6. Award Fee Performance Evaluation Categories and Weighting Factors

The general AF performance evaluation categories for this contract are System Engineering and Program Execution , and Mission Analysis and Assessment. The Contractor's earned AF for each Performance Period will be a weighted average of the scores for each of the categories as weighted for the applicable period.

6.1 Changes to Performance Categories and/or Weight Factors

Within fourteen (14) days of the start of the period, the Government and Contractor may participate in a joint meeting to reach a common understanding of the categories provided. The Government reserves the right to make changes to the Performance categories and factors or weights by unilateral modification prior to commencement of each evaluation period.

Changes to the Performance Categories after the start of a performance period shall be negotiated between the Government and the Contractor.

7. Award Fee Performance Scoring

The Contractor will receive a rating in each performance evaluation category using the following adjective and numerical ratings:

Table 7 Award Fee Performance Scoring

ADJECTIVE RATING	NUMERICAL RATING	DESCRIPTION
EXCELLENT	≥ 91-100	The Contractor has demonstrated an excellent level of performance in meeting program technical, cost and schedule requirements. All major activities, and nearly all other activities, are on or ahead of schedule and budget. Deficiencies (if any) are very minor with no adverse effect on overall performance or on meeting program objectives. When deficiencies are identified, the contractor has initiated immediate and effective recovery plan. No government intervention is required. The Contractor is cooperative and always proactive in keeping the government apprised of program progress.

ADJECTIVE RATING	NUMERICAL RATING	DESCRIPTION
GOOD	≥ 81 <91	The Contractor has demonstrated a good level of performance in meeting program technical, cost and schedule requirements. All major activities and most other activities are on or ahead of schedule and budget. Deficiencies are minor with minimal effect on overall performance or on meeting program objectives. When deficiencies are identified, the contractor has initiated immediate and effective recovery plan and action. Government intervention is minimal. The Contractor is cooperative and often proactive in keeping the government apprised of program progress.
SATISFACTORY*	≥ 71< 81	The Contractor has demonstrated a satisfactory level of performance in meeting program technical, cost and schedule requirements. Some of the major activities are behind schedule and budget. Most of the other activities are on or ahead of schedule and budget. Deficiencies in one or more areas have a tolerable effect on overall performance or on meeting program objectives. Contractor has initiated a reasonable recovery plan and action and some Government intervention has been required. The Contractor is cooperative and sometimes proactive in keeping the government apprised of program progress.
UNSATISFACTORY	< 71	The Contractor has demonstrated an unsatisfactory level of performance in meeting program technical, cost and/or schedule requirements. A significant number of the major activities are behind schedule and/or budget. Deficiencies in one or more areas have adversely affected overall performance or meeting program objectives. Government intervention has been required and remedial action required in one or more areas. The Contractor did not anticipate problems and/or did not keep the government informed.

ADJECTIVE RATING	NUMERICAL RATING	DESCRIPTION
		Recovery actions (if any) were not effective or have disrupted government operations. The Contractor is not keeping the government adequately apprised of program progress.

*If numerical rating is less than 71, no award fee is paid.

8. Termination

If the contract or TO is terminated for the convenience of the Government after the start of an AF evaluation period, the AF deemed earned for that period shall be determined by the FDO using the normal AF evaluation process. After termination for convenience, the remaining AF pool cannot be earned by the contractor and, therefore, will not be paid. If terminated for default, there will be no AF earned.

9. Definitions

Award Fee (AF) - As specified in FAR 16.405-2, Cost-Plus-Award-Fee Contracts an award fee is "an award amount that the contractor may earn in whole or in part during performance that is sufficient to provide motivation for excellence in such areas as quality, timeliness, technical ingenuity, and cost-effective management." The specific Award Fee Performance Evaluation Categories and Weighting Factors for the STO are specified in Attachment 2.

Award Fee Board (AFB) - The AFB voting members will consist of Government SBInet stakeholders designated by the FDO.

Award Fee Board Chairperson (AFBC) - The AFB Chairperson will be the STO PM

Award Fee Board Coordinator - The AFB Coordinator will be designated by the AFB Chairperson to schedule the AFB meetings, to receive evaluations from the Performance Monitors and the contractor's SER, and to distribute this information to the AFB. Additionally, the AFB Coordinator maintains a record of the AFB's deliberations, prepares the draft of the Award Fee Evaluation and Recommendation Report to the FDO and PCO. The AFB Chairperson will prepare the Award Fee notification letter to the Contractor.

AFB Rating Form - A form filled out by each AFB member showing their rationale and rating of each performance criteria factor.

Award Fee Evaluation and Recommendation Report - A written report that summarizes the evaluation of Contractor performance and provides the recommended score and

amount of award fee to be allocated for the evaluation categories that are scored during the period to the FDO.

Award Fee Board Recommendation Report – The final written report prepared by the AFB Coordinator and approved by the AFB that summarizes the evaluation of contractor performance and provides the recommended scores and the amount of AF. This report consists of a summary of the AFB Rating Forms and also includes recommended weighting factors. The FDO is provided the evaluation and makes the determination of the final score and amount of the AF earned.

Contractor's Award Fee Self-Evaluation Report – A report or presentation prepared by the Contractor that is submitted to the PCO and presented to the AFB within seven days after the end of the evaluation period. The Contractor shall furnish to the AFB such information as may be reasonably required, including a statement of cost and hours incurred and a statement addressing metric performance data to assist the AFB in evaluating the Contractor's performance during that evaluation period. The Contractor shall electronically provide to the PCO and AFB Coordinator a written self-assessment of its performance under the Contract Performance Element within seven days after the end of the evaluation period. This information shall include a complete evaluation on the Contractor's efforts, accomplishments, and products due and delivered for the period, problems, recommendations, costs incurred and any other data the Contractor considers appropriate. Definitive and quantifiable data shall be provided.

Evaluation Period – The AF evaluation period is the period of time that the Contractor is performing against the TO, and the Contractor's performance, in achieving the objectives of the SBI*net* Program in accordance with the Performance Categories that are listed as Attachment 2 to this Plan, is evaluated.

Fee Determination Official (FDO) -The FDO will determine the amount of award fee to be paid to the contractor for performance during each evaluation period. The SBI*net* Program Manager shall perform the duties of FDO for this contract.

Midpoint AFB Meetings – The AFB may convene an informal evaluation meeting at the midpoint of each evaluation period. The purpose of these meetings is to informally review and assess the Contractor's performance to determine if discussions with the Contractor would provide information for them to improve performance. The midpoint assessment is not formally rated and no AF will be earned or awarded.

Performance Monitors - The Performance Monitor(s), as designated by the AFB Chairperson, will be responsible for evaluating the contractor's performance for their respective areas and submitting reports to the AFB Coordinator. Performance Monitors will have substantial responsibility for AF TOs.

Performance Monitor Evaluation Report (PMER) - Each Performance Monitor will prepare an evaluation report of the contractor's performance and provide recommended scores for the evaluation categories for the contractor's performance in the Performance Monitor's area of responsibility to the Award Fee Board Coordinator.

10. Acronyms

Table 10 Acronyms

ACRONYM	FULL NAME
AF	Award Fee
AFB	Award Fee Board
AFBC	Award Fee Board Chairperson
AFP	Award Fee Plan
CBP	U.S. Customs and Border Protection
CDR	Critical Design Review
CLIN	Contract Line Item Number
COTR	Contracting Officer's Technical Representative
CPAF	Cost Plus Award Fee
DHS	Department of Homeland Security
FAR	Federal Acquisition Regulation
IDIQ	Indefinite Delivery Indefinite Quantity
LCC	Life Cycle Cost
PCO	Procuring Contracting Officer
PMER	Performance Monitor Evaluation Report
PRR	Project Requirements Review
SBI	Secure Border Initiative
SBI*net*	Secure Border Initiative net
SER	Self Evaluation Report
SPO	System Program Office
STO	System Task Order
TO	Task Order

Attachment 1 - Award Fee Evaluation Period for the STO

Performance Period	Award Fee Available
Period 1 – 4/15/08 to 2/15/09	[redacted] (b) (4)
Period 2 – 2/15/09 to 9/17/09	
Period 3 – 9/18/09 to 1/31/10	

Attachment 2 - Award Fee Performance Evaluation Categories and Weighting Factors

Systems Engineering (45%)

System Design, Integration, and Testing (35%)

- Contractor's incorporation of COTS and non-COTS components into a coherent, integrated system as evidenced by a testable end-to-end configuration.
- Contractor's incorporation of test, evaluation, validation, and verification considerations into all stages of the systems engineering process.
- Successful completion of all component, segment and system testing and resolution of associated issues.
- Successful system Integration to support deployment.
- Successful completion of a holistic and comprehensible SBInet system design.
- Contractor's execution of a documented and disciplined systems engineering process.

Systems Engineering Management (10%)

- Completion of an integrated system design and architecture that achieves SBInet goals.
- Effectiveness and documentation of systems engineering studies, trades and reviews. Effective allocation of resources and integration of engineering activities across the all SBInet activities.
- Contractor effectively conducts various technical reviews such as Systems Requirements Review, Preliminary Design Review and Critical Design Review, Test Readiness Review, and System Production Readiness Review meeting all the entrance and exit criteria on time. Effectively maintains traceability of requirements identifies areas of risk and develops and executes effective risk mitigation plans.
- Completion of a standardized/modular design to support deployments.
- Contractor's establishment and tracking of technical performance measures supporting achievement of system technical performance requirements, reliability and maintainability, and minimal Life Cycle Cost (LCC).

Program Execution (45%)

Cost /Schedule Management (15%)

- Contractor's establishment, control and maintenance of realistic baselines for all task orders under the contract, in addition to the work effort as a whole. Contractor captured and accurately and completely defined the entire work scope (to include supplier work and resources), and allocated the required resources, schedule and budget. Follows processes to control unnecessary changes to baselines and to update and maintain documents.
- Conducts timely, complete, and accurate Integrated Baseline Review.
- Contractor's management of cost and schedule including Contractor's development of accurate initial cost estimates and estimates at completion, ability to control cost and avoid cost increases, and make cost effective decisions with respect to technical requirements, schedule and quality control.
- Contractor's effectiveness in early identification of cost or schedule problems and issues impacting the overall Program goals and objectives along with Contractor's timely identification and effective implementation of the mitigation plans and actions.
- Contractor's timely identification and implementation of value added opportunities (innovations in designs, processes, concepts, etc.) that resulted in cost savings and schedule efficiency for the program.
- Contractor's accurate estimated costs for production and deployment options.

Supplier Management (15%)

- Contractor's effective integration, monitoring and management of subcontractor activities to achieve on time delivery of materiel and services. Subcontractor risks identified and mitigated with minimal impact to program cost, schedule or quality.
- Contractor's achievement of their SBInet Small Business Plan Goals

Overall Program Execution (10%)

- Contractor's overall Program Management to include but not limited to resource and staffing management, risk management, security management, communications management, and configuration management.

- Contractor's integration and management of TO activities to include organizing, planning, scheduling, implementing, controlling, analyzing, and integrating and coordinating individual task orders and all contract activities (including subcontractors' effort) to effectively and efficiently achieve SBI*net* goals and objectives, and accurately report on all elements of the SBI contract. Contractor information with respect to schedule dates, cost estimates and progress against baselines is consistent among task orders and accurate.

Quality and Time Management (5%)

- Contractor's overall implementation of quality and time management to achieve quality improvements by concentrating organizational efforts and resources on key priority issues and by applying a systematic approach, problem solving tools and techniques.
- Quality of the proposals* and products delivered including the number of approved documents, based on initial submittal, necessary for the program to achieve its goals and objectives.
- Proposals* and products delivered on time, and documents delivered on time and accepted on first submittal in accordance with the Contract Requirements Deliverable List schedule or program schedule.

* Bid & Proposal costs would operate on the assumption that the contractor basis of estimate (BOE) is six (6) task orders. Should the number of task orders increase, the Government will take that in consideration when determining the contractor's efforts regarding this subject.

Mission Analysis and Assessment (10%)

- Extent to which the Contractor's proposed-system realizations take into account personnel (i.e., CBP agents/officers, CBP Sector Enforcement Specialists, and contract services), infrastructure, technology, affordability, availability, and effectiveness considerations.
- Extent to which the Contractor establishes (in partnership with CBP stakeholders) and follows a well defined Mission Engineering Management Plan for developing and refining project-specific laydowns for assets.
- Extent to which the Contractor's analysis outcomes are found to be meaningful, believable, and defensible by CBP decision makers and subject matter experts.

Attachment 3 - Award Fee Board Performance Report

CATEGORY	SUB-CATEGORY	WEIGHT	RATING	RECOMMENDED SCORE	STRENGTH/WEAKNESS NARRATIVE
Systems Engineering		**45%**			
	System Design, Integration, and Testing	35%			
	Systems Engineering Management	10%			
Program Execution		**45%**			
	Cost/Schedule	15%			
	Supplier Management	15%			
	Overall PE	10%			
	Quality and Time Management	5%			
Mission Analysis and Assessment		**10%**			

Attachment 4 - Evaluation Report

CATEGORY	SUB-CATEGORY	WEIGHT	RATING	SCORE	STRENGTH/WEAKNESS NARRATIVE
System Engineering		**45%**			
	System Design, Integration, and Testing • Contractor's incorporation of COTS and non-COTS components into a coherent, integrated system as evidenced by a testable end-to-end configuration. • Contractor's incorporation of test, evaluation, validation, and verification considerations into all stages of the systems engineering process. • Successful completion of all testing and resolution of associated issues. • Successful system Integration to support deployment. • Successful completion of a holistic and comprehensible SBInet system design. • Contractor's execution of a documented and disciplined systems engineering process.	35%			
	System Engineering Management • Completion of an integrated system design	10%			

CATEGORY	SUB-CATEGORY	WEIGHT	RATING	SCORE	STRENGTH/WEAKNESS NARRATIVE
	and architecture that achieves SBI*net* goals. • Effectiveness and documentation of systems engineering studies, trades and reviews. Effective allocation of resources and integration of engineering activities across the all SBInet activities. • Contractor effectively conducts various technical reviews such as Systems Requirements Review, Preliminary Design Review and Critical Design Review, Test Readiness Review, and System Production Readiness Review, meeting all the entrance and exit criteria on time. Effectively maintains tractability of requirements identifies areas of risk and develops and executes effective risk mitigation plans. • Completion of a standardized/modular design to support deployments. • Contractor's establishment and tracking of technical performance measures supporting achievement of system technical performance requirements, reliability and maintainability, and minimal Life Cycle Cost (LCC)				
Program Execution		**45%**			
	Cost and Schedule Management • Contractor's establishment, control and maintenance of realistic baselines for all task orders under the contract, in addition to the	15%			

CATEGORY	SUB-CATEGORY	WEIGHT	RATING	SCORE	STRENGTH/WEAKNESS NARRATIVE
	work effort as a whole. Contractor captured, accurately and completely defined the entire work scope (to include supplier work and resources), and allocated the required resources, schedule and budget. Follows processes to control unnecessary changes to baselines and to update and maintain documents. • Conducts timely, complete, and accurate Integrated Baseline Review. • Contractor's management of cost and schedule including Contractor's development of accurate initial cost estimates and estimates at completion, ability to control cost and avoid cost increases, and make cost effective decisions with respect to technical requirements, schedule and quality control. • Contractor's effectiveness in early identification of cost or schedule problems and issues impacting the overall Program goals and objectives along with contractor's timely identification and effective implementation of the mitigation plans and actions • Contractor's timely identification and implementation of value added opportunities (innovations in designs, processes, concepts, etc.) that resulted in cost savings and schedule efficiency for the program. • Contractor's accurate estimated costs for production and deployment options.				

CATEGORY	SUB-CATEGORY	WEIGHT	RATING	SCORE	STRENGTH/WEAKNESS NARRATIVE
	Supplier Management • Contractor's effective integration, monitoring and management of subcontractor activities to achieve on time delivery of materiel and services. Subcontractor risks identified and mitigated with minimal impact to program cost, schedule or quality. • Contractor's achievement of their SBI*net* Small Business Plan Goals	15%			
	Overall PE • Contractor's overall Program Management to include but not limited to resource and staffing management, risk management, security management, communications management, and configuration management. • Contractor information with respect to schedule dates, cost estimates and progress against baselines is consistent among task orders and accurate. • Contractor's integration and management of TO activities to include organizing, planning, scheduling, implementing, controlling, analyzing, and integrating and coordinating individual task orders and all contract activities (including subcontractors' effort) to	10%			

CATEGORY	SUB-CATEGORY	WEIGHT	RATING	SCORE	STRENGTH/WEAKNESS NARRATIVE
	effectively and efficiently achieve SBI*net* goals and objectives, and accurately report on all elements of the SBI contract.				
	Quality and Time Management • Contractor's overall implementation of quality and time management to achieve quality improvements by concentrating organizational efforts and resources on key priority issues and by applying a systematic approach, problem solving tools and techniques. • Quality of the proposals* and products delivered including the number of approved documents, based on initial submittal, necessary for the program to achieve its goals and objectives. • Proposals* and products delivered on time, and document delivered on time and accepted on first submittal in accordance with the Contract Requirements Deliverable List schedule or program schedule. * Bid & Proposal costs would operate on the assumption that the contractor basis of estimate (BOE) is six(6) task orders. Should the number of task orders increase, the Government will take that in consideration when determining the contractor's efforts regarding this subject.	5%			

CATEGORY	SUB-CATEGORY	WEIGHT	RATING	SCORE	STRENGTH/WEAKNESS NARRATIVE
Mission Analyses & Assessment		**10%**			
	• Extent to which the Contractor's proposed-system realizations take into account personnel (i.e., CBP agents/officers, CBP Sector Enforcement Specialists, and contract services), infrastructure, technology, affordability, availability, and effectiveness considerations. • Extent to which the Contractor establishes (in partnership with Customs and Border Protection stakeholders) and follows a well defined Mission Engineering Management Plan for developing and refining project-specific laydowns for assets. • Extent to which the Contractor's analysis outcomes are found to be meaningful, believable, and defensible by CBP decision makers and subject matter experts.				