

DELIVERY ORDER

FINAL

1. CONTRACT NO. N00178-04-D-4068	2. DELIVERY ORDER NO. 001003	3. EFFECTIVE DATE ORIG 02/18/2005 MOD 10/25/2005	4. PURCHASE REQUEST NO. N61331-06-MR-55195
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5. ISSUED BY NSWC, PANAMA CITY Karen P. Ziemba XPS2 110 Vernon Avenue Panama City, FL 32407-7001 karen.ziemba@navy.mil 850-235-5282 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 TIN: 59-3759714	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: Mark P Ross CONTRACTING/ORDERING OFFICER	10/28/2005	22. TOTAL \$132,711
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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		

The purpose of this modification is to ADD ADDITIONAL HOURS TO THIS TASK ORDER:

LEVEL OF EFFORT:

PROCESS IMPROVEMENT EXPERT: ADD 400 HRS, TOTAL: 1,640 HRS

ADMIN/ANALYST: ADD 800 HRS, TOTAL: 1,900 HRS

THE TOTAL COST IN BLOCK 22 OF THE TASK ORDER IS CHANGED FROM \$92,734.00 TO \$132,711. A TOTAL INCREASE OF \$39,977.00.

LINE ITEM 00011L IS HEREBY ADDED TO PROVIDE FOR THE ADDITIONAL FUNDING AND ACCOUNTING CLASSIFICATION ASSIGNED TO CLIN 0001 IN THE AMOUNT OF \$39,977.00.

ACCOUNTING AND APPROPRIATION DATA:

CLIN 0001AL PR#52863369

LLA:97X4930 NH1E 000 77777 0 000178 2F 000000 372LFCZ210LN AMOUNT \$39,977.00

FUNDING RECAP:

	FROM	BY	TOTAL
ESTIMATED COST:	\$80,682.00	\$34,777.00	\$115,458.00
INCENTIVE FEE:	\$12,053.00	\$ 5,200.00	\$ 17,253.00
TOTAL:	\$92,735.00	\$39,977.00	\$132,711.00

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

A conformed copy of this Task Order is attached to this modification for information purposes only.

SECTION B SUPPLIES OR SERVICES AND PRICES

CLIN - SUPPLIES OR SERVICES

For Cost Type Items:

0001 CPIF - LEAN \$343,921
 ENTERPRISE
 IMPLEMENTATION
 SUPPORT AT NAVAL
 SURFACE WARFARE
 CENTER PANAMA
 CITY IAW SECTION
 C- TITLED
 STATEMENT OF
 WORK.

Item	Supplies/Services	Qty	Unit	Est. Cost	Target Fee	CPIF
0001AB	BASE YEAR ADMINISTRATIVE SUPPORT TOTAL COST \$ _____ (WCF)	1.0	LH	\$20,000	\$0	\$20,000
	Max Fee			\$0.00		
	Min Fee			\$0.00		
	Government Overrun Share Line			0.0		
	Government Underrun Share Line			0.0		

Item	Supplies/Services	Qty	Unit	Est. Cost	Target Fee	CPIF
0001AC	OPTION YEAR ONE PROCESS IMPROVEMENT EXPERT TOTAL COST \$ _____ (TBD)	1000.0	LH	\$46,275	\$6,941	\$53,216
	Option					
	Max Fee			\$0.00		
	Min Fee			\$0.00		
	Government Overrun Share Line			0.0		
	Government Underrun Share Line			0.0		

Item	Supplies/Services	Qty	Unit	Est. Cost	Target Fee	CPIF
0001AD	OPTION YEAR ONE ADMINISTRATIVE SUPPORT TOTAL COST \$ _____ (TBD)	500.0	LH	\$12,376	\$1,856	\$14,232
	Option					
	Max Fee			\$0.00		
	Min Fee			\$0.00		
	Government Overrun Share Line			0.0		
	Government Underrun Share Line			0.0		

Item	Supplies/Services	Qty	Unit	Est. Cost	Target Fee	CPIF
0001AE	OPTION YEAR TWO PROCESS IMPROVEMENT EXPERT TOTAL COST \$ _____ (TBD)	1000.0	LH	\$48,542	\$7,281	\$55,823
	Option					
	Max Fee			\$0.00		
	Min Fee			\$0.00		
	Government Overrun Share Line			0.0		
	Government Underrun Share Line			0.0		

Item	Supplies/Services	Qty	Unit	Est. Cost	Target Fee	CPIF
0001AF	OPTION YEAR TWO ADMINISTRATIVE SUPPORT TOTAL COST \$ _____ (TBD)	500.0	LH	\$12,469	\$1,870	\$14,339
	Option					
	Max Fee			\$0.00		
	Min Fee			\$0.00		
	Government Overrun Share Line			0.0		
	Government Underrun Share Line			0.0		

Item	Supplies/Services Qty	Unit	Est. Cost	Target Fee	CPIF
0001AG	OPTION YEAR THREE	1000.0 LH	\$50,921	\$7,638	\$58,559
	PROCESS IMPROVEMENT EXPERT TOTAL COST \$_____ (TBD) Option Max Fee \$0.00 Min Fee \$0.00 Government Overrun Share Line 0.0 Government Underrun Share Line 0.0				

Item	Supplies/Services Qty	Unit	Est. Cost	Target Fee	CPIF
0001AH	OPTION YEAR THREE	500.0 LH	\$13,080	\$1,961	\$15,041
	ADMINISTRATIVE SUPPORT TOTAL COST \$_____ (TBD) Option Max Fee \$0.00 Min Fee \$0.00 Government Overrun Share Line 0.0 Government Underrun Share Line 0.0				

Item	Supplies/Services Qty	Unit	Est. Cost	Target Fee	CPIF
0001AJ	INCREMENTAL FUNDING FOR CLIN 0001AA (WCF)	1.0 LH	\$46,235	\$0	\$46,235
	Max Fee \$0.00 Min Fee \$0.00 Government Overrun Share Line 0.0 Government Underrun Share Line 0.0				

Item	Supplies/Services Qty	Unit	Est. Cost	Fixed Fee	CPFF
0001AK	Modification to add additional labor. (OTHER)	1.0 LH	\$23,043	\$3,456	\$26,499

Item	Supplies/Services Qty	Unit	Est. Cost	Fixed Fee	CPFF
0001AL	MODIFICATION TO ADD ADDITIONAL LABOR (OTHER) (WCF)	1.0 LH	\$34,777	\$5,200	\$39,977

For ODC Items:

Item	Supplies/Services Qty	Unit	Est. Cost
0003	OTHER DIRECT COSTS		\$978
0003AA	OTHER DIRECT COSTS APPLICABLE TO ACRN AA (WCF)	1.0 Lot	\$0
0003AB	OTHER DIRECT COSTS APPLICABLE TO ACRN AC (WCF) Option	1.0 Lot	\$326
0003AC	OTHER DIRECT COSTS APPLICABLE TO ACRN AE (TBD) Option	1.0 Lot	\$326
0003AD	OTHER DIRECT COSTS APPLICABLE TO ACRN AG (TBD)	1.0 Lot	\$326

Option

Incentive Fee will be based on savings, as determined by the Government, applicable to man hours saved, positions saved, space saved, and inventory no longer maintained as relates to the tasks contained in the Statement of Work. The contractor shall be eligible for the incentive fee only if savings are achieved in all areas studied.

FEE STRUCTURE

The Incentive Fee is only applicable to Item 0001.

General

This is a cost plus incentive fee task order. The contractor's incentive fee will be based on documented savings achieved directly as a result of Rapid Improvement Events (RIE) lead/facilitated by the contractor. The savings, if any, will be determined by Government conducted analysis that compares the NSWC PC costs of the new process as implemented to the costs of the process existing prior to the applicable RIE. The determination of all savings attributable to the RIE will be solely the responsibility of the Government and is not subject to protest.

Fixed or Base Fee

There is no base or fixed fee associated with this task order.

Maximum incentive fee will be 1% of savings up to a maximum of \$15,000.00, not to exceed the 15% ceiling established by regulation.

Zero fee will be paid if no savings are recognized.

Negative fee equal to 1% of added costs incurred by the Government, not to exceed \$15,000, will be deducted from contractor allowable and allocable costs if the Government institutes the contractor's recommendations and higher costs to the Government occur.

Fee Amount Determination

The savings, if any, will be determined by analysis by the NSWC PC Lean office and will not be subject to protest. The savings amount for purposes of incentive fee determination will be the amount of savings projected for a period of one year from the date of the applicable RIE.

MAIL INVOICES TO:
NAVAL SURFACE WARFARE CENTER PANAMA CITY
ATTN; KAREN ZIEMBA, CODE XPS2
110 VERNON AVENUE
PANAMA CITY, FL 32407-7001

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SECTION C DESCRIPTIONS AND SPECIFICATIONS

SEE ATTACHED STATEMENT OF WORK

SECTION D PACKAGING AND MARKING

PLACE OF DELIVERY

NAVAL SUPPORT ACTIVITY PANAMA CITY

RECEIVING OFFICER, BUILDING 100

101 VERNON AVE

PANAMA CITY BEACH, FL32407-7018

FOB DESTINATION

THE CLAUSES IN SECTION D OF THE BASIC CONTRACT APPLY

SECTION E INSPECTION AND ACCEPTANCE

INSPECTION AND ACCEPTANCE

ALL ITEMS WILL BE INSPECTED AND ACCEPTED BY GOVERNMENT PERSONNEL AT THE NAVAL SUPPORT ACTIVITY, PANAMA CITY, FL.

SECTION F DELIVERIES OR PERFORMANCE

PERIOD OF PERFORMANCE

Period of performance shall be from time of award through 4 April 2009, comprised of a base period plus three option years.

THE BASE YEAR PERIOD OF PERFORMANCE SHALL BE FROM DATE OF AWARD FOR 12 MONTHS.

SECTION G CONTRACT ADMINISTRATION DATA

Accounting Data

SLINID	PR Number	Incremental Amount
0001AA	50055152	10000.00
LLA :		
97X4930	NH1E 000 77777 0 000178 2F 000000	37CLNWLEANTF
0001AA	50055152	10000.00
LLA :		
97X4930	NH1E 000 77777 0 000178 2F 000000	37CLNWLEANTF
0001AB	50055152	10000.00
LLA :		
97X4930	NH1E 000 77777 0 000178 2F 000000	37CLNWLEANTF
0001AB	50664203	(10000.00)
LLA :		
97X4930	NH1E 000 77777 0 000178 2F 000000	37CLNWLEANTF
0001AB	50664203	20000.00
LLA :		
97X4930	NH1E 000 77777 0 000178 2F 000000	37CLNWLEANTF
0001AJ	50664203	46235.00
LLA :		
97X4930	NH1E 000 77777 0 000178 2F 000000	37CLNWLEANTF
0001AK	51548472	26499.00
LLA :		
97X4930	NH1E 000 77777 0 000178 2F 000000	37CLNWLEANTF
Modification for Process Improvement Expert and Admisistrative Support.		
0001AL	52863369	39977.00
LLA :		
97X4930	NH1E 000 77777 0 000178 2F 000000	372LFCZ210LN
FUNDING TO ADD ADDITIONAL HOURS.		

Contract Specialist

Karen Ziemba, XPS2

110 Vernon Ave.

Panama City, FL. 32407

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850-235-5282

Task Order Manager

Byron M. Matthews, A92

110 Vernon Ave.

Panama City, FL 32407

byron.matthews@navy.mil

850-235-5693

SECTION H SPECIAL CONTRACT REQUIREMENTS

SECTION H

THE CLAUSES IN SECTION H OF THE BASIC CONTRACT APPLY

INCENTIVE FEE CLAUSE

1. A primary objective of Lean Enterprise Implementation at NSWC PC is to obtain cost savings for the

Government while maintaining the integrity of the work force and work product. The requirement for a cost savings will allow the contractor to earn an incentive as percentage of the cost savings.

2. Savings from Lean Enterprise Implementation shall be determined solely by the Government at the completion of each period from contract award or exercise of the applicable option year. The contractor's incentive will be paid at the completion of each period.

SECTION I CONTRACT CLAUSES

THE CLAUSES IN SECTION I OF THE BASIC CONTRACT APPLY.

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SECTION J LIST OF ATTACHMENTS

SOW
CDRL
DD254