AWARD FEE DETERMINATION PLAN

FOR THE

SBI PROGRAM MANAGEMENT OFFICE SUPPORT SERVICES TASK ORDER 01

U.S. CUSTOMS AND BORDER PROTECTION

SECURE BORDER INITIATIVE

SBI SYSTEM PROGRAM OFFICE

VERISON 7

April 1, 2011

Approval:

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Perry L. Smith
Contracting Officer
Enterprise Contracting Office

Record of Changes

Change Number	Date	Reference (Table or Paragraph	A= Add M= Modify D= Delete	Brief Description of Change
01	14 Oct 09	Sections 2 and 3	A	Update information such as award fee period, award fee amount, and clarify award fee for satisfactory performance, among other minor edits.
02	12 Mar 10	Sections 2	M	Modify award fee rating periods
03	14 Oct 10	Section 3	M	Award Fee Allocation Formula
04	1 Mar 11	Sections 2 and 3	M	Modify award fee/rating period 2 at no additional cost; Award fee period end date is extended from February 15, 2011 to March 7, 2011.
05	7 Mar 11	Section 3	M	Modify award fee/rating period 2: end date is extended from March 7, 2011 to March 18. Award fee pool is unchanged.
06	18 Mar 11	Section 3	M	Modify award fee/rating period 2: end date is extended from March 18, 2011 to April 1. Award fee pool for period 2 is increased from (b) (4)
07	1 Apr 11	Sections 2, 3	M	Modify award fee/rating period 2: end date is extended from April 1, 2011 to April 15. Award fee pool for period 2 is increased from

					(b) (4)	

LIST OF ACRONYMS

The following is a list of acronyms used throughout this Award Fee Determination Plan. There are other acronyms within this plan that are identified but not used frequently and are not listed below.

AFDO	Award Fee Determining Official
AFDP	Award Fee Determination Plan
AFEB	Award Fee Evaluation Board
CLIN	Contract Line Item Number
CPAF	Cost Plus Award Fee
CO	Contracting Officer
COTR	Contracting Officer's Technical Representative
FAR	Federal Acquisition Regulation
IAW	In Accordance With
IP	Industry Partner
PM	Program Manager/ Project Manager
PMOSS	Program Management Office Support Services
SBI	Secure Border Initiative
SPO	System Program Office
TO	Task Order

AWARD FEE DETERMINATION PLAN
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SECTION 1: INTRODUCTION

This Award Fee Determination Plan (AFDP) provides procedures for evaluating the Industry Partner's (IP) performance on the Secure Border Initiative's (SBI) *Program Management Office Support Services (PMOSS) Task Order 01*, on a Cost Plus Award Fee (CPAF) basis. This AFDP may be amended throughout the life of the task order (TO), preferably around the beginning of a new award fee period. The objective of the award fee is to afford the IP the opportunity to earn an award fee rather than negotiate it, commensurate with optimum performance by:

Providing a reasonable and workable AFDP with a high probability of successful implementation.
Clearly communicating evaluation criteria and procedures that provide effective communication between the IP and the Government.
Focusing the IP on areas of greatest importance to motivate outstanding performance.

In accordance with this plan, the Award Fee Determining Official (AFDO) will determine the amount of the award fee earned and payable to the IP for achieving specified levels of performance. The AFDO shall make the final award fee determination, with assistance from the Award Fee Evaluation Board (AFEB), who in turn shall be assisted by Performance Monitors. The amount of award fee negotiated is the maximum fee that may be earned by the IP. The IP may earn all, part, or none of the award fee allocated to the evaluation period.

1.1 Justification

The SBI Acquisition Office has determined a CPAF task order suitable for use for the Program Management Office Support task order in accordance with Federal Acquisition Regulation (FAR) 16.301-2 *Application* and FAR 16.405-2 *Cost-plus-award-fee* contracts.

SBI program uncertainties involved with task order performance do not permit costs to be estimated with sufficient precision to use a Firm Fixed Price task order. For examples, uncertainties include the quantity of ad hoc program documents required of the contractor, the number of program reviews and revisions to documents such as the Integrated Master Plan and Integrated Master Schedule, and the number of contractor personnel working on the task order at any given time. The work to be performed is such that it is neither feasible nor effective to devise predetermined objective incentive targets applicable to cost, technical performance or schedule.

The likelihood of the contractor meeting acquisition goals will be enhanced by using a task order that effectively motivates the contractor toward exceptional performance, and provides the Government with the flexibility to evaluate actual performance and the conditions under which performance was achieved.

1.2 Scope

As required by Department of Homeland Security (DHS) guidance, this AFDP:

Defines the standards of performance for each rating category.
Defines the percentage of fee the Contractor should be paid for each of the rating categories.
Documents roles and responsibilities for those involved in monitoring contractor performance and determining award fees.
Provides detailed guidance on steps in the evaluation process for CBP representatives and contractors; and
Establishes a base award fee.

In addition, in accordance with the Office of Federal Procurement Policy's (OFPP) "Appropriate Use of Incentive Contracts," this AFDP:

Links the award fee to acquisition outcomes (cost, schedule and performance).

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 task order.
Includes a process for awarding fees; and
Does not permit rollover of award fees.

SECTION 2: EVALUATION PERIODS

The first evaluation period is expected to be six (6) months after task order award. Evaluation periods will be semi-annually, with possible quarterly performance reviews.

The award fee rating periods are as follows:

RATING PERIOD

Award Fee Period	From Date	To Date
Period 1-	February 16, 2010	August 15, 2010
Period 2-	August 16, 2010	April 15, 2011

SECTION 3: AWARD FEE ALLOCATION FORMULA

The award fee pool shall be based on the total estimated annual cost of the Labor and ODC Contract Line Item Numbers (CLINs). The award fee corresponds to overall task order performance and evaluation periods. The Base Fee shall be (b) (4) The maximum award fee will be allocated for each evaluation area or evaluation period as a ***Fixed Pool*** (i.e., the award fee is not based on a proportional allocation of incurred costs).

The maximum award fee pool is (b) (4) of the estimated amount of Labor and ODC. The previously estimated amount, as identified in Modification P00007, was (b) (4) for an award fee pool of (b) (4). The award fee pool is split between Award Fee Period 1 and Award Fee Period 2 at a 40/60 ratio. Based on the P00007 estimated amount, the award fee was calculated as follows:

Period 1- February 16, 2010 through August 15, 2010: (b) (4)
Period 2- August 16, 2010 through March 18, 2011: (b) (4)

Extensions of service beyond March 18, 2011, through April 15, 2011, executed through Modifications P00014 and P00015 require an increase in the estimated amount from (b) (4). As a result of this increase the maximum award fee for period 2 is increased from (b) (4). The total award fee pool increases from (b) (4) and is calculated as follows:

ORIGINAL	Award Fee Period Dates	Labor & ODC cost	Award Fee Pool	Maximum Fee Per Period	Calculation
Period 1	February 16, 2010 through August 15, 2010	(b) (4)			
Period 2	August 16, 2010 through March 18, 2011				
		Total Original Award Fee Pool		(b) (4)	
MOD 14 EXTENTION	**Award Fee Period Dates**	**Labor Cost**	**Award Fee Pool**	**Maximum Fee Per Period**	**Calculation**
Period 1			$ -	$ -	
Period 2	March 19, 2010 through April 1, 2011	(b) (4)			
		Additional Award Fee Pool		(b) (4)	
MOD 15 EXTENTION	**Award Fee Period Dates**	**Labor Cost**	**Award Fee Pool**	**Maximum Fee Per Period**	**Calculation**
Period 1			$ -	$ -	
Period 2	April 2, 2010 through April 15, 2011	(b) (4)			
		Additional Award Fee Pool		(b) (4)	
REVISED	**Award Fee Period Dates**	**Labor & ODC cost**	**Award Fee Pool**	**Maximum Fee Per Period**	**Calculation**
Period 1	February 16, 2010 through August 15, 2010	(b) (4)			
Period 2	August 16, 2010 through April 15, 2011				
		Total Revised Award Fee Pool		(b) (4)	

The contractor shall not receive an award fee in a specific area (i.e., Management or Technical or Cost), for unsatisfactory performance in that specific area. Although the contractor will not receive an award fee for unsatisfactory performance in a specific area, the contractor may receive award fee for satisfactory performance in another area. Any portion of the award fee pool not earned may not be *rolled-over* into the next evaluation period.

SECTION 4: AWARD FEE PERSONNEL ROLES AND RESPONSIBILITIES

4.1 Contracting Officer's Responsibilities

The Contracting Officer (CO) is ultimately responsible for award management in accordance with (IAW) the Federal Acquisition Regulation (FAR). This responsibility includes modifying the task order as a result of AFDP changes when applicable. The CO shall notify the contractor within fourteen (14) days of any changes to the AFDP.

4.2 Award Fee Determining Official

The Award Fee Determining Official shall be the SBI Executive Director. The AFDO's responsibilities are:

Approve the AFDP and authorize any changes to the plan, throughout the life of the task order, that are not contractually binding.

Approve the members of the AFEB and appoint the AFEB Chairperson.

Determine the amount of award fee the IP has earned based on its performance during each evaluation period.

Review the AFEB recommendation.

4.3 Award Fee Evaluation Board

The AFEB will be comprised of no more than five voting members who will be Government personnel. Permanent voting members on the AFEB include the SBI Program Manager, the task order PM (if applicable), at least one other SBI Program Manager and the Contracting Officer's Technical Representative (COTR). A SBI PM may be the Chairperson of the AFEB. The other voting members of the board will be from other organizations within the System Program Office (SPO) such as Business Management Operations (BMO) or Systems Engineering; and may serve permanently or on a rotational basis, based on initial participation or available resources.

The CO is a non-voting, advisory member of the AFEB. Additional non-voting board members may be a Coordinator/ recorder and Performance Monitors as deemed appropriate by the AFEB Chairperson. Attendance of the non-voting members is not required to convene a board. Non-voting members should participate in AFEB assessments of Performance Monitor evaluations and discussions of award fee recommendations. Additionally, non-voting members are encouraged to submit written reports on IP performance to the AFEB, for its consideration (see Attachment 1). The following table provides the individuals that are members of the AFEB. Substitutions are permitted in the event of a schedule conflict, subject to approval by the AFEB Chairperson and the substitute is a CBP Government employee.

Award Fee Determining Official (b) (6) [redacted], **SBI Executive Director**	
Board Position	**Representative**
Chairperson & Voting Member	SPO PM
AFEB Voting Member	SBInet PM
AFEB Voting Member	SBInet PM
AFEB Voting Member	TBD
AFEB Voting Member	Task Order COTR
AFEB Non-Voting Member	Contracting Officer
AFEB Non-Voting Member	Performance Monitor #1
AFEB Non-Voting Member	Performance Monitor #2
AFEB Non-Voting Member	Performance Monitor #3
AFEB Non-Voting Member	Coordinator

4.3.1 The responsibilities of the AFEB Voting Members are:

Request, obtain and review performance information from Performance Monitors involved in observing IP performance.

Evaluate the IP's performance and summarize findings and recommendations for the AFDO.

Recommend to the AFDO the percentage of award fee the IP should receive.

Participate in the AFEB discussion, recommendation and determination of fee.

Complete an independent evaluation to include documenting rationale.

Review all appropriate documentation.

4.3.2 The responsibilities of the AFEB Chairperson are:

Appoint the AFEB voting members, Performance Monitors and Coordinator/Recorder.

Schedule and conduct AFEB meetings.

Resolve any inconsistencies in the AFEB evaluations.

Ensure AFEB recommendations to the AFDO are timely and made IAW the Award Fee Determination Plan.

Ensure timely payment of award fee earned by the IP.

Recommend any changes to the AFDP to the AFDO.

Ensure the integrity of the process, and that it is conducted according to schedule.

When applicable, recommend to the AFDO the specific elements upon which the IP will be evaluated for each evaluation period.

4.3.3 The responsibilities of the AFEB Coordinator are:

(Note: The items below are recommendations. The AFEB may not have a coordinator, and the board could collaboratively assume the responsibilities below.)

Review Performance Monitor reports and other performance information and present an overview to the AFEB.

Consolidate the AFEB's assessment and recommendation for presentation to the AFDO at both the midterm and final stages of each evaluation period.

Draft all correspondence required by the AFDO and AFEB as it relates to the award fee process.

Maintain the AFDP, including any updates as approved by the CO and the AFDO, and modified in the task order.

Select a separate AFEB recorder, if desired, who will maintain the AFEB minutes, notify AFEB members and Performance Monitors of report due dates and meeting times, distribute forms, and receive and distribute completed reports to all members.

Maintain the award fee files, including current copies of the AFDP, any internal procedures, Performance Monitor's reports, and any other documents having a bearing on the AFDO's award fee decisions.

Ensure that all members have the necessary documents to perform their duties, a current AFDP and task order.

Prepare the board results for the Chairperson and AFDO

The responsibilities of the AFEB Performance Monitors are:

Maintain regular contact with the IP in their performance area.

Document IP performance on a regular basis based on the criteria of the AFDP.

Prepare a short, 3 month assessment and a more comprehensive 6 month assessment for the Coordinator or AFEB.

If required, prepare a brief monthly status of IP performance.

Receive the IP's exclusions, if any, throughout the period and forward to the Coordinator or AFEB Chairperson.

May attend AFEB meetings, at the discretion of the AFEB Chairperson; and may act as a non-voting AFEB member.

SECTION 5: AWARD FEE DETERMINATION PROCESS

The Industry Partner (IP) begins each evaluation period with 0% of the available award fee and works up to the earned award fee based on performance during the evaluation period. IPs shall not begin with 100% of the available award fee and have deductions taken. The IP shall not receive award fee, in a specific area, for performance that is less than satisfactory.

5.1 Monitoring and Assessing Performance

The AFEB Chairperson will assign Performance Monitors for the major performance areas, projects or functional organizations to aid the AFEB in making recommendation for award fee. The AFEB Chairperson may change or add Performance Monitors' assignments at any time without advance notice to the IP. The AFEB Chairperson will promptly notify the IP of all Performance Monitor assignments/ re-assignments. The AFEB Chairperson will ensure that each Performance Monitor and AFEB member has a copy of the relevant sections of the task order and all modifications, a copy of the most current AFDP, and specific instructions for assigned areas.

The Performance Monitors shall be Government personnel selected on the basis of their expertise in the prescribed performance areas, their association with specific projects or within a functional area receiving a significant amount of contractor services. Performance Monitors will conduct assessments of IP performance in their assigned areas.

Instructions for Performance Monitors

Performance Monitors will maintain a periodic written record of the IP's performance, including inputs from other Government personnel, in the evaluation area(s) or functional areas of responsibility. Monitors are to rate IP performance as Excellent, Good, Satisfactory or Unsatisfactory using the definitions set forth in Section 7.1, *Rating Scale of the AFDP*. Monitors will retain informal records used to prepare evaluation reports through the evaluation period. After the evaluation period, the monitors shall provide those records to the AFEB Chairperson. The AFEB Chairperson will keep the records to support any inquiries made by the AFDO.

Performance Monitors should conduct assessments in an open, objective and cooperative spirit, so that a fair and accurate evaluation is made. Monitors shall make every effort to be consistent from period-to-period in their approach to determine recommended ratings. **Positive accomplishments should be emphasized just as readily as negative ones.**

Performance Monitor Evaluation Reports

Performance Monitors shall prepare brief but comprehensive midterm and final evaluation reports for each evaluation period (see Attachment 1). During the tenure as Performance Monitor, individuals should keep records and provide copies of reports to the Coordinator and Chairperson. These reports should be comprehensive and provide details to document the IP's performance. Analysis should be provided that can be used as feedback for the IP's performance including positive and negative comments. Monitors are encouraged to attach additional sheets and supporting data for the Final Report, if applicable. The reports, at a minimum, should contain the following information:

The methods (e.g., observations, product reviews) used to evaluate the IP's performance during the evaluation period. (The criteria to use is in later sections of this plan.)

The technical, economic and schedule environment under which the IP was required to perform. What effect did the IP's performance have on the program, project, product or schedule?

The IP's major strengths and weaknesses during the evaluation period. Give examples of IP performance for each strength and weakness listed that support the recommended rating. If applicable, provide the reference in the specification, statement of work, data requirement, task order, etc., that relates to each strength or weakness.

A recommended rating for the evaluation period and any special conditions that influence this rating using the adjectives and their definitions set forth in this AFDP.

Performance Monitors can be provided with the IP's monthly status/ performance reports which they will review and analyze for accuracy; and if appropriate, provide a written assessment to the Secretariat or lead COTR.

5.2 Procedures and Timeframes for Award Fee Evaluations

This procedure is designed to ensure the award fee evaluation occurs in a timely and effective manner, with proper documentation. The AFEB will meet every six months to evaluate the IP's performance and recommend an award fee to the AFDO. The AFEB must have a majority of voting members present to make an official recommendation. The AFEB will document the performance that exceeds or falls below the satisfactory levels to substantiate the assigned score or ratings as appropriate.

5.2.1 Exclusions

Throughout the 6-month evaluation period, the IP shall document and present any circumstance beyond the IP's control (e.g. Acts of God, terrorism, Government delays) that warrants a specific exclusion from the evaluation period. The IP shall provide the *Exclusion Letter* to the COTR and AFEB Chairperson or Performance Monitor(s) within **five (5) working days** of its occurrence. The COTR or Performance Monitors will present the exclusions to the AFEB and, if necessary, will ask the IP to present their case. The AFEB in conjunction with the CO will make a unilateral decision as to their exclusion from the evaluation period.

5.2.2 IP's Monthly Status/ Progress/ Performance Report

The IP shall prepare monthly status reports containing data that can be used to assess some of the criteria stated in this AFDP. Either the task order PM or COTR will provide the status/ performance reports to the Performance Monitors.

5.2.3 Monthly Performance Report Review

Performance Monitors should review the status reports for accuracy and, if significant inconsistencies or deficiencies exist, provide within **five (5) working days** an oral or written summary to the AFEB Chairperson.

5.2.4 Performance Monitor Midterm Reports

The Performance Monitors shall provide to the Chairperson or Coordinator midterm evaluations of the first three months of the evaluation period. Monitors shall provide these reports no later than **five (5) working days** after the end date of the first three months. These reports should be brief (e.g., no more than 2 pages).

5.2.5 IP Self Evaluation

Within **five (5) working days** after the 6-month rating period has ended the IP may provide its self-evaluation to the AFEB and Chairperson. This self-evaluation should be written with the option of presenting an oral self-assessment if requested by the Chairperson.

5.2.6 Performance Monitor Final Reports

The Performance Monitors shall provide evaluations for the entire 6-month evaluation period. Performance Monitors will submit evaluation reports no later than **seven (7) working days** after the end date of the evaluation period to the AFEB Coordinator or Chairperson. The reports should be more comprehensive than the midterm reports.

5.2.7 AFEB Meeting and Memorandum to the AFDO

The AFEB, after receiving the IP's self evaluation, will meet and evaluate all performance information it has obtained. The AFEB will review the Performance Monitors' reports, rate the IP for the evaluation period, and prepare an *Award Fee Evaluation Report*. The report shall be a memorandum to the AFDO with the AFEB's recommendation. The AFEB will meet no later than **ten (10) working days** after the end of the evaluation period.

5.2.8 IP Conference

Within **fifteen (15) working days** after the evaluation period the AFEB will confer with the IP to discuss the report's preliminary finding and recommendations.

5.2.9 AFEB Final Report

After meeting with the IP the AFEB will finalize the report and present it to the AFDO within **twenty (20) working days** after the end of the evaluation period. The report will recommend the award fee amount and any unresolved IP issues to the AFDO.

5.2.10 Award Fee Determination Report

The AFDO will consider the final *Award Fee Evaluation Report* and discuss it, if necessary, with the AFEB. The AFDO may accept, reject, or modify the AFEB recommendation. The AFDO and the CO will make the final determination of the award fee earned during the period. The AFDO's determination of the award fee amount earned and the basis of the determination will be stated in the Award Fee Determination Report letter and forwarded to the CO within **twenty-five (25) working days** after the end of the evaluation period for invoice purposes. This letter will state the amount of award fee earned and the amount of the award fee lost for the evaluation period.

5.2.11 Award Fee Determination Notice

The SBI Executive Director will prepare this notice to the IP stating the amount of the award fee earned for the evaluation period.

IP Invoice

The IP shall invoice without a task order modification after receipt of the award fee determination notice, providing that sufficient funds were obligated in the award fee pool.

Termination

If the task order 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 AFDO 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.

Changes to Performance Categories and Weight Factors

Within fourteen 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.

SECTION 6: EVALUATION CRITERIA AND WEIGHTS

The AFDP consists of award fee provisions for three areas: (1) Management, (2) Technical and (3) Cost as they apply to performance of the task order. The Performance Monitors and AFEB members should use the IP-provided status reports and the questions in this section to create an overall standard for the criteria being evaluated. For those factors that are subjective, not all questions may be appropriate for the particular award fee period being evaluated; e.g., 6.1(a).

6.1 Effectiveness, Efficiency and Quality of Program Management

Management – 50% (based on the Rating Scale in Section 7): The objective of the award fee provision is to provide an incentive to the IP to achieve optimum management performance of the task order requirements. The evaluation of "**Management**" performance will consider all aspects of contractor performance in terms of criteria and the questions below. Therefore, this is a subjective, qualitative factor.

Was the initial transition managed effectively; including the Transition Plan, availability of all Key Personnel, and completion of Background Investigations or security clearances? (Only during the first 30 day period).

Are management reports timely, accurate, complete and IAW task order schedules?

Are management actions timely and effective, incorporating effective quality controls and quality assurance?

To what extent does management follow documented communication and risk management processes to foresee, mitigate or prevent problems?

Is the methodology and tools used for communications effective and accurate; and does management regularly inform the Government of project activities?

To what extent do all responsible elements of the IP's organization, including subcontractors, work in unison with each other and the System Prime contractor and other support contractors?

To what extent are IP personnel prepared for meetings and briefings, and contribute value-added assistance and advice?

To what extent are qualified personnel assigned to the task order; and is the IP's work performed efficiently with the correct skill mix?

Other than routine management reports, are technical revisions and technical comments timely, accurate, complete, and in the specified format?

To what extent is staff continuity preserved, including maintaining small business utilization; and personnel change management handled rapidly and efficiently? (Given that the IP cannot control the time it takes for CBP to complete Background Investigations.)

To what extent does management evaluate current SBI processes and make recommendations for improvement that incorporate industry standards and best practices?

6.2 Expertise, Currency and Accuracy of Technical Services

Technical – 30% (based on the Rating Scale in Section 7): The objective of this award fee provision is to provide the incentive for the IP to achieve optimum technical performance. The evaluation of **"Technical"** includes subjective and qualitative criteria. Technical rating is based on the performance achieved in the IP-provided status/ performance report, if applicable, and the qualitative questions provided below.

The criteria for technical performance includes the following questions:

To what extent are the Key Personnel, technical Subject Matter Experts (SMEs), including lead senior personnel, at the forefront of the technology and business processes used in the SBI environment?

To what extent do Key Personnel and SMEs contribute timely and accurate technical information to identify corrective actions necessary by the Government?

To what extent does the IP transfer its technical knowledge and skills to SBI Program Managers to achieve technical operational objectives?

To what extent are Federal and industry standards and processes identified to assist the SPO deliver the technical solution [e.g., Federal Information Security Management Act, NIST Standards, CMMI, and various Federal Information Processing Standards (FIPS)]?

To what level of expertise and quality does the IP contribute to Integrated Master Schedules, Integrated Master Plans and Integrated Baseline Reviews as scheduled?

To what level of expertise and quality does the IP contribute to the SBI regarding informal Independent Verification & Validation (IV&V) functions? (Given that the IP is not the formal IV&V contractor.)

6.3 Planning, Control and Execution of Cost

Cost – 20% (May primarily be determined by the COTR, PM and Project Manager(s); and based on the Rating Scale in Section 7). The objective of this award fee provision is to provide the incentive for the IP to achieve optimum cost effectiveness while performing task order requirements. The evaluation of cost will consider all aspects of task order performance for the criteria below.

To what extent has the IP effectively and efficiently managed costs and remained within the cost estimate and awarded amount of the task order?

Does the IP take proactive measures to avoid cost growth such as not exceeding the 40 hour work week and informing the Government of additional work? (Note: There will be instances when a contractor may exceed the 40 hours/week schedule.)

Does the IP respond promptly to inquiries and requests for program cost data?

Are invoices, vouchers and cost performance-related reports timely and accurate?

After the first two months following task order award, are invoices and vouchers provided to the COTR and task order PM on a regular basis; and are invoices correct?

To what extent are costs questioned and disallowed by the COTR?

Are Other Direct Costs (ODCs) and Travel authorizations and purchases accomplished in a cost-effective manner and IAW task order requirements and Federal travel regulations?

SECTION 7: PERFORMANCE SCORING AND RATING SCALE

The scoring and methodology to be used in determining the award fee scores for the three criteria outlined in Section 6 are IAW the rating scale described below.

7.1 Rating Scale

Evaluators and Performance Monitors will use the following Rating Scale for evaluating the criteria in Section 6. The percentage (or range) of the award fee, for performance that is at least Satisfactory, corresponds to these ratings. The Contractor does not receive award fee for performance that is less than Satisfactory.

7.1.1 Management Rating Scale Criteria: The following Rating Scale will be used in evaluating the management criteria in Section 6.

< 71%= Unsatisfactory.
Contractor's management performance does not meet expectations for timeliness, quality and process improvement. Staffing and personnel change management needs improvement; overall improvement is necessary to address task order requirements, and Government resources are required to assure that timely corrective actions are taken. Some task order requirements are not being met, in spite of using Government resources. Weaknesses and deficiencies are important and require immediate attention because corrective action is not affective. Customer is not satisfied.

71%-80% = Satisfactory.
Performance meets task order requirements and general expectations. Staffing and personnel change management are adequate. Most of the activities associated with the task order are on or ahead of schedule. Few notable achievements made. Areas of nonconformance are minor, and have a tolerable effect on overall performance or on meeting program objectives. Customer is satisfied.

81%-90% = Good.
Contractor's management performance exceeds general expectations. Areas of nonconformance to expectations are minor, but are offset by other notable achievements. The IP is mostly proactive and results-oriented. The IP's management processes and staffing and personnel change management is timely and effective. Overall, the IP takes corrective action to address management, technical, risk or resource issues in a timely fashion. Customer is highly satisfied.

91%-100% = Excellent.
Almost all expectations regarding management action, staffing and personnel change management, process controls and quality assurances are exceeded. There are no areas of nonconformance to expectations, delays, or cost issues. The IP provides deliverables that are on time, accurate and do not require significant revisions. The IP's performance is exemplary and a model for the industry. The IP is proactive, improvements are continuous, and the IP makes process or staffing improvements where ever possible. Customer is almost completely satisfied.

Technical Rating

Technical Rating Scale Criteria: Evaluators shall use the following Rating Scale to evaluate the technical criteria in Section 6.

< 71%= Unsatisfactory.
Task order requirements are not being met, in spite of using extra Government resources. Technical expertise, consulting or performance meets expectations in some areas but falls short in other major areas; and technical expertise, consulting or performance is unsatisfactory. Government resources are required to assure the IP takes timely corrective actions. Weaknesses or deficiencies in technical expertise are important and require immediate attention because corrective action is not effective. Customer is not satisfied.

71%-80% = Satisfactory.
Technical expertise, consulting and performance meet task order requirements. Few achievements made in areas of technical consulting, technical exchange or quality control of operational efficiencies. Areas of nonconformance to expectations are minor. Customer is satisfied.

81%-90% = Good.
Areas of technical expertise, consulting or operational difficulties are minor, but are offset by the IP's effort to mitigate risk and resolve issues or operational difficulties quickly. Overall, Contractor expertise, communications and performance approaches beyond expectations. The IP continuously monitors program milestones, timeliness and quality control; is proactive in those areas, takes corrective action in a timely fashion, and makes improvements where ever possible. Customer is highly satisfied.

91%-100% = Excellent.

Almost all expectations of technical expertise, consulting, communications, planning and reporting are exceeded. There are no serious technical, consulting, or operational issues regarding budget planning, baseline reviews, informal IV&V, communications or cooperation with the System Prime (within the IPs responsibility). The IP is very proactive in ensuring the SBI is aligned with Federal regulations, guidelines, Information Technology standards and Federal security requirements. Contractor personnel in management or senior-level positions are highly proficient and effective. As far as the IP's responsibilities, the SBI systems and infrastructure meet or exceed requirements and Federal standards. Customer is almost completely satisfied.

Cost Rating Scale Criteria

Evaluators shall use the following rating scale and criteria for evaluating the "Cost" criteria in Section 6, to the best of their knowledge. The percentage (or range) of the award fee that corresponds to these ratings is as follows:

< 71%= Unsatisfactory.
Cost controls are nonexistent or inadequate. Costs reporting requirements are not being met. The customer is not satisfied with the IP's inability to regularly report project costs or control program costs. Cost management requires intervention from the Government.

71%-80% = Satisfactory.
Cost controls appear adequate. Cost performance meets the SPO's expectations. Cost information is reported accurately and timely, with some revisions. Customer is satisfied.

81%-90% = Good.
Cost controls work well. Cost information is reported accurately and timely in reports and for Program Reviews, with infrequent revisions. The IP is proactive controlling costs. Purchases of *cost reimbursables* (i.e., ODCs and Travel) are accomplished in a cost-effective manner, coordinated through the COTR or sub-COTR and IAW task order guidelines and requirements. Customer is highly satisfied.

91%-100% = Excellent.
Purchases of ODCs and Travel are accomplished in a cost-effective manner, coordinated through the COTR or sub-COTR and IAW task order guidelines and requirements. The IP always follows proper procedures for obtaining authorizations for work over 40 hours/week or Long Distance Travel. The IP consistently proposes cost effective approaches to program or technical issues. Customer is almost completely satisfied.

ATTACHMENT 1 - AFEB MEMBER/PERFORMANCE MONITOR'S EVALUATION REPORT

AFEB Member/Performance Monitor's Evaluation Report

Instructions: *Monitors should use a bulleted format for submitting strengths, weaknesses and recommendations. Monitors are encouraged to attach additional supporting data for the final report. Monitors should include in the report methods used to evaluate performance during this period; e.g., observation, technical review and schedule environment; and include any other special conditions that influenced this rating.*

Date:
Performance Monitor Name and Title:

Award Fee Period: from _____to _____

Performance Monitor's Primary Task Area(s) (check all that apply):

	Performance, Planning & Metrics		Logistics Operations Maintenance & Facilities Support
	Budget & Financial Management		Planning & Business Operations
	Risk Management		Operational Requirements Support
	Program Management Support		Quality Management
	Environmental Planning & Real Estate Support		Architecture & Systems Engineering Management
	Program Control		Organization Management Support
	System Program Office (SPO) Support		Administrative Support

Note: Performance Monitors are NOT limited to evaluating only their own functional areas. Their experiences in other areas should also be evaluated. However, please indicate in the boxes above your ***primary*** *(P) area(s) of responsibility, with a check (√) for a secondary area..*

Special Circumstances during this period and their impact:

Strengths of the contractor's performance (with examples and task order references) in Management, Technical and Cost criteria areas:

Weaknesses in the contractor's performance (with examples and task order references) in Management, Technical and Cost criteria areas:

Performance Monitor's Evaluation Report (Cont'd.)

Impact of the contractor's performance on execution of the program:

Corrective actions recommended, if any:

Award fee rating recommended for this evaluation criteria and period of performance:

CATEGORY	WEIGHT	RATING (Excellent, Good, Satisfactory or Unsatisfactory)	RECOMMENDED SCORE
Management	50%		
Technical	30%		
Cost	20%		

Performance Monitor Signature:_____