Karta Technologies, Inc.

TSA II

Subcontract Management

Plan

Karta has assembled an excellent group of subcontractors who bring with them many years of experience, and many specialty facilities, related to TSA II. This will ensure that all TSA II elements are met in an effective manner.

Subcontractors will be required to follow all of Karta's program management procedures, which will minimize program risk to the government and will ensure the delivery of quality technical products.

Karta has proven experience managing subcontractors under commercial and government projects so significant subcontractor management problems are not anticipated.

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Subcontract Administration

Karta has an excellent record of subcontractor management. Its senior management personnel have many years of military and civilian experience managing DoD contracts involving significant subcontractor efforts. Karta has a long track record of quality performance, a successful history of long term relationships with excellent subcontractors, and a solid business reputation, all linked to create an atmosphere of integrity and trust among the team. This experience will ensure effective subcontract management. Having been a prime contractor many times with large and small subcontractors, Karta is also knowledgeable of the needs of a prime as well. This working experience superbly positions Karta for the team management required on the TSA II ID/IQ contract.

Subcontract Management Experience

Karta has been consistently successful in meeting customer requirements with a best-qualified team approach. Figure 1 depicts representative contract and subcontractor management experience.

KARTA SUBCONTRACT MANAGEMENT EXPERIENCE			
PROGRAM TITLE	TYPE CONTRACT	VALUE	SUBCONTRACTORS
Mission Support Contract SA-ALC	IDIQ: T&M, CPFF, CPAF, FFP	$59M	Fairchild, Southwest Research, Staffing Solutions, 5 Others
Technology Task Order Engineering Services OC-ALC	IDIQ: T&M, CPFF, CPAF, FFP	$64M	ARINC, Comarco, KBSI, Southwest Research
Design Engineering Support Program OO-ALC	IDIQ: T&M, CPFF, CPAF, FFP	$26M	OnBoard Software Logistic Specialties
Combined Mission Support 311th HSW	IDIQ: T&M, CPFF, CPAF, FFP	$100M	Anteon, ARINC, General Dynamics, SenCom, Sumaria, TRW, 8 Others

Figure 1 Subcontractor Teams.

Karta has a strong track record in building teams. This figure shows four recent competitive contracts won by Karta led teams.

Subcontractor Selection Criteria

Karta's success in working with subcontractors is a direct result of its stringent criteria for subcontractor selection. Karta selects subcontractors based on their excellent record of technical, cost, and schedule performance. In addition, Karta carefully ensures that its team can supply the skills needed by the customer, and has the depth and breadth of capability to support all SOW elements and any expansion thereof. As a small business, Karta will bring most value to the government by supplementing this contract award and execution by linking with quality subcontractors. In considering which subcontractors to choose, Karta used the following criteria in selecting its subcontractors:

- ❑ Their composite ability to perform all required SOW elements
- ❑ The depth and breadth of their technical personnel and facilities
- ❑ Their past experience with USAF, other DoD, and FMS contracts
- ❑ Their knowledge of USAF, DoD, and FMS operations and programs
- ❑ Their familiarity with key USAF, and other DoD and FMS technical and administrative personnel
- ❑ Their ability to respond quickly to USAF, DoD and FMS needs through existing offices
- ❑ Their ability to complement the technical capabilities of other subcontractors during surge conditions

Karta has selected five core subcontractors for the TSA II program—ARINC, Boeing, Science Applications International Corporation (SAIC), Manufacturing Engineering Systems (MES), and Virtual Simulation and Training (VSAT). In addition, second tier Karta Team subcontractors include Evans and Sutherland, OnBoard Software, Inc., ProActive Technologies LLC, and Select Engineering Services. These firms bring with them an impressive USAF, DoD, and FMS contracting record and strong, cross-disciplinary capabilities in the required TSA II technical areas.

Process for Coordinating with, Integrating and Controlling Subcontractors

In accordance with Karta's management principles, Karta has developed common standards for team performance. Karta operates with its team members on the basis of fully defined and negotiated subcontracts, where the Government's and Karta's terms and conditions are fully communicated to the subcontractors. Overall management processes, procedures, and controls are identified for developing and executing TOs to integrate team members and guarantee consistent, superior performance.

For management purposes, Karta will establish a Karta-led program level IPT, as described in the response to question 114, composed of core subcontractor program managers. It is within this group that

subcontractor work allocations are made to insure the most capable support is supplied to TSA II contracts. In clarifying subcontractor management roles at the program level, Karta ensures that each task assignment is defined and detailed in written form. Specific responsibilities are defined for each task. Performance, cost, and schedule requirements and controls are identified, and all deliverables are enumerated and scheduled for delivery to meet task order (TO) execution requirements. Management status reviews and in-progress reviews are scheduled to confirm the proper progress is being made to achieve the identified requirements and that any problems are identified. Corrective action processes are defined to ensure progress meets baseline. Finally, deliverable review procedures are in place to ensure the highest quality products from the Team. Of course, the Government is invited to participate in IPTs.

At the TO team level of subcontractor management, the Karta Program Manager, in conjunction with the team members, assess both company and individual capabilities in filling TOs. Karta determines the TOs team quality requirements and develops quality assurance, cost, and schedule requirements for the overall program. These requirements are fully coordinated with Karta subcontractors to ensure all the "t's are crossed and i's are dotted" before TO assignments. The Karta Program Manager also establishes the program and performance evaluation criteria.

In controlling subcontractor activities, Karta will establish operating processes and procedures to promote smooth execution of TOs. Karta TO teams operate through an integrated TO team approach and integrated team procedures are established so that all Karta and subcontractor team members operate cooperatively to enhance effectiveness. TO team subcontractor oversight includes review of all deliverables to insure high quality standards are maintained.

Lines of Communication and Authority

Karta Technologies will act as Prime Contractor for TSA II and will manage all contract activities, whether performed in-house or by a subcontractor. Karta will act as the primary interface to the Government Program Manager and Contracting Officer. It will have full accountability and responsibility for TSA II and will flow-down the appropriate contract requirements to any subcontractors who perform task order work.

The first project planning step is to identify the needed project resources and identify their responsibilities and reporting authorities. All TSA II TOs will be managed using the management structure shown in the following. Project Managers, supporting technical personnel, and subcontractors will be selected

on a project-by-project basis based on the best match between their qualifications and TO requirements. Karta's matrix management system allows project personnel to be selected from across the functional organization according to need.

Program Manager. The Karta TSA II Program Manager, Dr. John Wolcott, will answer directly to Karta's senior management and will report directly to the Karta's President and CEO, Dr. G.P. Singh. The Program Manager will have overall responsibility for all TOs issued under this contract. The Program Manager will identify and assign TOs to Project Managers and subcontractors, will supervise their performance, and will resolve resource or other conflicts that are outside of their influence. The Program Manager will also act as the primary point of contract for all program level matters.

Subcontractors. Subcontractors will be selected based on their capability to perform the TO requirements. They will report directly to the TSA II Program Manager, at Karta, for all matters relating to TO performance.

Project Manager. Project Managers will be responsible for all technical, cost, scheduling and activities of assigned delivery orders. They will supervise all project personnel and will act as the primary point of contact for all project level matters.

Project Controller. For some large projects, it may be necessary to designate a Project Controller to assist the Project Manager in detailed project planning, costing, scheduling, controlling, reporting and performance evaluation so that the project's technical objectives are achieved within cost and schedule limits. The Project Controller will assist the Project Manager in achieving clear visibility of all tasks so that they can be progressively measured and evaluated in sufficient time for any corrective actions taken.

Task Managers. Task Managers will be directly responsible to the Project Manager for all cost, schedule and technical aspects relating to specific tasks within a TO. They will supervise other personnel needed to achieve task goals and will act as a focal point in communications between the Project Manager and task personnel. For small projects, the Project Manager may act as a Task Manager(s).

During task execution, Karta subcontractor management occurs at multiple levels. At the program level, the Karta Program Manager defines the subcontract and develops detailed taskings among the team members. The Karta Program Manager works with the government contracting officers to clarify contract requirements, develop and modify team operating policies and procedures to meet program needs, and define and clarify TO requirements with program managers to make sure that requirements are known and successfully met. Karta's

subcontract management interfaces at the integrated management team level include task proposal generation among Karta team members. In coordination with team members, the Karta Program Manager identifies TO team leaders and makes TO team assignments on a best-qualified basis. In managing the subcontractors, the Karta Program Manager conducts reviews of the overall program as well as individual TO performance. In managing the subcontractor activities at the TO level, the Karta TO team leader establishes the standard operating procedures for the task team. The Karta Program Manager works with the program office TO manager to fully understand the detailed requirements of the TO. Once defined, the TO team leader establishes the detailed technical requirements, determines labor hours for individual efforts, and manages the TO team resources. The team leader works with subcontractor team members to develop management reports and accomplish performance evaluations. The TO team leader ensures that all deliverables are made and that they are of the highest quality. In conjunction with subcontractor team members, the TO leader also accomplishes in-process task reviews to assess status compared to the baseline to meet performance needs.

Problem Resolution

The Karta Team will have a proven Risk Management System as described in question 115 and all Karta Team members have ISO-9001 compliant quality systems or an equivalent in place. As part of these quality systems, each Team member has a variance control process. The variance control process will identify potential problems before they occur and actions to be taken to prevent them; and, where they could not be avoided, actual problems that have occurred and actions that have been taken or actions proposed. Variance reports will include a description of the actions needed to return the project to the baseline plan, deadlines for action, persons responsible for action items, and any adverse impact on cost, schedule or delivery. The variance control process is detailed in Figure 401-1b

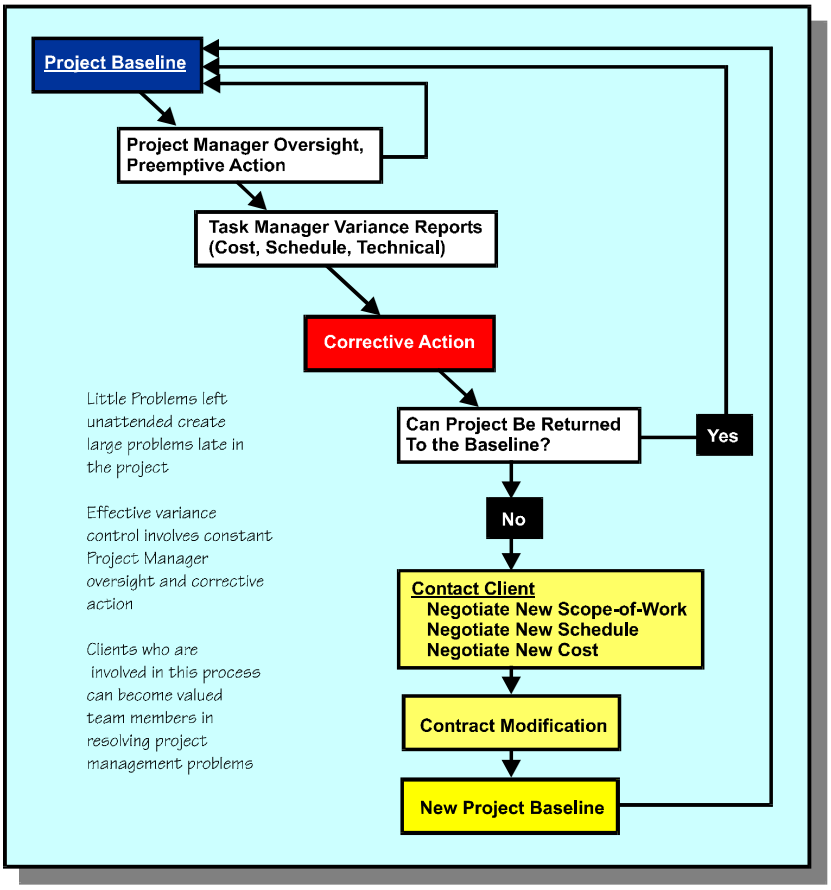

Figure 1b—The Variance Control Process.

Karta's quality system uses formal variance control procedures to constantly monitor and control the project baseline. Variances are resolved as they occur or negotiated with the client before proceeding.

In addition, the Karta Team will have a three-tiered IPT system as described in question 114 and have scheduled management status reviews and in-progress reviews. Part of the purpose of these venues is to review cost, schedule, technical, resource, and customer satisfaction performance and any shortfalls and necessary actions. Included among the items to be considered are quality of deliverables, timeliness, requirements, cost, performance shortfalls and others.

The Project Manager will act to control current or anticipated variances to TO baseline plans through constant oversight of all TO activities. Karta Team members at all levels will be responsible for identifying and reporting current or potential problems that may affect the TO performance.

For resource conflicts, effective critical-path scheduling will help. Where resources are limited, it will indicate where resources being used for non-critical tasks should be assigned to critical tasks. If this is not sufficient to meet all delivery schedules, Karta will pro-actively work with all project(s) stakeholders to minimize all adverse impacts. Figure 2 illustrates our approach.

Resolution Priority	Resolution Level	Resource Availability	Outcome
1	Project	Resources are available through proper team assignment or securing of outside resources	All projects have top priority; all tasks are performed as soon as possible
2	Project	Resources are limited but adequate if properly moved from non-critical tasks on one project to critical tasks on another	All projects have top priority; all projects finish on time but some non-critical tasks may be performed 'As-Late-As-Possible (ALAP)' rather then 'As-Soon-As-
3	Client(s)	Resources are not adequate for all current projects—some schedules will slip	Karta to work with all stakeholders to prioritize the projects to minimize overall adverse impacts to all.

Figure 2 Resource Resolution Scenarios.

The TSA II Program Manager will make every effort to place delivery orders where resources are adequate for their performance. Where resources are limited, project schedules can often be met through effective project management. In cases where resource limitations might cause schedule delays, Karta will work with all project stakeholders to minimize adverse impacts to all.

Problems are prevented by intelligent communications and the Karta Team has intelligent people. However, if a Team member does not perform to the level required, they can be removed from the task and, because the Karta Team is substantial, that portion of the task will be performed by another Team member. In the event the skills required are not resident among other members of the Team, another provider would be identified.

Make/Buy Decisions

Karta's basic approach to make/buy decisions is to seek the best value. We assess our capabilities and the capabilities of Karta Team members and use the IPT process to determine if we can fulfill the need internally or whether we need to identify outside sources from which to seek a bid. The decision making process typically follows the following steps:

- Existing products, tools, and subsystems developed by Karta Team members as well as COTS products are first assessed to see if they meet the task requirement. Typically, these types of

products offer the greatest value by virtue of low developmental cost and application experience. Boeing's Big Tac™ and SAIC's RADSIM™ are examples of this category.

- If an existing product, tool, or subsystem required to meet a task requirement is not available by a Karta Team member or as a COTS product, an assessment will be made whether one of the Karta Team members is uniquely capable and qualified to provide a best value solution. If this is the case, then a make decision will likely be made.
- If the assessment reveals that a Karta Team member is neither uniquely capable nor qualified, then potential sources will be identified and a buy decision made following a competitive process.

The SEIT will play an active role in accomplishing the make/buy decision process. Our overarching approach is to deliver best value in all cases.

Subcontractors and Specialties

The Karta team's outstanding technical support and service capabilities cover the Training Systems Product Group Mission Capability areas with at least one and in many cases, multiple contractors who have many years of related experience.

Karta Team Capabilities

Karta's Team for TSA-II brings a wealth of critical experience to the program. Collectively, they have many thousands of personnel and many years of corporate experience in TSA-II related disciplines. They were selected based on a stringent set of criteria that will ensure the program's success. The capability of core team members is shown in Figure 3.

KARTA TEAM Mission Capability Vol. II AREA EXPERIENCE in Years	**Karta**	**ARINC**	**Boeing**	**MES**	**SAIC**	**VSAT**
Subfactor 1.1 Systems Engineering and Applied Management	14	20	25[1]	5	30	1
Subfactor 1.2 Contractor Logistics Support	7	10	25[1]	2	20	--
Subfactor 1.3 Hardware/Software Development and Integration	14	15	25[1]	5	25	--
Subfactor 1.4 Subcontract Management	7	25	25[1]	5	30	--

1. Boeing experience is based on the existence of the separate Training Systems group and does not reflect the overall company history and experience in the identified factors

Figure 3 Team Experience.

The Karta Team will leverage this wealth of world class experience. Where Team members have unique qualifications, the Team will acknowledge those qualifications. For example, Boeing is in a unique position since it is currently executing the T-1A contract. Should the Karta Team win that TO, Boeing would be the primary subcontractor and perform a significant portion of the Karta Team T-1A effort. In other cases the Karta Team member will use the IPT process to determine what portion of any given TO. In all cases the Karta Team goal will be to provide the "best value" to the Government.

A summary of the qualifications of members of the Karta Team follows.

Karta

Karta Technologies, Inc. is a certified small 8a business. Karta was founded in 1986 with headquarters located in San Antonio, Texas. Karta also has several sites throughout the country and has an office on or near many Air Force installations. Originally designed as an engineering and information technology company, the firm has branched out into high technology training solutions. Karta's experienced and highly educated workforce, over 1/3 of which hold one or more post graduate degrees, has enjoyed steady growth indicating solid performance and high customer satisfaction.

Karta Technologies, Inc has an exceptionally strong and established infrastructure manned with highly qualified people who know how to manage business services on Air Force installations. This includes Karta's legal office, human resources and financial divisions and an approved accounting department.

Karta Technologies, Inc. is a stable, successful company that has consistently operated on a profitable basis. Operating revenues for the coming year are expected to exceed the $20,000,000 level.

Core Team Members

ARINC

ARINC develops and operates communications and information processing systems for the aviation and travel industries, and provides systems engineering and integration solutions to the government and industry. Founded in 1929 to provide reliable and efficient radio communications for the airlines, ARINC is now a $450 million company headquartered in Annapolis, Maryland with more than 3,000 employees worldwide. ARINC is an established Total Systems Integrator providing end-to-end services for communications, navigation, flight control, display, identification, information, and test systems.

ARINC's System Engineering process formulates a system definition which is stated in terms of performance, interfaces to other systems, physical characteristics, system quality factors such as reliability, maintainability, and availability, growth potential, documentation, logistics, training, and personnel. The systems engineering process also identifies the qualification tests which are necessary to verify and validate the system capabilities.

ARINC's approach to hardware/software development is to complete, test, and document the detailed designs for each configuration item. The designs will be validated through analyses, modeling, and testing to demonstrate meeting the performance requirements of the system. ARINC will then integrate and test the hardware and software according to the specifications. .

ARINC manages its subcontractors and subcontractor assets, where applicable, in accordance with the company's procedures. The procedures cover the activities in which a particular program may use a subcontractor. The procedures include competitive selection, management, and monitoring of subcontractors for effective overall performance of a program.

Boeing

Military Aerospace Support, part of the Military Aircraft & Missile Systems Group of The Boeing Company is focused on developing and delivering innovative products and services to reduce life-cycle costs and increase the effectiveness of aircraft and missile systems fielded around the globe. Within Military Aerospace Support, Training Services provides the full range of military training systems and services for domestic and international customers. Fixed-wing and rotorcraft training products include complete integrated systems, such as the Air Force T-1A Tanker/Transport Training System (TTTS) and the C-17 Aircrew Training System (ATS).

Boeing utilizes a *systems engineering and applied management* approach to all programs based on an institutionalized, ISO-9001 certified process across all of Boeing business units. We are a leader in the *development and* production of aircrew and maintenance training devices, including the *integration* of high-fidelity cockpits, visual systems, instructor operating stations and software that bring the highest levels of realism to prepare the operators and maintainers of tomorrow. A leader in Distributed Mission Training, Boeing is applying local and distance networking of devices with Distributed Interactive Simulation and High-Level Architecture that allow aircrews to train together from their home bases in various parts of the country or

around the world. Award-winning instructional systems include computer-based training and innovative courseware.

Boeing also puts skilled people behind the training by providing complete *contractor logistics support* including classroom and simulator instructors, logistics services and maintenance support. In fact, Boeing has more than 1,000 instructors, courseware developers and training support specialists deployed at customer locations across the United States and in Europe to provide aircrew training for more than 70 percent of front-line Air Force combat and combat support aircraft, as well as a significant portion of the services tanker, transport and training aircraft. That extensive training extends to all U.S. Military Services and to many others around the world.

MES

MES is an award winning, international professional and technical services and state-of-the-art products firm specializing in advanced technology, training, facilities management, and information technology. The firm was incorporated in the State of Delaware in 1993. MES is headquartered in suburban Maryland and maintains project/marketing offices in Florida, Texas, and Yokosuka, Japan. MES has assembled an exceptional team of experienced and dedicated professionals recognized in their respective fields for professionalism and management excellence. Their depth of project experience covers both government and private industry.

Systems Engineering and Applied Management - MES' project organization structure, management methods and cost-monitoring system have been designed to facilitate multiple tasks with minimum maintenance and cost. Key elements of the management approach are a responsive project organization integrated with experienced technical staff with strong task management skills, and a cost-accounting system designed to ensure positive task management control.

Contractor Logistics Support – MES is currently providing Contractor Operation and Maintenance Services at NAS Corpus Christi on the TC-12B simulators and at Lackland AFB on the Frasca 242 Flight Training Device and Personal Computer Aviation Training Devices (PCATDS). MES has been able to maintain 99% availability at both sites due to an organizational philosophy that streamlines lines of communication between the sites and Corporate Headquarters, vests each Site Manager with the autonomy to address and satisfy unique site goals, and a corporate commitment to quality performance.

Hardware/Software Development and Integration – MES manages Hardware/Software Development and Integration using an event-driven Integrated Master Plan (IMP) which logically flows down requirements and defined tasks from system requirements. Based on the SOW tasks, and the baseline technical approach, the IMP determines the tasking required to produce the end-item and defines the program events/milestones required to accomplish program requirements.

Subcontract Management - MES is thoroughly experienced in subcontract management, and has successfully managed subcontractors, from large to small businesses, on several contracts. Success in this arena is related to use of Integrated Project Teams that include subcontractor stakeholders.

SAIC

SAIC is the largest employee-owned research and engineering company in the United States. Based in San Diego, SAIC offers a broad range of expertise in the areas of information technology, systems integration, national security, transportation, telecommunications, health systems and services, energy, and environmental systems and engineering. SAIC employees work to solve complex technical problems of significance to Department of Defense (DoD) customers in a variety of market areas including modeling and simulation, training systems, and simulation technology. With estimated annual revenues of $5.5 billion, the company and its subsidiaries have 41,196 employees at offices in more than 150 cities worldwide.

SAIC's Common Approach to Systems Engineering (CATSE) is fundamental to a wide variety of successful live, constructive, and virtual simulation efforts within the corporation. This approach to system engineering is based on a comprehensive set of tailorable systems engineering processes and management activities spanning the full system lifecycle. Key elements of the CATSE are requirements management, risk management, change management, and test.

SAIC is introducing advanced technologies and best commercial practices to improve logistics operations for the Army, Navy, Air Force, and Defense Logistics Agency. A major focus of SAIC's current Air Force logistics efforts is increased reliability and lower costs through technology refreshment. SAIC's support of the DoD also includes the application of commercial supply chain management practices to the depot maintenance process at the Air Force Logistic Centers.

Training system development depends on high-quality software integrated within a total system capability in order to meet the stringent fidelity and reliability requirements. SAIC organizations in nine locations, including their Dayton, Ohio office, have been assessed as operating at SEI Level 3. SAIC designs,

develops, and integrates software in a wide range of programming languages for real time, embedded applications as well as other engineering and technical applications.

SAIC has extensive experience in subcontracting and subcontract management. We have the policies and procedures as well as Management Control systems in place to successfully flow down contractual requirements and effectively manage subcontractors to execute an indefinite delivery/indefinite quantity (ID/IQ) TO contract.

VSAT

VSAT was founded in January 2000. As a very new company, VSAT does not have a record of past performance as a company to highlight to the Government. VSAT does, however, have strong qualification based upon its key personnel. VSAT is a group of independent engineering and operational experts representing various disciplines in the field of simulators and aircrew training systems. VSAT performs Training System Requirements Analysis which includes developing task lists, conducting task analysis, analyzing and allocating media, developing training objectives and analyzing training management requirements. They also perform Simulator Evaluation which includes objective test and operational evaluation at both the system and the subsystem level. Subsystem evaluations include both technical criteria and human performance. VSAT performs Technology Assessment including operational effectiveness, technical performance, risk, and life cycle cost. VSAT does Technology Roadmapping to help organizations focus their activities and allocate their resources. There are many types of roadmaps in a variety of formats, but they all show the time-based interrelationship of programs and program products toward defined goals. VSAT also does Acquisition Support which includes development of acquisition requirements, documents, specifications and proposals. Despite not having a track record of performance as a company, the key personnel have very successfully performed these functions for other companies on Air Force contracts.

Second Tier Team Members

Evans and Sutherland

Evans & Sutherland provides total visual systems, including a full range of image generators, display systems, projectors, sensors, and databases, tailored to meet the demanding training requirements of military and commercial aviation, ground warfare, and maritime operations. E&S has provided computer generated visual systems for many USAF training systems, including F-16, F-15, C-141, C-5, KC-135, RC-135, KC-10, C-17, E-3, E-8, T-1A, T-37, and T-38.

OnBoard Software Inc.

OnBoard Software, Inc. is a systems and software engineering firm specializing in embedded avionics systems development and maintenance, as well as management information systems, jet engine testing, and the internet.

ProActive Technologies LLC

ProActive Technologies LLC has technical and management experience in the simulation/training industry, obtained in government, military, and private industry environments. They perform a variety of functions including identifying system performance requirements, allocating hardware/software components, quantifying test and evaluation methods/criteria (Test Readiness Reviews), performing incremental design reviews (Preliminary Design Review, Critical Design Review, Technical Interchange Meetings), and building and delivering the product.

Select Engineering Services

Select Engineering Services is a small business comprised of individuals highly regarded as engineers and program managers in support of OO-ALC's Design Engineering Program (DEP) and Design Engineering and Support Program (DESP). Specific training systems experience has included Upgrade of Crew Training Emulator (CTE) software and hardware systems in support of OO-ALC/YW, where SES served as a subcontractor to Sverdrup Technology.

Signed Agreements for Work on TSA II Task Orders

Karta has signed teaming and non-disclosure agreements with each core and second tier subcontractor. These agreements do not dedicate work in any particular technical or support area to specific Karta Team members or allocate percentages of overall tasks. Rather, each TO will be worked to provide the best value to the government. For example, several Karta Team members could perform significant portions or all of the T-1A task. However, the Karta Team is proposing that Boeing perform a large portion of that task to provide the best value to the government.

Quality Assurance

All of Karta's subcontractors have documented quality systems, which will ensure compliance to all important business and technical quality processes. In addition, they will be required to follow all of Karta's stringent project level quality planning and management processes.

Karta's core Team members for TSA II—ARINC, Boeing, MES, SAIC, and VSAT—have ISO-9001 compliant quality systems or an equivalent in place. Each company will be required to comply with all relevant ISO-9001 procedures. In addition, all Team members will be required to follow all project management planning, documenting, monitoring and control procedures. This will result in a detailed Project Plan for each delivery order that will include a project-specific quality plan. This plan will be submitted to Karta for review and approval before commencing work. The Karta TSA II Program Manager will also review the subcontractor's compliance to the plan on a regular basis, including any required changes as the project progresses.

Subcontractor costs and work efforts will be monitored and controlled in the same manner as for in-house delivery orders. All subcontractors will be responsible to the Karta TSA II Program Manager for performance of delivery orders assigned to them. They will be required to develop an approved project plan before starting work and they will submit regular cost-schedule-technical status reports for Karta review.

Karta and its subcontractors all have robust project cost accounting and scheduling systems in place so monitoring and control problems are not anticipated. Should problems occur, Karta's senior team of managers will be available to help resolve them. These individuals have many years of commercial and government contracting experience that will facilitate communications and problem resolution.

Subcontract management interfaces are defined. The Karta Program Manager has been designated the subcontract management focal point for the Karta team. Interfaces for subcontract management at all levels of operation are established. A Karta led program level IPT will be formed to enhance team effectiveness. This IPT will have timely and direct access to team company resources to achieve excellent program performance. Strong subcontractor management controls are in place. Detailed written task assignments will be made which include control parameters such as technical, labor, cost, schedule, and deliverable responsibilities, requirements, issues, and constraints. Also included are management review, status report, and progress report requirements. Based on these detailed concepts and activities, and Karta's extensive subcontract management experience, TSA II can be assured of strong and effective quality assurance and performance.