



August 7, 2012

Ms. Manzi:

GSA informs IBM of this issuance of a Notice of Concern relating to IBM's performance under GS-00I-10-AA-C-0046. IBM has not delivered a stable and fully functioning initial operating capability (IOC) for SAM Phase 1.

The overall performance issues and functionality defects that materialized with the initial release of SAM Phase 1 on July 29, 2012 have prevented a majority of users from performing a variety of award management processes with SAM Phase 1. The performance issues and defects continue to impact end to end award management processes within the system, forcing users to rely on emergency system workarounds. The Government recognizes the actions that IBM has taken on its own accord to resolve these issues and defects.

In order to ensure that the issues and defects are fully and completely resolved in accordance with contract modification PS13 continuation citation #4; the Government requires a full accounting of the issues and defects along with identification of root cause and fixes both permanent and temporary. Temporary fixes that change system functionality to stabilize the system will need to be further addressed to return the required functionality to a working state.

GSA instructs IBM to provide a list of all issues and defects in SAM from go-live to date with a current status of the issue and defect. Further, IBM is instructed to respond with a Corrective Action Plan (CAP) no later than close of business, August 13, 2012. The plan will need to be updated weekly until such time that all SAM phase 1 post go live issues and defects have been fully and completely resolved. The CAP shall also identify the additional resources that IBM has allocated to this project.

IBM is reminded that any changes to the terms and conditions of the aforementioned IBM contract, especially related to the price, are only with the express authority of a contracting officer from this office.

Sincerely,

A handwritten signature in cursive script that reads "Gene Lee".

Gene Lee
Team Lead Contracting Officer
Team B Administrative Services
Office of Administrative Services
US General Services Administration