



Guide for Contracting Public Health Drills and Exercises



National Center for
Disaster Preparedness

Mailman School of Public Health
Columbia University

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Acknowledgements

Project Team:

Kristine Gebbie, RN, DrPH, Lead Investigator, *Center for Health Policy, School of Nursing*
Wilmer Alvarez, MA, Project Coordinator, *National Center for Disaster Preparedness*
Joan Valas, RN, PhD, Project Coordinator, *Center for Health Policy, School of Nursing*

Expert Panel:

Joanne Epley, RPh	Peggy Whittie, PhD	Gary Cox, JD
Cynthia T. Smith, MPH	Pamela Trotter, RN, MSN, FNP	Shep Cohen
Josephine Peters	Jaqueline Merrill, DNSc	CDR John Maynard, MSSW, BCD

Reason for Guide

This guide provides a quick resource for public health officials determining whether to use a contractor (or consultant) in any part of an emergency exercise program. Its origin is questions asked by state and local public health officials as they have worked to improve agency capacity in emergency response.

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Introduction

Background

In the wake of September 11, the United States Department of Health and Human Services (DHHS) made available hundreds of millions of dollars through the Centers for Disease Control and Prevention (CDC) and the Health Resources Services Administration (HRSA) to assist State, Local, and Territorial Health departments increase their capacity to respond to bioterrorism and other public health emergencies. The funding has allowed public health agencies across the country to develop and test emergency preparedness and response plans. While the development of these plans has occurred within health departments, the testing of the plans have on occasion been contracted, or outsourced, to private contractors.

The practice of contracting, or outsourcing, is as old as the Republic¹. In fact, the federal government began using contractors to enlarge the government without increasing the size of the bureaucracy as early as the mid-20th century.² The process of contracting took flight during World War II after the 1921 passage of the Budgeting and Accounting Act. Some of the early formal agreements between government and the private sector included those which created the Manhattan Engineer District (also unknown as the “Manhattan Project”) and other wartime non-governmental research and development (R&D)³. After the war and in the early years of the cold war, the Department of Defense (DoD) continued to support the practice that created the Manhattan Project (developers of the Atomic Bomb) by outsourcing its most complex technology projects to entities in the private sector. The reason cited for this occurrence was the absence of expertise within the government to adequately address the technical aspects of each individual project.

¹ Guttman, D., “Contracting United States Government Work: Organizational and Constitutional Models, *Public Organization Review: A Global Journal* (3): 291-299 (2003)

² Guttman 2003

³ Guttman 2003

Soon after, the practice of contracting-out expanded into other areas of government and began to include formal agreements to produce goods and services for civilian programs in aviation (National Aeronautics and Space Administration), housing (Department of Housing and Urban Development), transportation, (National Highway Traffic Safety Administration), and the environment (Environmental Protection Agency). This process was partly responsible for creating some of the most renowned research centers today including RAND and the Urban Institute. Eventually, the practice of contracting-out was refined and adopted by State and local governments, to the point where in the 21st Century we are “reinventing government” and implementing a “Management Agenda” in doing so⁴.

Purpose of Guide

The purpose of this guide is not to provide the reader with a detailed history of government contracting, or how it is being used to parse out emergency preparedness funds. The purpose of this guide is to assist state and local health departments in the process of contracting out the function of conducting drills and exercises to test emergency preparedness plans. The guide grew from requests by state and local health departments for criteria and standard processes that would assist them in successfully selecting and managing a contractor that would effectively and efficiently deliver an exercise that was meaningful to public health practice.

The guide will provide state, regional, and local health departments information on key steps in the process of using a contractor to develop and implement public health preparedness exercises including: (1) developing a Program of Exercises, (2) determining why and when to use a contractor, (3) basic principles of contracting, (4) basic principles of project management, and (5) what to do after the exercise has been completed.

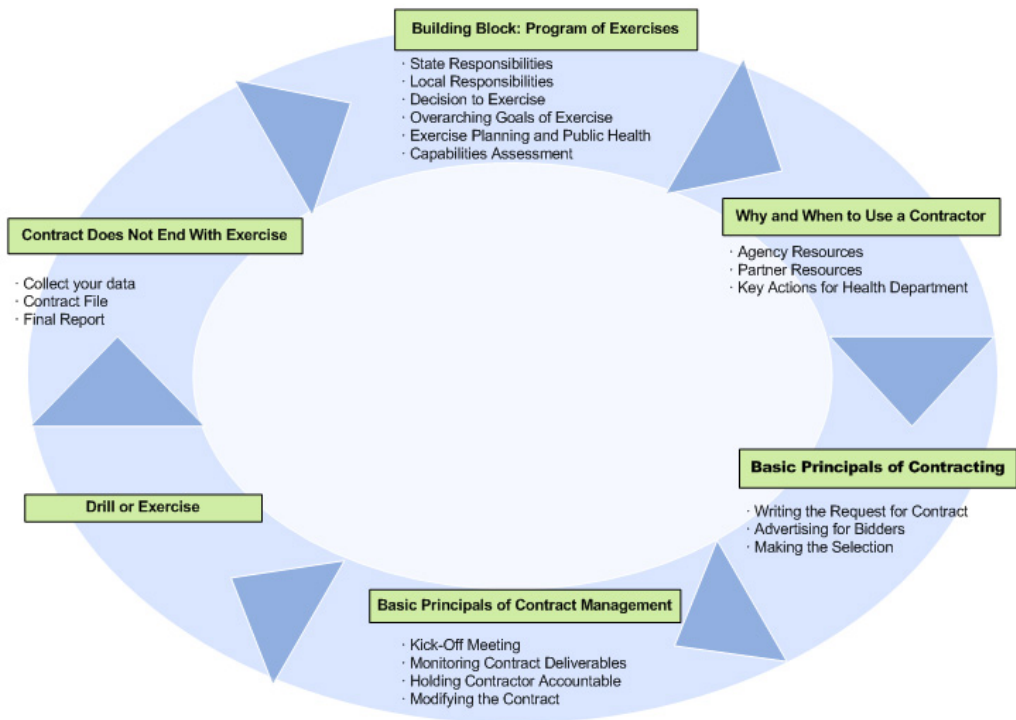
⁴ Guttman 2003

This guide was developed in coordination with experts in public health, emergency response, exercise planning, and an extensive review of published and ‘grey’ literature relevant to planning and conducting public health emergency drills and exercises. The National Center for Disaster Preparedness in the Mailman School of Public Health at Columbia University thanks all of those who assisted in this effort.

Roadmap to the Guide

Contracting-out drills or exercises to a non-governmental agency does not significantly differ from a traditional procurement. At its most basic level, contracting out a drill or exercise is simply a procurement, or purchase, of services from an entity the health department deems qualified to render those services. As is true with traditional procurements for services, contracting out drills and exercises requires that the agency purchasing the services perform a series of tasks to determine what it needs and when it is needed. The diagram below illustrates how this guide will assist a health department to accomplish this by detailing the tasks it should employ to not only determine what services it needs, but also to how to find and effectively manage the contractor that will provide those services.

Process for Contracting Drills and Exercise



The Building Block: Program of Exercises

The first step in the process is to develop an emergency preparedness exercise program. An emergency preparedness exercise program is progressive, moving an agency toward even better emergency preparedness. It requires careful planning, including clearly identifying long-term improvement goals and specific exercise objectives and then designing, developing, conducting, and evaluating each exercise accordingly. Following this process will provide insight into what does and does not work for each specific health department.

An exercise program enables an agency to test the implementation of emergency management procedures and protocols, fine-tune the internal coordination of the emergency plan, and practice coordinating with external response sectors. Depending on the scope and scale of the emergency preparedness exercises, they may involve many individuals, both internal (i.e., from within the health department) and external (e.g., from other response sectors).

The national framework for emergency preparedness began with Homeland Security Presidential Directive 5 (HSPD-5 February 2003), which directed the development of the National Response Plan (NRP). This plan aligned federal coordination, capabilities, and resources into a multi-discipline, all-hazards approach under a comprehensive incident management system known as the National Incident Management System (NIMS). HSPD-5 was followed by Homeland Security Presidential Directive 8 (HSPD-8 December 2003), which put forth the following National Preparedness Goal: “establishing mechanisms for improved delivery of Federal preparedness assistance to State and local governments” (www.LLIS.gov). Further, an interim National Preparedness Goal prescribes a capabilities-based planning approach for a wide range of threats and hazards. Among the capabilities-based planning tools available for use in developing emergency preparedness exercises are the National Planning Scenarios.

State Responsibilities

Each state is expected to develop its own exercise program based on the guidelines provided by the Department of Homeland Security (DHS). The exercise program must address all of the tasks detailed by federal guidelines including:

- √ Obtaining grants/funding
- √ Identifying roles and responsibilities for program development
- √ Designing, developing, implementing, and evaluating exercises
- √ Tracking improvements
- √ Developing a means for monitoring whether the exercises conducted are consistent with HSEEP doctrine
- √ Designating a state-level agency/organization as the clearinghouse for all exercises conducted within the state
- √ Conducting an annual exercise plan workshop to review the state exercise program, ensuring that the state objectives have been met and revising the multi-year exercise plan and schedule

Local Responsibilities

States disseminate their requirements to the local public health level in two ways: (1) through the local emergency response agency, which has a direct tie to the designated state Office of Emergency Management (OEM), and (2) through the state health agency. On the local level, there are many response partners with which public health needs to plan and coordinate its exercise activities. The same principal holds true for non-public health response partners: non-public health partners need to plan and coordinate with public health when conducting an exercise.

In general, local health departments are responsible for:

- √ Coordinating activities with the state health agency
- √ Identifying goals and objectives for exercises consistent with local public health risk, vulnerability, and needs assessments, as well as DHS strategy
- √ Designing and conducting exercises that conform to HSEEP requirements
- √ Providing the plans, procedures, and personnel to support the design, development, support, control, and evaluation of public health exercises
- √ Providing an improvement plan (IP) that is based on the recommendations made in the after action report (AAR), which is issued following the completion of an exercise

Decision to Exercise

Exercise provides a means for health departments to strengthen their capacity to deal with emergencies and disasters. Exercising also meets the mandates and requirements of external agencies including the federal government. The benefits of exercising include:

- √ Validating existing emergency preparedness plans and procedures
- √ Validating interagency agreements and improving coordination and communication
- √ Clarifying roles and responsibilities
- √ Enhancing capabilities
- √ Finding opportunities for improvement
- √ Identifying resource requirements and gaps
- √ Meeting regulatory requirements

Overarching Goals of Exercise

Before beginning any exercise program, health departments must develop overarching goals for the exercise. Currently, health departments will not find an “off the shelf” document that will define the agency’s goals in an exercise. Clearly stated goals are an essential beginning for any collaboration with a contractor since the goals will be the foundation on which the contractor will perform its work. Readily available templates, Lessons Learned documents, and other guides, while useful, will not provide health department’s with nearly enough information on overarching goals as these do not take into account the specifics of the local agency and environment.

Identifying overarching exercise goals requires that health departments find an answer to the question: “Why does my agency need to exercise?” Additionally, the goal of any exercise must:

- √ Feed into the organization’s preparedness mission
- √ Feed into the preparedness plan
- √ Be realistic and achievable
- √ Include measurable objectives

Exercise Planning and Public Health

Emergency preparedness exercises should be based on the NRP/NIMS framework, which focus on the public health responsibilities for emergency response. Furthermore, exercises should be consistent with the Homeland Security Exercise and Evaluation Program (HSEEP). HSEEP details a federal framework for all emergency response sectors and offers useful guidelines and formats for exercise development. Efforts should be made to coordinate exercise activities at the state and federal levels and with other partners and response sectors.

Exercises should include criteria to assess how well health departments perform during a public health emergency or disaster. Measuring performance against these criteria will provide a foundation for additional planning, training, conducting, and evaluating emergency response operations.

For more information of planning and conducting an exercise, health departments should go to <http://hseep.dhs.gov> and download the HSEEP documents. An additional resource is the Public Health Emergency Exercises Toolkit (see Resources, page 33).

Capabilities Assessment

Additionally, health departments should consider conducting a thorough assessment of both their capability to respond a number of emergency events and their capability to plan and conduct exercises to test the agency's response capacity to deal with those events. This capabilities assessment will prove invaluable as health departments determine why and when to use a contractor for drills and exercise. When conducting a capabilities assessment, health departments should first consult their emergency response plan. Specifically, health departments should pay close attention to the health department's response procedures during emergencies as they state in detail what the health department is expected to do during an emergency. Conducting a capabilities assessment, in the context of these procedures, will assist the health department to accurately determine gaps in their capabilities, and potential areas where it can benefit from service offered by contractors, particularly when the emergency response procedures are tested.

Why and When to Use A Contractor

The capabilities assessment performed in the first step of the process will provide health departments with information that they will heavily rely on in the second step of the process: determining why and when to use a contractor. More specifically, the capabilities assessment, along with the exercise program, will provide health departments with the reasons why and when they would need to revert to a contractor.

Some of the reasons a health department may consider using a contractor rather than internal resources to plan and conduct an exercise include:

- √ Size of department/available staff time/available resources
 - There may be funds available, but no one with the time or expertise to spend them
 - There may be a staff person with expertise, but the other programmatic demands do not allow sufficient time for the process
- √ Complexity and type of exercise
 - Large exercises require extensive logistic arrangements that may be executed better by a contractor
- √ Coordination and collaboration with other (non-health) agencies
 - The exercise requires extensive negotiations with other (non-health) agencies, and a contractor with prior experience with those agencies can facilitate coordination
 - Partner agencies may be using contractors of their own to assist in planning and conducting exercises
 - Contractor may be used as an external third party to mitigate partner disagreements
- √ Legislative/Funding Mandates

Once these reasons have been documented and the health department has a thorough understanding of its needs, the health department can then consider both the agency's and contractor's roles in planning and conducting the exercise. At its basic level, a contractor might augment the agency's ability by:

- √ Facilitating/organizing overall planning
- √ Managing exercise logistics including space, materials, and support staff
- √ Providing exercise resources
- √ Evaluating exercise

Key Exercise Planning Actions Health Departments Should Retain

Identifying Exercise Planning Team and the Point of Contact for Contract

The health department must identify a contact person and team who will be responsible for planning the exercise and oversee the work of the contractor. The contact person, or team (that is identified can also serve as the point of contact), would be accountable to the contractor. Retaining the function of identifying an exercise planning team, and a point of contact for the contract, will not only ensure that the health department is thoroughly involved in all aspects of the exercise, or drill, but also provide the health department a way of monitoring the progress of the contract.

Defining Terms of Contract and Expectations

Defining the terms of the contract and contract expectations is the most important step in the process of awarding a contract. The terms of the contract not only outline the tasks that a contractor must perform, but also define the degree to which they must perform them. The latter is perhaps more important than the former because the degree to which the outlined activities are performed is tied directly to the success of the exercise.

Example #3-1

The scope of work that has been written by the health department requires that the contractor develop overarching goals and objectives for the exercise. To accomplish this task, the contractor decides to tap into a past project with a comparable health department, and extracts overarching goals and objectives were used in that exercise, but are also in line what the health department is trying to accomplish through the acquisition.

In practice, the contractor has produced what the task outlined, although not as you intended. You intended for the contractor to develop the overarching goals and objective through a collaborative process with the key preparedness and response officials in your department to ensure that the goals and objectives reflected the on the ground realities of your jurisdiction.

The expectations of the health department must be communicated clearly. Clear communication stifles ambiguity and facilitates delivery on expectations.

Communicating with Local Partner Agencies and Organizations

During any event, coordination and collaboration with partner agencies is necessary for an effective and efficient response. Similarly, health departments will find that coordinating and collaborating with partner agencies on exercises will result in a more effective and efficient effort. Consequently, while it may be very simple for health departments to have a contractor to communicate with other agencies on their behalf, especially when the subject is an exercise or drill, it may not be in the best interest of the health department for the contractor to do so. The communication protocols, procedures, and familiarities that result from such coordination are invaluable outcomes that should not be compromised by convenience. In the end, the contractor will not take part in responding to a real event, the health department and its partners will. Thus, the interactions surrounding the planning and execution of a drill are critical in informing and familiarizing the team that will respond with each other response protocols, but more importantly, each other.

It is also important to note that coordinating and collaborating with partner response agencies have in the past years been a key requirement in federal preparedness grant funding.

Reviewing the Scenario, Evaluation Criteria, and Exercise Forms

The scenario for any exercise must be consistent with the local realities and local public health structure and resources. The consistency of the scenario with local idiosyncrasies will ensure that the exercise produces useful and actionable information that can be used by the health department to improve its emergency response plan. The alternative is a scenario that affords the health department the opportunity to meet a grant requirement, but does little to assist it in its preparedness and response efforts. The review of the scenario, evaluation criteria, and exercise forms should not only occur before the event, but also before the most costly and time consuming parts of exercise planning (e.g. finding space, copying, etc) are put into place.

Principles of Contracting

The third step in the process of contracting out drills and exercises effectively and efficiently is performing the acquisition. This section details the steps health departments should follow to successfully write, compete, evaluate, and award a contract. It should be noted that each health department should have an established process already in place through which goods and services are acquired. Consequently, health departments should use the principles presented here to supplement the official contracting policies of the agency. Users will find that the principles presented in this section will complement those of their agency.

Writing the Request for Contract (RFC)

In its most basic form, the Request for Contract (RFC) is the document that contains all of the information pertaining to the health department's acquisition. It contains clear and concise information detailing the reasons why the health department is pursuing the procurement, but more importantly, all of the elements of the procurement. More specifically, the RFC outlines the services the contractor must provide including the context in which it must provide them. Consequently, the health department must make every attempt to ensure that the RFC is clear, concise, and free of ambiguity.

One should note that a variety of different contracting mechanisms exist within health departments. Some health departments are partial to Requests for Contracts (RFCs), while others prefer Requests for Proposals (RFPs). Some health departments use Requests for Information (RFIs), while others use Simplified Acquisitions Procedures (SAPs) which may include purchase orders, or purchase cards. The variety of contracting mechanisms is not as important as health departments realizing that before embarking on the acquisition process they must research not only what services they wish to acquire, but also the mechanism that best compliments the effort. Furthermore, regardless of what

mechanism is selected for the acquisition, health departments will be required to provide similar information.

For example, at the very minimum solicitations should include the following:

1. **Background:** This section describes the general requirements of contract in general, non-technical terms. It also explains the purpose of the procurement and how it relates to past, present, and future initiatives of the health department.
2. **Project Objectives:** This section should explicitly outline the goal of the exercise and the specific expectations the health department has of the contractor contribution to meeting the identified goal.
3. **Scope of Work:**

Definition: The scope of work (SOW) is probably the single most critical document in the acquisition process. It must define requirements in clear, concise language, and identify the specific work to be accomplished. The SOW of work also defines the responsibilities of both the government and the contractor, and the objective measures the government will use to measure progress, and completeness (DHHS 2003).

Overall, this section should outline the work the contractor will perform in general, non-technical terms, but in more detail than what was described in the project objectives. The key to this section is detailing the parameters, or limits, of the project. More clearly, what part of the exercise will the contractor be hired to perform versus the parts of the exercise the health department will perform. This section is not statement of how the contractor is expected to perform the work, or a statement of when the work is to be performed. It is statement that accurately details the division of labor for the project.

4. **Detailed Technical Requirements:** This section outlines in detail the work the contractor is expected to perform. This section can include statements of specific methods, approaches, models, and tests the health department expects the contractor to include as part of the project. The health department should explicitly state the type, format, and number of deliverables in this section. For example, if the scope of work outlines the facilitation of an exercise, or drill, this section should describe the type of drill (e.g. tabletop, full-scale) and the format of the facilitation (e.g. lecture, small groups). The health department should be as specific and as detailed as possible in this section, and in essence, walk the contractor through the work, as the health department would like it performed. Taking your time with this section will save you time in misunderstandings, and even disputes, in the future.

5. **Reporting Schedule:** This section of the SOW will detail how the contractor will apprise you of its progress. In this section, health departments should detail a schedule of meetings, and progress reports. Health departments should also detail whether the meetings will take place in person, at the health department, or some other location, and the format and contents of the progress reports. Health departments are advised that this section is tied directly to the contract monitoring efforts. Consequently, please include as many controls as possible in the reporting schedule to assist you in monitoring progress once the award is made and the work is started.

6. **Special Considerations:** This section should include information that does not fit into any other section such as collaborations with other contractors, or the use of health department equipment for the drill or exercise.

7. **References:** This section should provide the contractor with reference to information the health department believes may assist them in writing a successful contract proposal. The health department can reference studies, grant

announcements, technical reports, articles, and specific standards such as OSHA PPE standards.

8. Exclusions: This section should detail any items a contractor might assume will be provided by the health department for the project (e.g. mock drugs for a POD exercise coming from the state SNS stockpile coordinator). Furthermore, this section may include a statement of the work the health department will perform, and which the contractor can exclude from their proposal.

9. Price Range: Before completing this section, the health department must determine the benefits and consequences of announcing the price range of the acquisition. Some government agencies argue that detailing the price range of the acquisition stifles competition as the disclosure may filter out those contractors who base part of their interest in an acquisition on price. Furthermore, disclosing the price range of the acquisition may be unnecessary since contractors will be able to determine the price range of an acquisition from a well-written scope of work.

Despite the potential consequences, health departments may find that disclosing the price range of the acquisition might assist them in the procurement process. Disclosing the price range of the acquisition will eliminate one of the biggest questions in the process, and serve as natural filter of contractors that will not be able meet the agency's price. If a health department chooses to proceed with disclosing the price range of the procurement, it must pay close attention and have full confidence in its internal cost estimate of the acquisition.

To obtain an accurate estimate of the proposed acquisition, health departments should first consult with their local procurement office to determine the existence of a procedure for developing a cost estimate. The point of contact should work with a representative from the procurement officer to develop an accurate cost

estimate for the acquisition. If a process for performing the estimate does not exist, the point of contact can use the following to steps to develop a costs estimate:

10-Step Process for Developing an Accurate Cost Estimate

Step 1: Divide the work the contractor must performed into specific tasks

Step 2: Assign each task an appropriate labor category (i.e. PhD, MD, etc)

Step 3: Estimate the per-day, or per-month, cost for each labor categories

Step 4: Estimate total per-day, or per-month, labor costs (add labor categories)

Step 5: Estimate total labor costs by multiplying total per-day, or per-month, costs by the estimated time required for completing the project

Step 6: Estimate the amount and type of materials and supplies and costs of each

Step 7: Estimate the costs of other project elements (i.e. travel, consultants, computers, etc.)

Step 8: If the contractor will require a subcontractor, please estimate the costs associated with the subcontractor

Step 9: Estimate the amount of overhead that will be allowed for the project

Step 10: Add all estimates (Steps 5, 6, 7, 8, and 9) to come up with a total cost estimate for the entire project

10. Eligible contractors: In this section, health departments should outline the kind and type of entities that are eligible to apply for the contract. Health departments should note that State and/or Local procurement codes may dictate how this is done. If the health department wishes to limit the number of applications it receives, this section should include a clear statement of what kind and type of entities are not eligible to apply. For example, if the health department only wants to receive applications from State institutions of higher learning, the health department must state in this section that private institutions of higher learning are not eligible.

11. Review Criteria: In this section, health departments should outline how proposals will be judged. Health departments should consider including the grading scale they plan to use in the review of the proposals, and the distribution of point among project objectives. The section should provide each potential contractor with a thorough understanding of how their proposal will be judged.

12. Submission Requirements: In this section, health departments should provide potential bidders with all of the information pertaining to the submission of their proposal including the:

- √ Number of copies of the proposal the contractor must submit
- √ Address(es) where the proposals should be sent
- √ Required forms that would need to be submitted with the proposal

Advertising for Bidders

Most health departments have a process for announcing contract opportunities already in place. If such a process is available, health departments are advised to use it. However, at times even most accomplished announcement processes do not take into account the intricacies of each acquisition. As a result, health departments may be called upon to provide the procurement office with information that may help increase the visibility of

the announcement among contractors with the expertise sought. Health departments may find themselves engaged in the development of a potential contractor listing using preferred vendors lists they have acquired from the:

- √ Federal Government
- √ State Government
- √ Adjacent Health departments
- √ Local Emergency Preparedness Partner (i.e. Fire Department, Police, etc)
- √ Internet

In the event that a process for announcing a contract is not available, health departments should find a method that widely exposes the opportunity to the appropriate audiences, and avoids a conflict of interest. The key to ensuring both is planning ahead. Health departments should determine ahead of time where the announcement will be placed (e.g. health department's website, County Officer's Office), and the methods it will employ to deal with bidders seeking information.

The best way health departments can deal with bidders seeking information is for them to provide as much information as they can in the initial announcement and to include a section detailing how questions about the announcement will be addressed during the period the announcement is open. The rule of thumb to answering questions while an announcement is open is to ensure that while answering questions the health department is not giving one vendor a competitive advantage over another. In other words, health departments must develop standardized questions and answers for all potential bidders.

One method health departments can implement to accomplish this would be to place (and consistently update) a question and answer (Q&A) document in the place where the announcement is made. Placing the companion document in the same place as the announcement will ensure that all potential bidders have access to the same information and that no one entity has gained a competitive advantage over another.

Making the Selection

Objectivity is the key to making a sound selection. To this end, health departments should develop selection criteria ahead of the bids, and in a manner that minimizes subjectivity. One way of accomplishing this is for health departments to assign a numerical value to the elements of the scope of work that are deemed critical. After assigning numerical values to the critical aspects of the scope of work, health departments should move to develop “score sheets” that detail the amount of points in each critical element of the scope of proposal. The score sheets should also provide reviewers with ample space to detail the number of points they are awarding a bidder, and the reasons why the bidder is receiving that number of points.

Example #4-1

A health department determines in its planning that developing overarching goals, developing evaluation criteria, facilitating the drill, and writing the After Action Report are the most critical tasks of the project. Because of their critical nature, these tasks become the core components the health department selects to use as the criteria by which the contractor will be selected.

To assist in the process, the health department develops a scoring method that evaluates applications solely on those factors. Prior to developing “scoring sheets” for its reviewers, the health department decides that each of the tasks is equally important. As a result, the health department assigns each of the four factors twenty five (25) points with the expectation that the perfect proposal would score one hundred (100) points.

After the assigning 25 points to each factor, the health department develops a “scoring sheet” that is similar to this:

Exercise Acquisition Scoring Sheet

1. Does the contractor adequately address how it will develop overarching goals for the exercise? (25 points)

Points Awarded: _____

Comments: _____

2. Continue

While developing the “scoring sheets,” the health department is pleased with its decisions to assign twenty-five (25) points to each task. The purpose of the scoring was to make the review process as objective and as simple as possible, and while the health department thought of making the perfect proposal score 100 points, it also did not want to overcomplicate the process.

Health departments may find that recruiting individuals who have a sound knowledge of drills and exercises, and have not been too involved in the construction and advertising of the announcement, to assist in the rating of the applications will be a great benefit. Knowledgeable and experienced reviewers will not only increase the quality of the review, but also the impartiality of the review.

Once each proposal has been reviewed and scored by a group of knowledgeable reviews, health departments should perform a closer review of each proposal taking into consideration the following:

Outside Information

Health department officials should determine whether the review and scoring of the proposals was independent of information beyond what was provided in the proposal. Health departments should do their best to exclude any information beyond what was provided in the proposal to avoid the information from influencing the score of proposals. If health departments find that information beyond what was provided in the proposals was introduced into the review process, it should take corrective actions to ensure that the information does not influence the award including voiding scores, and extreme cases, recruiting and convening a new group of reviewers.

Cost Benefit Considerations

Health departments should also begin review of the proposals in the context of what is financially feasible. When performing this analysis, health departments should be careful not to discount a good application because of price hastily. Depending on the review and award process, health departments may have an opportunity to negotiate with a potential contractor on specific aspects of the contract including price. However, prior to negotiating price with a potential contractor, health departments should review both the scope of work they wrote for the solicitation, and the contractor's proposal—especially if the health department is weighing deleting tasks to bring down the price of a proposal.

It should be noted that in the past, while contracting a drill or exercise, health departments have overestimated their need for outside expertise. The overestimation has resulted in inflated budgets with a lot of technical experience, but not enough logistical support. To avoid this, prior to awarding the contract, health departments should perform a thorough analysis of each budget category in the application to determine whether or not the project will require all of the expertise the contractor is proposing. To assist in this effort, health departments should cross-reference the contractor's proposed budget with the internal cost estimate, and identify the areas where the estimate and the contractor budget are grossly dissimilar.

Reference Checks

Prior to awarding a contract, health departments should also conduct a reference check on a potential contractor. Some agencies require potential contractors to submit reports of past performance with their proposal. When a report of past performance is submitted with the proposals, health departments should review the report for irregularities and instances of poor performance. If a report on past performance was not required, and consequently not submitted, health departments should request a list of references from a potential contractor. The health department should contact these references to discuss the contractor's past performance, and in the case of public health drills and exercises, the contractor's knowledge of public health. In addition, health departments should contact colleagues at neighboring health departments, the state health departments, and other preparedness partners for information about a potential contractor. While it is unlikely that you will get much information from these entities regarding specific contractors, the process of reaching out to these agencies may generate unexpected information that may assist the health department in its decision.

Intangibles

After completing the process above, health departments should have a good sense of the proposal, and by extension, the contractor that will best serve its needs. Furthermore, at this point in the process, the ability of contractor to perform the work and the price the contractor will charge for the work, have to a large extent, been ascertained. At this time, health departments should consider the intangibles of the contractor associated with the contractor. For example, does the contractor have thorough understanding of the public health culture? Does the contractor have a good understanding of your community? Do you see developing a good working relationship with this contractor? Questions of this sort should be considered and answered by the health department prior to making its decision about an award. The health department should think of the upcoming relationship with the contractor as a partnership, not a vendor relationship. Client team and consultants should work toward a common goal in a collaborative.

Principles of Contract Management

The fourth step in the process of contracting out drills and exercises is managing the contracting. This section details the steps health departments should follow to successfully manage the contract awarded, and the drills or exercise that will result from it. It should be noted that each health department should have an established process already in place to manage contracts. As a result, health departments should use the principles presented here to supplement the official contract management policies of the agency. Users will find that the principles presented in this section will complement those of their agency.

Kick-Off Meeting

Health departments should begin management of the contract by convening a meeting with the contractor to carefully review what will be expected of both sides. The face-to-face “kick-off” meeting will afford both the health department and the contractor the opportunity to review the context in which the work will be performed, the scope of work, and the responsibilities of both sides. Additionally, at the “kick-off” meeting both parties will have the opportunity to review the following:

- √ Points of contact
- √ Reporting and communication procedures
- √ Criteria by which progress will be evaluated
- √ Consequences for poor performance
- √ Procedure for submitting and processing invoices
- √ Official start date of contract activities
- √ Project work plan and timeline

The “kick-off” meeting should be led by the person responsible for writing and organizing the acquisition.

Example #5-1

“Kick-Off” Meeting Agenda

[Place of Meeting]

[Date]

- I. Welcome and Introductions
- II. Discussion of Context of the Work
- III. Discussion of the Scope of Work
- IV. Discussion of Responsibilities
 - a. Health Department Responsibilities
 - b. Contractor Responsibilities
- V. Administrative Discussion
 - a. Points of contact
 - b. Reporting and communication procedures
 - c. Criteria by which progress will be evaluated
 - d. Consequences for poor performance
 - e. Procedure for submitting and processing invoices
 - f. Official start date of contract activities
 - g. Project work plan and timeline
 - h. Date for next meeting
- VI. Adjourn

Monitoring Contract Deliverables

A deliverable is any service or item that the contractor is obligated (contractually) to provide to the health department. Monitoring the progress and completion of the item, or service, is the sole responsibility of the health department. While there are a number of different, high technology ways of monitoring contract deliverables, regular (weekly, bi-monthly, or monthly depending on the length of the contract and the planning timeline) meetings that are followed by written reports will do the health department just as well. The meetings will give the health department the opportunity to discuss progress with the contractor face-to-face, while the written report will provide the health department documentation of what as been accomplished.

Monitoring contract deliverables and their progress is one of the most important functions of whoever is responsible as the point of contact for the contract. In some jurisdictions, monitoring contract performance falls to more than one individual⁵. Some jurisdictions have individual who focuses on programmatic progress while another focuses on administrative and fiscal progress. However, to ensure that expectations of the health department are being met, the person who is identified as the point of contact for the contract should have:

1. A thorough understanding of the intent of the contract and its deliverables
2. Either the authority to make decisions concerning contract deliverables, or clear access to the person who does
3. The skill to analyze invoices and vouchers

Consistent monitoring of deliverable progress will, in the end, ensure that the deliverable will meet the need the health department is attempting to meet with the procurement.

⁵ Bartle, JR, LaCourse-Korosec, R, *Procurement and Contracting in State Government-2000*, The Government Performance Project, Syracuse University, July 2001

Holding Contractor Accountable to Timetable and Costs

Holding a contractor accountable to the timeline and costs is a process that is closely aligned to contract monitoring. When the health department monitors a contract consistently, it places itself in a position where it is able to identify deviations from project objectives, timelines, or cost projections. If a contractor strays from the delivery schedule, or operating budget, the health department should do all it can to get the contractor back on the right path. At times, this will require revisiting the scope of work of the contract, and the parameters established by the project objectives.

Modifying the Contract

On occasion, unforeseen circumstances may require the health department to modify the timeline and cost parameters of a contract. However, modifying a contract should only be done when no one or the health department was at fault for the delay or cost overrun. Modifying a contract should never be done when the contractor is at fault for delays and overruns. Instead the health department should revert to the penalty clauses within the contract and seek guidance from the agency's legal counsel.

Example #5-2

A health department writes into the scope of work of the contract with Contractor A that Contractor A is responsible for the development of the evaluation criteria and forms that will use in the Point of Distribution (POD) exercise. Without approval from the health department, Contractor A decides to use an electronic system that uses barcodes and barcode scanners to evaluate POD throughput times. Two days before the event, one of the health department partner's that will participate in the exercise congratulates the health department for its plan to use the new technology. Not knowing what the partner is referring to, the health department contacts Contractor A.

During the conversation, Contractor A informs the health department that the technology is top of the line, but also confesses that this will be the first time they use the software in the exercise setting. Although the health department appreciates the creativity and thoughtfulness, it is concerned about the cost of the system since it was not in the contract budget. Additionally, the health department is concerned that the system could potentially cause delays in the timeline since it will be the first time the contractor uses it in an exercise.

To remedy the situation the health department requests a meeting with Contractor A to discuss the cost of the system and its concerns and potential solutions to the problem including exercising the penalty clause in the contract.

Contracting Does Not End With the Exercise

The last step in the process of contracting out drills and exercises is closing out the contract. A contract is finished when all deliverables have been completed, submitted, and accepted; all administrative actions performed; and all payments rendered. A contract does not end with the delivery of the service provided.

Closing out the contract will be collaborative effort between the health department point of contact and the health department fiscal agent. The health department fiscal agent will request that the point of contact ensure that all deliverables were completed and are acceptable to the agency. Conversely, the fiscal agent will ensure the point of contact that all vouchers and invoices were paid in full to the contractor.

The point of contact should ensure that the contract file contains all of the necessary documentation for reconstructing what occurred with the contract if a reconstruction is ever needed. The file should include progress and financial statements, minutes from strategic meetings, copies of deliverables (if applicable), and other documentation of significant importance including data. The file should also contain a summary document detailing the life of the contract from start to finish. The summary document will assist to answer questions concerning the contract well after its end date.

Resources

Drills and Exercises

US Department of Justice, Office of Domestic Preparedness, Homeland Security Exercise and Evaluation Program, Volume I-III, <http://www.ojp.usdoj.gov/odp/docs/hseep.htm>

The Homeland Security Exercise and Evaluation Program (HSEEP) is both doctrine and policy for designing, developing, conducting and evaluating exercises. HSEEP is a threat- and performance-based exercise program that includes a cycle, mix and range of exercise activities of varying degrees of complexity and interaction.

US Department of Homeland Security, Federal Emergency Management Agency, Emergency Management Institute, <http://training.fema.gov/EMIWeb/>

Through its courses and programs, EMI serves as the national focal point for the development and delivery of emergency management training to enhance the capabilities of federal, state, local, and tribal government officials, volunteer organizations, and the public and private sectors to minimize the impact of disasters on the American public. EMI curricula are structured to meet the needs of this diverse audience with an emphasis on how the various elements work together in emergencies to save lives and protect property.

Centers for Public Health Preparedness, <http://www.asph.org/acphp/index.cfm>

By reaching and teaching the public health workforce, the Centers for Public Health Preparedness (CPHP) help to ensure a strong public health system when and where it is needed. Through their commitment to providing lifelong learning opportunities to public health professionals, schools of public health prepare the public health workforce to meet health threats and emergencies.

Columbia University Public Health Emergency Exercise Toolkit. June 2006. New York: Columbia University School of Nursing.
<http://www.cumc.columbia.edu/dept/nursing/research/ResCenters/chphsr/btcomps.html>

This document is a brief guide to planning, designing, conducting and evaluating local public health emergency exercises consistent with national requirements.

Contracting and Contract Management

Federal Acquisition Institute, <http://fai.gov/>

The Federal Acquisition Institute (FAI) has worked for more than two decades to foster and promote federal government career management programs for a professional acquisition workforce. FAI continues to realize its goals of ensuring availability of exceptional training, providing compelling re-search, promoting professionalism, and improving acquisition workforce management.

Integrated Acquisition Environment, Acquisition Central, <http://www.acqnet.gov/>

ACQUISITION CENTRAL is hosted by IAE (Integrated Acquisition Environment), the E-Gov Initiative that is streamlining the federal acquisition process. Acquisition Central hopes to reach out to help every member of the acquisition community by providing one website for all things acquisition. From here you can learn about regulations, systems, resources, opportunities, and training.

References

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National Center for Disaster Preparedness
722 West 168th Street, Suite 1014
New York, NY 10032