

Technical Plan, the Mooring Plan is of greatest importance, and the Towing Plan, Maintenance Plan and Environmental Plan are individually of equal importance but of lesser importance to the Mooring Plan. The Curatorial/Museum Plan and Community Support Plan are of equal importance, but of lesser importance than the aforementioned plans.

Evaluation of the application(s) will be performed by the DON to ensure the application(s) are compliant with the minimum acceptable application criteria and requirements. In the event of multiple compliant applications for the same battleship, the DON will perform a comparative evaluation of the applications to determine the best qualified applicant. The adjectival ratings to be used for each criterion include: Outstanding, Good, Satisfactory, Marginal, and Unsatisfactory. The Secretary of the Navy or his designee will make the final donation decision.

Applicants should review NAVSEAINST 4520.1A for additional requirements on the application process. That instruction can be found at the Navy Inactive Ships Program Web site: <http://www.navsea.navy.mil/teamsips/InactiveShips/donation>.

The Letter of Intent and donation application must be submitted to the Navy Inactive Ships Program Office in hard copy and electronically on a CD-ROM in either a MS Word document or word-searchable PDF format. The complete application should be mailed to: The Columbia Group, 1201 M Street, SE., Suite 020, Washington, DC 20003; marked for the Ship Donation Project Manager within six months of this notice. As stated above, the DON reserves the right to provide a reasonable extension for receipt of applications, or to reject a request for extension and to proceed with other applications received within the 6-month deadline. The DON also reserves the right to re-open the solicitation process at any point prior to donation of the vessel if doing so is in the DON's best interest.

FOR FURTHER INFORMATION CONTACT: Ship Donation Project Manager: Ms. Angela Rexrode; telephone number 202-781-4847 or e-mail at angela.rexrode@navy.mil.

Dated: May 13, 2010.

A.M. Vallandigham,

Lieutenant Commander, Judge Advocate General's Corps, U.S. Navy, Federal Register Liaison Officer.

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DEPARTMENT OF DEFENSE

Department of the Navy

Preferred Supplier Program (PSP)

AGENCY: Department of the Navy, DoD.

ACTION: Notice of proposed policy letter.

SUMMARY: The Deputy Assistant Secretary of the Navy, Acquisition and Logistics Management (DASN (A&LM)), is soliciting comments that the Department of the Navy (DON) may use in drafting a policy that will establish a Preferred Supplier Program (PSP). Under the PSP, contractors that have demonstrated exemplary performance, at the corporate level; in the areas of cost, schedule, performance, quality, and business relations would be granted Preferred Supplier Status (PSS). Contractors that achieved PSS would receive more favorable contract terms and conditions in DON contracts. Upon approval of the policy by the Assistant Secretary of the Navy for Research, Development and Acquisition, DON will initiate the pilot phase of the PSP.

DATES: DON invites interested parties from both the public and private sectors to provide comments to be considered in the formulation of the final policy letter. In particular, DON encourages respondents to offer their views as discussed below, in Section D, "Solicitation of Public Comment."

Interested parties should submit comments, in writing, to the address below, on or before July 23, 2010.

ADDRESSES: Comments may be submitted by any of the following methods:

E-mail: preferredsupplier@navy.mil.

Facsimile: 703-614-9394.

Mail: DASN (A&LM), Attn: Clarence Belton, 1000 Navy Pentagon, Room BF992, Washington, DC 20350-1000.

Instructions: Please submit comments only and cite "Proposed DON PSP Policy Letter" in all correspondence. All comments received will be posted, without change or redaction, to https://acquisition.navy.mil/rda/home/acquisition_one_source/business_opportunities/preferred_supplier, so commenters should not include information that they do not wish to be posted (for example, personal or business-confidential).

FOR FURTHER INFORMATION CONTACT: Clarence Belton, 703-693-4006 or clarence.belton@navy.mil.

SUPPLEMENTARY INFORMATION:

A. Background

Companies in the private sector that have implemented PSPs have

significantly improved performance. Cash flow, profit, and contract terms and conditions that reduce contractor costs and risk are powerful incentives that can be used to motivate contractors to perform at a high level. DON and its contractors negotiate these key components of the business arrangement contract by contract. As a result of this decentralized and individual approach, DON loses an extremely important opportunity. This policy would establish the PSP to recover that opportunity through the use of favorable contract terms and conditions that would be available to Preferred Suppliers (*i.e.*, suppliers that have demonstrated exemplary performance, at the corporate level, in the areas of cost, schedule, performance, quality, and business relations).

The proposed policy is now in the conceptual stage. After consideration of the comments, DON may publish a draft proposed policy letter for additional public comments.

B. Proposed Policy Letter Concepts

The general outline of the pilot phase of the PSP, to be established under the proposed policy letter, is set forth below.

DASN (A&LM) shall be responsible for the assessment of contractors under the PSP. DASN (A&LM) will confer PSS at the corporate level, and will not rate individual affiliates or subdivisions of corporations.

DASN (A&LM) shall use the Contractor Performance Assessment Reporting System (CPARS) as the baseline data during the pilot phase of the PSP. In the course of the pilot phase, DON also will identify other sources of data, including information available to Navy program offices and government contract administration organizations that the Department may use to supplement CPARS data in implementing the PSP. The factors that DASN (A&LM) will use to assess contractors during the pilot phase include, at a minimum, the following CPARS areas:

Technical (Quality of Product);
Schedule;
Cost Control;
Management Responsiveness;
Management of Key Personnel;
Utilization of Small Business;
Other CPARS Factors As Appropriate.

DASN (A&LM) shall assess Energy Efficiency for all contractors as an "excellence factor," in addition to the areas above.

During the pilot phase of the PSP, DON will use a 5-star system based upon the 5-color ratings used in CPARS, as follows:

CPARS	PSP
Red	0
Yellow	1
Green	2
Purple	3
Dark Blue	4

DON will use the CPARS conversion table above, based upon CPARS data, and, as appropriate, other sources of information and weighting factors. Contractors must achieve at least a 3-Star rating to be designated as a Preferred Supplier.

If a contractor provides documentation sufficient to establish that it has an Energy Efficiency Program, it will receive an additional star, up to a maximum rating of 5 Stars. A 5-Star rating can only be achieved if the contractor maintains an active Energy Efficiency Program, and otherwise has received a 4-Star rating. Failure to demonstrate an active Energy Efficiency Program will not diminish the contractor's PSP rating.

During each fiscal year, DASN (A&LM) shall reassess and rate the top 25 DON contractors. The top 25 DON contractors will be determined by the value of contract awards for the most recent fiscal year. Other contractors may apply to join the PSP. DASN (A&LM) shall evaluate all applicants currently eligible for assessment in CPARS using the same process as it does to evaluate the top 25 contractors. DASN (A&LM) will establish a 30-day application period that will begin no later than January 1, annually.

In negotiating contracts with Preferred Suppliers, DON contracting officers will be authorized to offer some or all of the following more favorable contract terms and conditions:

- More favorable progress payments.
- Recognition of PSS in the development of profit or fee based upon weighted guidelines.
- Tailored contract reporting requirements.
- Special award fee pools.

PSS shall not be used as a factor or sub-factor in any source selection. However, where the contracting officer has a reasonable belief that a Preferred Supplier may submit a bid or proposal, the solicitation shall contain terms and conditions that will be applicable, after award, only if the successful offeror is a Preferred Supplier.

These special terms and conditions, applicable to contracts with Preferred Suppliers, shall be consistent with the limitations specified in regulations promulgated pursuant to the Federal Acquisition Regulatory System.

C. Solicitation of Public Comment

DON invites interested parties from both the public and private sectors to provide comments for consideration in the formulation of a policy letter establishing the PSP. In particular, DON seeks to better understand how to incentivize contractors, at the corporate level, to achieve sustained superior performance in the areas of cost, schedule, performance, quality, and business relations. Accordingly, DON welcomes feedback regarding the following questions.

1. What clauses are currently being used in government subcontracts, and commercial contracts and subcontracts, to incentivize superior performance, at the corporate level, in the areas of cost, schedule, performance, quality, and business relations?

2. What solicitation provisions, contract clauses, and performance incentives will provide contractors with the greatest motivation to achieve PSS?

3. Energy Efficiency is a critical DON requirement significantly impacting the successful achievement of DON's missions. How should a contractor's use of energy, as it relates to the entire life-cycle of a product—design, manufacture, use, maintenance, and disposal—be considered in the designation of Preferred Suppliers?

4. Is there any other aspect of the proposed PSP on which you wish to comment?

Dated: May 14, 2010.

A. M. Vallandingham,
Lieutenant Commander, Office of the Judge
Advocate General, U.S. Navy, Federal
Register Liaison Officer.

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DEPARTMENT OF EDUCATION

Office of Innovation and Improvement; Overview Information; Charter Schools Program (CSP) Grants for Replication and Expansion of High-Quality Charter Schools; Notice Inviting Applications for New Awards for Fiscal Year (FY) 2010

*Catalog of Federal Domestic
Assistance (CFDA) Number: 84.282M.*

Dates:

Applications Available: May 24, 2010.

Date of Pre-Application Meeting: June 8, 2010.

*Deadline for Transmittal of
Applications:* July 7, 2010.

*Deadline for Intergovernmental
Review:* September 7, 2010.

Full Text of Announcement

I. Funding Opportunity Description

Purpose of Program: The purpose of the CSP is to increase national understanding of the charter school model and to expand the number of high-quality charter schools available to students across the Nation by providing financial assistance for the planning, program design, initial implementation, or expansion of charter schools, and to evaluate the effects of charter schools, including their effects on students, student academic achievement, staff, and parents.

The purpose of this competition (CFDA 84.282M) is to award grants to eligible applicants to enable them to replicate or expand high-quality charter schools with demonstrated records of success, including success in increasing student academic achievement. Eligible applicants may use their CSP funds to expand the enrollment of one or more existing charter schools by substantially increasing the number of available seats per school, or to open one or more new charter schools that are based on the charter school model for which the eligible applicant has presented evidence of success.

Priorities: This competition includes one absolute priority, three competitive preference priorities, and one invitational priority. We are establishing these priorities for the FY 2010 grant competition and any subsequent year in which we make awards from the list of unfunded applicants from this competition, in accordance with section 437(d)(1) of the General Education Provisions Act (GEPA), 20 U.S.C. 1232(d)(1).

Absolute Priority: This priority is an absolute priority. Under 34 CFR 75.105(c)(3) we consider only applications that meet this priority.

This priority is:

*Experience Operating or Managing
High-Quality Charter Schools*

The applicant must have experience operating or managing more than one high-quality charter school. For purposes of this priority, a *high-quality charter school* is a school that shows evidence of strong academic results, based on the criteria described in Selection Criterion (a), and has no significant issues in the areas of student safety, financial management, or statutory or regulatory compliance. For purposes of this competition, *significant issue* means something that did, will, or could lead to the revocation of a school's charter.

Competitive Preference Priorities: These priorities are competitive