

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE OF PAGES 1 3
2. AMENDMENT/MODIFICATION NO. P00029	3. EFFECTIVE DATE 12/22/2009	4. REQUISITION/PURCHASE REQ. NO 0020036004	5. PROJECT NO. (If applicable)	
6. ISSUED BY Department of Homeland Security Customs and Border Protection 1300 Pennsylvania Ave NW Room 7.2A Washington DC 20229	CODE 7014	7. ADMINISTERED BY (IF OTHER THAN ITEM 6) CODE Dep of Homeland Security Customs and Border Protection SBI Acquisition Office, Room 7.2C 1300 Pennsylvania Ave., NW Washington DC. 20229		
8. NAME AND ADDRESS OF CONTRACTOR (No., Street, County, State, and Zip Code) THE BOEING COMPANY DBA/BOEING 1215 SOUTH CLARK ST STE 600 ARLINGTON VA 22202-3292		<input type="checkbox"/>	9A. AMENDMENT OF SOLICITATION NO.	
			9B. DATED (SEE ITEM 11)	
		<input checked="" type="checkbox"/>	10A. MODIFICATION OF CONTRACT/ORDER NO. /HSBP1208J20016	
CODE:	FACILITY CODE:		10B. DATED (SEE ITEM 11) 4/15/2008	
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				

The above numbered, solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers, FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If Required)	
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO., AS DESCRIBED IN ITEM 14	
<input type="checkbox"/>	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify Authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103 (b).
<input checked="" type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Limitation of Funds. FAR 52.232-22
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is NOT is required to sign this document and return _____ 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE CONTINUATION PAGE

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (b) (6) Contract Administrator		16A. NAME AND TITLE OF CONTRACTING OFFICER (b) (6)	
15B. CONTRACTOR/OFFICER (Signature of (b) (6))	C. DATE SIGNED 12/23/09	16B. DATE SIGNED (b) (6)	16C. DATE SIGNED 1/5/10

1. The purpose of this modification is to increase funding on the Systems Task Order on CLIN 10050, and replace System Task Order (STO) Award Fee Plan Version 2.0, dated April 15, 2008, with STO Award Fee Plan Version 3.0, dated 22 October 2009.
2. In accordance with the Limitation of Funds clause, CLIN 10050 is funded with additional funds in the amount of (b) (4) as follows:

CLIN	DESCRIPTION	ADDITIONAL FUNDING	VALUE
10050	Travel	(b) (4)	(b) (4)
	TOTAL	(b) (4)	(b) (4)

3. The System Task Order (STO) Award Fee Plan Version 2.0, dated April 15, 2008, is replaced with STO Award Fee Plan Version 3.0, dated 22 October 2009.
4. The total task order funding is increased by (b) (4) from \$200,823,012 to \$202,323,012.
5. The task order value is increased by (b) (4) from \$205,760,332 to \$207,260,332.

CONTINUATION SHEET

HSBP1208J20016
 P00029
 PAGE 3 OF 3 PAGES

6. The task order funding and value table is revised as follows:

CLIN	Description	Current Funding	Additional Funding	Total Task Funding	Task Order Value
00010	Engineering Services (Base)	(b)	(4)	(b)	(4)
00020	Program Management (Base)				
00030	Proposal Prep & Devel. (Base)				
00040	Material (Base)				
00050	Travel (Base)				
00060	Base Fee ^(b) ⁽⁴⁾ (Base)				
00070	Award Fee ^(b) ⁽⁴⁾ (Base)				
00110	Northern Border (Base)				
	Total Base Period				
10010	Engineering Services				
10020	Program Management				
10030	Proposal Prep & Development				
10040	Material				
10050	Travel				
10060	Base Fee ^(b) ⁽⁴⁾				
10070	Award Fee ^(b) ⁽⁴⁾ (potential max)				
10080	Special Studies/Outside Activities				
10110	Northern Border				
	Total Extension Period				
	TOTAL TASK ORDER	\$174,276,257		\$202,323,012	\$207,260,332

All other terms and conditions of the task order remain the same.



U.S. Customs and Border Protection

System Task Order (STO) Extension Period Award Fee Plan

Version 3.0

October 22, 2009

U.S. Customs and Border Protection SBlnet Program

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Approval

Approved by:  12/7/09
Date

Fee Determining Official
Secure Border Initiative

Approved by:  10/22/09
Date

SBI Acquisition Office

Approved by:  12/10/09
Date

SBI^{net} Program Manager
The Boeing Company

Record of Changes

Change Number	Date	Reference (Table, Figure, or Paragraph Sections)	A=Add M=Modify D=Delete	Brief Description of Change	Change Request #
N/A	1/10/08	N/A	N/A	Initial draft	N/A
N/A	1/29/07		A/D/M	Incorporate DHS comments	
N/A	3/4/07		A/D/M	Re-align based on SOW and objective changes	
N/A	4/15/08		A/M	Incorporate inputs from legal department; update TO name	
N/A	11/03/08	Approval page, Table 3, Table 5, Definitions	A/D/M	Change FDO and STO PM; update midpoint AFB meeting description	
N/A	4/9/09	Approval page Table 1, AFB Membership Section 3, Roles and Responsibilities Table 3, Evaluation Process, Procedures and Schedule Various	A/D/M A/D/M	Change (b) (6) to (b) (6) as the Executive Program Director, SBI ^{net} Change Core Stakeholders to Voting Members; combine FDO/AFBC as dual-hatted; remove 90 minutes recess; under Contract Modification change unilateral modification issue from 35 days to 45 days Changes throughout to align AFP with STO extension period outcomes	
N/A	10/8/09	Various	A/D/M	Changes throughout specifically taking out designated times for award fee presentations and breaks	
N/A	10/21/09	Various	A/D/M	To update signature blocks, AFB membership, and update excellent ratings description.	

Table of Contents

Table of Contents	v
1. Overview	6
1.1 Scope.....	6
2. Organizational Structure	7
Table 1 - AFB Membership	7
3. Roles and Responsibilities	8
4. Award Fee Performance Periods, Pool, Rollover, and Conversion	11
4.1 Evaluation Period and Available Fee	11
Table 2 – Evaluation Periods and Available Fee	11
4.2 Fee.....	11
4.3 Award Fee Rollover	11
4.4 Award Fee Conversion	11
5. Evaluation Process, Procedures and Schedule	12
Table 3 - Evaluation Process, Procedures and Schedule	12
6. Award Fee Performance Evaluation Factors and Weighting	15
6.1 Changes to Performance Factors and/or Assigned Weight	15
7. Award Fee Performance Scoring	15
Table 4 - Award Fee Performance Scoring	15
8. Termination	16
9. Definitions	17
10. Acronyms	19
Table 5 - Acronyms	19
Attachment 1, Award Fee Performance Evaluation Factors and Assigned Weights	
Attachment 2, Performance Evaluation Report	

1. Overview

The Department of Homeland Security (DHS) has the statutory authority to develop and implement a comprehensive strategy for securing America's borders and reducing illegal immigration. The Secure Border Initiative (SBI) was created to achieve this strategy and the following core objectives: gain effective control of the borders, strengthen interior enforcement and compliance with immigration and customs laws, and support passage of a temporary worker program. A critical component of the SBI is the *SBI_{net}* Program. DHS has designated U.S. Customs and Border Protection (CBP) as the executive agent for the contracting and implementation of the *SBI_{net}* program, which will provide the technical solution required to detect, identify, and classify items of interest crossing the border, and support law enforcement officials in responding to border incursions.

The system engineering and program execution activities required to support the Department of Homeland Security (DHS) Customs and Border Protection (CBP) *SBI_{net}* Program are to be performed in the System Task Order (STO). The objective of the STO is to acquire Boeing's systems engineering and program execution services to allow the *SBI_{net}* System Project Office (SPO) to effectively and efficiently deliver the *SBI_{net}* solution. The following key objectives are associated with the STO:

Outcome 1: Ensure Block 1.0 of the *SBI_{net}* technology solution is successfully qualified and performs as specified.

Outcome 2: Assist the Government in generating all information and data that will be required for the ADE-3 Milestone.

Outcome 3: Sustaining system engineering is provided in support of deployment activities as needed;

Outcome 4: The task orders are managed in an integrated manner and are within cost, schedule, and technical parameters.

1.1 Scope

As required by DHS guidance, this AFP:

1. Defines clearly the standards of performance for each rating factor (Section 7)
2. Defines clearly the percentage of fee the Contractor should be paid for each of these rating factors. (See attachment 1)
3. Documents roles and responsibilities for those involved in monitoring Contractor performance and determining award fees (Sections 2, 3, and 9)
4. Provides detailed guidance on steps in the evaluation process for agency representatives and Contractors (Sections 3 and 5)
5. Establishes a base fee. (Section 4.2)
6. Is approved in accordance with CBP policy. (Approvals Section)

In addition, in accordance with the December 4, 2007 OFPP policy, "Appropriate Use of Incentive Contracts", this AFP:

1. Links the award fees to acquisition outcomes (cost, schedule, and performance);
2. Does not permit the Contractor to earn an award fee if the Contractor's performance is judged to be below satisfactory or does not meet the basic requirements of the contract;
3. Includes pre-determined award fees documented in writing and a process for awarding the fees;
4. Metrics that clearly describe what is required and at what point the Contractor will be considered successful; and
5. Does not permit rollover of award fees.

The AFP describes the Award Fee Board (AFB) organization; roles and responsibilities and the evaluation factors, processes and procedures used to evaluate Contractor's performance. It shall serve as the basis for the *SBI*net AFB's evaluation of the Contractor's performance on the STO, for the purpose of presenting an assessment of that performance to the Fee Determining Official (FDO) and determining the award fee on this TO. The AFP is intended as a proactive management tool to motivate the Contractor to efficiently and effectively manage and execute the *SBI*net program.

2. Organizational Structure

The award fee organization consists of the AFB, the performance monitors, and FDO. The AFB membership, as designated by the FDO, is as follows:

Table 1 - AFB Membership

Core Members	<ul style="list-style-type: none"> • <i>SBI</i>net Executive Program Director (Chairperson) • SBI Director of Business Operations Division • SBI Director of System Engineering Division • SBI Director of Operational Integration Division • SBI Acquisition Office Executive Director or designated representative • CBP Representatives for Office Border Patrol (OBP), Office of Information and Technology (OIT), Office of Intelligence and Operations Coordination (OIOC), Office of Field Operations (OFO), Office of Air and Marine (OAM)
Advisory Members	<ul style="list-style-type: none"> • Director, Deployment Division • Director, Systems Management Division • Director, System Division • Chief Counsel • Chief Engineer • Performance Monitors

	<ul style="list-style-type: none"> • Procuring Contracting Officer (PCO) • Contracting Officer's Technical Representative (COTR)
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The AFB may designate or substitute alternative evaluation board members as necessary.

3. Roles and Responsibilities

The roles and responsibilities associated with the management of this AFP include the following:

Fee Determining Official (FDO) - The SBI Executive Director will serve as the FDO on this contract. The FDO will:

- Designate AFB Chairperson and AFB members.
- Review AFB Performance Report.
- Use this recommendation and all applicable information to make a determination of performance and award fee, as prescribed by the AFP.
- Review and approve the award fee guidance and weights that are to be applied for subsequent evaluation periods.
- Provide the PCO with final performance evaluation and determination of the award fee for that period.

The FDO will take into consideration all the performance recommendations provided by the AFB and determine the amount of award fee to be paid to the Contractor for performance during each evaluation period. The FDO has the authority to modify the recommended evaluation of the AFB. Any award fee determination made by the FDO is a unilateral decision made solely at the discretion of the Government.

AFB Chairperson (AFBC) - The *SBI*net Executive Program Director will serve as the AFBC on this contract. The Chairperson's responsibilities are to:

- Assign performance monitors and AFB Coordinator.
- Review all documentation submitted by the AFB Coordinator prior to its submittal to the AFB. The AFBC must ensure that the Performance Monitor's ratings are accurately weighted for the evaluation periods as well as pertinent to the evaluation criteria, and approve the Award Fee Evaluation and Recommendation Report.
- Ensure participants are aware of the period performance criteria.
- Review/Approve the Performance Monitors report for submission to the AFB and include one recommended score for cost, technical, and management areas.
- Ensure that AFB Members have the applicable AFB Rating Form to document specific Contractor actions or inactions during that performance period that support their initial performance rating.
- Participate in discussions with the Contractor on the results of the mid-point AFB meeting (if required) as may be requested by the FDO.

- Brief the Contractor with the results of the FDO determination and the Performance Report.
- Discuss with the Contractor the evaluation guidance and weighting factors for subsequent evaluation periods.

The AFBC may change monitor assignments at any time without advance notice to the Contractor. However, the AFBC will notify the Contractor of all monitor assignments and changes within 48 hours of an AFB meeting.

Procurement Contracting Officer (PCO)

- The PCO participates as a core member of the AFB and issues a modification to the TO to reflect the award fee earned as determined by the FDO.
- Ensure contract integrity, contract compliance, and centralization of contract files.

Performance Monitors - The responsibilities of the performance monitors are to:

- Be familiar with the contract requirements and the performance rating factors in assigned areas.
- Monitor, evaluate, and assess Contractor's performance in accordance with the contract requirements and AFP, and review and analyze all available data relevant in assigned areas during the period under evaluation.
- Prepare and submit a PMER and provide recommended scores per category to the AFB Coordinator for each area of direct cognizance. Submit within 10 calendar days after the end of the evaluation period.
- Be available to discuss evaluation and brief the AFB, FDO or Contractor on assigned area and provide additional information if requested.
- Maintain written documentation/record of Contractor's performance in assigned area in detail to provide substantiation for the PMER ratings.
- Recommend changes to the AFB.
- May consider using evaluations and assessments from other Government officials in preparing reports for the AFB.
- Recommend changes to the award fee plan for consideration by the PCO, AFBC, and FDO.

At the discretion of the FDO, Performance Monitors may serve on the AFB.

AFB Coordinator - The AFB Coordinator is responsible for:

- Scheduling midpoint AFB meetings.
- Collecting and recording informal performance monitor input to support the midpoint assessment and distributing to AFB members prior to midpoint meeting.
- Distributing the Contractor's award fee Self Evaluation Report (SER) to the AFB members in accordance with Table 3.
- Collecting PMERs and distributing them to the AFB members in accordance with Table 3.

- Advising PCO on status of current AF matters. Seeking PCO guidance and counsel when appropriate.
- Attending each AFB Meeting and recording comments throughout the meeting.
- Collecting/compiling the AFB Rating Forms at the conclusion of the meetings.
- Assisting the AFBC in preparing the signed AFB Evaluation and Recommendation Report to submit to the FDO in accordance with Table 3.
- Preparing the AFB meeting minutes.
- Assisting the AFBC as may be required.

AFB - The AFB responsibilities are:

- Advise the FDO concerning the contract performance objectives and evaluation criteria and weighting factors to be used during subsequent performance periods.
- Review and analyze all available data relevant to their respective areas on Contractor performance.
- Assess the Contractor's performance for the current period.
- Prepare and sign an Award Fee Evaluation Recommendation Report that details its assessment of the Contractor's performance.
- Provide a recommendation for a performance rating and an award fee to the FDO.
- Attend midpoint AFB meetings to review the informal Performance Monitors inputs and to recommend a midpoint qualitative assessment. The midpoint assessment is for Contractor information only, is not scored, and is not used in fee computation.
- Present to the AFB and Contractor the strengths and weaknesses of the Contractor performance for that period.
- Prepare for AFB meetings by familiarizing themselves with all the relevant issues prior to the AFB meeting. This will be done by reading all the PMERs and the Contractor's Self-Evaluation Report (SER).
- Review the AFB meeting minutes.
- Recommend appropriate changes in the award fee evaluation plan for consideration and approval by the FDO.

Boeing - Boeing responsibilities are:

- For the midpoint review, if Boeing elects to prepare and submit a SER, the document must be received no later than 10 calendar days prior to the midpoint date for each evaluation period.
- Prepare and submit a SER within 10 calendar days after the end of the evaluation period.
- Provide Contractor presentation during AFB meeting and participate in the discussion of the evaluation and provide additional information if requested.

4. Award Fee Performance Periods, Pool, Rollover, and Conversion

4.1 Evaluation Period and Available Fee

Evaluation periods are the intervals for which the Contractor's performance will be evaluated and are established to ensure regular review of the Contractor's performance. The evaluation periods for the STO Extension are:

Table 2 – Evaluation Periods and Available Fee

Evaluation Period	Performance Period	Award Fee Available
1	2/27/09 to 3/25/10	Reference CLIN 10070

The Government reserves the right to adjust the evaluation period and allocation of award fee pool available for each period by bilateral TO modification, which shall be issued, if at all, prior to the start of the affected evaluation period(s).

4.2 Fee

The base fee shall be (b) (4) Award fee shall be (b) (4)

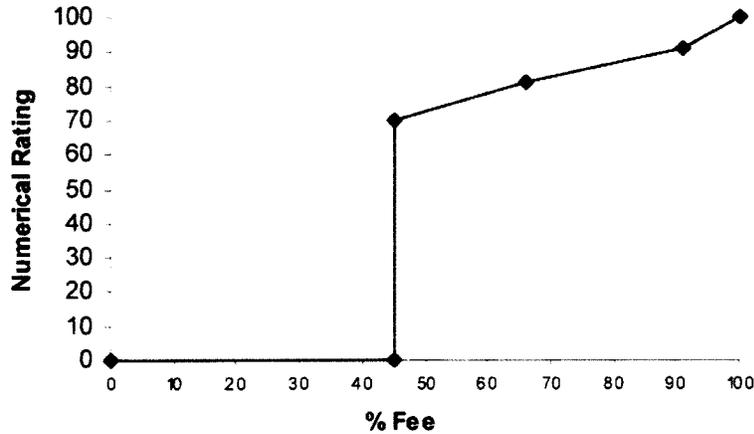
4.3 Award Fee Rollover

Unearned award fee from one evaluation period shall not rollover to any subsequent period.

4.4 Award Fee Conversion

Upon the FDO's determination of the final weighted numerical rating, the following conversion table will be utilized to determine the earned percentage of the award fee pool available. The numerical value will equate to the associated fee awarded based on the table and graph below. For example, a numerical score of 81 equates to 66% earned fee as depicted below.

Final Numerical Rating	Range of Award Fee Available
Excellent ≥ 91 -100	91% - 100%
Good ≥ 81 <91	66% - 90%
Satisfactory ≥ 70 <81	45% - 65%
Unsatisfactory <70	0%



5. Evaluation Process, Procedures and Schedule

The award fee evaluation process and procedures along with the timeline to be followed in monitoring, assessing, and evaluating Contractor performance during each period are described below. It is designed to take advantage of all reports, data, and meetings required by the TO and to minimize the need for additional data and meetings solely for award fee purposes.

Table 3 - Evaluation Process, Procedures and Schedule

ACTIVITY	SCHEDULE	ACTIVITY DESCRIPTION
Midpoint AFB Meeting and Contractor discussion	Midpoint in the performance evaluation period +15 days	<p>Prior to collection of inputs from previously designated performance monitor inputs, the AFB Coordinator will provide award fee training for the performance monitors.</p> <p>The AFB Coordinator will poll each performance monitor for an interim assessment of the Contractor's performance up to that point in the evaluation period.</p> <p>A midpoint AFB meeting may be convened to review the evaluations. Each AFB member shall provide inputs of the Contractor's performance in the form of qualitative assessments to be incorporated into the briefing to the Contractor.</p> <p>The AFBC may, but is not required to, brief the Contractor on the midpoint evaluation of his performance.</p>

ACTIVITY	SCHEDULE	ACTIVITY DESCRIPTION
		<p>The Contractor may, but is not required to, provide an SER at the midpoint of each evaluation period. If the Contractor chooses to provide an SER, the Contractor shall submit an electronic copy via the program network to the COTR and PCO no later than 10 days prior to the midpoint for each evaluation.</p>
Contractor SER	End of the period + 10 days	<p>The Contractor shall submit an electronic copy of SER via the network within ten (10) days after the end of each evaluation period. The SER shall contain a description of the Contractor's performance during the period being evaluated, with specific reference to its accomplishments in relation to the applicable evaluation factors.</p> <p>The AFB Coordinator will distribute the SER to the AFB for consideration in their preparation of their AFB Evaluation and Recommendation Report.</p>
Performance Monitors Evaluation	End of the period + 14 days	<p>The AFBC and performance monitors will provide their evaluations within fourteen (14) days after the end of each evaluation period.</p> <p>The AFB Coordinator will provide the AFB with copies of the PMERs within 24 hours after receipt of the evaluations.</p>
AFB Meeting	End of the period + 30 days	<p>The AFB will convene a formal AFB evaluation meeting after the completion of each performance period to evaluate the Contractor's performance against the performance factors in this Plan.</p> <p>The agenda and procedures for the AFB meeting shall be as follows:</p> <p style="text-align: center;">Open Session</p> <p><u>Contractor Presentation</u></p> <p>The Contractor makes a oral presentation of the SER. A copy of the presentation shall be submitted to the Government a minimum of 24 hours prior to the AFB meeting.</p> <p><u>Performance Monitor Presentation</u></p> <p>Each performance monitor presents the results of</p>

ACTIVITY	SCHEDULE	ACTIVITY DESCRIPTION
		<p>his/her assessment based on the factors being evaluated during the award fee period.</p> <p><u>Contractor Rebuttal Presentation</u></p> <p>The Contractor shall provide additional information, to the AFB for consideration, rebutting the evaluation results briefed during the oral presentations made by the performance monitors.</p> <p style="text-align: center;">Closed Session</p> <p><u>AFB Rating</u></p> <p>The AFB will deliberate on all the information presented and each AFB member will prepare a written AFB Ratings Form to document (his/her) evaluation and recommended scores.</p> <p><u>AFB Recommendation</u></p> <p>The AFBC will summarize results, positive and negative areas of performance, in an AFB Evaluation and Recommendation Report. This report will be submitted to the FDO.</p>
FDO Determination	End of the period + 37 days	<p>The FDO will review and discuss the AFB's recommendation and will determine the amount of AF earned.</p> <p>The FDO will notify the Contractor of the AF decision along with the corresponding AF amount earned during the period being evaluated.</p>
Contract Modification	End of the period + 45 days	<p>The PCO will issue a unilateral contract modification that establishes the amount of AF earned and provides the basis for subsequent Contractor invoicing and payment.</p>

6. Award Fee Performance Evaluation Factors and Weighting

The general AF performance evaluation factors for this contract are System Engineering and Program Execution, as detailed in Attachment 1 - Award Fee Performance Evaluation Factors and Assigned Weights. The Contractor's AF numerical rating for each Performance Period will be based on a weighted rating of the scores for each of the factors as weighted for the applicable period.

6.1 Changes to Performance Factors and/or Assigned Weight

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 factors provided. The Government reserves the right to make changes to the performance factors and/or assigned weights by unilateral modification prior to commencement of each evaluation period.

Changes to the performance factors 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 an adjective rating in each performance evaluation factor using the weighted numerical ratings calculated from Attachment 2 - Performance Evaluation Report:

Table 4 - Award Fee Performance Scoring

ADJECTIVE RATING	WEIGHTED 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. Evidence of proactive anticipation of potential issues and effective management to mitigate or avoid them. Notwithstanding any other provisions of this plan, the contractor may not receive an excellent rating without meeting this condition. The contractor must present tangible and substantive examples of proactivity, problem anticipation, and avoidance.
Good	≥ 81 <91	The Contractor has demonstrated a good level of performance in meeting program technical, cost and schedule requirements.

ADJECTIVE RATING	WEIGHTED NUMERICAL RATING	DESCRIPTION
		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*	≥70 < 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	< 70	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. 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 70, 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 factors and weighting are specified in Attachment 1.

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 SBInet Executive Program Director

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 Board 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 Board Evaluation and 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 factors listed as Attachment 1 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 Executive Director will 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 factors for the Contractor's performance in the Performance Monitor's area of responsibility to the Award Fee Board Coordinator.

10. Acronyms

Table 5 - 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
CQT	Component Qualification Test
DHS	Department of Homeland Security
FAR	Federal Acquisition Regulation
FQT	Formal Qualification Test
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
SELC	System Engineering Life Cycle
SER	Self Evaluation Report
SLC	System Life Cycle
SPO	System Program Office
SQT	System Qualification Test
STO	System Task Order
TO	Task Order

Attachment 1 - Award Fee Performance Evaluation Factors and Assigned Weights

SYSTEMS ENGINEERING (70)

Complete Block 1 Qualification (30)

- Effective system integration and checkout to implement SQT corrective actions
- Successful completion of Block 1.0 testing, including outstanding FQT, CQT, and SQT
- Timely and effective implementation of deficiency fixes found during verification closeout

ADE-3 Milestone Support (10)

- Timely and effective support for system operational assessments and IOT&E
- Timely delivery of a System Design Document (CDRL H146) that complies with the CBP SLC and DHS SELC
- Timely, accurate, and complete technology insertion packages
- Support ADE 3 Entrance and Exit Criteria

Sustaining Engineering To Support Deployment Activities (30)

- Timely and accurate completion of the design and verification of the RAT/SST/Combo Towers, CAG tower design update, and Axsys camera report
- Cost-effective and efficient maintenance and operations of the SILs, laboratories, and test equipment
- Timely and effective support of independent validation and verification
- Timely implementation of system security and information assurance according to standards
- Maintenance of requirements baseline and timely, complete and cost-effective submission of changes to baseline
- Maintenance of the following programs: specialty engineering (SpE); parts, materials and processes (PM&P); reliability, maintainability, and availability (RMA); human factors engineering (HFE); and system safety.
- Effective support of operational user group meetings
- Correction of system design deficiencies during and post deployment activities
- Timely and effective assessment of current and future deployment performance through modeling and simulation validation

- Timely and thorough provision of verification and validation evidence to support accreditation decision for models and simulations
- Timely and accurate provision of precise elevation data

PROGRAM EXECUTION (30)

Cost Control and Schedule Management (10)

- Cost performance against budget
- Schedule performance, i.e. promptness of delivery
- Timely and accurate program planning and cost estimating support
- Timely, accurate, and comprehensive cost and schedule management that adhere to standards
- Timely, complete, and accurate conduct of Integrated Baseline Review
- Economies in use of manpower, travel, materials, facility utilization, etc.

Overall Program Execution (10)

- Maintenance of efficient and effective risk management, quality assurance and quality improvement programs
- Proactive execution of risk management activities and mitigation plans across the SBlInet Program
- Effective monthly Joint Program Management Reviews (JPMRs)
- Accurate and timely baseline, configuration, and data management
- Maintenance of physical and personnel security and program environment, health and safety (EHS) programs
- Achievement of effective program integration and management of interdependencies across task orders
- Support for special studies, analyses, and outside audit activities

Supplier Management, Acquisition Support, and Contract Administration (10)

- Effective, efficient, and timely supplier management and procurement
- Effective, timely, and cost efficient contract administration, task order preparation, and proposal development
- Contractor's achievement of its SBlInet Small Business Goals

Attachment 2 - Performance Evaluation Report

FACTOR	SUBFACTOR	WEIGHT	RATING	RECOMMENDED SCORE (Weighted rating)	STRENGTH/WEAKNESS NARRATIVE
Systems Engineering		70			
	Complete Block 1.0 Qualification	30			
	ADE 3 Milestone Support	10			
	Sustaining Engineering and Deployment Support	30			
Program Execution		30			
	Cost Control and Schedule Management	10			
	Overall PE	10			
	Supplier Management, Acquisition Support, and Contract Administration	10			

Name: _____ Date: _____

Signature: _____