37.602 Performance work statement.

(a) A *Performance work statement (PWS*) *may* be prepared by the Government or result from a *Statement of objectives (SOO*) prepared by the Government where the *offeror* proposes the PWS.

(b) Agencies *shall*, to the maximum extent practicable-

(1) Describe the work in terms of the required results rather than either "how" the work is to be accomplished or the number of hours to be provided (see 11.002(a)(2) and 11.101);

(2) Enable assessment of work performance against measurable performance standards;

(3) Rely on the use of measurable performance standards and financial incentives in a competitive environment to encourage competitors to develop and institute innovative and cost-effective methods of performing the work.

(c) *Offerors* use the SOO to develop the PWS; however, the SOO does not become part of the contract. The SOO *shall*, at a minimum, include-

(1) Purpose;

(2) Scope or mission;

(3) Period and place of performance;

(4) Background;

(5) Performance objectives, *i.e.,* required results; and

(6) Any operating constraints.

Parent topic: Subpart 37.6 - Performance-Based Acquisition