

DELIVERY ORDER

FINAL

1. CONTRACT NO. N00178-04-D-4068	2. DELIVERY ORDER NO. HR0103	3. EFFECTIVE DATE ORIG 01/13/2006 MOD 11/14/2006	4. PURCHASE REQUEST NO. N61331-07-MR-55631
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5. ISSUED BY NSWC, PANAMA CITY Robert D. Kuczenski XPS2 110 Vernon Avenue Panama City, FL 32407-7001 robert.kuczenski@navy.mil 850-234-4864 Ext.	CODE N61331	6. ADMINISTERED BY NSWC, PANAMA CITY 110 Vernon Avenue Panama City, FL 32407-7001	CODE N61331
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7. CONTRACTOR Innovative Professional Solutions, Inc 8317 Front Beach Road, Suite 17D2 Panama City Beach, FL 32407-4804	CODE 1XZW5	FACILITY	8. DELIVERY DATE See Section F
			9. CLOSING DATE/TIME
			SET ASIDE TYPE
			10. MAIL INVOICES TO See Section G

11. SHIP TO See Section D	12. PAYMENT WILL BE MADE BY DFAS Charleston Vendor Pay Code FP P.O. Box 118054 Charleston, SC 29423-8054	CODE N68892
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13. TYPE OF ORDER	D	X	This delivery order/call is issued on another Government agency or in accordance with and subject to terms and conditions of above-numbered contract.
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ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.

Innovative Professional Solutions, Inc	Terence Houghton, President		
NAME OF CONTRACTOR	SIGNATURE	TYPED NAME AND TITLE	DATE SIGNED

14. ACCOUNTING AND APPROPRIATION DATA
See Section G

15. ITEM NO.	16. SCHEDULE OF SUPPLIES/SERVICES	17. QUANTITY ORDERED/ACCEPTED*	18. UNIT	19. UNIT PRICE	20. AMOUNT
See the Following Pages					

*If quantity accepted by the Government is same as quantity ordered, indicate by X. If different, enter actual quantity accepted below quantity ordered and encircle.	21. UNITED STATES OF AMERICA By: Robert D. Kuczenski CONTRACTING/ORDERING OFFICER	11/14/2006	22. TOTAL \$200,403.00
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SECTION	DESCRIPTION	SECTION	DESCRIPTION
B	SUPPLIES OR SERVICES AND PRICES/COSTS	H	SPECIAL CONTRACT REQUIREMENTS
C	DESCRIPTION/SPECS/WORK STATEMENT	I	CONTRACT CLAUSES
D	PACKAGING AND MARKING	J	LIST OF ATTACHMENTS
E	INSPECTION AND ACCEPTANCE		
F	DELIVERIES OR PERFORMANCE		
G	CONTRACT ADMINISTRATION DATA		

AUTHORITY: FAR 52.232-22 LIMITATION OF FUNDS (APR 1984)

The purpose of this modification is to allot incremental funding. Accordingly, this Task Order is modified as follows:

- A. Incremental funding in the amount of \$75,000 is hereby allotted to CLIN 1001. Informational line item 100101 is added to the schedule in section B and ACRN:AC is added to the Accounting Data in section G, as shown in the attached Task Order conformed copy.
- B. As a result of the above, the total funded amount of CLIN 1001 is increased from \$0 to \$75,000.
- C. The INCREMENTAL FUNDING SCHEDULE clause in section B is revised as shown in the attached Task Order conformed copy.
- D. All other terms and conditions of this order remain unchanged.

Attach:

- Task Order conformed copy - 11 pgs.

SECTION B SUPPLIES OR SERVICES AND PRICES

CLIN - SUPPLIES OR SERVICES

Item	Supplies/Services Qty	Unit	Est. Cost	Fixed Fee	CPFF
1000	TERM FORM TASK ORDER - SEE FAR 16.306(d)(2) Airborne Mine Countermeasures (AMCM) In-Service Engineering (ISEA) Support in accordance with the attached Statement of Work BASE YEAR: DATE OF AWARD - 30 SEP 2006 (O&MN,N)	1605.0 LH	\$81,463.00	\$5,119.00	\$86,582.00

100001 ACRN:AA
\$30,000.00
PURCHASE REQUEST
NUMBER 52802416

100002 ACRN:AB
\$56,582.00
PURCHASE REQUEST
NUMBER 60394388

Item	Supplies/Services Qty	Unit	Est. Cost	Fixed Fee	CPFF
1001	TERM FORM TASK ORDER - SEE FAR 16.306(d)(2) Airborne Mine Countermeasures (AMCM) In-Service Engineering (ISEA) Support in accordance with the attached Statement of Work YEAR 2: 1 OCT 2006 - 30 SEP 2007 (O&MN,N)	2140.0 LH	\$106,722.00	\$7,099.00	\$113,821.00

100101 ACRN:AC \$75,000
PURCHASE REQUEST
NUMBER 63066101

Item	Supplies/Services Qty	Unit	Est. Cost	Fixed Fee	CPFF
1002	TERM FORM TASK ORDER - SEE FAR 16.306(d)(2) Airborne Mine Countermeasures (AMCM) In-Service Engineering (ISEA) Support in accordance with the attached Statement of Work YEAR 3: 1 OCT 2007 - 30 SEP 2008 (O&MN,N) Option	2140.0 LH	\$110,815.00	\$7,383.00	\$118,198.00

Item	Supplies/Services Qty	Unit	Est. Cost	Fixed Fee	CPFF
1003	TERM FORM TASK ORDER - SEE FAR 16.306(d)(2) Airborne Mine Countermeasures (AMCM) In-Service Engineering (ISEA) Support in accordance with	2140.0 LH	\$115,072.00	\$7,680.00	\$122,752.00

the attached
Statement of
Work
YEAR 4: 1 OCT
2008 - 30 SEP
2009 (O&MN,N)
Option

Item	Supplies/Services Qty	Unit	Est. Cost	Fixed Fee	CPFF
4000	TERM FORM TASK ORDER - SEE FAR 16.306(d)(2) Airborne Mine Countermeasures (AMCM) In-Service Engineering (ISEA) Support in accordance with the attached Statement of Work YEAR 3: 1 OCT 2009 - 30 SEP 2010 (O&MN,N) Option	2140.0 LH	\$119,493.00	\$7,989.00	\$127,482.00

EXERCISE OF OPTIONS

The Award Term provisions in Section H of the contract apply to option items 1001, 1002, 1003 and 4000. If elected, award term options will be exercised prior to the end of the then current contract year. For example, the option for Year 2 will be exercised prior to the end of the Base Year, the option for Year 3 will be exercised prior to the end of Year 2, and so on. Exercise of options for performance beyond the expiration of the basic contract on 7 Apr 2009 is contingent on the basic contract being extended by the PCO.

INCREMENTAL FUNDING SCHEDULE

All CLINs under this order may be incrementally funded. The Government anticipates that funding will be allotted in accordance with the following schedule:

CLIN 1000:
Upon award - \$30,000.00
NLT 31 March 2006 - \$56,582

CLIN 1001:
14 November 2006 - \$75,000
Approx. 31 May 2007 - \$38,821

CLIN's 1002, 1003 and 4000: Funding schedules for these option CLIN's will be established at the time the options are exercised.

Notwithstanding the above funding schedule, the contractor is only obligated to continue performance of any CLIN up to the point at which the total amount payable by the Government is equal to the funded amount. FAR clause 52.232-22 LIMITATION OF FUNDS (APR 1984) in section I of the basic contract applies.

SECTION C DESCRIPTIONS AND SPECIFICATIONS

SEE ATTACHED STATEMENT OF WORK

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SECTION D PACKAGING AND MARKING

PACKAGING AND MARKING

Packaging and marking, if applicable, shall be in accordance with best commercial practices.

SHIP TO ADDRESS

NAVAL SUPPORT ACTIVITY PANAMA CITY
ATTN: RECEIVING OFFICER
100 VERNON AVENUE
PANAMA CITY BEACH FL 32407-7018
FOB: DESTINATION

SECTION E INSPECTION AND ACCEPTANCE

INSPECTION AND ACCEPTANCE

Inspection and acceptance of deliverables will be by Government personnel at the Naval Support Activity, Panama City, Florida.

SECTION F DELIVERIES OR PERFORMANCE

PERIOD OF PERFORMANCE

The period of performance for the base year will be from date of award until 30 September 2006. The period of performance for each of the four option years (if exercised), will be as follows:

Year 2 Option: 1 October 2006 – 30 September 2007

Year 3 Option: 1 October 2007 – 30 September 2008

Year 4 Option: 1 October 2008 – 30 September 2009

Year 5 Option: 1 October 2009 – 30 September 2010

SECTION G CONTRACT ADMINISTRATION DATA

Accounting Data

SLINID	PR Number	Amount
100001	52802416	30000.00
LLA : AA 97X4930 NH1E 000 77777 0 000178 2F 000000 31A2K0602010		
MOD 1		
100002	60394388	56582.00
LLA : AB: 97X4930 NH1E 000 77777 0 000178 2F 000000 31A2K0605007		
MOD 3		
100101	63066101	75000.00
LLA : AC 97X4930 NH1E 000 77777 0 000178 2F 000000 31A2K070201A		

TASK ORDER MANAGER

BYRON MATTHEWS, CODE A22
NAVAL SURFACE WARFARE CENTER PANAMA CITY
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CONTRACT SPECIALIST

BOB KUCZENSKI, CODE XPS1
NAVAL SURFACE WARFARE CENTER PANAMA CITY
110 VERNON AVENUE
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robert.kuczenski@navy.mil
Phone (850) 234-4864

INVOICING INSTRUCTIONS

(a) The contractor shall submit vouchers on Standard Form 1034 not more often than once a month. The vouchers shall contain the following statement signed by an authorized company representative:

This is to certify that the services set forth herein were performed during the period stated.

Contractor's Authorized Representative

Date of Invoice/Voucher

(b) The vouchers shall be prepared in accordance with this clause and the clauses entitled "Allowable Cost and Payment" (FAR 52.216-7) and "Fixed Fee" (FAR 52.216-8), and shall include:

- (1) Contract and order number.
- (2) Costs incurred and fixed fee billed.
- (3) Direct labor hours by labor category.
- (4) Other direct costs to be specified and substantiated.

(c) The contractor shall submit the original plus one copy of each voucher to the Contract Specialist identified in Section G, and one copy to the Task Order Manager (TOM). The Contracting Officer will certify all approved vouchers, and forward them electronically to the cognizant paying office for payment.

(d) The TOM will review his copy of the voucher and notify the Contracting Officer of any deficiencies. The Contracting Officer will be responsible for taking an appropriate offset on a subsequent voucher and

notifying the contractor in writing of the action taken. The contractor shall be required to resolve the billing discrepancy with the Contracting Officer and resubmit a separate voucher covering any disputed portion.

SECTION H SPECIAL CONTRACT REQUIREMENTS

NOTIFICATION CONCERNING DETERMINATION OF SMALL BUSINESS SIZE STATUS

For the purposes of FAR clauses 52.219-6, NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE, 52.219-3, NOTICE OF TOTAL HUBZONE SET-ASIDE, 52.219-18, NOTIFICATION OF COMPETITION LIMITED TO ELIGIBLE 8(A) CONCERNS, and 52.219-27 NOTICE OF TOTAL SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS SET-ASIDE, the determination of whether a small business concern is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the size standards in this solicitation, and further, meets the definition of a HUBZone small business concern, a small business concern certified by the SBA for participation in the SBA's 8(a) program, or a service disabled veteran-owned small business concern, as applicable, shall be based on the status of said concern at the time of award of the SeaPort-e MACs and as further determined in accordance with Special Contract Requirement H-19.

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

(a) Definition. "Small business concern" as used in this clause, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the size standards in this solicitation.

(b) General. (1) Offers are solicited only from small business concerns. Offers received from concerns that are not small business concerns shall be considered nonresponsive and will be rejected. (2) Any award resulting from this solicitation will be made to a small business concern.

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

AWARD TERM

In addition to the terms and conditions set forth elsewhere in this order, the contractor may earn an award term incentive consisting of an extension to the order period from the minimum one (1) year to a maximum of five (5) years on the basis of performance. For each year of the order, contractor performance is evaluated and ratings are assigned based on how well the contractor has performed. If ratings are positive for Year 1, the contractor earns Year 2; if ratings are positive for Year 2, the contractor earns Year 3, and so on up to the maximum of five (5) years. But if ratings are negative for any year, then the order is ended. The evaluation criteria and the award term procedures are described in section 9.0 below, "Award Term Plan".

AWARD TERM PLAN

The Government will assess the quality of the Contractors performance as follows:

a. Evaluation Criteria. The evaluation criteria are as follows:

- Quality of product or service
- Schedule
- Cost control / achieving guaranteed savings

· Business Relations

· Management of Key Personnel

b. Ratings. The adjective ratings used are “unsatisfactory”, “marginal”, “satisfactory”, “very good” and “exceptional”. The contractor must receive a rating of satisfactory or better on each of the above evaluation criteria in order to earn the award-term incentive. A rating of less than satisfactory on any of the above criteria will result in the incentive not being earned.

c. Evaluation Period. Each year of the order shall be equivalent to one (1) evaluation period. Interim evaluations will also be conducted as described below.

d. Personnel. The Government evaluation team shall consist of an Assessing Official, performance monitors, and a Reviewing Official.

(1) Assessing Official. The Assessing Official considers all information from performance monitors and other pertinent sources and prepares written reports evaluating the contractor’s performance.

(2) Performance Monitors. Performance monitors monitor the contractor’s performance at the task order level and provide input to the Assessing Official to be used in preparing performance reports. Monitors may provide written and verbal input as directed by the Assessing Official.

(3) Reviewing Official. The Reviewing Official is responsible for reconciling any disagreements between the Assessing Official and the contractor, and for finalizing ratings and closing reports whenever such disagreements exist.

e. Interim Evaluations. An interim evaluation shall be conducted at the midpoint (i.e., six months) of each evaluation period. No later than 15 calendar days after the midpoint of the evaluation period, the Assessing Official shall notify the Contracting Officer of the contractor’s current strengths and weaknesses on the basis of inputs from the performance monitors and other pertinent sources. The Contracting Officer will then issue a letter to the contractor describing the strengths and weaknesses identified by the Assessing Official. The Contracting Officer may also issue letters at any time when it is deemed necessary to highlight areas of Government concern.

f. End-of-Period Evaluations. No later than 15 calendar days prior to the end of the evaluation period, the Assessing Official shall initiate a report covering the entire evaluation period and submit that report to the contractor for review and comment. The contractor shall review the report and provide comments to the Assessing Official within 10 calendar days. If the contractor concurs with the ratings in the report, then the Assessing Official will finalize the ratings and close the report. If the contractor does NOT concur with ratings, then the Assessing Official will forward the report to the Reviewing Official. The Reviewing Official will then reconcile any disagreements between the Assessing Official and the contractor, finalize the ratings, and close the report. All reports must be closed no later than the final day of the evaluation period. Once the report is closed, the ratings are not subject to dispute by either party.

g. Award-Term Incentive Determination. As stated above, the contractor must receive a rating of satisfactory or better on each of the evaluation criteria in order to earn the award-term incentive. The Contracting Officer will review the closed report to determine if the award term incentive has been earned. If the incentive has been earned, then the Contracting Office will issue a modification to exercise the option for the next year of the order. If the incentive has not been earned, then the option for the next year will not be exercised and the order will be ended.

h. Changes to the Award-Term Plan. This Award-Term Plan is a part of the order and can only be changed by a bi-lateral modification to the order. Either party may propose a change to the Award-Term Plan at any time. However, if either party desires a change to the plan and a mutual agreement cannot be reached, then this original Award-Term Plan will remain in full effect.

SECTION I CONTRACT CLAUSES

APPLICABLE CLAUSES ARE CONTAINED IN SECTION I OF THE BASIC CONTRACT

SECTION J LIST OF ATTACHMENTS

Statement of Work

Contract Data Requirements List

Contract Security Classification Specification, DD Form 254