

# CONTRACTOR PERFORMANCE EVALUATION & RATING

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## HANDBOOK



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Colorado Department  
of Public Health  
and Environment

Revised November 2011  
Purchasing & Contracts Unit  
Contracts Performance Manager

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## I: INTRODUCTION

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Effective July 1, 2009, the Colorado Department of Public Health and Environment (CDPHE) implemented regular contractor performance evaluations as a routine component of contract monitoring. The purpose of this handbook is to establish a standardized process within CDPHE to conduct contractor performance evaluations, and document and communicate the results to contractors and other CDPHE and state agency staff.

Contractor performance is defined as how a contractor meets the obligations of the contract. Obligations include all standards, requirements and deliverables stated in the contract in addition to adherence to the budget or price and the provision of customer service.

Performance evaluations will occur regularly throughout the contract period. CDPHE staff has the option of conducting evaluations 3 times per year (Level 3) or 4 times per year (Level 4). A final evaluation will occur at the end of the life of the contract. For construction contracts valued at \$500,000 or more, an additional construction contract evaluation must be completed in addition to the final evaluation as required by C.R.S. §§ 24-102-205, 24-102-206, 24-103.5-101.

The process is based solely on documentation that reflects the contractor's performance maintained in CDPHE program and fiscal files. Documentation is reviewed and evaluated by CDPHE staff only. The evaluation process is NOT a collaborative process between contractor and staff.

All evaluations result in a performance rating. Only the rating resulting from the final and construction evaluations will be recorded in the Contract Management System (CMS). If the contract meets the requirements of C.R.S. §§ 24-102-205, 24-102-206, 24-103.5-101, and 24-105-102, the final evaluation rating will be posted to a public website. The public website is a searchable database of all State personal services contracts valued at more than \$100,000 entered into or amended after July 1, 2009. The following link provides access to the public website <http://contractsweb.state.co.us>

The results of each evaluation are emailed to the contractor for review and comment.

All CDPHE guidance documents, to include instructions, procedures, forms, email language, memorandums and other information related to contractor performance evaluation, is posted on the Contract Performance Monitoring intranet web page which can be accessed by clicking on <http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html>

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## II: GENERAL INSTRUCTIONS

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### DOCUMENTATION

All contractor performance evaluations must be based on documentation that reflects the contractor's performance. The types and amount of documentation found in program and fiscal files will vary from one contract to another as contract deliverables, requirements, methods used to monitor the contract and the level of oversight given to the contract is variable.

Documentation of performance must be archived either electronically or hard copy. Electronic documentation must be accessible to others and should be saved to a shared CDPHE drive. Hard copies can be maintained in fiscal files, program files or both.

Documentation generated as a result of the performance evaluation process must be maintained as well; these documents can be archived as stated above.

## CONTRACTOR NOTIFICATION

Contractors should be made aware of the evaluation process prior to receiving the results of the first evaluation. An informational memorandum, developed by the Contracts Performance Manager, should be emailed to the contractor prior to the first performance evaluation. This memorandum explains the purpose for the evaluation, process and rating system and is available on the Contract Performance Monitoring webpage on the intranet. Contractors requesting additional information about the evaluation process should be instructed to contact the Contracts Performance Manager directly.

## EVALUATION TIME LINE

Level 3 and Level 4 performance evaluations must be completed no later than 30 calendar days after the end of the review period. During the 30 calendar days, the evaluation is conducted, the results are sent to the contractor and the contractor is provided time to review the results. The contractor has the option of submitting comments concerning the evaluation and rating during this time period. There is some flexibility to this time line for unforeseen or unusual circumstances. The results of these evaluations are not entered into CMS.

Final evaluations and Construction evaluations must also be completed no later than 30 calendar days after the completion of the contract. Specific information relating to the Final and Construction evaluations to include the evaluation rating must be entered into CMS within this time period.

Contract completion is defined as:

**Personal Services** contracts are complete when the contractor has finished all of its performance obligations, including submission of its final invoice, and one of the following occurs:

a) CDPHE has accepted the contractor's performance and agreed upon the final payment

**OR**

b) six (6) months has passed since the contractor submitted its final invoice.

**Construction** contracts are complete when one of the following occurs:

a) Contractor warranty period ends, occurring one (1) year following the date of the Notice of Substantial Completion, or as otherwise provided in the construction contract;

**OR**

b) Public notification requirements under CRS §38-26-107 are completed.

## EVALUATION PROCEDURES

A procedure is provided for each type of performance evaluation and included in this handbook. The appropriate procedure must be followed and the required forms must be used.

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## III. TYPES OF EVALUATIONS

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### LEVEL 3 & LEVEL 4 PERFORMANCE EVALUATION

Level 3 or Level 4 Contractor Performance Evaluations are required of all contracts with an effective date of July 1, 2009 or later or contracts that have been amended effective July 1, 2009 or later. **EXEMPTIONS**

**FROM THE EVALUATION PROCESS** includes Interagency Agreements, Revenue, Real Property and contracts for Commodities/Goods are exempt, regardless of the contracting entity.

The levels refer to how often the evaluations are conducted. Programs determine which frequency level to use. Level 3 evaluations are conducted every 4 months. Level 4 evaluations are conducted every 3 months. The number of potential review periods in a contract term is determined by the length of the contract. Regardless of the length of the original contract term, the evaluation process and schedule continues when a contract is renewed. When a contract expires (is not renewed) performance during the last review period is included in the Final evaluation.

Contractor performance evaluations are based solely on documentation of performance maintained in fiscal and program files for the period of time under review.

The CDPHE Contractor Performance Evaluation and Rating Worksheet is used to conduct evaluations. The worksheet is a single page form completed by CDPHE staff. A separate worksheet is provided for each level. The corresponding CDPHE Contractor Performance Evaluation Procedure provides easy to follow steps that must be followed to complete the evaluation process. The completed worksheet containing the result of the evaluation is converted to a PDF document and emailed to the contractor to provide feedback on performance. Scripted email language is provided to ensure a consistent message is sent to the contractor regarding the results and process. The contractor is provided 14 calendar days to review the worksheet and submit comments, if any. If noncompliance issues or deficiencies are identified as a result of the evaluation, CDPHE staff follows up with the contractor to implement activities to resolve them. Level 3 and Level 4 evaluation results ARE NOT entered into CMS.

## **FINAL PERFORMANCE EVALUATION**

Final Contractor Performance Evaluations are required of all contracts with an effective date of July 1, 2009 or later or contracts that have been amended effective July 1, 2009 or later. **EXEMPTIONS FROM THE EVALUATION PROCESS** includes Interagency Agreements, Revenue, Real Property and contracts for Commodities/Goods are exempt, regardless of the contracting entity.

The final performance evaluation is conducted when the life of the contract ends and the contract is complete. The life of the contract ends when it can no longer be renewed under Procurement Code, the program chooses not to renew, funding is no longer available, services are no longer needed or the contract is terminated.

The process for conducting the final evaluation is very similar to the Level 3 and Level 4 evaluations. The evaluation is based solely on documentation maintained in fiscal and program files that reflect performance during the contract term.

The CDPHE Final Contractor Performance Evaluation form is used to conduct and record the results of the final evaluation. This form was developed by the Office of the State Controller and customized to include additional evaluation categories used by CDPHE. The form is available on the Contract Performance Monitoring intranet web page which can be accessed by clicking on <http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html>

If the evaluation results in a Below Standard rating, the program or fiscal staff must notify the Contracts Performance Manager as quickly as possible after the rating has been determined. **DO NOT** send the evaluation form to the contractor until the Contracts Performance Manager has reviewed the evaluation.

The completed form must be converted to a PDF document and emailed to the contractor using scripted email language provided to ensure a consistent message. The contractor is provided 14 calendar days to review the form and submit comments, if any.

The Final Contractor Performance Evaluation Procedure provides the steps that must be followed to complete the evaluation process. Final performance evaluations must be completed no later than 30 calendar days after the contract is complete. Reference section II: General Instructions/ Evaluation Time Line for definitions of contract completion.

The rating resulting from the final evaluation and any comments the contractor submits must be entered in the Contract Management System (CMS). If the contract meets the requirements of C.R.S. §§ 24-102-205, 24-102-206, 24-103.5-101, and 24-105-102, the final evaluation rating and contractor comments will be posted to a public website <http://contractsweb.state.co.us>

## CONSTRUCTION REPORT (EVALUATION)

Construction contracts with a value of \$500,000 or more must receive a Final Contractor Performance Evaluation along with a Construction Contract Performance Evaluation. Two forms must be completed as part of this process. The Construction Contract Performance Evaluation form along with the CDPHE Final Contractor Performance Evaluation form is available on the Contract Performance Monitoring intranet web page which can be accessed by clicking on <http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html>

If either of the evaluations results in a Below Standard rating staff must notify the Contracts Performance Manager as quickly as possible after the rating has been determined. **DO NOT** send the evaluation form to the contractor.

Both completed forms must be converted to PDF documents and emailed to the contractor using scripted email language provided to ensure a consistent message. The contractor is provided 14 calendar days to review both forms and submit comments, if any.

The Construction Contractor Performance Evaluation Procedure provides steps that must be followed to conduct the evaluation. The Construction evaluation process must be completed no later than 30 calendar days after the completion of the contract. Reference section II: General Instructions/ Evaluation Time Line for definitions of contract completion.

The rating resulting from the construction evaluation and any comments the contractor submits will be entered in the Contract Management System (CMS). This information will be posted to the public website <http://contractsweb.state.co.us>

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## IV: EVALUATION OF TERMINATED CONTRACTS

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Contracts that are terminated due to performance issues, **MUST** receive a final performance evaluation.

If a contract is terminated due to a loss of funding **AND** the total amount paid to the contractor as of the date of termination is less than \$100,000, a final performance evaluation is not required.

However, if the contractor has been paid \$100,000 or more as of the date of termination, the final evaluation is required. Staff with responsibility to create and maintain records in CMS will update the 'Cumulative Maximum Contract Dollar Amount' data field in the CMS record to reflect the total amount paid to the contractor as of the date of termination.

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## V: EVALUATION OF MULTI-PARTY CONTRACTS

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Multi-party contracts are subject to Level 3 or Level 4 performance evaluations. CMS records only allow for one Final Contractor Performance Evaluation on a single contracting entity. The parties must determine which contractor will receive the performance evaluation on behalf of all parties involved. This information should be included in the Scope of Work.

Multi-party records entered into CMS are subject to the public reporting requirements under C.R.S. §§ 24-102-205, 24-102-206, 24-103.5-101, and 24-105-102.

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## VI: EVALUATION PROCESS

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Regardless of the type of evaluation conducted, Level 3, Level 4, final or construction, the evaluation must be based on a review of documentation reflecting performance maintained in CDPHE files. Documentation can include, but is not limited to, program and fiscal reports, work plans, invoices, correspondence, notes to the file, meeting minutes, Corrective Action Plans/Performance Improvement Plans, etc. Both fiscal and program documentation must be reviewed during the evaluation.

Documentation can be in the form of paper hard copies or electronic files. Any documentation reviewed as part of the evaluation process and documentation generated as a result of the evaluation process must be maintained in CDPHE files. Documentation can be archived either electronically or in hard copy. If archiving electronically, files must be saved to a CDPHE shared drive for easy access.

The staff member conducting the evaluation must be familiar with the contract and the contractor's performance. This individual is referred to as the "Evaluator" in all CDPHE performance evaluation related materials. The Evaluator is usually a program staff member although some situations exist where fiscal staff is the sole monitor of a contract. The Evaluator must have CMS access at the "Program Manager" level. This level of access provides "Read Only" capability. Access to the system allows the Evaluator's name to be listed within a CMS record as the individual overseeing the contract. **The Evaluator DOES NOT enter data into the system.**

Prior to the first performance evaluation of the contract term, the Evaluator must confirm the appropriate individual(s) within the contractor's organization to receive the performance evaluations. If multiple people are to receive the evaluation, a single individual must be identified as the party responsible for acknowledging receipt of the evaluation and providing comments back to the Evaluator concerning the evaluation, if any.

**\*NOTE\*** Evaluations are sent to the entity that we have contracted with, **NOT subcontractors** who may be providing the service. Subcontractors can only receive evaluations if prior written consent has been obtained from the contractor. **ONLY the contractor can submit comments relating to the evaluation results. DO NOT** accept comments from the subcontractor.

Completed evaluation forms, must receive approval from the Evaluator's supervisor prior to submission to the contractor. Approval can be achieved through a number of methods. One method would be to email the Worksheet, Final Contractor Performance Evaluation form or Construction Report form (whichever is applicable) to the supervisor and receive approval through return email. This method may not be feasible when a large number of evaluations occur at the same time. Each division business unit is responsible for developing methods to implement the required procedures for conducting performance evaluations, to include supervisor approval.

The evaluation process includes procedures for each type of evaluation. These procedure documents are included in this handbook and posted as individual documents to the Contract Performance Monitoring web page. <http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html> Each procedure lists the steps to be taken to complete the evaluation process and the time line for completion.

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## VII: BELOW STANDARD RATINGS & DISPUTES

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Final Contractor Performance Evaluations may result in a Below Standard. If this occurs, notify the Contracts Performance Manager **immediately**. **DO NOT** email the evaluation form to the contractor until advised to do so.

Regardless of the rating given, a contractor may disagree with the evaluation/rating; they may request to meet with program or fiscal staff to discuss the results. **DO NOT** engage in a discussion about the results or schedule a meeting to discuss the results. Notify the Contracts Performance Manager **immediately**.

If a contractor expresses an interest in disputing the rating, **DO NOT** engage in a discussion with them. If a contractor asks about a process to appeal the evaluation results, **DO NOT** provide technical assistance to guide them through the process. Notify the Contracts Performance Manager **immediately**.

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## VIII: EVALUATION CATEGORY DEFINITIONS & FACTORS

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The 5 categories listed below are used by CDPHE to evaluate each contractor's performance during the contract term and for the final evaluation. Construction evaluations include these 5 categories and an additional 2 categories required by statute.

Each evaluation category is described and examples of possible factors are provided. Programs are encouraged to develop factors within each category that are applicable to their specific contracts. .

While factors can be customized, the descriptions **CANNOT**. **Do not edit the evaluation category descriptions**.

Programs should ensure that contractors are aware of the evaluation process and the categories used to evaluate performance. Programs should be aware that some contractors have multiple contracts within CDPHE and therefore will receive multiple evaluations throughout the year. Each contract is unique and many programs will develop their own factors specific to their contracts to evaluate performance under each category. This necessary flexibility may be confusing to contractors and will require thoughtful explanation. If the contractor requires clarification or additional information about the categories or evaluation process, direct them to the Contracts Performance Manager.

**QUALITY:** The contractor achieved desired outcomes with a minimum of avoidable errors and problems. Work met the requirements, expectations or desired outcomes as set forth in the contract/scope of work. The work was accurate and complete. The work was done in an efficient and effective manner.

**Factors:**

- Overall compliance with the contract - the contractor complies with the terms and conditions (to include program and funding requirements) of the contract and show an understanding of agency's standards and expectations.
- Conformity to specifications - the product or service must conform to the specifications identified in the original solicitation and contractual agreement. The product should perform and/or the services should be provided as expected.
- Reliability – the rate of product failure is within reasonable limits or repairs and rework is acceptable.
- Durability – reasonable period of time lapses before replacement is necessary
- Support – should be available from the contractor in a reasonable period of time and meets the need for assistance
- Warranty – reasonable length and provisions of warranty protection is offered and problems are resolved in a timely fashion
- State-of-the-art product/service – The contractor offers products and/or services consistent with industry standards. The contractor should consistently refresh product life by adding enhancements.

**TIMELINESS:** The contractor performs work within the time frames identified or specified in the contract/scope of work and keeps the project on schedule.

**Factors:**

- The contractor delivers product and/or services by date agreed to in the contract.
- The contractor meets time lines for the submission of deliverables such as reports, plans, invoices, etc.
- The contractor responds/replies to requests for information or assistance in a reasonable period of time.
- The contractor's average delivery time is comparable to that of other contractors for similar products and/or services.

**PRICE/BUDGET:** The contractor effectively manages costs and the value of the product and/or services received supported the costs. The contractor adhered to budget as specified in the contract/scope of work.

**Factors:**

- Contractor's invoices are accurate with applicable backup documentation.
- Estimates should not vary from the final invoice.
- There are a low number of variances from the initial agreed to prices and the costs stated on received invoices.
- The contractor should be sensitive to costs and demonstrate respect for funding and the agency's needs.

**BUSINESS RELATIONS/CUSTOMER SERVICE:** The degree to which the contractor is professional and respectful in its business approach and interactions with the agency.

**Factors:**

- The contractor representative is courteous, cooperative and has a professional approach in all forms of communication.
- The contractor representative handles complaints efficiently and effectively.
- The contractor representative is knowledgeable about the project and/or has the expertise to provide assistance as requested.
- The contractor manages change effectively.
- The contractor representative attempts to resolve problems in a timely manner and follows up with a status report.
- The contractor representative should provide technical support for maintenance, repair and installation situations. Technical instructions, documentation and general information should also be provided.
- The contractor provides training on the effective use of its products or services.

**DELIVERABLES/REQUIREMENTS:** The degree to which the contractor is compliant in meeting the standards of contract requirements and deliverables.

**Factors:**

- All deliverables submitted are complete, accurate, submitted within the required time line using required forms or format if applicable.
- Requirements are demonstrated and/or documented.

## **CONSTRUCTION CONTRACTS ONLY – ADDITIONAL EVALUATION CATEGORIES**

Construction contracts with a value of \$500,000 or more must also be evaluated for the following 2 additional categories.

**SAFETY:** The degree to which contractor mitigates and demonstrates freedom from risk of injury, danger, damage or loss of life or property.

**Factors:**

- The contractor complies with all Federal, State and local laws and regulations concerning the health and safety of workers, the general public and personal property.
- Contractor's safety record for the project.

**DEPENDABILITY:** The degree to which contractor demonstrates trustworthiness and reliability.

**Factors:**

- The contractor is fair, honest and reasonable in interactions with the agency.
- The contractor demonstrates consistency in business operations.
- The contractor is sincere in efforts to deliver a quality product and/or services.
- The contractor follows through on agreements made with the program/agency.

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## IX: CONTRACTOR PERFORMANCE RATING DEFINITIONS & FACTORS

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All evaluations result in an overall rating. The rating structure consistent of three levels: Standard, Above Standard and Below Standard. The rating definitions and factors listed below **CANNOT** be customized.

**BELOW STANDARD:** Contractor performance has been less than standard or satisfactory. This rating encompasses contractors whose performance does not consistently meet expectations defined in the contract/scope of work.

**Factors:**

- Contractor performance does not consistently meet expectations defined in the contract.
- Close supervision of the contractor was required to progress the work.
- Work was unsatisfactory and consistently failed to meet expectations.
- Lack of cooperation.
- Most performance requirements were not met.
- Significant cost overruns.
- Many schedule slips with negative cost impact.
- Lack of user satisfaction.

**STANDARD:** Contractor has met all specifications and requirements. This rating includes a range of expected performance as stated in the contract/scope of work to support the project.

**Factors:**

- Contractor exhibits competency in the assignments and consistently meets the desired expectations of the project.
- Contractor meets standards and objectives and all performance requirements.
- Contractor sometimes exceeds expectations.
- Contractor met overall price.
- Contractor met expectations.
- Deliveries were on time.
- Project schedule was not impacted.
- Adequate user satisfaction.

**ABOVE STANDARD:** Contractor performance exceeds standard or satisfactory. This rating represents consistent and exceptional performance or consistently superior achievement beyond regular assignments and expectations as stated in the contract/scope of work.

**Factors:**

- Meeting and exceeding performance requirements.
- Significant positive impact to the project.
- Reduced costs while meeting contract requirements.
- All deliveries on time with some arriving early.
- Significantly exceeded expectations.
- High user satisfaction.
- Highly responsive and proactive.

## APPENDIX: A

# Colorado Department of Public Health and Environment



## LEVEL 4 Contractor Performance Evaluation Procedure

Contractor Performance Evaluations are required of all contracts with an effective date of July 1, 2009 or later or contracts that have been amended effective July 1, 2009 or later. The requirement applies to single year contracts and multi-year contracts. **EXEMPTIONS: Any type of contract with State agencies and Institutions of Higher Education. All contracts for Real Property, Goods/Commodities and Revenue, regardless of the contracting entity.**

All programs have the option of conducting contractor performance evaluations either 4 times per year (Level 4) or 3 times per year (Level 3). The option to conduct evaluations less frequently may be available. Contact the Contracts Performance Manager for more information.

Level 4 evaluations are conducted every 3 months. The evaluation is based solely on documentation of performance, maintained in fiscal and program files, for the period under review.

Contract periods of 9 to 12 months will receive 3 evaluations if the contract is NOT renewed. If the contract is not renewed, performance during the last evaluation period will be included in the Final evaluation. If the contract IS renewed, the 4<sup>th</sup> period evaluation must be conducted. Refer to the CDPHE Contractor Performance Evaluation & Rating Handbook for information about Final evaluation requirements.

Evaluations are completed using the CDPHE Level 4 Contractor Performance Evaluation and Rating Worksheet. These evaluations must be **completed no later than 30 days after the end of the evaluation period.**

**These ratings ARE NOT entered into the CMS.**

Step	Action	Responsible
1 – Prior to effective date of contract	Create CMS contract record	Contract Writer for Division/Program
1.1	Provide Contract Writer the name of the individual responsible for monitoring the contract and conducting performance evaluations. This individual is referred to as the "Evaluator" and must have access to the Contract Management System (CMS). <i>To request access to the CMS, contact the CDPHE Contracts Performance Manager.</i>	Evaluator or Supervisor of Evaluator
2 – Early in the first evaluation period	Confirm appropriate individual(s) within contractor's organization to receive all performance evaluation results. If multiple people are to receive the evaluation, a single individual must be identified as the responsible party for acknowledging receipt of the evaluation and providing comments if any.	Evaluator
2.1	Set up a "tickler" system for reminders to conduct evaluations.	Evaluator

2.2	Notify contractor of evaluation requirement using an informational memorandum <a href="http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html">http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html</a> Skip this step if the contractor is familiar with the requirement.	Evaluator
<b>Step</b>	<b>Action</b>	<b>Responsible</b>
<b>3 – End of evaluation period</b>	Consult with other program staff (if applicable) and fiscal staff to review documentation reflecting performance for the quarter.	Evaluator
3.1	Complete the <b>CDPHE Level 4 Contractor Performance Evaluation and Rating Worksheet</b> <a href="http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html">http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html</a>	Evaluator
3.2	Request supervisor approval of the evaluation result.	Evaluator
3.3	Approval communicated to Evaluator.	Supervisor
3.4	<b>PDF the worksheet</b> , customize the <b>appropriate email message</b> (choose email for either <b>New or Existing Contractors</b> ) <a href="http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html">http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html</a> and email it to the Contractor. The Contractor is given 14 calendar days to respond with comments.	Evaluator
3.5	If performance issue(s) are identified as a result of the evaluation, and are not resolved through other methods, an action plan or performance improvement plan is developed and implemented. The plan, follow up and completion of plan activities must be documented.	Evaluator and/or Fiscal Staff
<b>4 – No later than 30 calendar days after the end of the evaluation period</b>	If the contractor responds with comments, address the comments if applicable. Archive the comments and all documentation relating to the evaluation process. Documents can be kept electronically or in paper hard copy. Electronic files must be saved to a CDPHE shared drive. Hard copies can be filed in either program or fiscal files.	Evaluator and/or Fiscal Staff

# APPENDIX: B



Colorado Department  
of Public Health  
and Environment

## Colorado Department of Public Health and Environment

### LEVEL 4 - Contractor Performance Evaluation and Rating Worksheet

Effective July 1, 2009, Contractor Performance Evaluations are a required component of CDPHE contract monitoring. This worksheet is used to conduct performance evaluations that occur every 3 months (4 times) during a 12 month period of time. It is completed by CDPHE staff. The performance evaluation is based on documentation contained in CDPHE fiscal and program files. CDPHE staff should refer to the Contractor Performance Evaluation & Rating Handbook and appropriate procedures prior to conducting an evaluation.

<b>1<sup>st</sup> Evaluation Period:</b> from          to	<b>3<sup>rd</sup> Evaluation Period:</b> from          to
<b>2<sup>nd</sup> Evaluation Period:</b> from          to	<b>4<sup>th</sup> Evaluation Period:</b> from          to
<b>Evaluator's Name:</b>	<b>Evaluator's Title:</b>
<b>Date Form Prepared:</b>	<b>Name of Evaluator's Supervisor:</b>
<b>Contractor Name:</b>	
<b>Original Contract Number:</b>	<b>Program Name:</b>
<b>Current Amendment Number (if applicable):</b>	

After reviewing documentation maintained in fiscal and program files, CDPHE staff provides a rating for each category in the table below. Default is Standard. If a category being rated is not applicable or documentation is not available, the contractor score defaults to standard. An "X" is placed in the appropriate box for each category and an overall rating for the period is provided.

Performance Categories	Below Standard	Standard	Above Standard
Quality			
Timeliness			
Price/Budget			
Business Relations/Customer			
Deliverables/Requirements			
<b>OVERALL RATING:</b>			

The text box below **must** contain the following:

1. List of program and fiscal documents reviewed for the evaluation.
2. Brief explanation of Above Standard or Below Standard ratings listed in the table above.

## Colorado Department of Public Health and Environment



### LEVEL 3 Contractor Performance Evaluation Procedure

Contractor Performance Evaluations are required of all contracts with an effective date of July 1, 2009 or later or contracts that have been amended effective July 1, 2009 or later. The requirement applies to single year contracts and multi-year contracts. **EXEMPTIONS: Any type of contract with State agencies and Institutions of Higher Education. All contracts for Real Property, Goods/Commodities and Revenue, regardless of the contracting entity.**

All programs have the option of conducting contractor performance evaluations either 3 times per year (Level 3) or 4 times per year (Level 4). The option to conduct evaluations less frequently may be available. Contact the Contracts Performance Manager for more information.

Level 3 evaluations are conducted every 4 months. The evaluation is based solely on documentation of performance, maintained in fiscal and program files, for the period under review.

Contract periods of 8 to 12 months will receive 2 evaluations if the contract is NOT renewed. If the contract is not renewed, performance during the last evaluation period will be included in the Final evaluation. If the contract IS renewed, the 3<sup>rd</sup> period evaluation must be conducted. Refer to the CDPHE Contractor Performance Evaluation & Rating Handbook for information about Final evaluation requirements.

Evaluations are completed using the CDPHE Level 3 Contractor Performance Evaluation and Rating Worksheet. These evaluations must be **completed no later than 30 days after the end of the evaluation period.**

**These ratings ARE NOT entered into the CMS.**

Step	Action	Responsible
1 – Prior to effective date of contract	Create CMS contract record	Contract Writer for Division/Program
1.1	Provide Contract Writer the name of the individual responsible for monitoring the contract and conducting performance evaluations. This individual is referred to as the “Evaluator” and must have access to the Contract Management System (CMS). <i>To request access to the CMS, contact the CDPHE Contracts Performance Manager.</i>	Evaluator or Supervisor of Evaluator
2 – Early in the first quarter of the contract period	Confirm appropriate individual(s) within contractor’s organization to receive all performance evaluation results. If multiple people are to receive the evaluation, a single individual must be identified as the responsible party for acknowledging receipt of the evaluation and providing comments if any.	Evaluator

2.1	Set up a “tickler” system for reminders to conduct evaluations.	Evaluator
<b>Step</b>	<b>Action</b>	<b>Responsible</b>
2.2	Notify contractor of evaluation requirement using an informational memorandum <a href="http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html">http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html</a> Skip this step if the contractor is familiar with the requirement.	Evaluator
<b>3 – End of Quarter</b>	Consult with other program staff (if applicable) and fiscal staff to review documentation reflecting performance for the quarter.	Evaluator
3.1	Complete the <b>CDPHE Level 3 Contractor Performance Evaluation and Rating Worksheet</b> <a href="http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html">http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html</a>	Evaluator
3.2	Request supervisor approval of the evaluation result.	Evaluator
3.3	Approval communicated to Evaluator.	Supervisor
3.4	<b>PDF the worksheet</b> , customize the <b>appropriate email message</b> (choose email for either <b>New or Existing Contractors</b> ) <a href="http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html">http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html</a> and email it to the Contractor. The Contractor is given 14 calendar days to respond with comments.	Evaluator
3.5	If performance issue(s) are identified as a result of the evaluation, and are not resolved through other methods, an action plan or performance improvement plan is developed and implemented. The plan, follow up and completion of plan activities must be documented.	Evaluator and/or Fiscal Staff
<b>4 – No later than 30 calendar days after the end of the quarter</b>	If the contractor responds with comments, address the comments if applicable. Archive the comments and all documentation relating to the evaluation process. Documents can be kept electronically or in paper hard copy. Electronic files must be saved to a CDPHE shared drive. Hard copies can be filed in either program or fiscal files	Evaluator and/or Fiscal Staff

# APPENDIX: D



Colorado Department  
of Public Health  
and Environment

## Colorado Department of Public Health and Environment

### LEVEL 3 - Contractor Performance Evaluation and Rating Worksheet

Effective July 1, 2009, Contractor Performance Evaluations are a required component of CDPHE contract monitoring. This worksheet is used to conduct performance evaluations that occur every 4 months (3 times) during a 12 month period of time. It is completed by CDPHE staff. The performance evaluation is based on documentation contained in CDPHE fiscal and program files. CDPHE staff should refer to the Contractor Performance Evaluation & Rating Handbook and appropriate procedures prior to conducting an evaluation.

<b>1<sup>st</sup> Evaluation Period:</b> from            to	<b>3<sup>rd</sup> Evaluation Period:</b> from            to
<b>2<sup>nd</sup> Evaluation Period:</b> from            to	
<b>Evaluator's Name:</b>	<b>Evaluator's Title:</b>
<b>Date Form Prepared:</b>	<b>Name of Evaluator's Supervisor:</b>
<b>Contractor Name:</b>	
<b>Original Contract Number:</b>	<b>Program Name:</b>
<b>Current Amendment Number (if applicable):</b>	

After reviewing documentation maintained in fiscal and program files, CDPHE staff provides a rating for each category in the table below. Default is Standard. If a category being rated is not applicable or documentation is not available, the contractor score defaults to standard. An "X" is placed in the appropriate box for each category and an overall rating for the period is provided.

Performance Categories	Below Standard	Standard	Above Standard
Quality			
Timeliness			
Price/Budget			
Business Relations/Customer			
Deliverables/Requirements			
<b>OVERALL RATING:</b>			

The text box below **must** contain the following:

1. List of program and fiscal documents reviewed for the evaluation.
2. Brief explanation of Above Standard or Below Standard ratings listed in the table above.

## APPENDIX: E

### CDPHE Contractor Performance Evaluation & Rating Process

#### Email Message – All Levels - **NEW Contractors**

Communicating evaluation results to Contractor

**Instructions:** When drafting the email, edit the text in red to customize the message and copy and paste into your email. If applicable, customize the 3<sup>rd</sup> paragraph; otherwise delete it before finalizing the message. **PDF** the **Worksheet**, attach it to the email and send it to the designated individual(s) in the contractor's organization.

-----  
Hi (Name of Contractor Representative),

The Colorado Department of Public Health and Environment conducts regular contractor performance evaluations as part of the Department's routine contract administration activities.

The evaluation process is designed to provide feedback concerning your organization's compliance with contract requirements and obligations. Programs have options concerning the frequency of these evaluations. If you have multiple contracts with CDPHE, you may notice that evaluations are not conducted at the same rate or intervals.

The attached worksheet provides feedback on your organization's performance under contract (enter original contract routing number). The results of the (choose 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>) evaluation period is (choose Standard, Above Standard or Below Standard).

(If a compliance issue(s) is identified as a result of the evaluation, enter a paragraph here describing next steps to address the issue(s).

For example – "This performance evaluation resulted in a Below Standard rating due to inaccuracies found in the fiscal and program reports received on September 15<sup>th</sup>. I will contact you by phone to discuss the needed corrections and timeline." If the evaluation worksheet does not list any compliance issues, delete this paragraph.

Please review the evaluation and **submit comments within 14 calendar days from the date this email was sent**. It is not necessary to respond if you do not have any comments.

Thank you,  
(Your name and contact information)

## APPENDIX: F

### CDPHE Contractor Performance Evaluation & Rating Process

#### Email Message – All Levels - **EXISTING Contractors**

Communicating evaluation results to Contractor

**Instructions:** When drafting the email, edit the text in red to customize the message and copy and paste into your email. If applicable, customize the 3<sup>rd</sup> paragraph; otherwise delete it before finalizing the message. **PDF** the **Worksheet**, attach it to the email and send it to the designated individual(s) in the contractor's organization.

-----  
Hi (Name of Contractor Representative),

The CDPHE Contractor Performance Evaluation process has been revised to provide options to CDPHE programs concerning the frequency of performance evaluations. If you have multiple contracts with CDPHE, you may notice that evaluations are not conducted at the same rate or intervals.

The attached worksheet provides feedback on your organization's performance under contract (enter original contract routing number), (current renewal amendment number if applicable). The results of the (choose 1st, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>) evaluation period is (choose Standard, Above Standard or Below Standard).

(If a compliance issue(s) is identified as a result of the evaluation, enter a paragraph here describing next steps to address the issue(s).

For example – "This performance evaluation resulted in a Below Standard rating due to inaccuracies found in the fiscal and program reports received on September 15<sup>th</sup>. I will contact you by phone to discuss the needed corrections and timeline." If the evaluation worksheet does not list any compliance issues, delete this paragraph.

Please review the evaluation and **submit comments within 14 calendar days from the date this email was sent**. It is not necessary to respond if you do not have any comments.

Thank you,  
(Your name and contact information)

APPENDIX: G

Colorado Department of Public Health and Environment



**FINAL  
CONTRACTOR PERFORMANCE EVALUATION  
PROCEDURE**

**EXEMPTIONS:** Interagency Agreements, Revenue, Real Property and contracts for Commodities/Goods are exempt from the Final Contractor Performance Evaluation.

Final Contractor Performance Evaluations must occur when a contract is complete. A contract is complete when the contractor has finished all of its performance obligations, including submission of its final invoice, and CDPHE has accepted the contractor’s performance and agreed upon the final payment or six (6) months has passed since the contractor submitted its final invoice.

The rating resulting from the final evaluation and any comments the contractor submits will be recorded in CMS. If the contract meets the requirements of C.R.S. §§ 24-102-205, 24-102-206, 24-103.5-101, and 24-105-102, the final evaluation rating and contractor comments will be posted to the public website <http://contractsweb.state.co.us>

For construction contracts valued at \$500,000 or more, refer to the CDPHE Construction Contractor Performance Evaluation Procedure.

Step	Action	Responsible
1 – Upon Contract completion	Consult with other program staff (if applicable) and fiscal staff to review documentation reflecting performance for the final quarter of the contract period <b>AND</b> review all previous quarterly evaluations.	Evaluator
	Complete the general information section above the first yellow heading and the evaluation section below the first yellow heading in the CDPHE customized Final Contractor Performance Evaluation Form <a href="http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html">http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html</a>	Evaluator
1.1	Request supervisor approval of the form	Evaluator
1.2	Approval communicated to Evaluator.	Supervisor of Evaluator
1.3	PDF the form and email it to the contractor using email language provided <a href="http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html">http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html</a> Contractor is given 14 calendar days from the day the email was sent to respond with comments.	Evaluator

<b>2 – Upon receipt of contractor response or end of 14 days</b>	In the Word version of the form, complete the remaining data fields below the second yellow heading. Print the form and complete the signature section at the bottom of the form.	Evaluator
2.1	Provide the Contract Writer with the following information: a. Completed, signed evaluation form b. Contractor comments if any c. Date the form was emailed to the contractor for review	Evaluator
<b>2.2 – No later than 30 calendar days after the completion of the contract</b>	Complete the following data fields in the CMS record: a. Did the Contractor/Vendor submit comments as to the State’s performance under the contract? (Yes/No) b. Final Contractor/Vendor Rating (Standard, Above Standard/Below Standard) c. When was the Final Rating sent to the Contractor/Vendor? (enter date) d. Did the Contractor/Vendor submit responses to its Final Evaluation (Yes/No) e. Contractor/Vendor Comments (Copy and paste any comments submitted by the contractor in the provided text box). If comments exceed size of text box, indicate that a document containing all comments is attached to the record.  **Scan the completed, signed evaluation form and attach to the CMS record	Contract Writer
2.3	If the contractor responds with comments, archive the comments and all documentation relating to the evaluation process. These documents include, but are not limited to supervisor approval, emails, Final Contractor Performance Evaluation Form, etc. These documents can be kept electronically or paper hard copy. Electronic files must be saved to a CDPHE shared drive. Hard copies can be filed in either program or fiscal files.	Evaluator and/or Fiscal Staff
Contractors expressing an interest in the dispute process should be directed to the Contracts Performance Manager		

APPENDIX: H

Colorado Department of Public Health and Environment



**CONSTRUCTION  
CONTRACTOR PERFORMANCE EVALUATION  
PROCEDURE**

Construction contracts with a value of \$500,000 or more must receive a construction specific evaluation in addition to the final performance evaluation upon completion of the contract.

Construction contracts are complete when either the contractor warranty period ends, occurring one (1) year following the date of the Notice of Substantial Completion, or as otherwise provided in the construction contract **OR** public notification requirements are completed under CRS §38-26-107.

The rating resulting from the final evaluation, construction evaluation and any comments the contractor submits will be recorded in the CMS. If the contract meets the requirements of C.R.S. §§ 24-102-205, 24-102-206, 24-103.5-101, and 24-105-102, the construction evaluation rating and contractor comments will be posted to the public website <http://contractsweb.state.co.us>

Step	Action	Responsible
1 – Upon Contract completion	Consult with other program staff (if applicable) and fiscal staff to review documentation reflecting performance for the final quarter of the contract period <b>AND</b> review all previous quarterly evaluations.	Evaluator
1.1	Complete the Final Contractor Performance Evaluation form as instructed in the Final Contractor Performance Evaluation Procedure	Evaluator
1.2	Complete all sections of the Construction Contractor Performance Evaluation Report form and complete the signature section at the bottom of the form <a href="http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html">http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html</a>	Evaluator
1.3	Request supervisor approval of both forms	Evaluator
1.4	Approval communicated to Evaluator	Supervisor
1.5	PDF both forms and email them to the contractor using email language provided <a href="http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html">http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html</a> Contractor is given 14 calendar days to respond with comments.	Evaluator
2 – Upon receipt of contractor comments or at the end of 14 days	In the Word version of the Final Contractor Performance Evaluation form, complete the remaining data fields below the second yellow heading. Print the form and complete the signature section at the bottom of the form.	Evaluator
2.1	Provide the Contract Writer with the following information: <ul style="list-style-type: none"> <li>a. Both forms completed and signed</li> <li>b. Contractor comments if any</li> <li>c. Date the forms were emailed to the contractor for review</li> </ul>	Evaluator

<p><b>3 – No later than 30 calendar days after the completion of the contract</b></p>	<p>Complete the following data fields in the CMS record:</p> <ul style="list-style-type: none"> <li>a. Did the Contractor/Vendor submit comments as to the State's performance under the contract? (Yes/No)</li> <li>b. Final Contractor/Vendor Rating (Standard, Above Standard/Below Standard)</li> <li>c. When was the Final Rating sent to the Contractor/Vendor? (enter date)</li> <li>d. Did the Contractor/Vendor submit responses to its Final Evaluation (Yes/No)</li> <li>e. If the Contract is for Construction, when was an Evaluation Performance Report prepared?</li> <li>f. Did the Contractor/Vendor DISPUTE the Construction Report? (Yes/No)</li> <li>g. Contractor/Vendor Comments (Copy and paste any comments submitted by the contractor in the provided text box). If comments exceed size of text box, indicate that a document containing all comments is attached to the record.</li> </ul> <p>**Scan the completed, signed forms and attach to the CMS record</p>	<p>Contract Writer</p>
<p>3.1</p>	<p>If the contractor responds with comments, archive the comments and all documentation relating to the evaluation process. These documents include, but are not limited to supervisor approval, emails, Construction Contractor Performance Evaluation Form, etc. These documents can be kept electronically or paper hard copy. Electronic files must be saved to a CDPHE shared drive. Hard copies can be filed in either program or fiscal files.</p>	<p>Evaluator and/or Fiscal Staff</p>

Contractors expressing an interest in the dispute process should be directed to the Contracts Performance Manager.

## APPENDIX: I

### CDPHE Contractor Performance Evaluation & Rating Process

#### Email Message – Final & Construction

Communicating evaluation results to Contractor

**Instructions:** When drafting the email, edit the text in red font to customize the information and copy and paste the text into your email. **PDF** the **Final Contractor Performance Evaluation Form**, attach it to the email and send it to the designated individual in the contractor's organization.

If a construction evaluation has been conducted as well, attach the PDF **Construction Contractor Performance Evaluation Report Form** and the **Final Contractor Performance Evaluation Form** and send it to the designated individual in the contractor's organization.

-----  
Hi (Name of Contactor Representative),

The Colorado Department of Public Health and Environment, with the support of the Office of the State Controller, has implemented a policy to conduct contractor performance evaluations as part of Department's routine contract administration activities. All contracts entered into or amended on or after July 1, 2009 will receive an evaluation at the end of the contract period. This evaluation will include the results of evaluations conducted quarterly throughout the contract period and is referred to as the final evaluation.

The final evaluation is designed to provide feedback to you concerning your organization's overall compliance with contract requirements and obligations throughout the contract period. In compliance with C.R.S. §§ 24-102-205, 24-102-206, 24-103.5-101, and 24-105-102, the final evaluation rating will be posted to a public website if the contract is valued at \$100,000 or more and was entered into or amended on or after July 1, 2009. The public website is a searchable database of all State personal services contracts meeting these criteria. If the evaluated contract meets the statutory requirements, the rating is anticipated to be posted to the website 30 calendar days after the contract expires. The following link provides access to the public website <http://contractsweb.state.co.us>

Your organization's performance under contract (enter contract routing number) was evaluated based on documentation maintained in our fiscal and program files. The result of the final evaluation is attached to this email. The evaluation rating for the entire contract period is (choose Standard, Above Standard or Below Standard).

Please review the evaluation and **submit comments or concerns within 14 calendar days from the date this email was sent**. It is not necessary to respond if you are accepting of the evaluation and rating and do not have any comments.

Thank you,  
(Your name and contact information)

## APPENDIX: J

### ACCESSING EVALUATION FORMS

#### Level 3 & 4 Evaluation Worksheets

These forms are available on the CDPHE intranet on the Contract Performance Monitoring web page in MS Word format <http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html> A sample is included in this document.

#### Final Contractor Performance Evaluation Form

The Final Contractor Performance Evaluation Form is available in MS Word format on the Contract Performance Monitoring web page <http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html> Due to formatting, this form is not included in this handbook.

#### Construction Contractor Performance Evaluation Report Form

The Construction Contractor Performance Evaluation Report form is available in MS Word format on the CDPHE intranet on the Contractor Performance Monitoring web page <http://10.1.0.25/ASD/PUR/ContractPerfMonitoring/index.html> Due to formatting, this form is not included in this handbook.

### TECHNICAL ASSISTANCE

For questions, concerns, technical assistance or training, contact Deb Polk, CDPHE Contracts Performance Manager at 303-692-2136 or [deb.polk@state.co.us](mailto:deb.polk@state.co.us)