007				CAPE VICTORY	2,892,143.00	010-001,010-002,01...	
	KEY-VIC09-BDGT	FY09 VIC BUDGET	BASELINE REVISI...	06/26/2007				CAPE VICTORY	5,004,485.00	010-001,010-002,01...	
	KEY-VIC10-BDGT	FY10 VIC BUDGET	BASELINE	06/26/2007				CAPE VICTORY	2,983,789.00	010-001,010-002,01...	
	KEY-VIC10-DWP	FY10 DEFERRED ...	POM YEAR	12/01/2009				CAPE VICTORY	0.00		
	KEY-VIC11-BDGT	FY11 VIC BUDGET	POM YEAR	06/26/2007				CAPE VICTORY	3,765,230.00	010-001,010-002,01...	
	KEY-VIC12-BDGT	FY12 VIC BUDGET	POM YEAR	06/26/2007				CAPE VICTORY	3,922,117.00	010-001,010-002,01...	
	KEY-VIC13-BDGT	FY13 VIC BUDGET	POM YEAR	06/26/2007				CAPE VICTORY	3,919,701.00	010-001,010-002,01...	
	KEY-VIC14-BDGT	FY14 VIC BUDGET	POM YEAR	06/26/2007				CAPE VICTORY	5,979,898.00	010-001,010-002,01...	
	KEY-VIC15-BDGT	FY15 VIC BUDGET	POM YEAR	08/11/2008				CAPE VICTORY	3,798,307.00	010-001,010-002,01...	

Each one of these projects is a multi-account project, where the budget numbers for all accounts tie to the business plan at its current stage of development.

As a representative example, for the FY10 VIC BUDGET project, you see the following breakdown by accounts.

Work Orders | Vendors | Remarks | Message | File Attachments | Sub Projects | Invoice
Budget | Status | Purchase Orders | Transfer Orders | Requisitions

Account Number	Description	Budgeted Amount
010-001	Seatrials / Docktrials	58,400
010-002	PM ROS Crews / Fixed Fees	2,066,889
010-003	PM Regulatory Fees & Support	150,000
010-004	Supplemental\Emergent Repairs	0
010-005	Repairs	458,500
010-006	Drydocks	0

These accounts are kept in line with the business plan as it develops.

Related Projects

Related Projects are created by the SM only after RMB approval of annual funding levels and notification from the COTR that an increment of funding is available. They are a request from the SM for Task Orders and Task Order Modifications. The SM need not create all anticipated related projects for the year immediately after RMB approval, but rather in work packages as deemed appropriate by the SM to accomplish his business plan.

The goal behind the Related Project is to flow the Approved Baseline Business Plan into SM taskings; to provide for full cost accounting of those items which have been approved for purchase and to link the SM invoice to MARAD with respect to the capture of data and completion of the work in NS5.

Related Projects are specific to the various accounts setup in the baseline FYxx BUDGET project. It should be mentioned that Related Projects in Phase M are usually single account projects (the notable exception being drydockings), unlike the Budget Projects. Examples of Related Projects are shown below.

✓	Project Number	Description	Project Index	Created	Task Order En...	Task Order No	Approved	Ships	Budget	Account
	KEY-VIC10-8004A	FY10 M&R SAFETY PROGRAM A	BUDGET ITEM	11/03/2009	07/27/2010	KEY09C10010	01/27/2010	CAPE VICTORY	10,000.00	080-004
	KEY-VIC10-1008A	FY10 M&R SHIP SUPPORT A	BUDGET ITEM	11/03/2009	10/31/2010	KEY09C10003/0003	05/27/2010	CAPE VICTORY	180,000.00	010-008
	KEY-VIC10-1007A	FY10 M&R IMPROVEMENTS/REPLACEME...	BUDGET ITEM	11/03/2009	07/27/2010	KEY09C10009	01/27/2010	CAPE VICTORY	60,000.00	010-007
	KEY-VIC10-1005A	FY10 M&R REPAIRS A	BUDGET ITEM	11/03/2009	09/30/2010	KEY09C10007/0004	03/04/2010	CAPE VICTORY	458,500.00	010-005
	KEY-VIC10-1003A	FY10 M&R REGULATORY FEES & SUPP...	BUDGET ITEM	11/03/2009	10/31/2010	KEY09C10004/0002	05/27/2010	CAPE VICTORY	150,000.00	010-003
	KEY-VIC10-1001A	FY10 DOCKTRIALS A	BUDGET ITEM	11/03/2009	07/01/2010	KEY09C10011	01/27/2010	CAPE VICTORY	58,400.00	010-001
	KEY-VIC10-1002A	FY10 ROS CREW/FIXED FEES A	BUDGET ITEM	11/03/2009	07/27/2010	KEY09C10002/0002	02/23/2010	CAPE VICTORY	1,666,638.00	010-002

It is against each one of these Related Projects that actual work will be carried out under a Task Order to the SM. Specific guidance to the creation and execution of each of these projects is contained in a later section of this document.

Related Projects shall be assigned a Project Index of “Budget Item” when the work is part of the approved business plan budget, as initially approved by the Resource Management Board. Related projects can also have an index of “Emergent Work” when the work was not originally funded as part of an approved business plan but is of such a nature that it must be completed immediately.

Budget Planning Period (Through-RMB Approval in the Budget Year Period)

Through the RMB approval stage, also known as the Budget Planning Stage, each project type has various characteristics associated with it. The following is a view of what will be happening with the year up for approval and subsequent years.

The main emphasis at this point is the upcoming fiscal year Budget Year Project. At this point, work descriptions and estimated costs should be against service requisitions which are associated with this budget year project. All bottom up accounts (Repairs, Approved Improvements/Replacements, ESL, Safety, Security and Drydock) should have unapproved SRs which support the budget amounts. It is not necessary at this point for these bottom-up SRs to have the full specification in the description, but rather to have an adequate description which provides a full description of the work to be done. The actual specification can be included in the later stages for these documents.

It should be noted that there might be cases where you have a budget item where it is acceptable to have a single SR to cover the entire item during the budget approval process, but this SR gets split up later by the SM into multiple SRs during execution when the work is being moved to Related Projects. An example would be when you indicate Valve Overhaul for $100,000, but when you come to write the specification, you may split this into multiple SRs (one for pneumatic, one for hydraulic, etc….). There is no requirement that these be split during the Budget Planning Period if the SM has adequately defined the work and attached an adequate justification for the cost estimate, which is acceptable to the COTR A new supporting SR/MR should reference the original SR/MR number in the Remarks block.

Budget Projects

Upcoming Fiscal Year FYxx Project (Budget Year)

- Material Requisitions and Service Requisitions shall be associated with the FYxx project
- Adequate justification for Cost Estimates should be attached by the SM to each SR/MR.
- For all bottom up accounts (M&R Repairs, M&R Approved Improvements/Replacement, ESL and M&R Drydock, Safety, Security), SRs are to be entered by the SM to support their Business Plan submission.
- Budgeted Amount in NS5 should be equal to the summation of the supporting SRs for bottom-up accounts
- Material requisitions should not be marked as Reviewed in NS5 at this time
- Service requisitions should not be marked as Approved in NS5 at this time

Future Fiscal Year FYxx Project (POM Year)

- Budgeted Amount in NS5 should be equal to the summation of the supporting SRs for bottom-up accounts
- Material Requisitions and Service Requisitions can be associated with the FYxx projects; these are usually a result of previous year's items being pushed to future years.
- Material requisitions should not be marked as Reviewed in NS5 at this time
- Service requisitions should not be marked as Approved in NS5 at this time

Related Projects

Related Projects are not required and are not used during the Budget Planning Period.

Budget Stabilization Period in NS5 (Post RMB Approval in the Budget Year Period)

During this period, the main goal is to revise the unapproved FYxx Budget Year Projects to match the results of the Approved Business Plan, as approved by the RMB, in both the budgeted amount as well as the support for the work which is to be carried out in the coming year. RMB results will be provided to the SM by Area Divisions in a SOMO summarizing the required changes to the SM's Final BP. The total for the budget year project needs to be matched by the SM to the Approved Business Plan. However, the individual accounts may be adjusted slightly by mutual agreement between Ship Manager and COTR to suit the SM's business plan priorities.

Budget Projects

Upcoming Fiscal Year FYxx Project (Year for RMB Approval, Budget Year)

- Budgeted Amount are to be revised to the final amounts as approved by the RMB
- Ship Manager should verify that Material Requisitions and Service Requisitions which provide for backup to the approved budget are present in the project and the total for the estimates equals that of the approved RMB budget (bottom-up accounts only). Those that need to be deferred due to lack of funding availability should be moved to the Deferred Work Event as per the Deferred Work section of this Protocol.
- Material requisitions should not be marked as Reviewed in NS5 at this time
- Service requisitions should not be marked as Approved in NS5 at this time
- Project Index is changed by COTR from "Budget Year" to "Baseline" after verification that SM has properly incorporated all required changes resulting from the RMB approval into the Budget Project and ABBP.
- Final extract of Annual Baseline Business Plan is made by SM using Business Plan Report extraction tool (<u>before</u> creating any corresponding Related Projects) and submitted in NS5.

Future Fiscal Year FYxx Projects (POM Years)

- Budgeted Amount in NS5 should be equal to the summation of the supporting SRs for bottom-up accounts
- Material Requisitions and Service Requisitions can be associated with the FYxx projects; these are usually a result of previous years items being pushed to future years, in this case, the future year projects may be the recipient of the items which were not approved for current FY.
- Material requisitions should not be marked as Reviewed in NS5 at this time
- Service requisitions should not be marked as Approved in NS5 at this time

Related Projects

Upcoming Fiscal Year FYXX Project (Year for RMB Approval, Budget Year)

- No Related Projects for the upcoming Fiscal Year should be present at this time.

Future Fiscal Year FYXX Projects (POM Year)

- No Related Projects for the upcoming Fiscal Year should be present at this time.

As shown in the previous flowchart, it is during this period that the SM will clean up the Budget Project based upon the approval actions of the RMB. Once the SM has completed this and notified the COTR, it will be up

to the COTR to verify and provide concurrence that this task is complete by selecting **"BASELINE"** in the project index, which indicates that this Budget Project is ready to be executed.

Note: It is important to note that one additional business plan extract will be created by the SM to capture the final approved business plan in the current state at the time of the beginning of execution for the budget year. This final approved business plan at the commencement of the budget year is called the Approved Baseline Business Plan (ABBP). This ABBP must be extracted by the SM before creating any corresponding Related Projects for the Budget Year execution.

Budget Execution Period

For the execution of the budget, Related Projects become important, as they serve as the SM's request to MARAD for the task order as well as providing the vehicle to track execution of the issued task order. As shown in the workflow diagram, the SM will create the Related Projects (which are unapproved at this point) and request the approval from MARAD to execute them.

Budget Projects

Upcoming Fiscal Year FYxx Project (Now considered the Baseline Project)

- As Related Projects are created, associated material and service requisitions will be moved out of the Baseline Project to the newly created Related Projects

Future Fiscal Year FYxx Projects (POM Year)

- No change from previous stage

Related Projects

Current Fiscal Year

- Related Projects in Phase M are usually single account projects
- Service and materials requisitions are moved from the Budget Baseline Project to bottom-up Related Projects
- Service Requisitions will have biddable specifications
- Service Requisitions shall be marked as Approved in NS5 by Ship Manager
- Material Requisitions shall be marked as Reviewed in NS5 by Ship Manager
- Ship Manger shall attach their detailed estimate (IAW their MARAD approved Commercial Purchasing System Procedures) to each SR/MR linked to their Bottom-Up Related Projects.
- For bottom-up projects, the sum of the SR/MR estimates shall equal the requested budget amount for the project
- COTR verifies that work specification is sufficient and that the SR/MR estimates equal the budgeted amount on the requested Related Project.
- COTR will initiate the internal MARAD Purchase Request to Contracts
- Upon issuance of the TO, the COTR will place the TO number in the Task Order Number field, enter the task order end date, attach the electronic copy of the TO to the project, and will then Approve the project in NS5
- The SM now executes the work in accordance with his approved commercial purchasing practices and enters all contractually required data in NS5

Future Fiscal Years

- No Related Projects for the upcoming Fiscal Year should be present at this time.

Related Project Revisions

When task orders are modified, the related projects are modified according to the functional guidance contained later in this document.

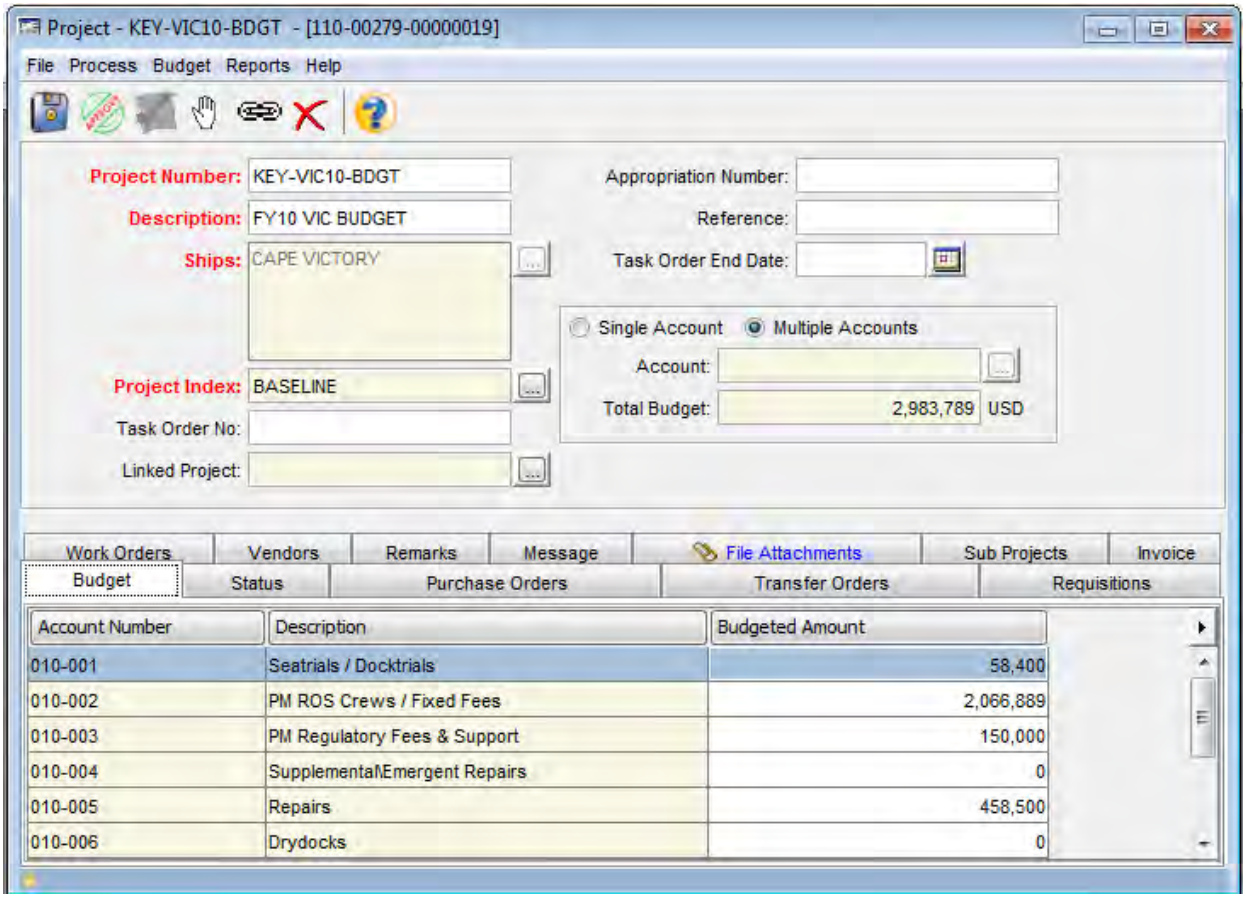
Note: All standard texts for bottom-up projects have verbiage which allows for the SM's addition and/or modification of SRs on the project without requiring a modification to the task order so long as the additional/modified SRs are intended to accomplish only the authorized Statement of Work as defined on the

Task Order and the total cost of all SRs on the project is within the approved funding on the Task Order. In these cases, a modification to the current task order is not needed by the SM to complete the work.

Project Definition Requirements

Important to the process is how to properly name and complete the basics of the various project types. It should be noted that for the actual process, the latter sections of this manual should be referred to, as this section is only intended to discuss numbering and the high level definition.

Budget Projects (POM Year, Budget Year and Baseline)



Project Number: Used to provide a standard numbering scheme for the project. Should be in the following form: <MGR>-<VSL><YR>-BDGT

<MGR> Three Letter Code for the Manager
<VSL> Three Letter Code for the Vessel
<YR> Two Digit Year

For Operations Budget Projects, the following format should be used:
<MGR>-<VSL><YR>-OPS-x
X Incremental Number (1, 2, 3, etc…)

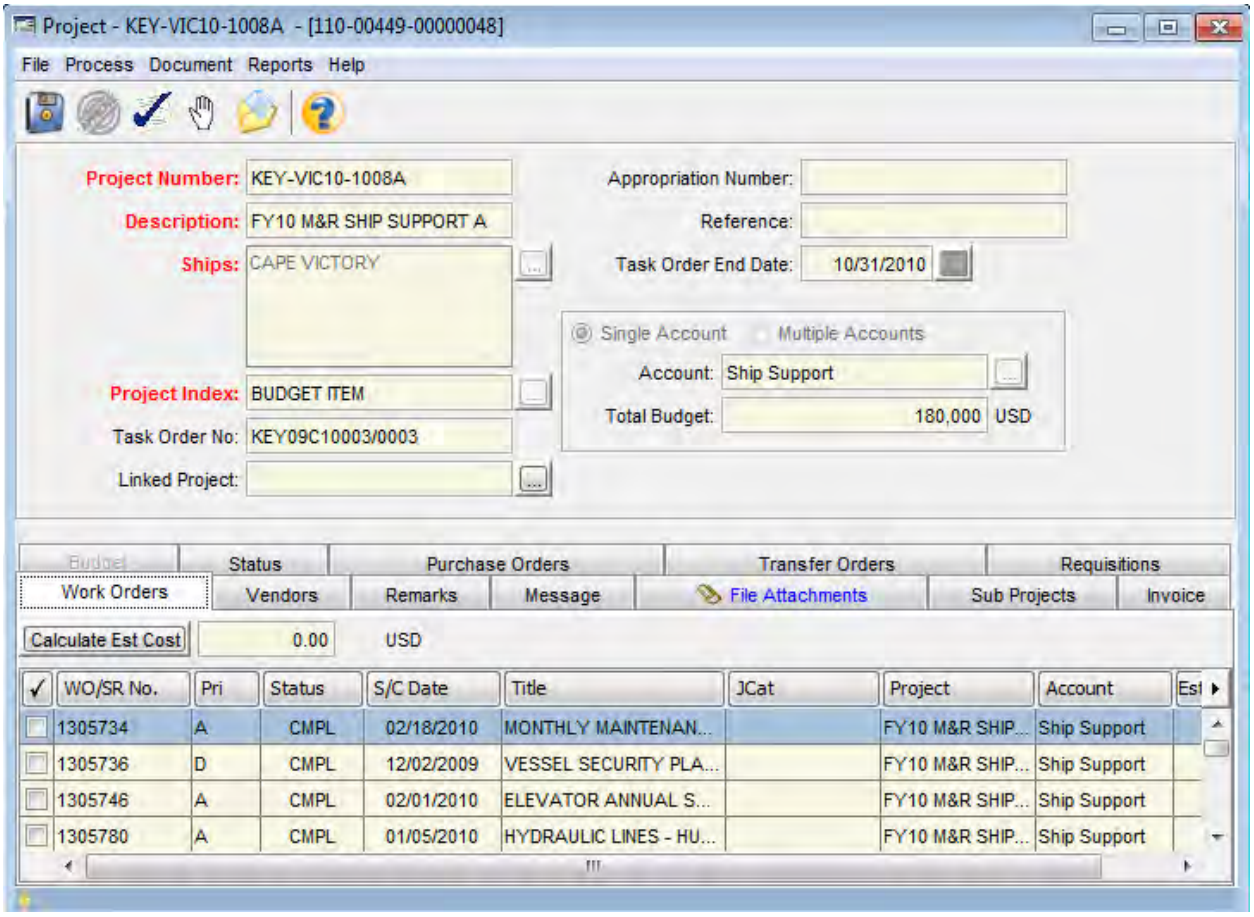
Description: Used to provide short readable description. Should be in the following format:
FY<YR> <VSL> BUDGET
<YR> Two Digit Year
<VSL> Three Letter Code for the Vessel

Project Index: Should either be "POM Year", "Budget Year", "Baseline" or "Baseline Revised" under the project index from the menu selection. "EMERGENT" should only be used when

	the funds are above/beyond that which was originally funded by the RMB in the Baseline Business Plan.
Task Order No.	Not Used
Appropriation No.	Not Used
Reference	Not Used
Task Order End Date	End of Subject Fiscal Year
Accounts	Use Multiple Accounts
Remarks	Reserved and Used for Tracking Funding Changes

It should be noted that when using the multiple accounts feature, all of the applicable M&R Accounts should be used (see Appendix for Accounts).

Related Projects



Project Number: Used to provide a standard numbering scheme for the project. Should be in the following form: <MGR>-<VSL><YR>-<CODE><DESG>

<MGR>	Three Letter Code for the Manager
<VSL>	Three Letter Code for the Vessel
<YR>	Two Digit Year
<CODE>	Last Two Digits of Account Concatenated with last two digits of Sub-Account
	Note: For multi-account activation projects (Operations) this should be "2002", for single account operations projects, this should be the relevant code as discussed above
<DESG>	Designation (A-Z, used in sequence for each successive project with the same account code)

Description: Used to provide short readable description. Should be in the following format: FY<YR> <ACCOUNT> <DESG>

<VSL>	Three Letter Code for the Vessel
<ACCOUNT>	Account Name (see Appendix for Acceptable listing)
<DESG>	Designation (A-Z, used in sequence for each successive project with the same account code)

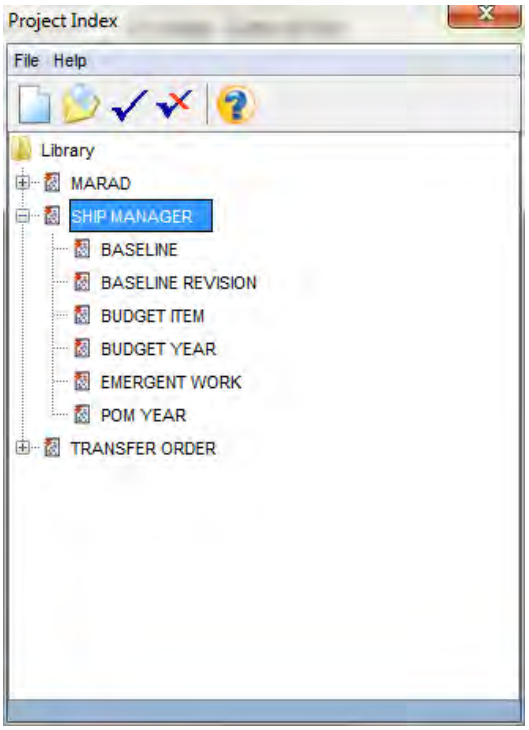
Project Index:	Should either be "BUDGET ITEM" or "EMERGENT" under the project index from the menu selection. "EMERGENT" should only be used when the funds are above/beyond that which was originally in the approved business plan.
Task Order No.	Task Order with Revision Number (use slash "/" between task order number and mod number)
Appropriation No.	Not Used
Reference	Not Used
Task Order End Date	Completion Date of Task Order
Accounts	Single Account
Budget	Task Order Amount
Remarks	Reserved for Standard Project Text

Project Indexes

In conjunction with the project types are the definite Project Indexes which are used for the ship manager based projects.

As can be seen on the right, there are six Project Index Terms which are defined for ship managers in this two level project index term.

The use of these terms indicates the stage at which the project is in (for the Budget Projects) or the classification of the Related Project.



Budget Projects

POM Year	Used for Years past the Budget Year
Budget Year	Upcoming Budget Year and during budget stabilization period after RMB
Baseline	Current Fiscal Year or previously executed years
Baseline Revised	Current Fiscal Year or previously executed, where a revision has taken place from the original Approved Baseline Business Plan

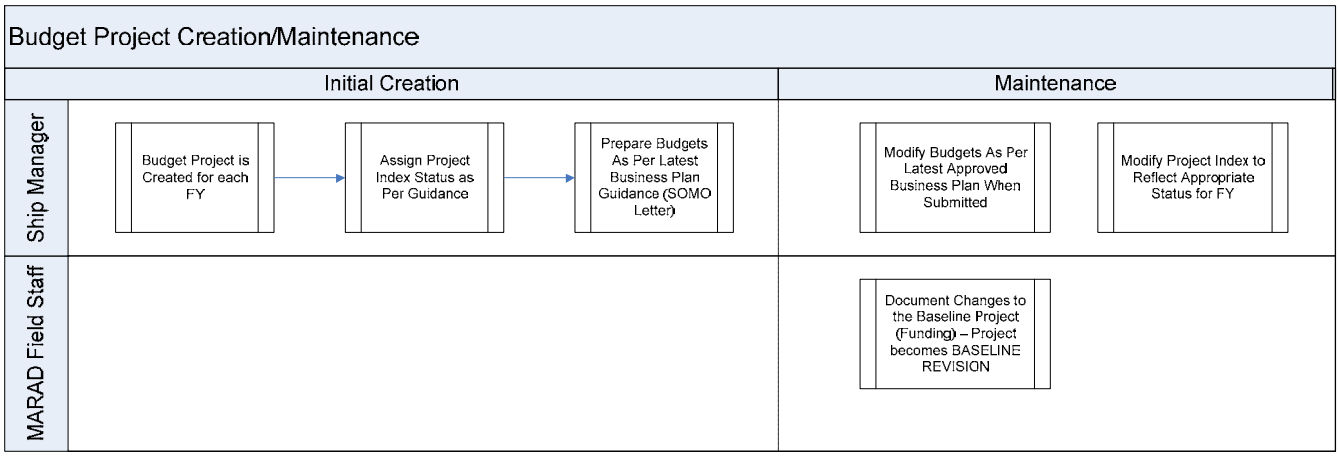
Related Projects

Budget Item	Project which is a budgeted project from the RMB
Emergent	Project which consumes funds not originally on the Approved Baseline Business Plan

Project Activities – Functional Guidance

The following section details the various activities that will occur with respect to projects over their lifetime, what is to be done in various circumstances, as well as the requirements which need to be adhered to when performing these processes.

Creation of Budget Project



It is the responsibility of the ship manager to create the Budget Projects for all of the future Fiscal Years. This process, along with the maintenance of these projects is shown above.

As can be seen, the process is straight forward in that a Budget Project will be created for each of the future fiscal years and only minimal input is required:

- **Project Number** – Follow the Budget Project nomenclature as defined in the "Project Definition Requirements" section of this Guidance.
- **Project Description** - Follow the Budget Project nomenclature as defined in the "Project Definition Requirements" section of this Guidance.
- **Project Index** – Using the indexes found under the Manager's grouping, there are only three options which are applicable for Budget Projects when they are first created:
    - **POM Year –** Used for Budget Year + 1
    - **Budget Year –** Used for the upcoming budget year for which we would be preparing the budget.
    - **Baseline –** Used for the currently executing Budget year.
- **Accounts** – Accounts should be those which are represented in the Approved Business Plan. Budget Projects are MULTI-Account projects.
- **Task Order Number** – Leave Blank
- **Task Order End Date** – End of Fiscal Year
- **Remarks Tab** - Remarks are used mainly when the funds are drawn down from this project to actual task orders, so at the time of creation, no remarks are required.

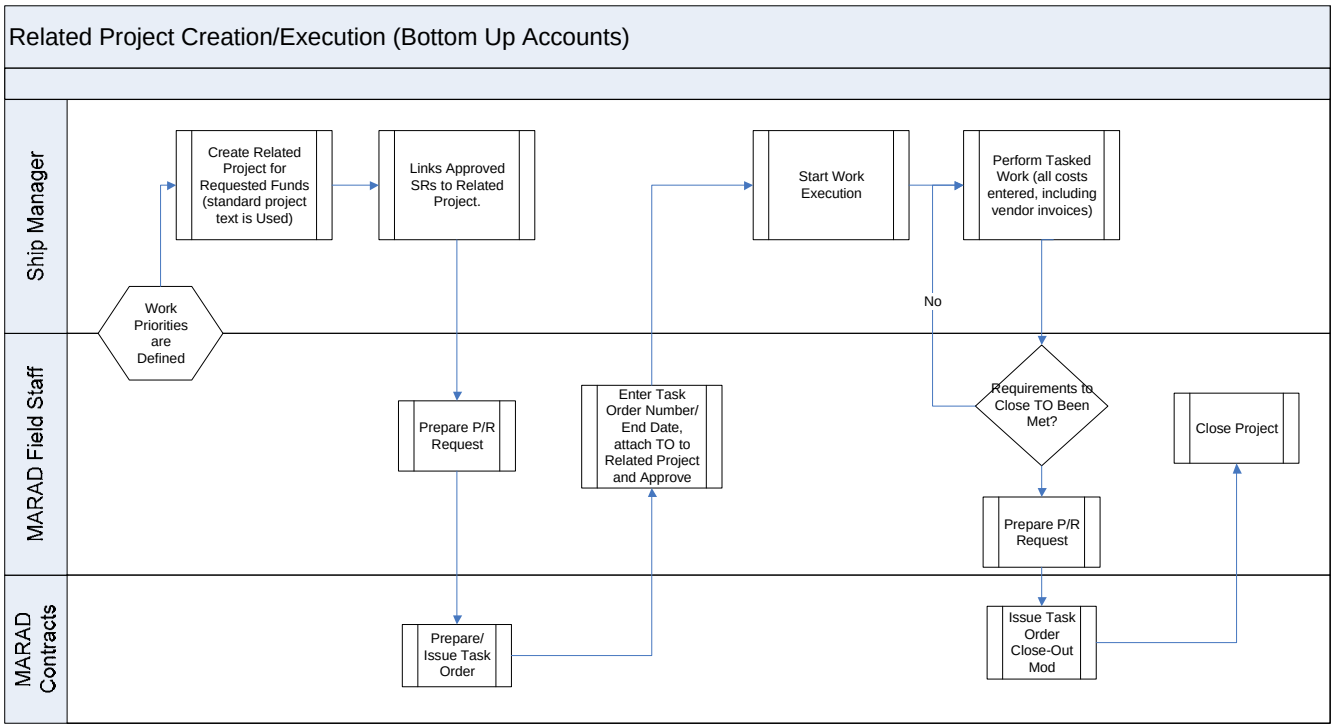
As for the specifics on the maintenance phase of these Budget Projects as seen on the right hand side of the diagram, these actions will be covered in the various other functional descriptions below.

Addition of a Related Project

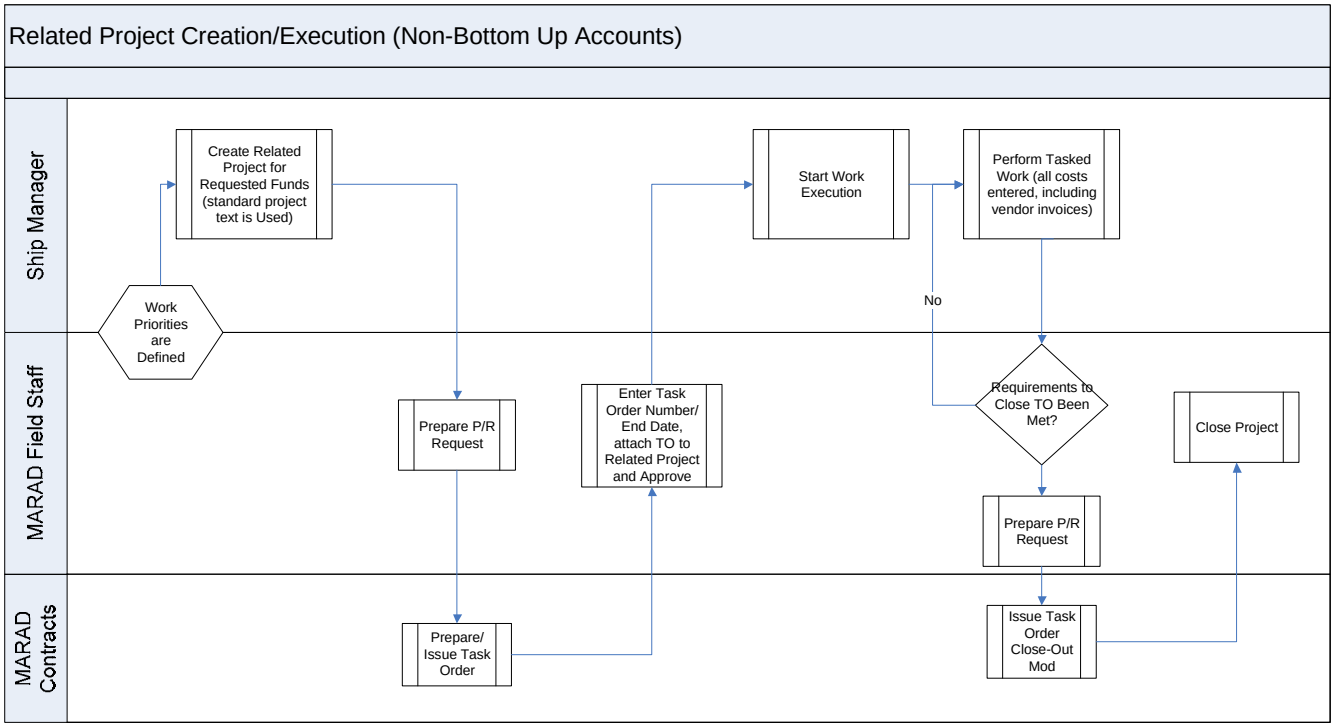
Purpose: Related Projects are used to track the actual expenditures of funds which are on Task Orders from within NS5.

Timing of Activity: Related Projects are created by the Ship Manager when he is requesting funding from the COTR to perform work as detailed in his Approved Baseline Business Plan.

The following is the basic flowchart describing the process of creating the Related Project, where this is a bottom up account. This is for all SRs/MRs.



The following chart shows a similar process for non-bottom up accounts, where the only notable exception is that there are no SR/REQ documents to be moved from the Baseline project.



As can be seen from the above chart, the creation of the Related Project is a collaborative effort between the Ship Manager and MARAD.

Minimum Requirements for the Creation of the Related Project (Ship Manager)

- **Project Number** – Follow the Related Project nomenclature as defined in the "Project Definition Requirements" section of this Guidance.
- **Project Description** - Follow the Related Project nomenclature as defined in the "Project Definition Requirements" section of this Guidance. Special attention should be paid to the designator which indicates sequence for the Account as well as Revision Indicator.
- **Project Index** – Using the indexes found under the Ship Manager's grouping, the only two acceptable choices are "BUDGET ITEM" and "EMERGENT". BUDGET ITEM should be used if this project is a result of the RMB approved funding. EMERGENT should be used in the case where the project is a result of additional funds being used which were not originally approved by the RMB.
- **Account** – Account should correspond with the accounts approved by the RMB. It should be noted that for Related Projects, these are usually single account projects for the Maintenance Phase (Drydocks being the exception), Operations phase can be multi-account.
- **Task Order Number** – Leave blank
- **Task Order End Date** – Initially, the Requested Project completion End Date from Ship Manager; modified by COTR to match the task order performance period end date before COTR approves the Related Project
- **Remarks Tab** - Follow the Standard Project Text Templates which are included in the Appendices, where one section is included for Maintenance Phase and the other for Operations Phase. The relevant standard Project text from the Appendices SHALL be used by all users for each Related Project and elaborated upon as indicated in each template.
- **Work Orders (SR) Tab –** SRs/MRs from the Budget Project should be linked to this project.

With respect to naming of the Related Project, it should be mentioned that Related Projects are lettered sequentially. For example, if the SM is executing his business plan and puts his work priority list together and then chooses the items which will be executed in batches, he may have multiple projects, as he'll have multiple Task Orders. Hence, you may see "FY07 M&R Repairs A" and "FY07 M&R Repairs B" in the case that there are two task orders, since the letter simply signifies a sequence of task orders. A new letter is only used to designate a new TO, not for modification to an existing TO.

For each of the SRs which are linked to the Bottom-up Related Projects, care should be taken to ensure that the text of the SR is complete enough for the contracting document. It is this text which will go out on the ship manager's RFQ and POs to their service providers. If possible, the full specification of the work to be done shall be in the Description field of the SR. If not possible, the specification should be included as an attachment to the SR. However, in this case, the description of the SR should be robust enough to clearly summarize the entire work scope in sufficient detail to demonstrate the intent.

Ship Manger shall attach their detailed estimate (IAW their MARAD approved Commercial Purchasing System Procedures) to each SR/MR linked to their Bottom-Up Related Projects.

It should be noted that once the SR is approved, the description field is locked. However, when the SM commences their procurement on the SR, the description on the SM's purchase documents (i.e. RFQ/PO) can be changed by the SM to improve the specification as more information becomes available during the SM's purchasing process.

When the Related Project is ready for MARAD review, the Ship Manager shall notify COTR by email and include the following summary information: "Project No. _____; Total Project Funds Requested by SM: _____; SM Proposed Start Date: _____; SM Proposed Completion Date: _____. "

MARAD Approval and Internal Requisitioning Process

Once the ship manager has prepared the Related Project and has notified the COTR that it is ready, the COTR will review the project to ensure that all of the required information is present. As part of this review, COTR <u>shall</u> confirm that the SM has accurately completed <u>all</u> required NS5 fields in the Related Project and associated SR/MRs in accordance with the guidance in this document. COTR shall require SM to correct any noted discrepancies in NS5 before the COTR "Approves" the Project in NS5.

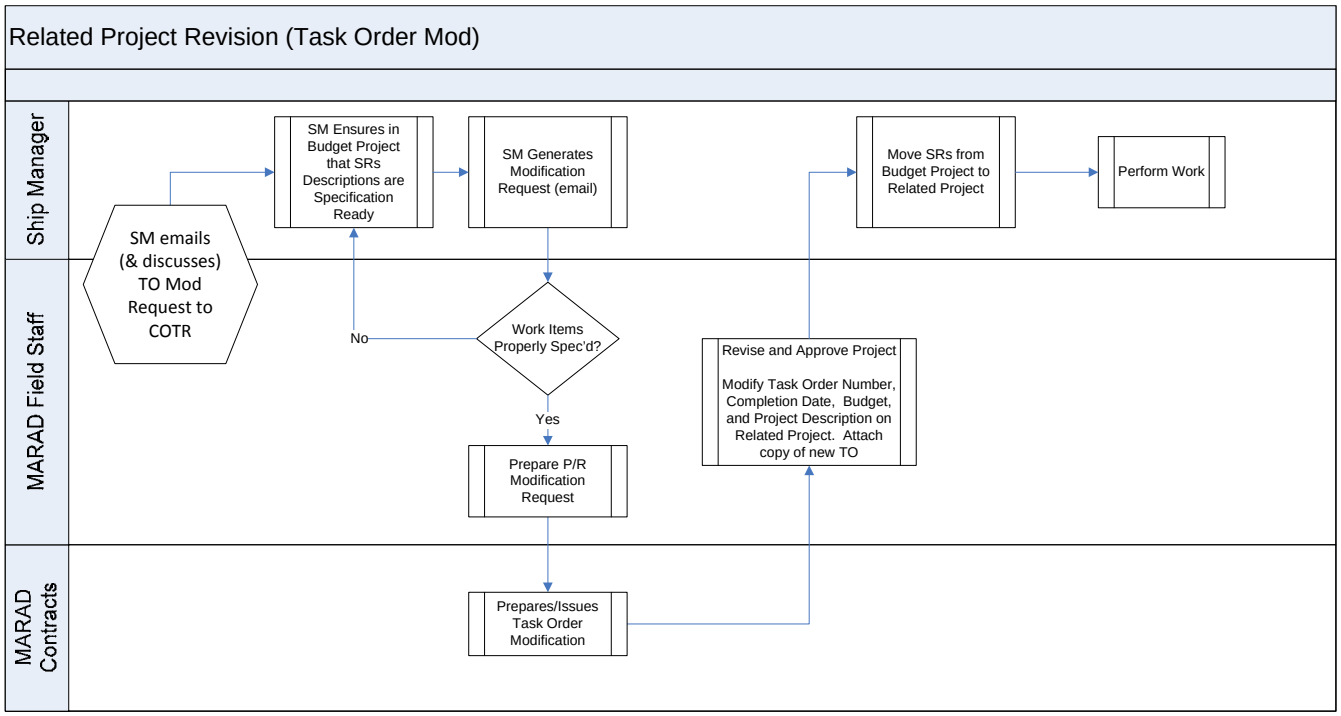
After the COTR is satisfied, the MARAD Purchase Request (P/R) is created as the first step to the release of the funds via the Task Order.

When the COTR approves the project, the COTR shall perform the following actions in NS5:

- Task Order Number is entered
- Task Order End Date is entered
- Electronic copy of task order is attached to project
- Project is approved in NS5

After this COTR approval, the SM will be able to buy against the TO in NS5.

Revision of Related Project (and Existing Task Order)



As can be seen from the above flowchart, when a modification of an existing Related Project is made, there are segments of this preparation of the request which fall outside of NS5 - such as the SM holding discussions with the COTR and subsequently generating the formal request to modify an existing Task Order <u>by sending an email</u> to the COTR. The reason that this is not done within NS5 is to avoid generating a second Related Project for the same Task Order. The SM's creation and submittal of the original Related Project in NS5 served as the SM's request to MARAD for the original Task Order. However, SM would not do this again, as the SM desires only one Related Project for this task order. Hence, the SM's request to MARAD for modification to the Task Order must first be made outside of NS5.

After discussing the proposed modifications to the task order with the COTR, the SM shall ensure that the SRs which are in the Budget Project are fully fleshed out (in the same detail as requested in the original Bottom-up Related Project), as the COTR will need these to prepare the request for modification to the task order.

After the SM has provided all contractually required data to support his request for the Task Order modification, the COTR will submit the internal MARAD TO Modification Purchase Request to Contracts who will issue an appropriate TO modification. At this point, the COTR will modify the Related Project.

Related Project

- Give a description of the modification in the Remarks of the project
- Task Order Mods are indicated by entering the TO Mod # in the TO Number field. There is no need to show the revision in the Project Description field as A1/A2 etc -this should just stay as "A" or "B" etc./
- Attach copy of the Task Order Modification to the Project.
- Modify the Task Order End Date (if applicable)
- Modify the budget of the Related Project, if the funding has changed.

After the issuance of the task order modification, it is the responsibility of the ship manager to move the SR's from the Baseline project to the Related Project. This is to occur only after the issuance of the task order revision to ensure that the SM staff does not purchase the item before MARAD Contracting Officer issues the authorizing Task Order modification. The reasoning behind this is that NS5 does not have any other automatic controls to prevent these SRs from being bought by the SMs if they were moved onto the approved project prior to issuance of the TO.

Closing the Related Project

After completing all work under the Task Order, SM promptly:

- reconciles the Task Order expenses and documentation,
- ensures that all actual costs have been properly recorded in NS5
- ensures that all contractually required data has been entered into NS5
- submits final invoice to MARAD
- ensures that information in NS5 matches the various information submitted by SM to MARAD for reimbursement
- notifies COTR, FCO & ACO that all requirements for Task Order closeout have been completed

  Note: Promptly after submitting their final invoice under the Task Order, SM should notify MARAD to initiate TO Close-out process. However, it is understood that SM will not sign the TO Close-out Mod until SM has received final payment under the TO.

The project close-out process is initiated by the COTR after notification from the SM that all of the work has been completed, all of the actual costs have been recorded, all contractually required data has been entered, and after the requirements for Task Order closeout have been met. The information in NS5 should match that which is submitted to MARAD by the SM for reimbursement. Only after this has been verified by the COTR and FCO verifies that MARAD & SM accounts have been properly reconciled, should the COTR initiate the internal MARAD Task Order Close-out Purchase Request to MARAD Contracts

Upon issuance of the signed TO Close-out Modification, the COTR will "revise" the Related Project, enter the Task Order Mod Number, attach the TO Close-out Mod to the Related Project, match the final funding on the Related Project to the Task Order Close-out Mod, "approve" the Revised Related Project, "close" the revised Related Project. After five years the closed Revised Project should be hidden.

Closing the Budget Project

Budget projects are never really closed, as only approved projects are allowed to be completed. With this being the case, the Budget Project will get hidden in NS5 after 5 years.

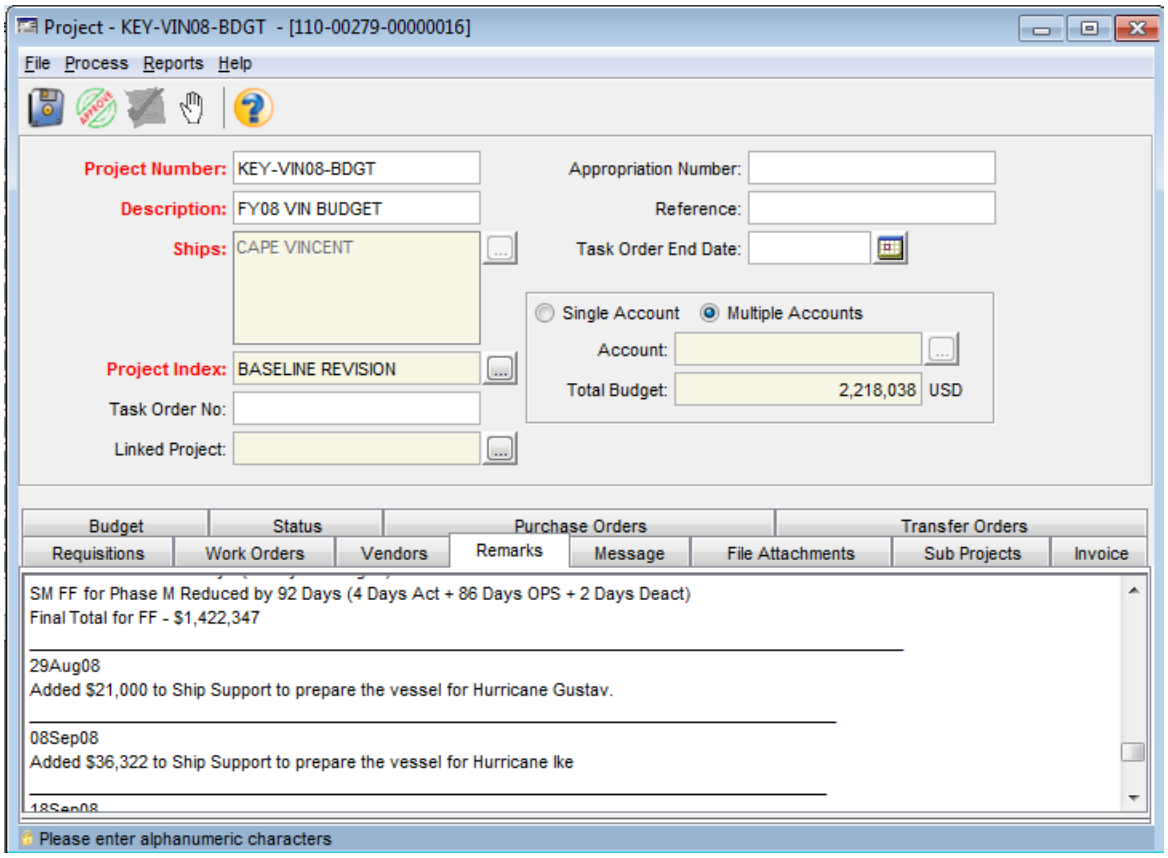
Modifications to Approved Baseline Business Plan Funding

In cases where the overall budget has been modified by MARAD for the Fiscal Year, this differential should be reflected in NS5. The COTR shall make the necessary changes in NS5 promptly after MARAD SOMO authorizes any modification to the vessel's Annual Baseline Business Plan.

Budget Project

- Adjust budget amount for appropriate account code(s)
- Indicate in Remarks the modification of funding
- Change Project Index to BASELINE REVISION

Baseline Revision Remarks – shall be inserted by the COTR to show change in funds of individual NS5 accounts & the reason for the change. See following example:



Deferred Work Protocol

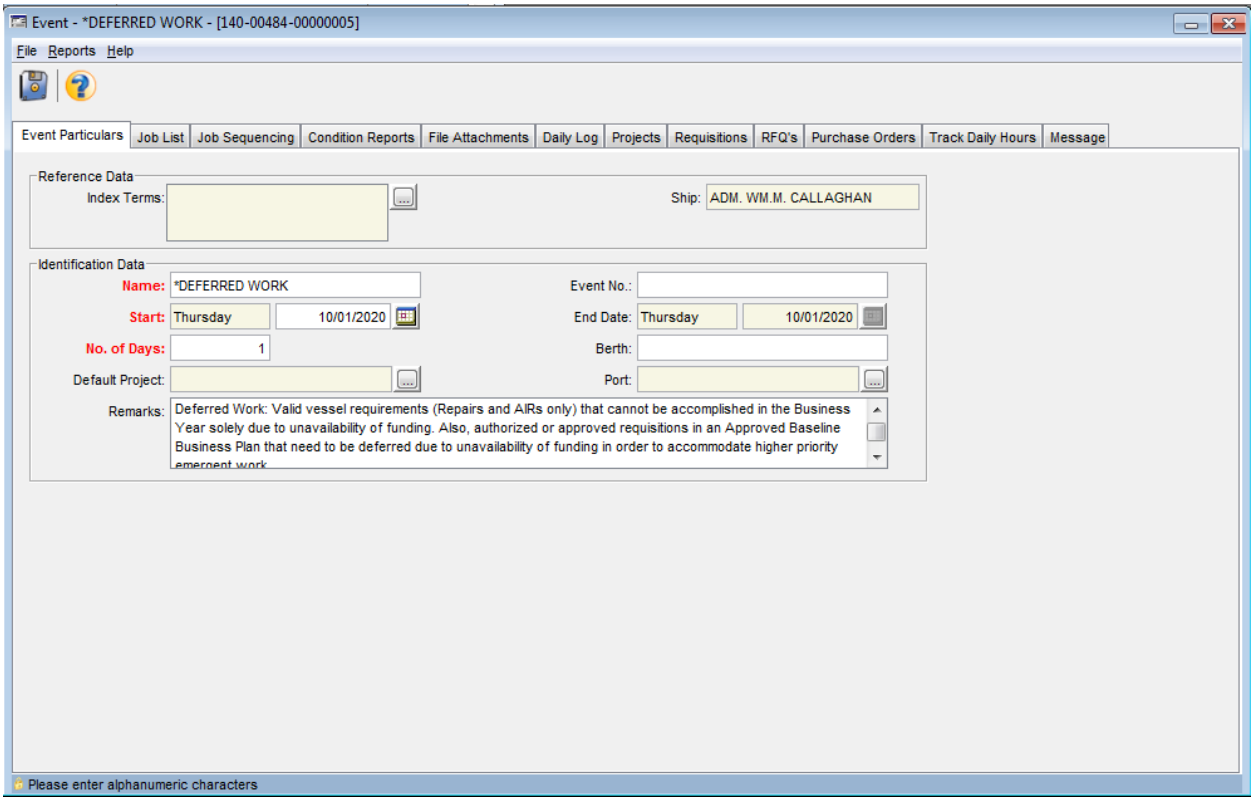
The definition of "Deferred Work" with respect to MARAD and this protocol is as follows:

> *Valid vessel requirements (Repairs and AIRs only) that cannot be accomplished in the Business Year* ***solely*** *due to unavailability of funding. Also, authorized or approved requisitions in an Approved Baseline Business Plan that need to be deferred due to unavailability of funding in order to accommodate higher priority emergent work.*

This deferred work is to be linked to an event in NS5 that will collect this work. The remainder of this section is devoted to the creation and the usage of the event.

Creation of Deferred Work Event

From within the vessel, go to Lists, Maintenance Event, and create a new event.



The following are the pariculars surrounding the event.

Name	*DEFERRED WORK – should not be a space between the * and DEFERRED. This * allows for this to be the first item on the event listing
Start Date	Use 10/1/2020 for the date in the future
Days	1
Remarks	Deferred Work: Valid vessel requirements (Repairs and AIRs only) that cannot be accomplished in the Business Year solely due to unavailability of funding. Also,

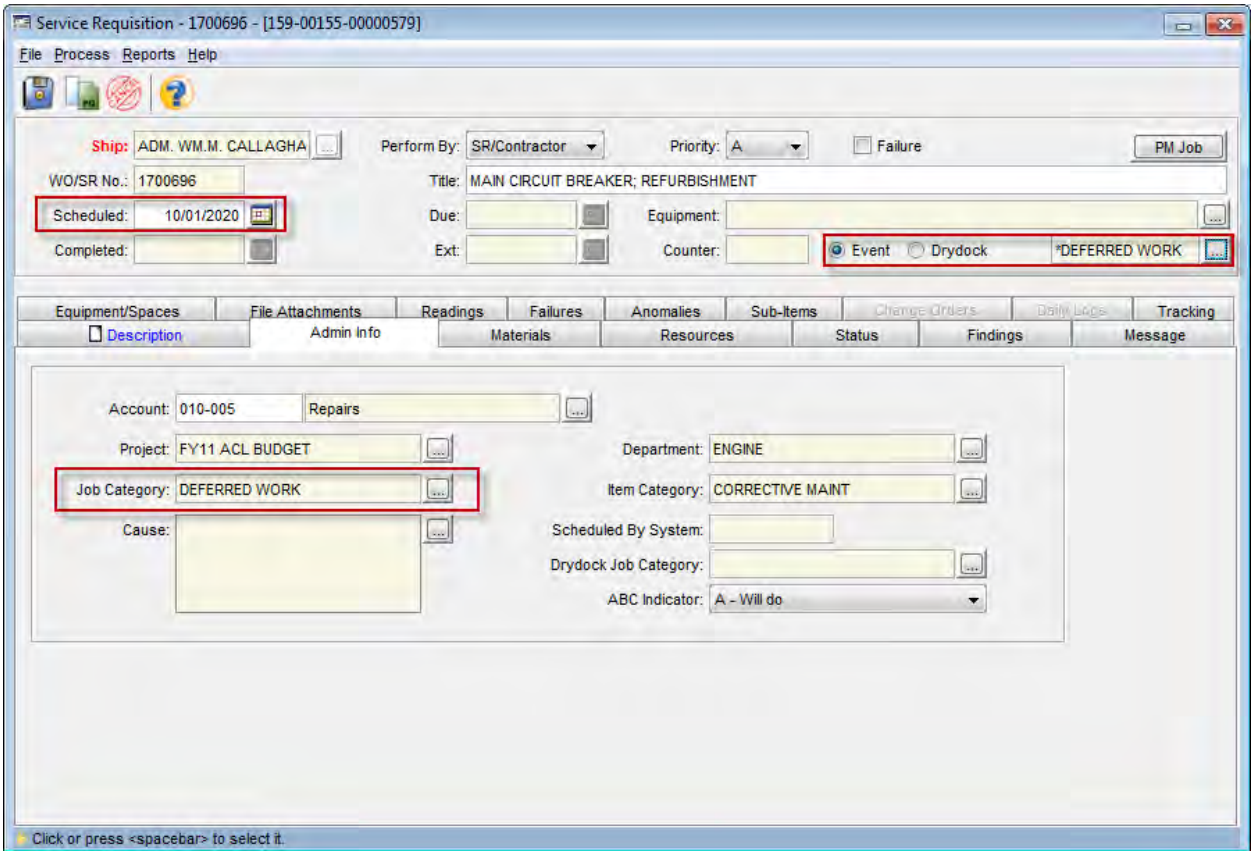
authorized or approved requisitions in an Approved Baseline Business Plan that need to be deferred due to unavailability of funding in order to accommodate higher priority emergent work.

Movement of Service Requisitions to Deferred Work Event

When Service Requisitions are deferred, there are a number of steps that should be undertaken to move these properly to the "*Deferred Work" event. It is important to follow these steps, as this allows for the work to be found in the future quite quickly as well as providing means to provide reporting on these deferred maintenance items.

The following are the minimum steps that should be undertaken when moving an item to the "*Deferred Work" event:

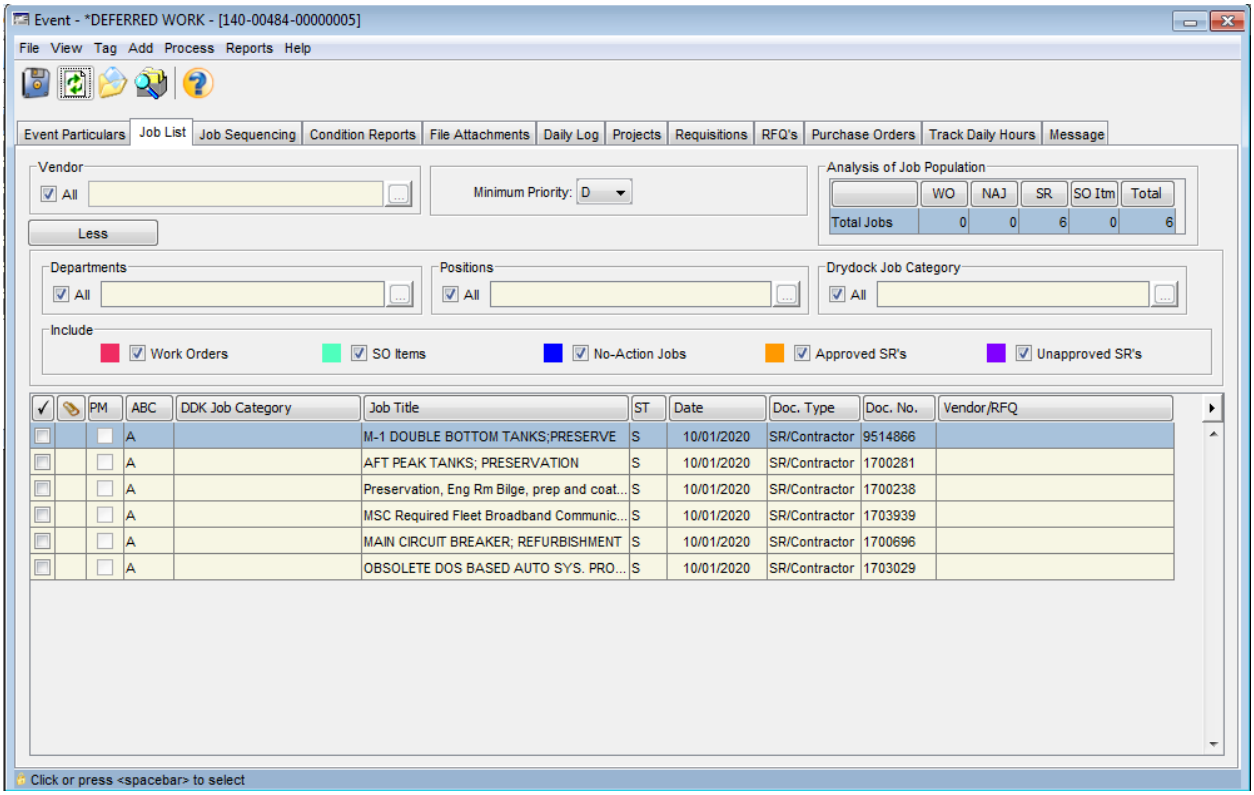
- Change the Job Category to "DEFERRED WORK"
- Select the Event "*DEFERRED WORK"
- Leave the Project, Account, and Department as it was originated from.



It should be noted that the scheduled date of the document is now 10/1/2020, which corresponds to the start date of the *DEFERRED WORK event.

*Finding *DEFERRED WORK items*

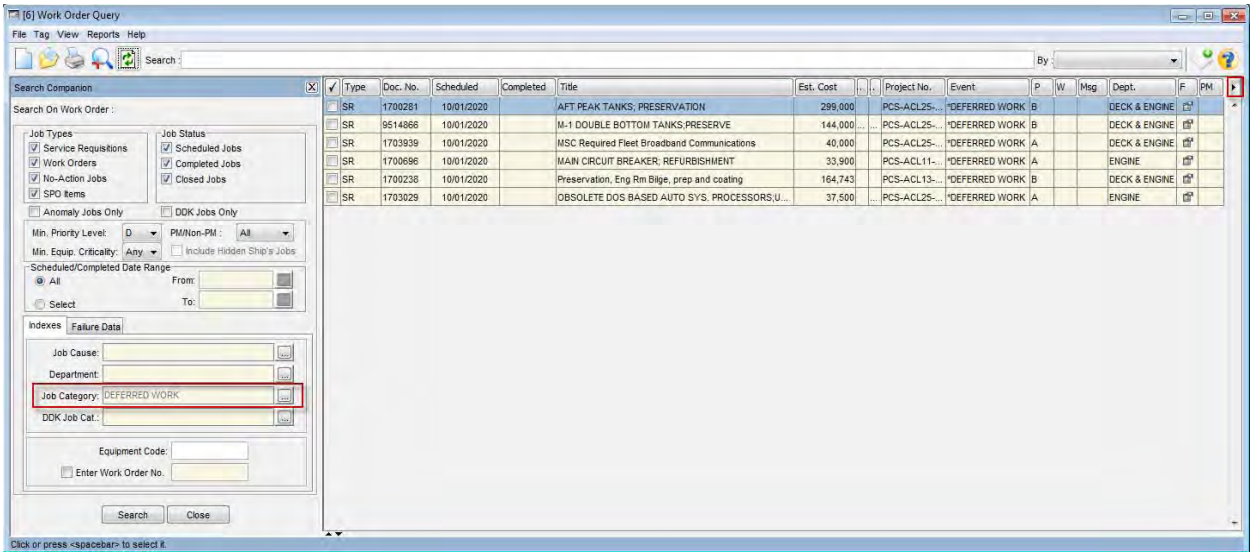
One method which can be used to find all the items which have been deferred is to go to the *DEFERRED WORK event and use the reporting capabilities from within the event.



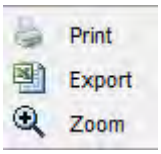
An alternative method of finding *DEFERRED WORK items is to use the work order query, where this can be used from either the FLEET or SHIP level of NS5. To get to this query, go to Documents, Work Order, Work Order Query.

Use the following options to find the *DEFERRED WORK items:

- Job Category of "DEFERRED WORK"
- Optionally, you can select the job types/status/priority to suit your specific query requirements



Once this is completed, you can use the button at the upper right (highlighted above) to print this to a report, export to excel, etc….



Printing would provide a report as shown below.

[6] Work Order Query - ADM. WM.M. CALLAGHAN Printed On : 01/14/2011

Type	Doc. No.	Scheduled	Completed	Title	Est. Cost	E	E	Project No.	Event	P	W	Msg	Dept.	F	PM
SR	1700281	10.01/2020		AFT PEAK TANKS; PRESERVATION	299,000			PCS-ACL25-	*DEFERRED	B			DECK &		
SR	9514866	10.01/2020		M-1 DOUBLE BOTTOM TANKS;PRESERVE	144,000	H	H	PCS-ACL25-	*DEFERRED	B			DECK &		
SR	1703939	10.01/2020		MSC Required Fleet Broadband Communications	40,000			PCS-ACL25-	*DEFERRED	A			DECK &		
SR	1700696	10.01/2020		MAIN CIRCUIT BREAKER; REFURBISHMENT	33,900			PCS-ACL11-	*DEFERRED	A			ENGINE		
SR	1700238	10.01/2020		Preservation, Eng Rm Bilge, prep and coating	164,743			PCS-ACL13-	*DEFERRED	B			DECK &		
SR	1703029	10.01/2020		OBSOLETE DOS BASED AUTO SYS.	37,500		A	PCS-ACL25-	*DEFERRED	A			ENGINE		

Operations Phase

Projects for Operations Phase (Phase O) follow the same consistent process as Projects for Maintenance Phase, with both Baseline and Related Projects. Since activations (No-notice or for a mission) are not part of the annual business plan, the initial Project is created with a Project Index of EMERGENT WORK. The specifics relating to the various categories of projects during Operations are as follows:

Phase O Baseline Projects

Note: The creation of the Phase O BASELINE Project will apply to all activations and operations, except for maintenance activations (which are covered by the Phase M Baseline Project).

The Ship Manager creates a multi-account project using all of the various accounts expected to be utilized during activation, any operational period, and de-activation. The estimated amount for each account should be entered. The Ship Manager shall utilize and attach their mission-specific estimates for Fuel, Port Charges, Security, and Other Reimbursables (including Canal Fees) as necessary

- The Project Number and Description should be created using the convention described in the "Project Definition Requirements" section of this Guidance.
- The Project Index should be EMERGENT WORK initially and changed to BASELINE after the account values has been approved by MARAD.
- Whenever the overall funding is modified, the Project Index is changed to BASELINE REVISION

As with BASELINE Projects in Phase M, the Phase O BASELINE Project remains unapproved. All changes should be annotated in the Remarks section of the project, similar to changes in Phase M Baseline Projects.

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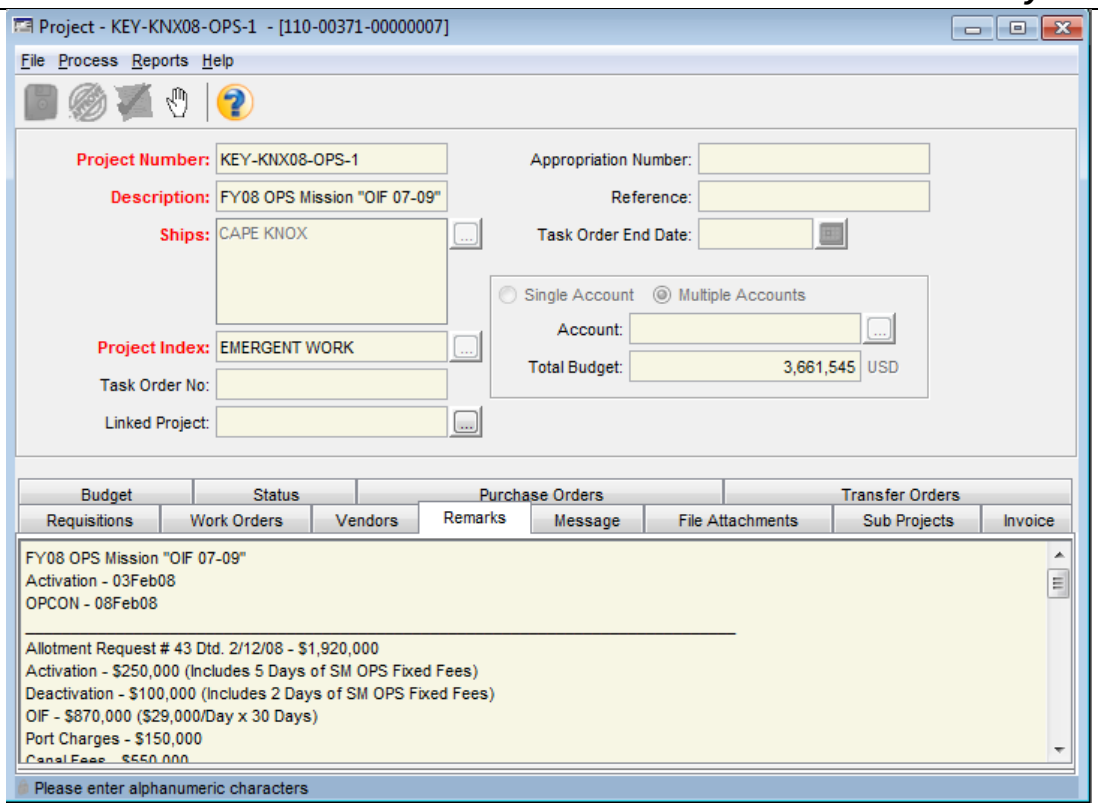
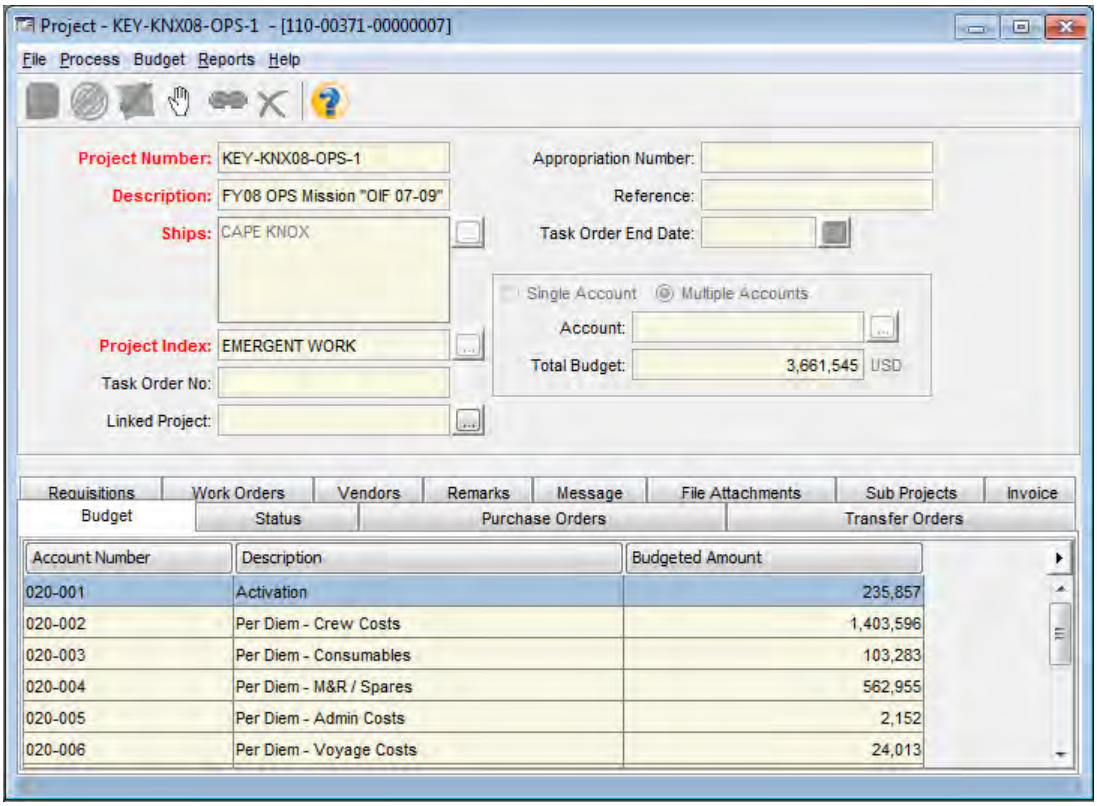

Project - KEY-KNX08-OPS-1 - [110-00371-00000007]
File Process Reports Help
Project Number: KEY-KNX08-OPS-1
Description: FY08 OPS Mission "OIF 07-09"
Ships: CAPE KNOX
Project Index: EMERGENT WORK
Task Order No:
Linked Project:
Appropriation Number:
Reference:
Task Order End Date:
Single Account
Multiple Accounts
Account:
Total Budget: 3,661,545 USD
Budget
Status
Purchase Orders
Transfer Orders
Requisitions
Work Orders
Vendors
Remarks
Message
File Attachments
Sub Projects
Invoice
FY08 OPS Mission "OIF 07-09"
Activation - 03Feb08
OPCON - 08Feb08
Allotment Request # 43 Dtd. 2/12/08 - $1,920,000
Activation - $250,000 (Includes 5 Days of SM OPS Fixed Fees)
Deactivation - $100,000 (Includes 2 Days of SM OPS Fixed Fees)
OIF - $870,000 ($29,000/Day x 30 Days)
Port Charges - $150,000
Please enter alphanumeric characters


Project - KEY-KNX08-OPS-1 - [110-00371-00000007]
File Process Budget Reports Help
Project Number: KEY-KNX08-OPS-1
Description: FY08 OPS Mission "OIF 07-09"
Ships: CAPE KNOX
Project Index: EMERGENT WORK
Task Order No:
Linked Project:
Appropriation Number:
Reference:
Task Order End Date:
Single Account
Multiple Accounts
Account:
Total Budget: 3,661,545 USD
Requisitions
Work Orders
Vendors
Remarks
Message
File Attachments
Sub Projects
Invoice
Budget
Status
Purchase Orders
Transfer Orders
Account Number
Description
Budgeted Amount
020-001 Activation 235,857
020-002 Per Diem - Crew Costs 1,403,596
020-003 Per Diem - Consumables 103,283
020-004 Per Diem - M&R / Spares 562,955
020-005 Per Diem - Admin Costs 2,152
020-006 Per Diem - Voyage Costs 24,013

Related Projects for No-Notice Test Activation

In the case of a no-notice turbo activation, the Ship Manager will create a single multi-account Related Project which will include Activation, Operations and Deactivation with the appropriate accounts and the estimate for each account.

The single multi-account Related Project should separately itemize the following as separate Project Line Items: Activation (Account No. 020-001), Deactivation (Account No. 020-012), Operations (Account No. 20-002 shall be used for all operations items) Ship Manager shall segregate and summarize costs by each of the Project Line Items in their invoice to MARAD.

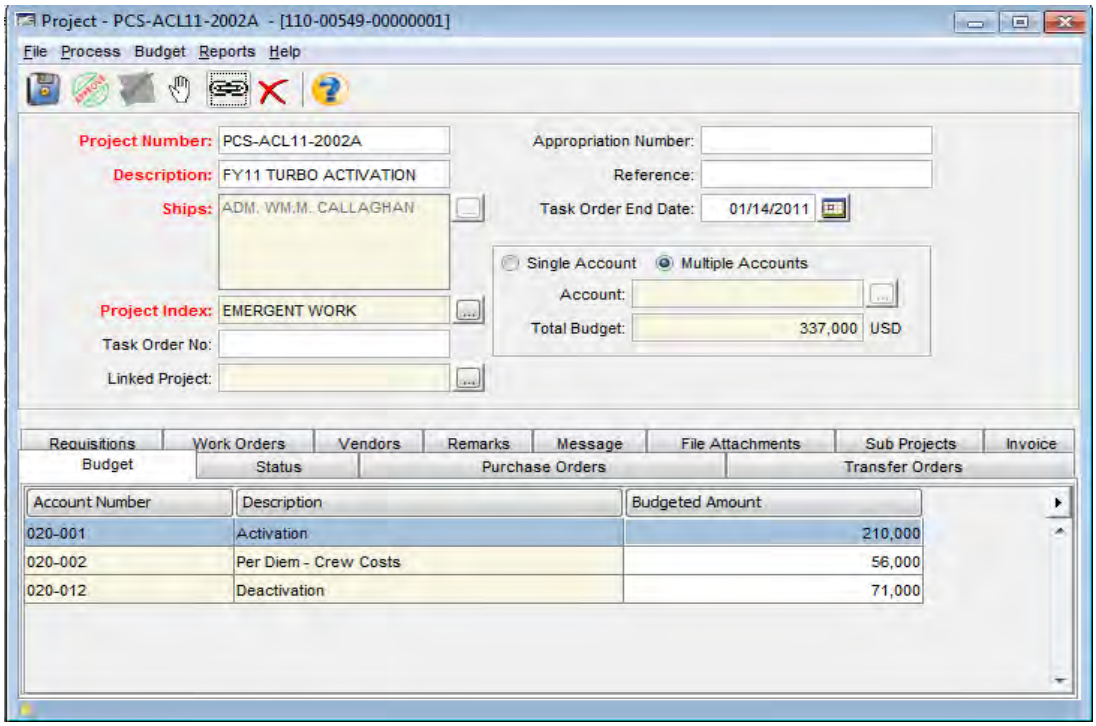
.

- If fuel will be required for the No-Notice Test Activation, a separate related project for fuel should be created.

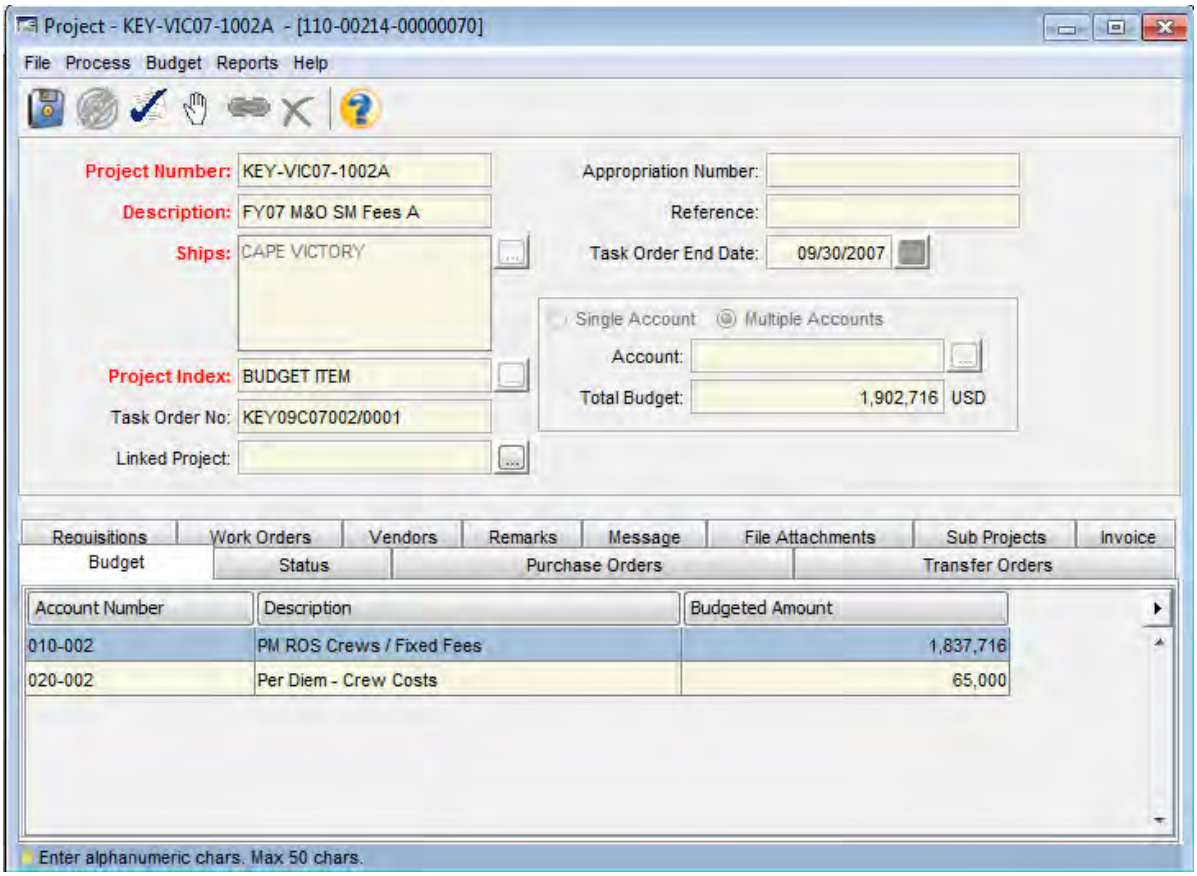
- The MARAD COTR should be requested to revise the existing Per Diem – Fixed Fees Related Project to change the funding. If the existing SM Fees project is a single account project, the COTR should change it to a multi-account project during revision and add the account for Per Diem – SM Fees (020-007) with the appropriate funding.

- The COTR should also edit the Per Diem – Fixed Fees Related Project Description to indicate that it is for both Phase M and Phase O (i.e. FYXX M&O SM Fees A), change the Project Index to BASELINE REVISION and annotate the Remarks with the standard project text to indicate the reason for the Revision and show the funding change.

The following is an example of the single multi-account No-Notice Test Activation project as described above:



The following is the modified Fixed Fees Related project for the year in which the operation took place. Note the change in title as well as the addition of the additional account for Operations Per Diem (020-002). Not shown on this screen shot, is that the remarks are also appended to reflect an explanation of the additional funding.


Project - KEY-VIC07-1002A - [110-00214-00000070]
File Process Budget Reports Help
Project Number: KEY-VIC07-1002A
Description: FY07 M&O SM Fees A
Ships: CAPE VICTORY
Project Index: BUDGET ITEM
Task Order No: KEY09C07002/0001
Linked Project:
Appropriation Number:
Reference:
Task Order End Date: 09/30/2007
Single Account
Multiple Accounts
Account:
Total Budget: 1,902,716 USD
Requisitions
Work Orders
Vendors
Remarks
Message
File Attachments
Sub Projects
Invoice
Budget
Status
Purchase Orders
Transfer Orders
Account Number
Description
Budgeted Amount
010-002
PM ROS Crews / Fixed Fees
1,837,716
020-002
Per Diem - Crew Costs
65,000
Enter alphanumeric chars. Max 50 chars.

Related Projects for Activation for Missions/Exercises

In this case the funding document(s) will provide funds separately for Activation, Operations, Fuel, Port Charges, Security, Deactivation, and Other Reimbursables (like Canal Transit Fees).

The Ship Manager should create:

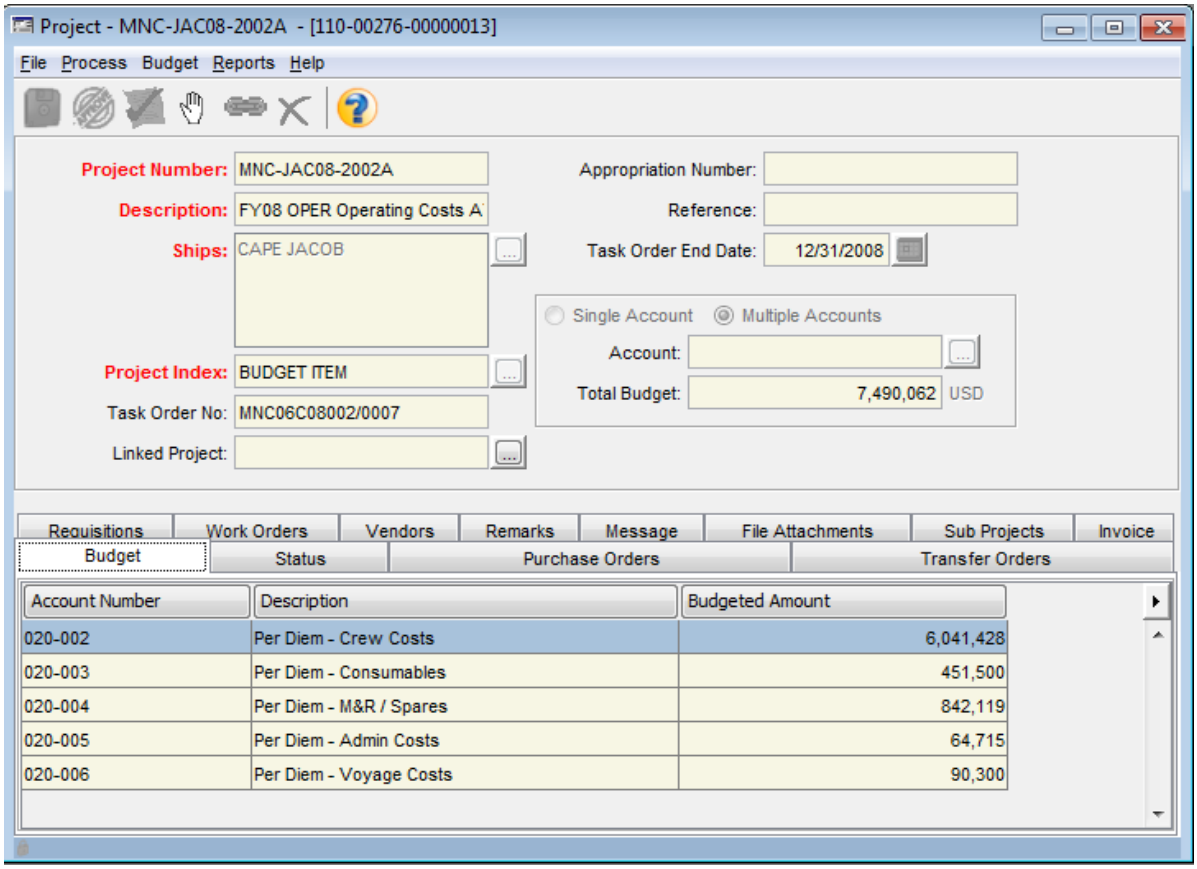
- individual Related Projects for:
    - Activation (Account No. 020-001)
    - Fuel (Account No. 020-008)
    - Port Charges (Account No. 020-009)
    - Security (Account No. 020-010)
    - Deactivation (Account No. 020-012)
- One multiple account project for the following accounts:
    - Crew Costs (Account No. 020-002)
    - Consumables (Account No. 020-003)
    - M&R/Spares (Account No. 020-004)
    - Admin Costs (Account No. 020-005)
    - Voyage Costs (Account No. 020-006)
- Related Projects as required for:
    - Travel (Account No, 020-011)
    - Other Reimbursables (Account No. 020-013)

- The MARAD COTR should be requested to revise the existing Per Diem – Fixed Fees Related Project to add the funding. If the existing SM Fees project is a single account project, the COTR should change it to a multi-account project during revision and add the account for Per Diem – SM Fees (020-007) with the appropriate funding.

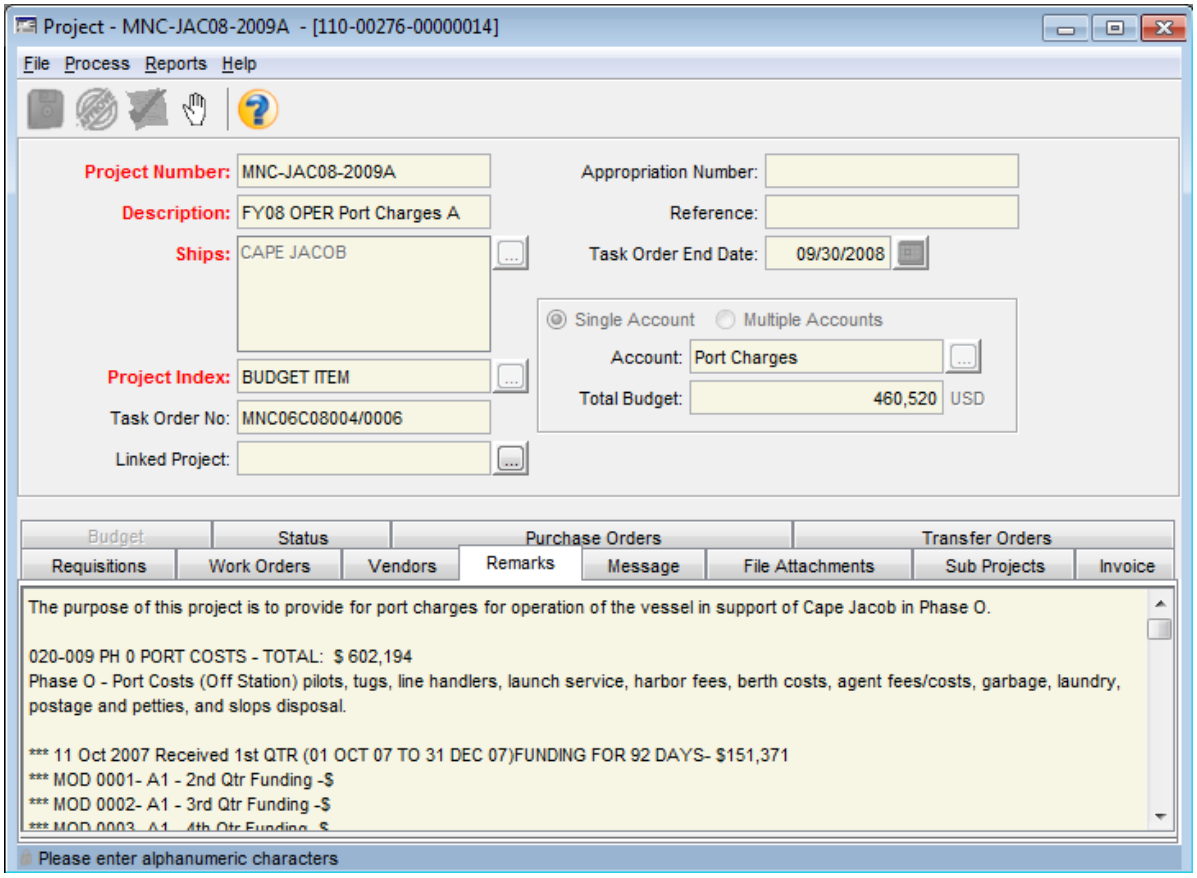
- The COTR should also edit the Description to indicate that it is for both Phase M and Phase O (i.e. FYXX M&O SM Fees A), change the Project Index to REVISION and annotate the Remarks with the standard project text to indicate the reason for the Revision and show the funding change.

NOTE: Screen Shots of example Related Projects not shown under No-Notice Test Activation are shown below. These follow the basic premise that a task order will be issued by MARAD for each one and these are the containers for the SM execution of these task orders.

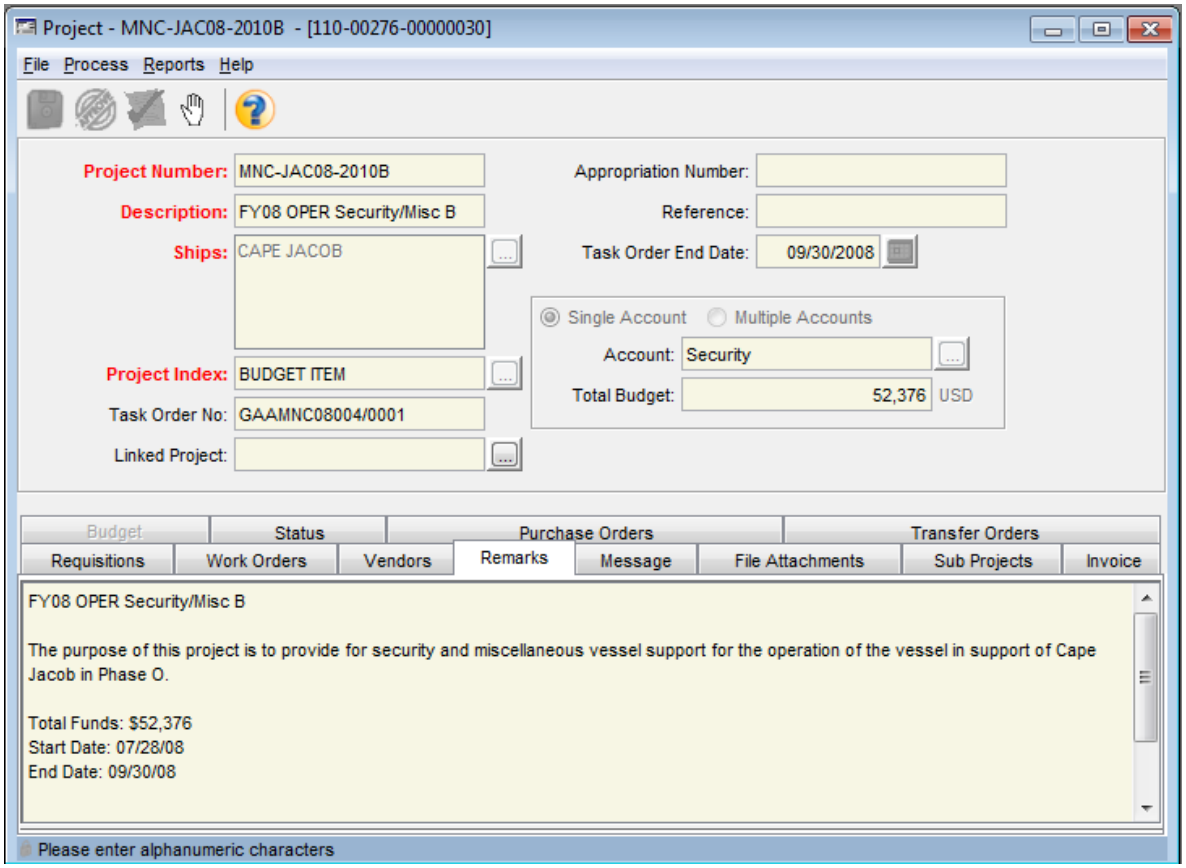
The following screen shows the basic execution of the OPERATIONS project.



This Related project shows the port charges that were incurred for the OPERATIONS as covered by this specific task order. It should be noted that in this case, the port charges are booked against a single account code in this project.



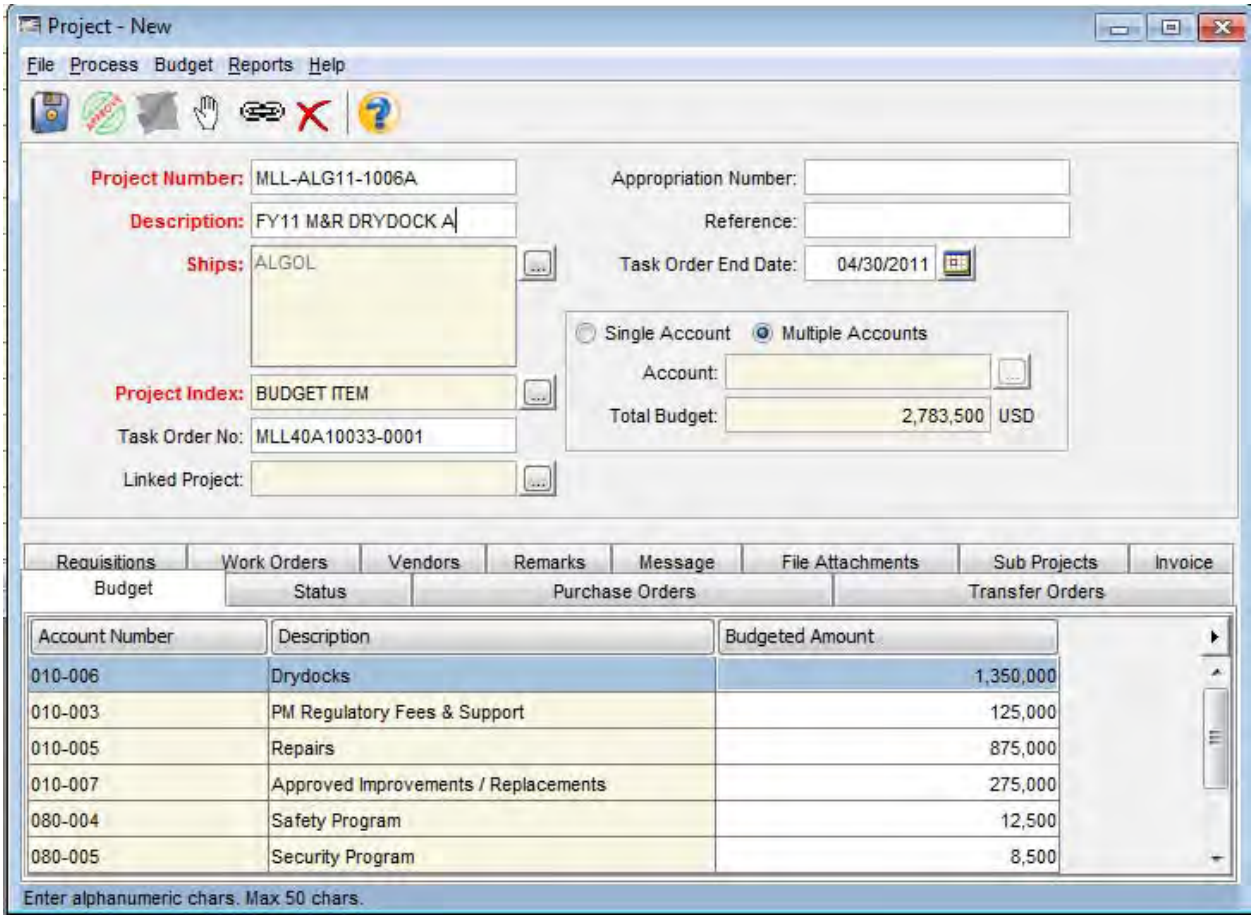
The following project is a security Related project which is a single account project.



Related Projects for Drydockings

As found in Appendix 2, there are two types of related projects when performing drydocks, one which is the main project, while the other is the administrative cost project. In some cases, there might be a third project which is related to the sailing in lieu of towing to the shipyard.

When putting together the main project for the drydock, you can see that the number/description follows the standard convention as described earlier in this document. As for the type of project, it is a multi-account project that provides for all the account codes used in the original task order and their associated amounts.



NS5 File Attachments Guidelines

The following sections provide guidance as to the handling of attachments in NS5.

General

- Use good judgment when deciding whether to attach files to NS5 documents. Attach enough to justify actions, document equipment history and provide value
- Always make sure "Replicate" is selected! It is selected by default, so don't unselect it. If the file is too large, the system will skip the attachment, but we'll know about it and it will be manually retrieved at a later date
- Be judicious about scanning…unless there is a reason to scan in color - don't. No need for high resolution scans if lower resolution is legible
- Scan only what is required (i.e., no need to include 40 pages of "boilerplate" or "legalese")

File Names

- File names should be descriptive but do not need to be too long or elaborate
- Since NS5 puts the files in a data store with a reference back to the document to which they are attached it is not necessary to identify the NS5 document number in the file name
- Rename files that are given a default name by a scanner to something that is descriptive
- Examples of File Names (as related to a RFQ):
    - Bad: Scan_2345.pdf
    - Good: TMS_NoBid.pdf

Where to Attach Files

- Work Orders/Service Requisitions should have the following types of attachments (if applicable to the work being done)
    - Photographs
    - Service Reports/Condition Reports
    - Any additional documentation pertinent to the work being done
- Request for Quotes should have the following types of attachments
    - Scans of original vendor responses
    - Additional Correspondence relating to quotation (if there is any)
    - Emails indicating "no-bids"

- Purchase Orders should have the following types of information attached:
    - Confirmed copy of Order if signed order returned
    - Internal Purchasing Checklists
    - Correspondence about Order after it has been issued (i.e., vendor queries, damaged items notifications, backorders, etc….)
    - Sole source justifications (if applicable)
    - Any other document that justifies the purchase
- Invoices should have the following types of items attached:
    - Scan of original Invoice
    - Correspondence about Invoice
    - Original Invoice Scan should be attached to the NS5 Invoice Document, not the NS5 PO
- Projects should have the following types of information attached:
    - Official Task Orders (both original and subsequent modifications)

Contract Deliverables

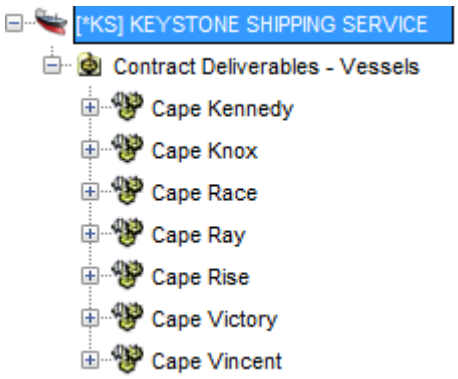
Contract Deliverables are an important part of NS5 documentation and much effort has gone into putting these into NS5 and making it easy to complete these as well as standardize their location in NS5. The deliverables can be defined into two classes - those that are associated with the specific vessel, and those that are linked to the "Ship Manager Vessel" in NS5.

The only ones that are associated with the vessel are those which will directly affect the maintenance history of the vessel. This would be things such as thermography, vibration, lube oil analysis, etc…. The remainder of the deliverables is associated with the Ship Manager Vessel.

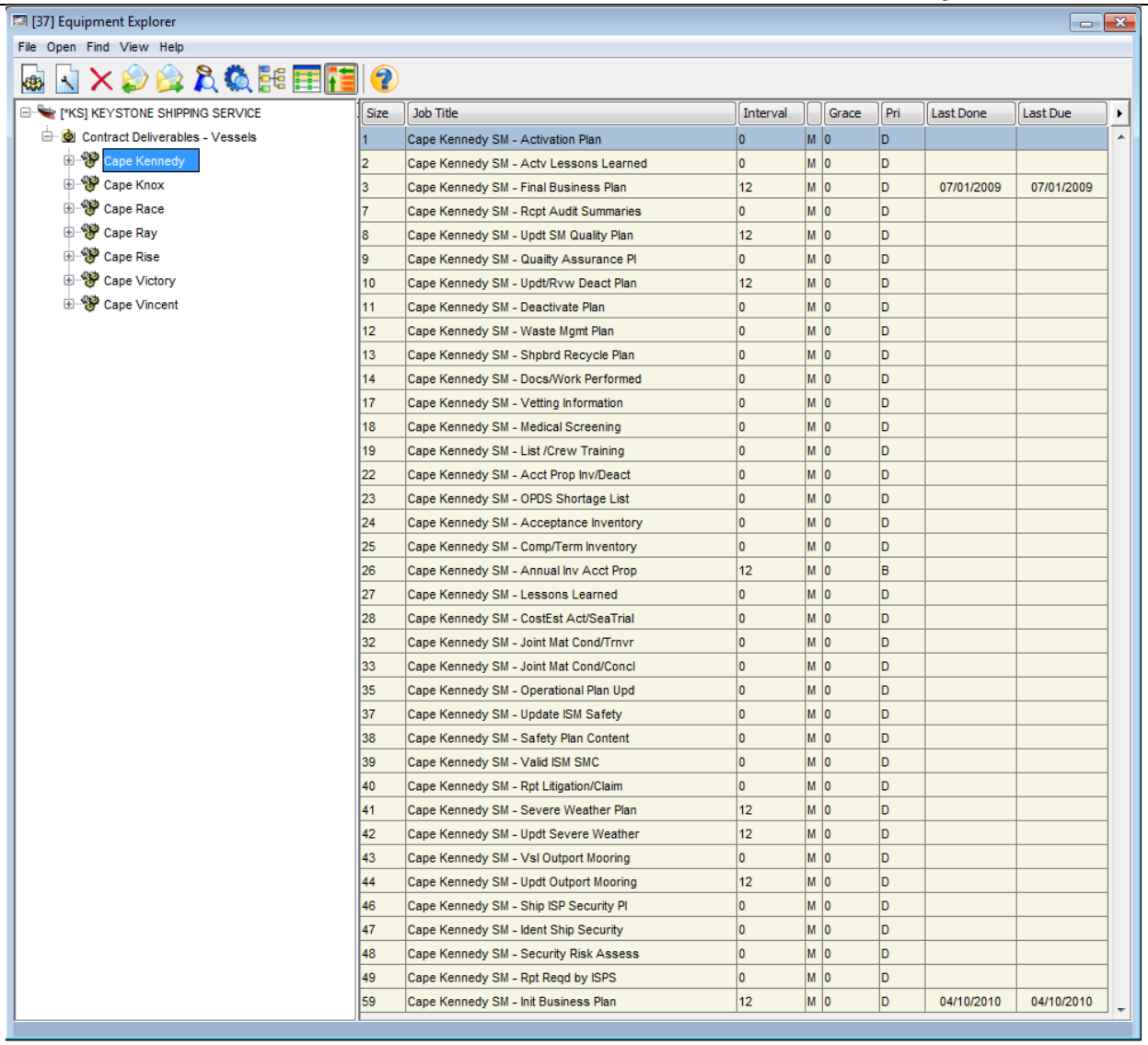
All contract deliverables (those included in NS5) are modeled as standard jobs in NS5. This allows for the quick retrieval of the job and completion, as well as providing a standard location to store the required deliverables.

Ship Manager Vessel – Deliverables Location

Under each ship manager vessel, the managed vessels are modeled as equipment as shown below.



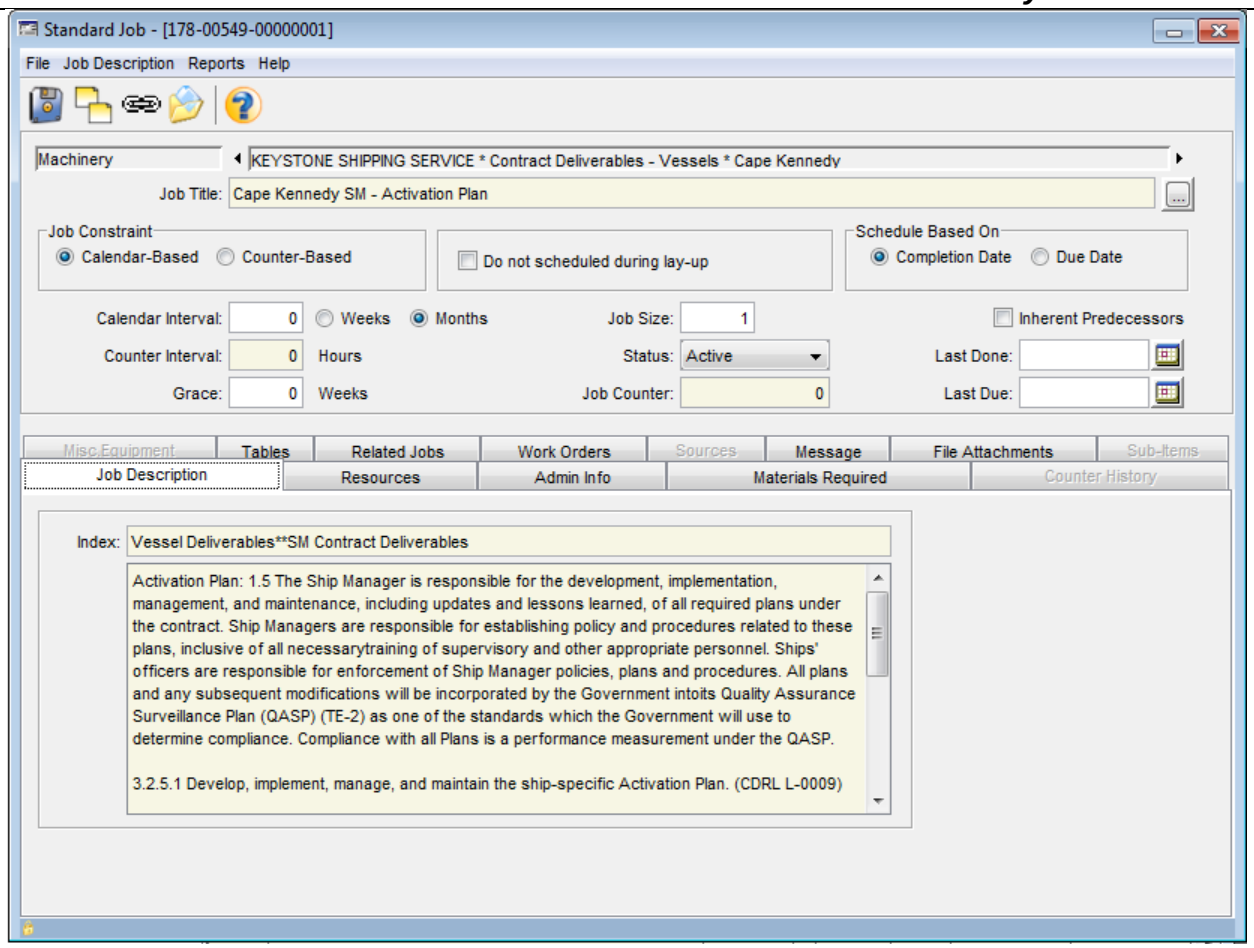
For each vessel (equipment in NS5), there are standard jobs associated with the vessel. This can be seen from the hierarchy view (be sure to change the "View" to Maintenance so that you can see the jobs)



Size	Job Title	Interval		Grace	Pri	Last Done	Last Due
1	Cape Kennedy SM - Activation Plan	0	M	0	D		
2	Cape Kennedy SM - Actv Lessons Learned	0	M	0	D		
3	Cape Kennedy SM - Final Business Plan	12	M	0	D	07/01/2009	07/01/2009
7	Cape Kennedy SM - Rcpt Audit Summaries	0	M	0	D		
8	Cape Kennedy SM - Updt SM Quality Plan	12	M	0	D		
9	Cape Kennedy SM - Quailty Assurance Pl	0	M	0	D		
10	Cape Kennedy SM - Updt/Rvw Deact Plan	12	M	0	D		
11	Cape Kennedy SM - Deactivate Plan	0	M	0	D		
12	Cape Kennedy SM - Waste Mgmt Plan	0	M	0	D		
13	Cape Kennedy SM - Shpbrd Recycle Plan	0	M	0	D		
14	Cape Kennedy SM - Docs/Work Performed	0	M	0	D		
17	Cape Kennedy SM - Vetting Information	0	M	0	D		
18	Cape Kennedy SM - Medical Screening	0	M	0	D		
19	Cape Kennedy SM - List /Crew Training	0	M	0	D		
22	Cape Kennedy SM - Acct Prop Inv/Deact	0	M	0	D		
23	Cape Kennedy SM - OPDS Shortage List	0	M	0	D		
24	Cape Kennedy SM - Acceptance Inventory	0	M	0	D		
25	Cape Kennedy SM - Comp/Term Inventory	0	M	0	D		
26	Cape Kennedy SM - Annual Inv Acct Prop	12	M	0	B		
27	Cape Kennedy SM - Lessons Learned	0	M	0	D		
28	Cape Kennedy SM - CostEst Act/SeaTrial	0	M	0	D		
32	Cape Kennedy SM - Joint Mat Cond/Trnvr	0	M	0	D		
33	Cape Kennedy SM - Joint Mat Cond/Concl	0	M	0	D		
35	Cape Kennedy SM - Operational Plan Upd	0	M	0	D		
37	Cape Kennedy SM - Update ISM Safety	0	M	0	D		
38	Cape Kennedy SM - Safety Plan Content	0	M	0	D		
39	Cape Kennedy SM - Valid ISM SMC	0	M	0	D		
40	Cape Kennedy SM - Rpt Litigation/Claim	0	M	0	D		
41	Cape Kennedy SM - Severe Weather Plan	12	M	0	D		
42	Cape Kennedy SM - Updt Severe Weather	12	M	0	D		
43	Cape Kennedy SM - Vsl Outport Mooring	0	M	0	D		
44	Cape Kennedy SM - Updt Outport Mooring	12	M	0	D		
46	Cape Kennedy SM - Ship ISP Security Pl	0	M	0	D		
47	Cape Kennedy SM - Ident Ship Security	0	M	0	D		
48	Cape Kennedy SM - Security Risk Assess	0	M	0	D		
49	Cape Kennedy SM - Rpt Reqd by ISPS	0	M	0	D		
59	Cape Kennedy SM - Init Business Plan	12	M	0	D	04/10/2010	04/10/2010

For each applicable contract deliverable, there will be a job which has the same number as specified in the contract deliverable. To see the contents of the job, or the past history, all one needs to do is to double click on any one of the jobs shown above, this will provide both the text as well as the work history (i.e. meaning times it has been executed).

The following is an example of one of the contract deliverables as shown in NS5.

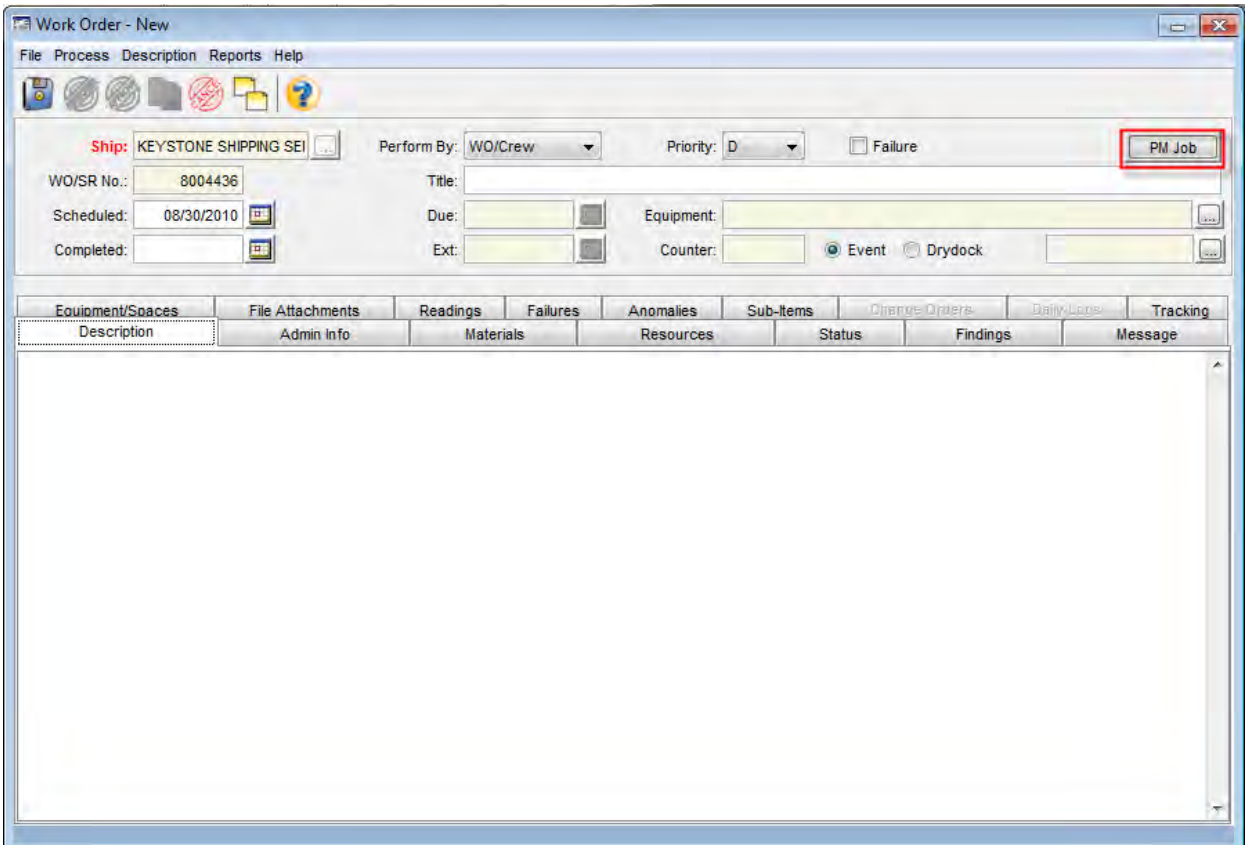


There are a few things to note about this standard job (deliverable). It does not have an interval; this means that this will be completed as-required. In fact, most of the deliverables are on demand, the major exception being the business plan, which is on a fixed schedule.

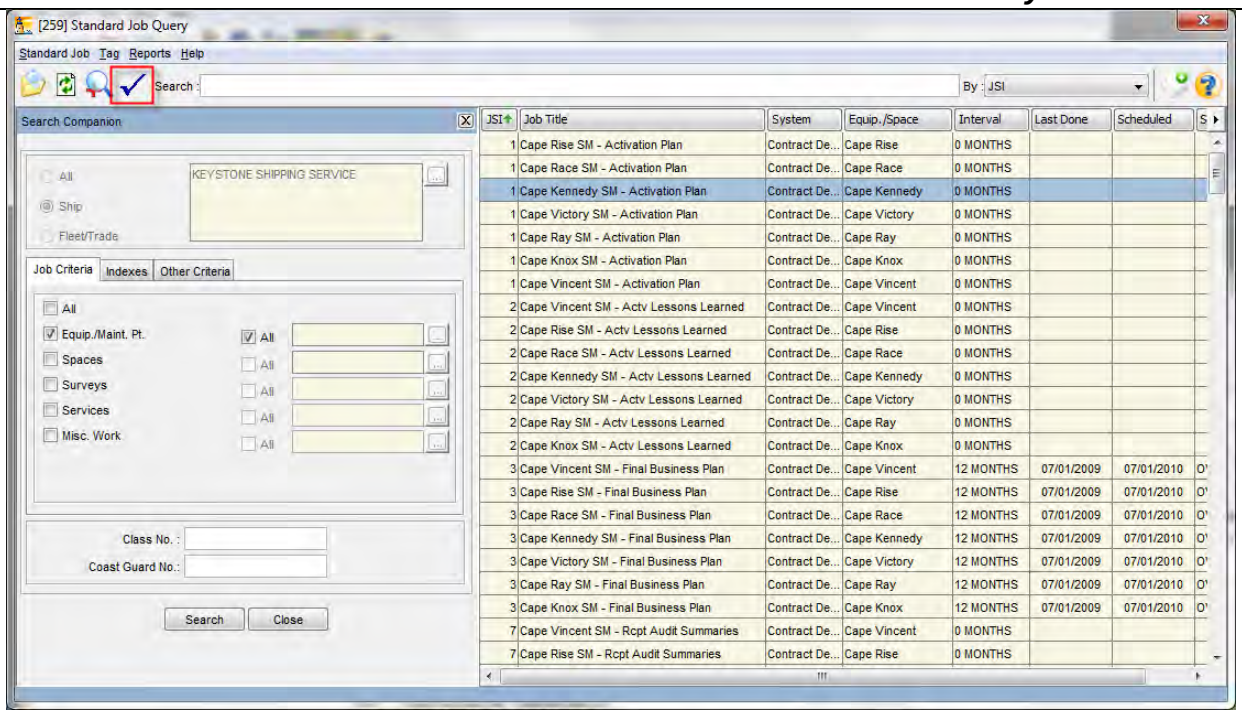
If you were to look at “Work Orders” as seen above, you’d see all the previous occasions on which this standard job has been executed.

Completion of a Contract Deliverable

The quickest and easiest way (although not the only way) to complete a contract deliverable is to simply open a work order from the ship manager vessel and click on the "PM Job" button in the upper right as shown below.

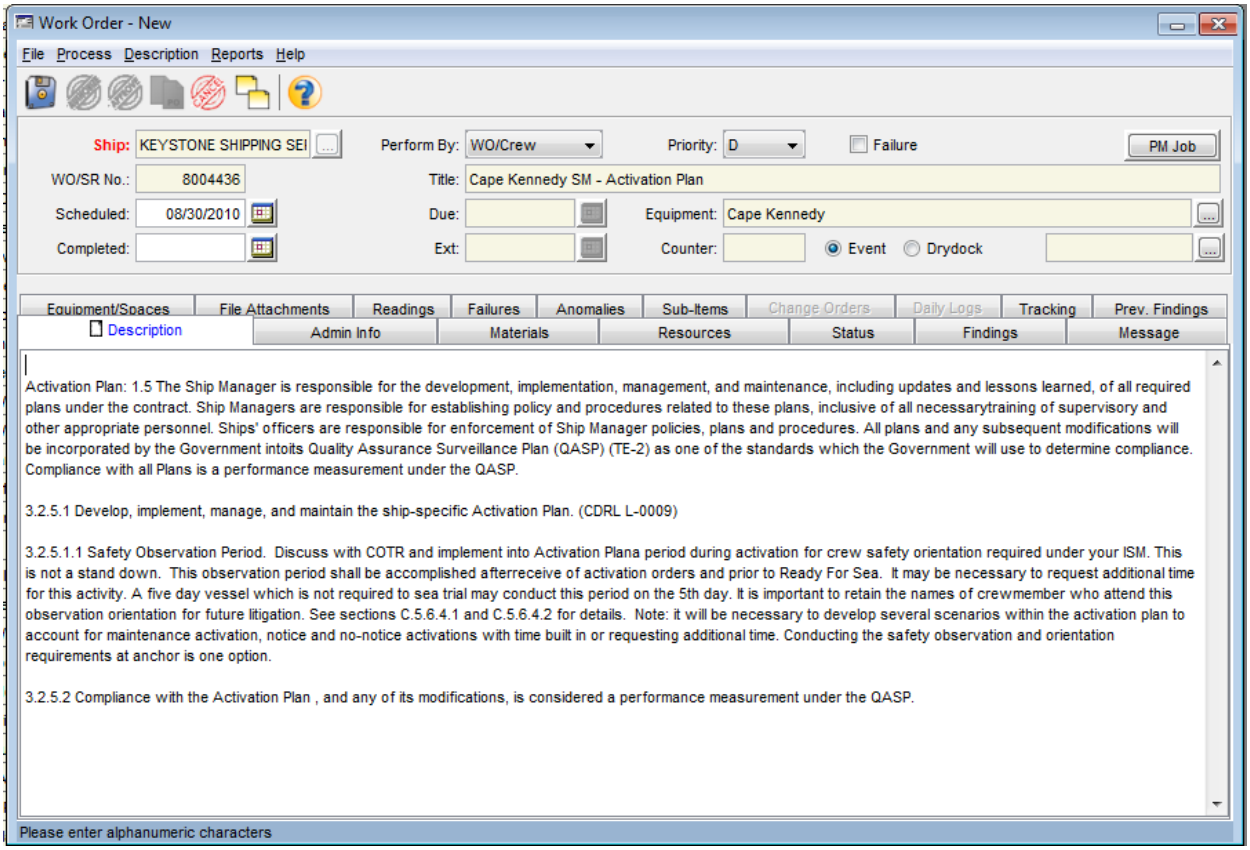


When you click on this button, you will be presented with a list of standard jobs that this work order can complete.



In this example, we'll complete the Cape Kennedy Activation Plan. To do so, just highlight it as shown above and then check the "blue" check in the upper left (also highlighted).

This will then modify your existing work order (which was blank) to have the required data for this contract deliverable.



As almost all contract deliverables are attachments, they just need to be attached to the above work order using the normal process of attaching. Special attention should be paid to the name which is given to the attachment, as this will make it easier to identify it.

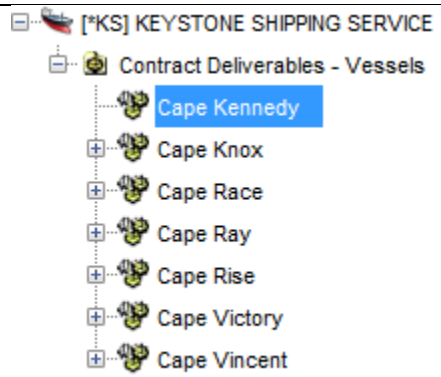
Upon completion of attaching the respective file, be sure to complete the work order with the appropriate date.

Finding Contract Deliverable Submissions

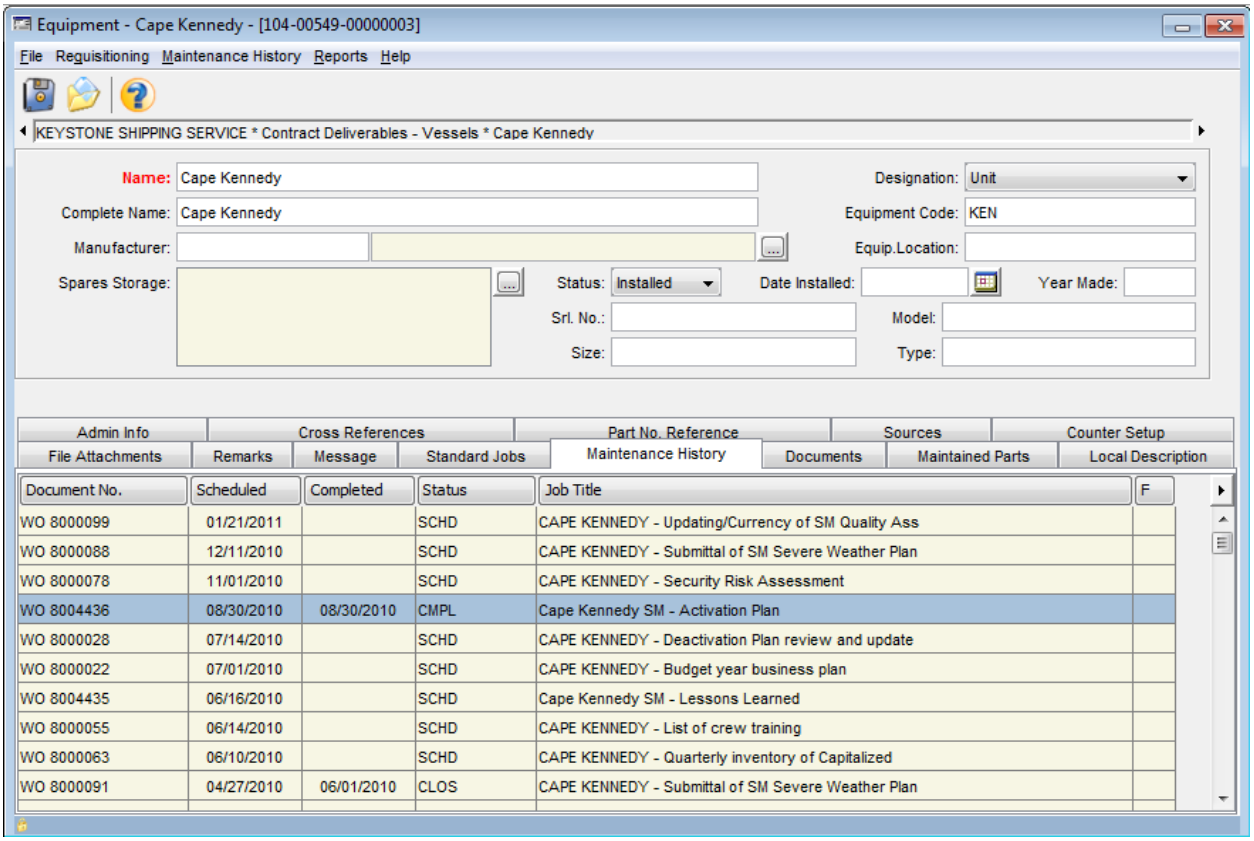
There are a number of ways to find contract deliverables that have been submitted previously. Remembering that these are simply work orders that have been completed from the standard jobs, this provides us the following methods:

- Equipment Hierarchy
- Standard Job History
- Work Order Query
- Maintenance Plan Time-Scale

Each has its benefits. It is suggested that the equipment hierarchy be utilized, as this allows you to see in one location all the submissions for any particular ship. To do so, simply navigate the hierarchy to the correct vessel:

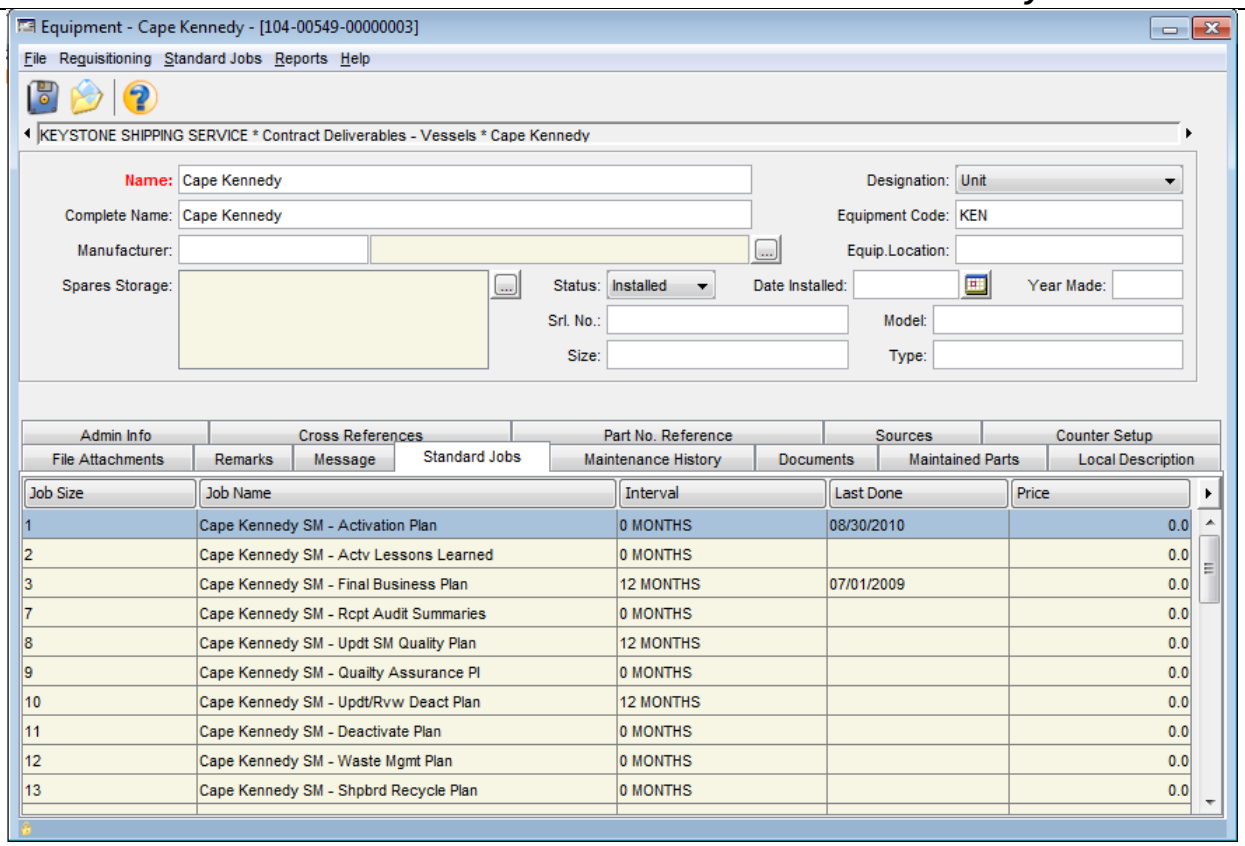


Once you have the vessel highlighted, just click on the "open left pane" button which will then open up the equipment screen.



When you have the maintenance history tab open, you can then click any one of the work orders to see the specific work done as well as the attachments. The benefit of this method is that you can see all submissions for the ship in this one location.

Further to being able to see the work orders, you can also go to the "standard jobs" tab and then see all the contract deliverables that are assigned to the vessel. This gives you a full picture of what needs to be done for the vessel.



The other three methods of viewing the history are equally as good, they just provide the same data in a different format. If one was to look at the maintenance history of a specific standard job (which is a single deliverable), all one would see would is the history associated with that particular deliverable.

Should you look at the work order query and/or maintenance plan, what you get from these is just purely a listing of the work that has been done in the past. It gives you only a partial picture as it does not fully list the jobs that have been defined as deliverables for the vessel.

Business Plan Deliverable Note

When completing the business plan each year, it is important that you do not create a work order for each of the steps associated with the business plan (Initial BP, Final BP, Approved Baseline BP). Just open up a single work order at the start of the process and link to the Ship, <u>not</u> the Ship Manager. Attach the various revisions as you go through the process to the single work order. Once the business plan has been approved, attach the ABBP to the same Work Order. During the execution of the budget in the Current Year, attach any Business Plan Revisions to the same Work Order. At the end of the FY when there will be no more BP revisions, this WO can be Closed. With this in mind, it is very important to be sure to follow the required naming convention on these files to ensure that it is easy for various reviewers to determine which is what submission. The work order can be completed but should not be closed such that later revisions during the year are attached to the same work order. This way there will be one Business Plan work order for each FY.

Appendix 1: Account Codes

The following are the account codes and categories which they represent as in NS5; those which are typically put on the Budget Project are in Yellow, while those which might be put on the Operations projects are in Green. Those accounts which are typically placed on both Budget and Operations projects are highlighted in Red.

Account Number	Description	Account Category
010-001	Seatrials / Docktrials	M&R
010-002	PM ROS Crews / Fixed Fees	M&R
010-003	PM Regulatory Fees & Support	M&R
010-004	Supplemental\Emergent Repairs	M&R
010-005	Repairs	M&R
010-006	Drydocks	M&R
010-007	Approved Improvements / Replacements	M&R
010-008	Ship Support	M&R
020-001	Activation	OPERATIONS
020-002	Per Diem - Crew Costs	OPERATIONS
020-003	Per Diem – Consumables	OPERATIONS
020-004	Per Diem - M&R / Spares	OPERATIONS
020-005	Per Diem - Admin Costs	OPERATIONS
020-006	Per Diem - Voyage Costs	OPERATIONS
020-007	Per Diem - SM Fees	OPERATIONS
020-008	Fuel	OPERATIONS
020-009	Port Charges	OPERATIONS
020-010	Security	OPERATIONS
020-011	Travel	OPERATIONS
020-012	Deactivation	OPERATIONS
020-013	Other Reimbursables	OPERATIONS
030-001	Fleet Operating Supplies / Services	FACILITIES / NDRF / SCRAP
030-002	Facilities Improvements	FACILITIES / NDRF / SCRAP
030-003	Utilities	FACILITIES / NDRF / SCRAP
030-004	Leases	FACILITIES / NDRF / SCRAP
030-005	Disposal	FACILITIES / NDRF / SCRAP
030-006	NDRF Travel	FACILITIES / NDRF / SCRAP
030-007	Systems Maint	FACILITIES / NDRF / SCRAP
030-008	Fleet Craft Maintenance	FACILITIES / NDRF / SCRAP
030-009	NDRF EEI/BMP	FACILITIES / NDRF / SCRAP
040-001	Services	LOGISTICS
040-002	Warehouse	LOGISTICS
040-003	Spare Parts	LOGISTICS
050-001	Program Sponsor Required	UPGRADES
050-002	Extended Service Life (ESL) / Recapitalization	UPGRADES
050-003	Acquisitions	UPGRADES
060-001	New Programs / IT LOE contr	IT
060-002	Maintenance of Existing Systems	IT
060-003	Hardware	IT
070-001	Salaries	ADMIN
070-002	Training	ADMIN

070-003	Overhead Payments to O & T	ADMIN
070-004	Claims	ADMIN
070-005	Miscellaneous	ADMIN
070-006	Travel	ADMIN
070-007	Environmental Initiatives	ADMIN
080-001	HQ Support Contracts Technical	SUPPORT PROGRAMS
080-002	HQ Support Contracts Misc	SUPPORT PROGRAMS
080-004	Safety Program	SUPPORT PROGRAMS
080-005	Security Program	SUPPORT PROGRAMS
090-001	Per Diem	OUTPORTING
090-002	Utilities	OUTPORTING
090-003	Facilities Upgrades	OUTPORTING

Appendix 2: Text Templates – Related Projects

There is a one-to-one relationship between each Related Project and MARAD Task Order. The NS5 Related Project serves as the Ship Manager's request to MARAD for a Task Order. The Project Remarks text is copied to the MARAD PR text which is eventually incorporated into the MARAD Task Order text.

When defining Related Projects in NS5, the text in the relevant Project Text Template from the following templates shall be used by all users and reviewers in the Project Remarks.

Note: Texts in italics within the following Project Text Templates provide instructions for users only and shall not be included in the actual Project Remarks.

Any user or reviewer may submit requests for any recommended changes in these project text templates to the NS5 ROP for review by the Business Protocol Team. All requests from Ship Manager personnel shall be routed through the cognizant Ship Manager's RRF Program Manager. All requests from MARAD personnel shall be routed through the cognizant SOMO, COCO or Division Chief as applicable.

Project Text – Maintenance Projects

FYXX M&R REPAIRS

The purpose of this project is to accomplish MARAD approved specific work items on the ship's approved business plan as identified below. All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

Ship Manager is authorized to create additional SRs/MRs in NS5 to support this Task Order only if the additional SRs/MRs fall within the original scope of the work items described below on this Task Order. SM shall reference the supplemented original SR/MR # under "Remarks" in each new SR/MR. Furthermore, the Ship Manager is authorized to modify the description in their RFQ and PO documents, resulting from this Task Order, if required to improve their specification as more information becomes available during the Ship Manager's purchasing process - but only if the modified description falls within the scope of work items authorized in this Task Order.

(insert Work Item List)

(Minimum Requirement: Each work item in the list must have a Service Requisition No., descriptive title and a summary paragraph description of the requirement. The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5.)

FYXX M&R IMPROVEMENTS/REPLACEMENTS

The purpose of this project is to accomplish MARAD approved specific work items for improvements, upgrades and equipment replacements on the approved ships' business plan, as identified below.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

Ship Manager is authorized to create additional SRs/MRs in NS5 to support this Task Order only if the additional SRs/MRs fall within the original scope of the work items described below on this Task Order. SM shall reference the supplemented original SR/MR # under "Remarks" in each new SR/MR. Furthermore, the Ship Manager is authorized to modify the description in their RFQ and PO documents, resulting from this Task Order, if required to improve their specification as more information becomes available during the Ship Manager's purchasing process - but only if the modified description falls within the scope of work items authorized in this Task Order.

(insert Work Item List)

(Minimum Requirement: Each work item in the list must have a Service Requisition No., descriptive title and a summary paragraph description of the requirement. The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5.)

FYXX M&R DRYDOCK

The purpose of this project is to accomplish all work to be completed during the vessel's dry-docking availability period IAW with the approved ship's business plan – but excluding any work covered by the "FYXX M&R DRYDOCK - Administrative Support and OFM" project and the "FYXX M&R DRYDOCK – Sailing to SY in Lieu of Towing" project (if applicable) .

Ship Manager shall segregate and summarize costs by each Project Line Item ("M&R" or "ESL") in their invoice to MARAD.

The Ship Manager may not exceed Total Authorized Project Line Item Amounts stated in the Task Order SUPPLIES/SERVICES Column (b) without written authorization (Task Order Modification SF-30) from the Contracting Officer. Variances to Project sub-Line Item Total Estimates may be authorized by the COTR on a case-by-case basis provided the sum of the Sub-line Item Total Estimates remains within the Total Authorized Project Line Item Amounts for each Project Line Item Number.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

At conclusion of the current Dry-docking availability period, submit the following in an electronic format in NS5:

1. Current dry-dock comprehensive report that includes the initial specifications, bids, bids evaluation, contract award, contract execution, correspondence, condition reports, delivery orders, Quality Deficiency Reports, completion reports, and contract completion.
2. Lessons learned during the current dry-docking contract.
3. Administrative support cost analysis including the costs associated with ROS crew retained during dry-docking and a list of Owner Furnished Technical Representatives including their costs and technical reports.
4. List of owner-furnished equipment, costs and lead delivery times.
5. Revised dry-dock specifications and estimates based on lessons learned – for next drydocking.

The above tasking shall be completed and submitted to MARAD AD NLT thirty (30) working days after vessel departure from the yard facility.

Ship Manager is authorized to create additional SRs/MRs in NS5 to support this Task Order only if the additional SRs/MRs fall within the original scope of the work items described below on this Task Order. SM shall reference the supplemented original SR/MR # *under* "Remarks" in each new SR/MR. Furthermore, the Ship Manager is authorized to modify the description in their RFQ and PO documents, resulting from this

Task Order, if required to improve their specification as more information becomes available during the Ship Manager's purchasing process – but only if the modified description falls within the scope of work items authorized in this Task Order.

Note: The above Project Remarks are applicable to all Project Line Items and Project sub-Line Items on this Project.

Project Line Item # 1: M&R

M&R Funding is provided for work in the NS5 Accounts Categories - M&R, Support Programs, & Admin, as summarized in the sub- Line items below.

Total Authorized Amount Project Line Item # 1 (for Sub-Line Items 1.1 thru 1.9): $_____.

1.1 Drydock – Technical Requirements (Account No. 010-006)
Funding is provided to accomplish technical requirements for all FYXX M&R Drydock hull and underwater items. This will include all general services and work items required to be done in drydock, such as inspection and maintenance of the hull, sea chests, sea valves, sea water line waster pieces / rubber joints, propeller, tail shaft / torque shafts and shaft seals, rudder and pintle, anchors, chains and chain lockers, CAPAC system, speed log, fathometer, and/or other regulatory requirements for completion of drydock activity.

Sub-Line Item Total Estimate: $_____.

(Insert Work Item List- SR # and title only)

1.2 FYXX Drydock – Towing to SY (Account No. 010-006) *(include only if applicable)*
Funding is provided to tow the vessel, dead ship, to the shipyard.

Sub-Line Item Total Estimate: $_____.

(Insert Work Item List- SR # and title only)

1.3 FYXX M&R Regulatory Support (Account No. 010-003) *(include only if applicable)*
Funding is provided to accomplish, using shipyard resources during the dry-docking period, necessary, mandatory and essential Phase M regulatory inspections, as identified below. This does not include ABS fees which should be charged to the "FYXX M&R Regulatory Fees & Support" project.

Sub-Line Item Total Estimate: $_____.

(Insert Work Item List- SR # and title only)

1.4 FYXX M&R Repairs (Account No. 010-005) *(include only if applicable)*
Funding is provided to accomplish, utilizing shipyard resources during the dry-docking availability period, MARAD approved specific repair work items on the ship's approved business plan as identified below.

Sub-Line Item Total Estimate: $_____.

(Insert Work Item List- SR # and title only)

1.5 FYXX M&R Improvements / Replacements (Account No. 010-007) *(include only if applicable)*
Funding is provided to accomplish, using shipyard resources during the dry-docking availability period, the work items for improvements, upgrades and equipment replacements, which were specifically

approved by MARAD under the Improvements/Replacement account on the approved ships' business plan, as identified below.

Sub-Line Item Total Estimate: $_____.

(Insert Work Item List- SR # and title only)

1.6 FYXX M&R SAFETY PROGRAM (Account No. 080-004) *(include only if applicable)*
Funding is provided to accomplish, using shipyard resources during the dry-docking availability period, the work items for safety program related improvements and equipment replacements, which were specifically approved by MARAD under the Safety Program account on the approved ships' business plan, as identified below.

Sub-Line Item Total Estimate: $_____.

(Insert Work Item List- SR # and title only)

1.7 FYXX M&R SECURITY PROGRAM (Account No. 080-005) *(include only if applicable)*
Funding is provided to accomplish, using shipyard resources during the dry-docking availability period, the work items for security program related improvements and equipment replacements, which were specifically approved by MARAD under the safety account on the approved ships' business plan, as identified below.

Sub-Line Item Total Estimate: $_____.

(Insert Work Item List- SR # and title only)

1.8 FYXX ENVIRONMENTAL INITIATIVES (Account No. 070-007) *(include only if applicable)*
Funding is provided to accomplish, using shipyard resources during the dry-docking availability period, the work items for unique environmental initiatives related improvements and equipment replacements, which were specifically approved by MARAD under the Environmental Initiatives account on the approved ships' business plan, as identified below.

Sub-Line Item Total Estimate: $_____.

(Insert Work Item List- SR # and title only)

1.9 Drydock – Supplemental Growth
Funding is provided in support of FYXX M&R Drydock for supplemental growth work on the original work items listed in sub- Line Items 1.1 thru 1.8 *(change as applicable)* and for M&R supplemental growth work that may arise during the Drydock Repair contract.

Sub-Line Item Total Estimate: $_____.

Project Line Item # 2: ESL *(include only if applicable)*

ESL Funding is provided for all Upgrade category accounts work as summarized in the sub-Line Items below.

Total Authorized Amount Project Line Item # 2 (for Sub-Line Items 2.1 thru 2.2): $_____.

2.1 FYXX Extended Service Life (ESL)/Recapitalization (Account No. 050-002 *or 050-001 as applicable***)**
Funding is provided to accomplish, using shipyard resources during the dry-docking availability period, MARAD approved specific maintenance work items defined as Extended Service Life (ESL) on the approved ships' business plan, as identified below. ESL may include modernization of obsolete

installations, blasting and coating tanks to ensure long term preservation, or conduct repairs which are not typical to the annual M&R budget.

Sub-Line Item Total Estimate: $_____.

(Insert Work Item List- SR # and title only)

2.2 FYXX Extended Service Life (ESL)/Recapitalization – Supplemental Growth
(Account No. 050-002 *or 050-001 as applicable***)**
Funding is provided in support of FYXX Extended Service Life (ESL)/Recapitalization for supplemental growth work on the original ESL work items, sub-Line Item 2.1, in the drydock contract.

Sub-Line Item Total Estimate: $_____.

[Minimum Requirement: Each work item in the work lists must have a Service Requisition No. and title of the requirement. All work items shall have the relevant "Job Category" (Drydock, Regulatory Inspections, Identified Repairs, Improvements / Replacements, Extended Service Life, Safety, Security Program, Environmental Initiatives) and Account (010-006, 10-003, 010-005, 010-007, 050-00 or,050-002, 080-004,080-005,070-007, etc.) selected in the "Admin Info."]

[The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5.]

[Note to MARAD Users:
*The resulting MARAD Purchase Requisition /Task Order should only have one CLIN (the relevant reimbursable CLIN number ending in "AE") with the description – "**Cost reimbursable items Ship Name FY11 M&R DRYDOCK (see Attached Statement of Work)".***
*The entire FYXX M&R DRYDOCK Project text will be copied and pasted on a PR/TO enclosure, entitled **"ATTACHED STATEMENT of WORK to MARAD TASK ORDER***
VESSEL NAME
FYXX M&R Drydock"]

FYXX M&R DRYDOCK - Administrative Support and OFM

The purpose of this project is to provide Administrative Support for FYXX Drydock, but not limited to, Port Engineer expenses, Assistant Port Engineer wages and expenses, SMGR travel and per-diem, ROS crew overtime and expenses, Temporary Administrative Assistant, OEM technicians' costs, communication costs, Owner Furnished Materials (OFM - spare parts and equipment), and consumable material cost to complete the Regulatory Drydocking.

(Insert List of Tech Reps and OFM below – only if applicable)

Tech Reps:

OFM:

(This is a top-down project. The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5.)

FYXX M&R DRYDOCK – Sailing to SY in Lieu of Towing

The purpose of this project is to sail the vessel to SY in lieu of towing. Activation, sailing and deactivation shall be accomplished in accordance with the MARAD approved ship manager contract activation, operation and deactivation plans.

The work allowed to be completed under this project includes crew wages, benefits, Minor M&C, travel and overtime; vessel support services including material handling, boiler water, donkey boiler, crane service, oil boom deployment; fuel & lubes; technical representatives and services including thermography, vibration analysis, automation, engine diagnostics, communications, navigation, performance testing; agent fees; stores for steward, engine and deck department; tug assist, pilots and line handlers; laundry and cleaning services, waste disposal; and minor repairs required to activate, operate and deactivate the vessel.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

(This is a top down project. The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5. Note this is a top-down Project.)

FYXX M&R DOCK TRIAL

The purpose of this project is to accomplish a maintenance dock trial. This trial shall be accomplished in accordance with the MARAD approved ship manager dock trial plan.

The work allowed to be completed under this project includes additional crew costs (wages & benefits, transportation, overtime, etc.); vessel support services (material handling, fresh water/feed water, donkey boiler, crane service, oil boom removal/deployment, shore power disconnect/connect, etc.); technical representatives and services (thermography, vibration analysis, automation, engine diagnostics, communications, navigation, performance testing, etc.); stores (provisions/steward, engine, deck, etc.); in port services (tug assist, line handlers, etc.); repairs etc. (waste disposal, minor repairs, etc.) required to dock trial the vessel.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

At conclusion of the dock trial, provide the following in an electronic format:

1. Condition reports (including trend analysis as appropriate) from all technical representatives as file attachments to the respective SRs in NS5.
2. Lessons learned during the dock trial as a file attachment to the dock trial project in NS5.
3. List of uncorrected deficiencies (that require repairs) entered in NS5.

The above tasking shall be completed and submitted to MARAD NLT thirty (30) calendar days after completion of the dock trial.

(This is a top down project. The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5.)

FYXX M&R SEA TRIAL

The purpose of this project is to accomplish a maintenance activation, sea trial and deactivation. This activation, trial period and deactivation shall be accomplished in accordance with the MARAD approved ship manager contract activation, operation and deactivation plans.

The work allowed to be completed under this project includes crew costs (wages & benefits, transportation, overtime, etc.); vessel support services (material handling, fresh water/feed water, donkey boiler, crane service, oil boom removal/deployment, shore power disconnect/connect, etc.); technical representatives and services (thermography, vibration analysis, automation, engine diagnostics, communications, navigation, performance testing, etc.); stores (provisions/steward, engine, deck, etc.); in port services (agent fees, tug assist, pilots, line handlers, etc.); repairs etc. (laundry/cleaning, waste disposal, minor repairs, etc.) required to activate, operate, and deactivate the vessel.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

At conclusion of the sea trial, provide the following in an electronic format:

1. Condition reports (including trend analysis as appropriate) from all technical representatives as file attachments to the respective SRs in NS5.
2. Lessons learned during the maintenance activation/ sea trial/deactivation as a file attachment to the sea trial project in NS5.
3. List of uncorrected deficiencies (that require repairs) - entered in NS5.

The above tasking shall be completed and submitted to MARAD NLT thirty (30) calendar days after completion of the sea trial.

(This is a top down project. The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5.)

FYXX M&R REGULATORY FEES & SUPPORT

The purpose of this project is to provide for all necessary, mandatory and essential Phase M regulatory inspections, associated regulatory fees, subcontractor support, corrective actions and materials directly related to regulatory inspections. Minor repairs that are required immediate to complete the regulatory inspection are included; recommendations for repairs that are deferred to a future date should be added to a REPAIRS project.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

List of Surveys and Inspections (including but not limited to:)

1. Annual / Special / Periodic / Intermediate / Renewal Surveys for Class & Statutory Certificates
2. Hull and Spaces Inspections and Gaugings
3. Machinery Parts Inspection
4. Cargo Gear Inspection

5. Navigation and Communication Equipment Inspection
6. Safety Equipment Inspection
7. Fire Fighting Equipment Inspection
8. Passenger Elevators Inspection
9. Gauges and Meters Calibrations.

(Insert additional required Regulatory Surveys and Inspections, if applicable)

(This is a top down project. The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5.)

FYXX M&R SHIP SUPPORT

The purpose of this project is to provide ship support services during maintenance phase. This project provides for ship support services including, but not limited to, the following:

Containment Boom (Deployment and Maintenance)
Crew OT (As approved by COTR)
Crew Physicals
Crew Training & Related Costs (MARAD mandated training)
Crew Transportation / Per Diem
Feed Water
Hazmat Disposal
Medical Supplies
Minor Repairs (Repair work considered necessary, mandatory or essential to the safety of shipboard personnel, the safe operation of the vessel or affecting the readiness of the vessel, i.e. work or repairs that cannot be safely or practically deferred to the next Business Plan Revision.)
Oily Waste Disposal
Potable Water
Shore Based Personnel Travel / Per Diem
Spare Parts (If required for the Minor Repairs listed above.)
Trash Disposal
Other Reimbursable Supplies (Identify by Item No. from J-9: LIST OF REIMBURSABLES.)
Other Reimbursable Services (Identify by Item No. from J-9: LIST OF REIMBURSABLES.)

NOTE: Ship Manager purchase of Repairs and / or spare parts costing $5,000 or more under this project require prior email approval from COTR.

(This is a top-down project. The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5.)

FYXX MINOR M&C CLAIMS

The purpose of this project is to provide funding for the support of minor maintenance and cure claim(s) for the ship managers' crewmembers.

(Note: Minor Claims are less than $5000 per claim and Major Claims are all others. Minor Claims can be combined on a single Project for each SM Contract.)

FYXX M&C MAJOR CLAIM # XXXXXXX

The purpose of this project is to provide funding for the support of maintenance and cure claim for the ship managers' crewmember's claim number "xxxxxxxx".

(Note: Each Major Claim over $5000 requires a separate Project for each claim)

FYXX M&R SM FIXED FEES

The purpose of this project is to provide funding for maintenance phase fixed fees for the period xx/xx/xxxx to xx/xx/xxxx. *(Insert dates)*

FYXX M&R FUEL

The purpose of this project is to provide funding for fuel during maintenance phase in order to maintain a minimum of five (5) days reserve onboard as required by MARAD guidelines.

FYXX EXTENDED SERVICES LIFE (ESL)/ RECAPITALIZATION

The purpose of this project is to accomplish MARAD approved specific maintenance work items defined as Extended Service Life (ESL). ESL may include modernization of obsolete installations, blasting and coating tanks to ensure long term preservation, or conduct repairs which are not typical to the annual M&R budget.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

Ship Manager is authorized to create additional SRs/MRs in NS5 to support this Task Order only if the additional SRs/MRs fall within the original scope of the work items described below on this Task Order. SM shall reference the supplemented original SR/MR # under "Remarks" in each new SR/MR. Furthermore, the Ship Manager is authorized to modify the description in their RFQ and PO documents, resulting from this Task Order, if required to improve their specification as more information becomes available during the Ship Manager's purchasing process - but only if the modified description falls within the scope of work items authorized in this Task Order.

(insert Work Item List – Service Requisition No., descriptive title and a summary paragraph description)

(Minimum Requirement: Each work item in the list must have a Service Requisition No., descriptive title and a summary paragraph description of the requirement. The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5.)

FYXX Security Program

The purpose of this project is to provide layberth security services in accordance with the Vessel Security Plan. In addition, this project includes "heightened security" directed by the MARAD COTR in accordance with Ship Manager Contract at 4.3.3. All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraph thereto, at the time of acceptance.

Ship Manager is authorized to create additional SRs/MRs in NS5 to support this Task Order only if the additional SRs/MRs fall within the original scope of the work items described below on this Task Order. SM shall reference the supplemented original SR/MR # under "Remarks" in each new SR/MR. Furthermore, the Ship Manager is authorized to modify the description in their RFQ and PO documents, resulting from this Task Order, if required to improve their specification as more information becomes available during the Ship Manager's purchasing process - but only if the modified description falls within the scope of work items authorized in this Task Order.

(insert Work Item List – Service Requisition No., descriptive title and a summary paragraph description)

(Minimum Requirement: Each work item in the list must have a Service Requisition No., descriptive title and a summary paragraph description of the requirement. The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5.)

FYXX M&R SAFETY PROGRAM

The purpose of this project is to accomplish MARAD approved specific work items that support RRF Safety Organization's and/or the Ship Managers' Safety Management System's objectives on the approved ships' business plan, as identified below. The work to be completed under this funding item includes installation of equipment or monitoring system(s) that improves the safety of the vessel and its crew.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

Ship Manager is authorized to create additional SRs/MRs in NS5 to support this Task Order only if the additional SRs/MRs fall within the original scope of the work items described below on this Task Order. SM shall reference the supplemented original SR/MR # under "Remarks" in each new SR/MR. Furthermore, the Ship Manager is authorized to modify the description in their RFQ and PO documents, resulting from this Task Order, if required to improve their specification as more information becomes available during the Ship Manager's purchasing process - but only if the modified description falls within the scope of work items authorized in this Task Order.

(Insert Work Item List – Service Requisition No., descriptive title and a summary paragraph description)

(Minimum Requirement: Each work item in the list must have a Service Requisition No., descriptive title and a summary paragraph description of the requirement. The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5.)

FYXX M&R ENVIRONMENTAL INITIATIVES

The purpose of this project is to obtain the services, equipment, and material required to accomplish the MARAD approved unique environmental initiative related items as identified below.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

Ship Manager is authorized to create additional SRs/MRs in NS5 to support this Task Order only if the additional SRs/MRs fall within the original scope of the work items described below on this Task Order. SM shall reference the supplemented original SR/MR # under "Remarks" in each new SR/MR. Furthermore, the Ship Manager is authorized to modify the description in their RFQ and PO documents, resulting from this Task Order, if required to improve their specification as more information becomes available during the Ship Manager's purchasing process - but only if the modified description falls within the scope of work items authorized in this Task Order.

(Insert Work Item List – Service Requisition No., descriptive title and a summary paragraph description)

(Minimum Requirement: Each work item in the list must have a Service Requisition No., descriptive title and a summary paragraph description of the requirement. The justification for the work should not be included in the Task Order. MARAD reviewers can see the SR attachments for reviewing the SR justification and the basis for its cost estimate – since the SM is required to attach both to the SR in NS5.

Note: Use this project text template for Account No. 070-007 projects only for the unique environmental initiatives when approved specifically by MARAD Office of Ship Operations.)

Related Project Text – Operations Projects

There is a one-to-one relationship between each Related Project and MARAD Task Order. The NS5 Related Project serves as the Ship Manager's request to MARAD for a Task Order. The Project Remarks text is copied to the MARAD PR text which eventually becomes the Task Order text.

When creating Operations projects in NS5, the text in the following templates shall be used by all users and reviewers for the Remarks of the project.

Note: Texts in italics within the templates are instructions that shall not be included in the actual Project Remarks.

Any user or reviewer may submit requests for any recommended changes in these project text templates to the NS5 ROP for review by the Business Protocol Team. All requests from Ship Manager personnel shall be routed through the cognizant Ship Manager's RRF Program Manager. All requests from MARAD personnel shall be routed through the cognizant SOMO, COCO or Division Chief as applicable.

OPER Activation (MISSION)

The purpose of this project is to provide for the activation of the vessel in accordance with the MARAD approved ship manager's Activation Plan and testing of all equipment including cargo gear, to prepare for operation in support of the mission _____.

The work allowed to be completed under this project includes crew costs (wages, benefits, Minor Maintenance & Cure, transportation, overtime, etc.); vessel support services (material handling, fresh water/feed water, donkey boiler, crane service, oil boom removal, shore power disconnect, etc.); technical representatives and services (automation, communications, navigation, etc.); stores (provision/steward, engine, deck, etc.); in port services (agent fees, tug assist, pilots, line handlers, etc.); repairs, etc. (laundry/cleaning, waste disposal, industrial assistance, etc.) required to activate the vessel.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

At conclusion of the activation, submit the following in an electronic format:

1. Condition reports from all technical representatives as file attachments to the respective SRs in NS5.
2. Lessons learned during the activation as a file attachment to the SMGR Contract Deliverable Work Order.
3. List of uncorrected deficiencies (that require repairs) – entered into NS5.

The above data shall be completed and submitted to MARAD thirty (30) days but NLT forty-five (45) calendar days after completion of the activation.

Note to MARAD users: Insert any special instructions or unique requirements from sponsor that should be included in the Task Order at bottom of the above Project Remarks Text.

OPER Operating Costs* (MISSION)

The purpose of this project is to provide for labor, materials, and services to conduct at-sea operational testing and declaring the vessel ready for sea (this is required only if the vessel has not been operational or carried out a maintenance sea trial within the last 12 months) and to operate the vessel for mission _____, in accordance with MARAD approved ship manager's Operation Plans.

The work covered under this project includes crew costs (wages, benefits, minor Maintenance & Cure, transportation, overtime, etc.); consumables (provisions/steward stores, engine/deck stores, lube oils, medical supplies, safety gear, etc.); Maintenance & Repairs (M&R)/spares (technical representatives, spares, regulatory fees, industrial assistance/voyage repairs, etc); admin costs (SM travel, etc.); voyage costs (communications, laundry/cleaning services, waste disposal, etc.).

* Separate tracking of crew costs, consumables, M&R/spares, SM admin and voyage costs by Requisition/PO is required.

[Note to MARAD users: Insert any special instructions or unique requirements from sponsor that should be included in the Task Order at bottom of the above Project Remarks Text.]

OPER Operating Costs* (FOR PREPO SHIP)

The purpose of this project is to provide for labor, materials, and services to operate the vessel for mission _____, in accordance with MARAD approved ship manager's Operation Plans.

The work covered under this project includes crew costs (wages, benefits, minor Maintenance & Cure, transportation, overtime, etc.); consumables (provision/steward stores, engine/deck stores, lube oils, medical supplies, safety gear, etc.); M&R /spares (technical representatives, spares, regulatory fees, industrial assistance/voyage repairs, etc.);admin costs (SM travel, etc.); voyage costs (communications, laundry/cleaning services, waste disposal, etc.), required to operate the vessel; and Admin costs including SM travel.

* Separate tracking of crew costs, consumables, M&R/spares, SM admin and voyage costs by Requisition/PO is required.

[Note to MARAD users: Insert any special instructions or unique requirements from sponsor that should be included in the Task Order at bottom of the above Project Remarks Text.]

OPER No-Notice Test Activation

The purpose of this project is to accomplish all work necessary for activation, operation and deactivation of the vessel in support of No-Notice Test Activation _____.

Ship Manager shall segregate and summarize costs by each of the Project Line Items ("Activation", "Operations", or "Deactivation") in their invoice to MARAD.

The Ship Manager may not exceed Total Authorized Project Line Item Amounts stated in the Task Order SUPPLIES/SERVICES Column (b) without written authorization (Task Order Modification SF-30) from the Contracting Officer.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

At conclusion of the no-notice test activation, submit the following in an electronic format:

1. Condition reports (including trend analysis as appropriate) from all technical representatives as file attachments to the respective SRs in NS5.
2. Lessons learned during the no-notice test activation /operation/deactivation as a file attachment to the SMGR Contract Deliverable Work Order in NS5.
3. List of uncorrected deficiencies (that require repairs) – entered into NS5.

   The above tasking shall be completed and submitted to MARAD thirty (30) days but NLT forty-five (45) calendar days after completion of the deactivation.

Note: The above Project Remarks are applicable to all Project Line Items on this Project.

Project Line Item # 1 - Activation (NS5 Account 020-001) $_____

Provide funding for the activation of the vessel in accordance with the MARAD approved ship manager's Activation Plan and testing of all equipment including cargo gear, to prepare for operation in support of no-notice test activation.

The work allowed to be completed under this project includes crew costs (wages, benefits, Minor M&C, transportation, overtime, etc.); vessel support services (material handling, fresh water/feed water, donkey boiler, crane service, oil boom removal, shore power disconnect, etc.); technical representatives and services (thermography, vibration analysis, engine diagnostics, communications, navigation, performance testing, etc.); stores (provision/steward, engine, deck, etc.); in port services (agent fees, tug assist, pilots, line handlers, etc.); repairs, etc. (laundry/cleaning, waste disposal, industrial assistance, etc.) required to activate the vessel.

Project Line Item # 2 - Operating Costs (NS5 Account 020-002) $_____

The purpose of this item is to provide for labor, materials, and services to conduct at-sea operational testing and declaring the vessel ready for sea (this is required only if the vessel has not been operational or carried out a maintenance sea trial within the last 12 months) and to operate the vessel for no-notice test activation in accordance with MARAD approved ship manager contract operation plans.

The work covered under this item includes crew costs (wages, benefits, minor Maintenance & Cure, transportation, overtime, etc.); consumables (provisions/steward stores, engine/deck stores, lube oils, medical supplies, safety gear, etc.); M&R/spares (technical representatives, spares, regulatory fees, industrial assistance/voyage repairs, etc); admin costs (SM travel, etc.); voyage costs (communications, laundry/cleaning services, waste disposal, etc.).

NOTE: ALL OPERATING COSTS SHALL BE TO NS5 ACCOUNT 020-002.

Project Line Item # 3 - Deactivation (NS5 Account 020-012) $_____

The purpose of this item is to provide for deactivation at the completion of operations at the conclusion of no notice test activation.

The work allowed to be completed under this project includes crew costs (wages & benefits, minor Maintenance & Cure, transportation, overtime, etc.); vessel support services (material handling, crane service, oil boom deployment, shore power connect, etc.); in port services (agent fees, tug assist, pilots, line handlers, etc.); repairs etc. (laundry/cleaning, waste disposal, industrial assistance, etc.) required to deactivate the vessel.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

[Note to MARAD Users:

FCO may allocate separate LOAs for any of the above Project Line Items based upon how the Sponsor allocates the funds for each no-notice test activation..

*The resulting MARAD Purchase Requisition /Task Order should only have one CLIN (the relevant reimbursable CLIN number ending in "AE") with the description – "**Cost reimbursable items Ship Name OPER No-Notice Test Activation (see Attached Statement of Work)".***
*The entire OPER No-Notice Test Activation Project text will be copied and pasted on a PR/TO enclosure, entitled **"ATTACHED STATEMENT of WORK to MARAD TASK ORDER***
VESSEL NAME
OPER No-Notice Test Activation"

Insert any special instructions or unique requirements from sponsor that should be included in the Task Order at bottom of the above Project Text.]

OPER SM Fixed Fees

The purpose of this project is to provide for Ship Manager fixed fees in accordance with the ship manager contract for exercise/mission _____, for the dates _____ to _____.

OPER Fuel

The purpose of this project is to provide fuel for the vessel in support of operations for exercise/mission _____.

[Note to MARAD users: Insert any special instructions or unique requirements from sponsor that should be included in the Task Order at bottom of the above Project Remarks Text]

OPER Port Charges

The purpose of this project is to provide for port charges for operation of the vessel in support of exercise/mission _____.

[Note to MARAD users: Insert any special instructions or unique requirements from sponsor that should be included in the Task Order at bottom of the above Project Remarks Text]

OPER Security/Miscellaneous

The purpose of this project is to provide for security and miscellaneous vessel support for the operation of the vessel in support of exercise/mission _____.

[Note to MARAD users: Insert any special instructions or unique requirements from sponsor that should be included in the Task Order at bottom of the above Project Remarks Text]

OPER Deactivation

The purpose of this project is to provide for deactivation at the completion of operations at the conclusion of mission _____.

The work allowed to be completed under this project includes crew costs (wages & benefits, minor Maintenance & Cure, transportation, overtime, etc.); vessel support services (material handling, crane service, oil boom deployment, shore power connect, etc.); in port services (agent fees, tug assist, pilots, line handlers, etc.); repairs etc. (laundry/cleaning, waste disposal, industrial assistance, etc.) required to deactivate the vessel.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

At conclusion of the mission, provide the following in an electronic format:

1. Condition reports (including trend analysis as appropriate) from all technical representatives as file attachments to the respective SRs in NS5.
2. Lessons learned during the mission and deactivation as a file attachment to the SMGR Contract Deliverable Work Order.
3. List of voyage repairs entered in NS5.

   The above tasking shall be completed and submitted to MARAD thirty (30) days but NLT forty-five (45) calendar days after completion of the deactivation.

[Note to MARAD users: Insert any special instructions or unique requirements from sponsor that should be included in the Task Order at bottom of the above Project Remarks Text.]

OPER Other Reimbursables

The purpose of this project is to provide for other Reimbursables, which are not covered in other Operations Projects, as per the ship managers' contract in support of exercise/mission _____.

(Insert Work List with brief description of each specific requirement. Some examples are provided below.)

Canal transit fees for transiting _____ Canal. *(Include only if applicable)*

(or)

Reimbursable expenses associated with supporting training onboard the vessel to _____*(insert sponsor name)* on _____*(insert dates).*
(Include only if applicable)

[Note to MARAD users: Insert any special instructions or unique requirements from sponsor that should be included in the Task Order at bottom of the above Project Remarks Text.]

OPER MDA MISSION

The purpose of this project is to provide funding for activation, operating costs, fuel, port charges, other Reimbursables and deactivation, as itemized below, in support of the MDA mission _____.

OPER Activation:
The purpose of this project item is to provide for the activation of the vessel in accordance with the MARAD approved ship manager's Activation Plan and testing of all equipment including cargo gear, to prepare for operation in support of this mission.

The work allowed to be completed under this project includes crew costs (wages, benefits, Minor Maintenance & Cure, transportation, overtime, etc.); vessel support services (material handling, fresh water/feed water, donkey boiler, crane service, oil boom removal, shore power disconnect, etc.); technical representatives and services (automation, communications, navigation, etc.); stores (provision/steward, engine, deck, etc.); in port services (agent fees, tug assist, pilots, line handlers, etc.); repairs, etc. (laundry/cleaning, waste disposal, minor repairs, etc.) required to activate the vessel.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

At conclusion of the activation, submit the following in an electronic format:
1. Condition reports from all technical representatives as file attachments to the respective SRs in NS5.
2. Lessons learned during the activation as a file attachment to the SMGR Contract Deliverable Work Order.
3. List of uncorrected deficiencies (that require repairs) – entered into NS5.
The above data shall be completed and submitted to MARAD thirty (30) days but NLT forty-five (45) calendar days after completion of the activation

Estimated cost for Activation: $_____

****

OPER Operating Costs
The purpose of this project item is to provide for labor, materials, and services to conduct at-sea operational testing and declaring the vessel ready for sea (this is required only if the vessel has not been operational or

carried out a maintenance sea trial within the last 12 months) and to operate the vessel for this mission in accordance with MARAD approved Ship Manager's Operation Plans.

The work covered under this project includes crew costs (wages, benefits, minor Maintenance & Cure, transportation, overtime, etc.); consumables (provisions/steward stores, engine/deck stores, lube oils, medical supplies, safety gear, etc.); Maintenance & Repairs (M&R)/spares (technical representatives, spares, regulatory fees, industrial assistance/voyage repairs, etc); admin costs (SM travel, etc.); and voyage costs (communications, laundry/cleaning services, waste disposal, etc.) required to operate the vessel.

* Separate tracking of crew costs, consumables, M&R/spares, SM admin and voyage costs by Requisition/PO is required.

Operation Costs Estimate - based on __ days operations: $_____.

****

OPER Fuel
The purpose of this project item is to provide fuel for the vessel in support of operations for this mission

Estimated cost for Fuel $_____

****

OPER Port Charges
The purpose of this project item is to provide for port charges for operation of the vessel in support of this mission.

Pilots, Tugs, Line Handlers: $_____

****

OPER Deactivation

The purpose of this project item is to provide for deactivation at the completion of operations at the conclusion of this mission.

The work allowed to be completed under this project includes crew costs (wages & benefits, minor Maintenance & Cure, transportation, overtime, etc.); vessel support services (material handling, crane service, oil boom deployment, shore power connect, etc.); in port services (agent fees, tug assist, pilots, line handlers, etc.); repairs etc. (laundry/cleaning, waste disposal, minor repairs, etc.) required to deactivate the vessel.

All completed work shall be in compliance with applicable standards as set forth in the Ship Manager contract at C.6.3, Compliance Documents, and subparagraphs thereto, at the time of acceptance.

At conclusion of the no-notice test activation/mission (select appropriate), provide the following in an electronic format:

1. Condition reports from all technical representatives as file attachments to the respective SRs in NS5.
2. Lessons learned during the no-notice test activation/mission (select appropriate) as a file attachment to the SMGR Contract Deliverable Work Order.
3. List of voyage repairs entered in NS5.

The above tasking shall be completed and submitted to MARAD NLT thirty (30) calendar days after completion of the deactivation.

Estimated Cost for Deactivation $_____.

****

OPER Other Reimbursables

The purpose of this project item is to provide for other Reimbursables, which are not covered in the above Operations Items, as per the ship managers' contract in support of exercise/mission _____.

(Insert Work List with brief description of each specific requirement. An example is provided below.)

Canal transit fees for transiting _____ Canal. *(Include only if applicable)*

Estimated Cost for Other Reimbursables: $_____.

****

[Note to MARAD Users:

*The resulting MARAD Purchase Requisition /Task Order should only have one CLIN (the relevant reimbursable CLIN number ending in "AE") with the description – "**Cost reimbursable items Ship Name OPER MDA MISSION (see Attached Statement of Work)".***
*The entire OPER MDA Mission Project text will be copied and pasted on a PR/TO enclosure, entitled **"ATTACHED STATEMENT of WORK to MARAD TASK ORDER***
VESSEL NAME
OPER MDA MISSION"

Insert any special instructions or unique requirements from sponsor that should be included in the Task Order at bottom of the above Project Text.]

Type	SHIP NAME	MAX Speed	Contract Speed
LSD	CAPE HENRY	18.5	17.4
LSD	CAPE HORN	18.5	17.4
LSD	CAPE HUDSON	18.5	17.4
LSD	CAPE KENNEDY	17.6	16.6
LSD	CAPE KNOX	17.6	16.6
LSD	CAPE ORLANDO	17.1	16.2
LSD	CAPE VICTORY	15.0	14.2
LSD	CAPE VINCENT	15.0	14.2
LSD	CAPE WASHINGTON	17.0	**16.0**
LSD	CAPE WRATH	17.0	**16.0**
MSD	CAPE DECISION	17.1	16.2
MSD	CAPE DIAMOND	17.1	16.2
MSD	CAPE DOMINGO	17.1	16.2
MSD	CAPE DOUGLAS	17.1	16.2
MSD	CAPE DUCATO	17.1	16.2
MSD	CAPE EDMONT	17.1	16.2
MSD	CAPE RACE	19.0	**18.0**
MSD	CAPE RAY	19.0	**18.0**
MSD	CAPE RISE	19.0	**18.0**
MSD	CAPE TAYLOR	16.7	15.7
MSD	CAPE TEXAS	16.7	15.7
MSD	CAPE TRINITY	16.7	15.7
GT	ADMIRAL CALLAGHAN	22.5	21.3
STM	CAPE FAREWELL	19.8	18.7
STM	CAPE FLATTERY	19.8	18.7
STM	CAPE INSCRIPTION	19.8	18.7
STM	CAPE INTREPID	19.8	18.7
STM	CAPE ISABEL	19.8	18.7
STM	CAPE ISLAND	19.8	18.7
STM	CAPE MAY	18.3	**16.8**
STM	CAPE MOHICAN	18.3	**16.8**
STM	cs1-KEYSTONE STATE	18.0	17.0
STM	cs2-GEM STATE	18.0	17.0
STM	cs3-GRAND CANYON ST.	18.0	17.0
STM	cs4-GOPHER STATE	18.5	17.0
STM	cs5-CORNHUSKER STATE	18.5	17.0
STM	cs6-FLICKERTAIL STATE	18.5	17.0
STM	ALTAIR	30.0	27.0
STM	BELLATRIX	30.0	27.0
STM	POLLUX	30.0	27.0
STM	REGULUS	30.0	27.0
STM	ANTARES	30.0	27.0
STM	DENEBOLA	30.0	27.0
STM	CAPELLA	30.0	27.0
STM	ALGOL	30.0	27.0
STM	PACIFIC TRACKER	21.6	**20.4**
TAGs29	PACIFIC COLLECTOR	**10.0**	**10.0**
STM	op4-PETERSBURG	15.3	14.5
STM	ta-CURTISS	20.0	18.7
STM	ta-WRIGHT	20.0	18.7