ATTACHMENT J-5

NATIONAL AERONAUTICS & SPACE ADMINISTRATION (NASA)

NASA INTEGRATED COMMUNICATIONS SERVICES (NICS)

Cost Plus Award Fee/ Cost Plus Incentive/Award Fee Evaluation Plan

SUBMITTED BY: _____ _____

TBD Date

NICS Contracting Officer's Technical Representative

CONCURRENCE: _____ _____

TBD Date

Contracting Officer

CONCURRENCE: _____ _____

TBD Date

MSFC Chief Information Officer

CONCURRENCE: _____ _____

TBD Date

Contracting Officer

APPROVED BY: _____ _____

TBD Date

Chairman, Performance Evaluation Board

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I. SUMMARY

The purpose of this plan is to provide guidelines and to establish the criteria and methodology for evaluating the contractor's performance against the Performance Work Statement under the "NASA Integrated Communications (NICS)" contract. This plan was prepared in accordance with NASA Headquarters *Award Fee Contracting Guide* dated June 1994, Marshall Work Instruction (MWI) 5116.1, *Evaluation of Contractor Performance under Contracts with Award Fee Provisions*, and NASA's Award Fee Policy as stated in the NASA FAR Supplement. The Government reserves the unilateral right to amend the plan on a prospective basis.

This document includes a description of the contract, contract fee structure, evaluation organization, roles and processes, and Part A contract base years and Part B contract options 1, 2, and 3. Part A of this plan more fully describes the CPAF evaluation criteria that will be evaluated for contract years 1-3 (CLINS 1 through 5). Part B of this plan describes the CPIF/AF evaluation criteria that will be evaluated for performance measurement for contract years 4-10 (CLINS 6 through 20).

A. Description of Contract

NICS is a completion form mission services contract comprised of both core and IDIQ components. The contract has a base term of three (3) years, plus one 2-year, one 3-year, and one 2-year priced options. The contract is managed by the Marshall Space Flight Center's (MSFC's) Office of the Chief Information Officer (CIO) to provide Agency-wide IT network communications services, consisting of the following:

a. Contract Management: These services include program management, financial management, logistics, contract Phase-In/Transition management, procurement, security management, safety, health & environmental management, facilities management, quality assurance and management, contractor's role in I^3P, other interface points, and contract and subcontract administration.

b. Enterprise Services: These services include network services, voice services, data services, collaboration services, corporate management and operations, mission services, mission management and operations, customer relationship management, service management, strategy generation, IT security support, and GSA contract integration. This is to include WAN and LAN communication services at all NASA Centers and associated component facilities.

c. Center and Associated Component Facility Services: These services include Center and associated component facility-specific services, such as cable plant management, Emergency Warning System (EWS), public address system, radio, telephone service, Voice over Internet Protocol (VoIP), cable television (TV).

d. Infrastructure Projects: This activity includes both continuation and new projects and shall include all the effort to perform projects such as Network Communications Initiative (NCI) Continuation Project, Center Zone Architecture Program (CZAP) Continuation Project, NICS Consolidated Configuration Management System, Consolidated Corporate Network Operations Center Project, and other NASA-

approved projects. These projects shall be accomplished in accordance with NPR 7120.7, *NASA Information Technology and Institutional Infrastructure Program and Project Management Requirements*.

e. Unique Services: These services include infrastructure (i.e. desktop, LAN management) for Russia IT services, NASA National Security Systems (NSS) service IT support, and Digital Television (DTV) engineering services.

Table A below depicts the NICS Contract Line Item Number (CLIN) structure:

Table A

Contract CLIN Structure

CLIN		PERIOD COVERED	DESCRIPTION	PWS SECTION	Fee Evaluation Methodology
		CPAF			
1		5/1/10-4/30/13 **Base Period**	Contract Management, Enterprise Services, & Unique Services	2.0, 3.0*, 6.0	Award Fee
2		5/1/10-4/30/13 **Base Period**	Infrastructure Projects	5.0**	Award Fee
3		5/1/10-4/30/13 **Base Period**	Operations and Maintenance	3.6 and 3.8	Award Fee
4		5/1/10-4/30/13 **Base Period**	Center and Associated Component Facility Services	4.0	Award Fee
5		5/1/10-4/30/13 **Base Period IDIQ**	IDIQ Summation of Task Order Values	3.7.6, 5.5	Award Fee
		CPIF/AF			
6		5/1/13 – 4/30/15 **Option 1**	Contract Management, Enterprise Services, & Unique Services	2.0, 3.0*, 6.0	Award Fee
7		5/1/13 – 4/30/15 **Option 1**	Infrastructure Projects	5.0**	Award Fee
8		5/1/13 – 4/30/15 **Option 1**	Operations and Maintenance	3.6 and 3.8	Incentive Fee
9		5/1/13 – 4/30/15 **Option 1**	Center and Associated Component Facility Services	4.0	Incentive Fee
10		5/1/13 – 4/30/15 **Option 1 IDIQ**	IDIQ Summation of Task Order Values	3.7.6, 5.5	Award Fee
		CPIF/AF			
11		5/1/15 – 4/30/18 **Option 2**	Contract Management, Enterprise Services, & Unique Services	2.0, 3.0*, 6.0	Award Fee
12		5/1/15 – 4/30/18 **Option 2**	Infrastructure Projects	5.0**	Award Fee
13		5/1/15 – 4/30/18 **Option 2**	Operations and Maintenance	3.6 and 3.8	Incentive Fee
14		5/1/15 – 4/30/18 **Option 2**	Center and Associated Component Facility Services	4.0	Incentive Fee
15		5/1/15 – 4/30/18 **Option 2 IDIQ**	IDIQ Summation of Task Order Values	3.7.6, 5.5	Award Fee
		CPIF/AF			
16		5/1/18 – 4/30/20 **Option 3**	Contract Management, Enterprise Services, & Unique Services	2.0, 3.0*, 6.0	Award Fee
17		5/1/18 – 4/30/20 **Option 3**	Infrastructure Projects	5.0**	Award Fee
18		5/1/18 – 4/30/20 **Option 3**	Operations and Maintenance	3.6 and 3.8	Incentive Fee
19		5/1/18 – 4/30/20 **Option 3**	Center and Associated Component Facility Services	4.0	Incentive Fee
20		5/1/18 – 4/30/20 **Option 3 IDIQ**	IDIQ Summation of Task Order Values	3.7.6, 5.5	Award Fee

* Excludes PWS Sections 3.6, 3.7.6, and 3.8
** Excludes PWS Section 5.5

B. Contract Fee Structure

The NICS contract utilizes a Cost-Plus-Award-Fee (CPAF) (contract base period)/Cost-Plus-Incentive-Fee/Award Fee (CPIF/AF) (all option periods) structure. The contract will also contain an IDIQ component. During the initial base period of 3 years, the contract will utilize a CPAF structure only, comprised of both objective and subjective criteria (Table 1). During contract years 4-10, the contract will utilize a CPIF/AF structure (Table 1), dependent upon the particular CLINs being evaluated (See Table A). A degree of subjectivity will be required throughout the NICS performance period based on the nature of the transformational effort that will continue during the later years of performance.

For the contract base period (Years 1-3), which utilizes a CPAF process, subjective performance evaluation will be utilized for all PWS sections and will evaluate the Program Management Criterion, Contract Management Criterion, Technical Achievement Criterion, and Cost Control Criterion. Contract years 4-10 will also subjectively evaluate these areas of performance for the Award Fee CLINs. For all contract years, objective technical performance standards have been developed to determine the contractor's technical performance for PWS sections 3.6, 3.8, and 4.0. These standards are delineated in Attachment J-4, *Performance Measures*, of the NICS contract. For award fee CLINs, performance evaluation is conducted each contract quarter, with formal evaluation for fee purposes conducted semi-annually with submission to the Performance Evaluation Board (PEB) for the determination of earned award fee.

For contract years 4-10, the Incentive Fee CLINs will utilize a combination of technical performance measurement using the objective performance measures delineated in Attachment J-4, technical operations management assessment, and cost incentive measurement which will be performed in accordance with the contract clause B.7 *Incentive Fee.*

Contract type transition and allocation of performance methodology is presented in Table 1 below:

Table 1
Fee Allocation Table

Contract Period	Fee Methodology	Methodology Distribution
Base Period, Years 1-3 CLINS 1, 2, 3, 4, 5	CPAF	65% subjective performance 35% objective performance
Option 1, Years 4-5 CLINS 6, 7, 10	CPAF	100% subjective performance
CLIN 8	CPIF	100% 60% objective performance 25% objective cost incentive 15% technical operations management assessment *
CLIN 9	CPIF	100% 60% objective performance 25% objective cost incentive 15% technical operations management assessment *
Option 2, Years 6-8 CLINS 11,12, 15	CPAF	100% subjective performance
CLIN 13	CPIF	100% 60% objective performance 25% objective cost incentive 15% technical operations management assessment *
CLIN 14	CPIF	100% 60% objective performance 25% objective cost incentive 15% technical operations management assessment *
Option 3, Years 9-10 CLINS 16, 17, 20	CPAF	100% subjective performance
CLIN 18	CPIF	100% 60% objective performance 25% objective cost incentive 15% technical operations management assessment *
CLIN 19	CPIF	100% 60% objective performance 25% objective cost incentive 15% technical operations management assessment *

* This fee will be allocated to the award fee pool and will utilize subjective evaluation measures.

II. EVALUATION ORGANIZATION, ROLES AND PROCESSES

In order to assist in understanding the structure associated with the evaluation process, Attachment 3, *Organization and Responsibility Flow Chart*, is provided. Attachment 4, Performance Evaluation Process Events, provides the organization flow of information regarding the evaluation process. This evaluation organization and following responsibilities and process relates to all CLINS, both award fee and incentive fee.

A. Evaluators Roles and Responsibilities

The evaluation organization consists of the Technical Monitors (TM), Contracting Officer (CO), Contracting Officer Technical Representative (COTR), Performance Evaluation Committee (PEC), and the Performance Evaluation Board (PEB).

a. Technical Monitor (TM) Responsibilities:

Technical Monitors (TMs) are responsible for providing both subjective and objective evaluations of contractor performance for the PWS subsections to which they have been assigned. Subjective evaluation provides the COTR assistance in the evaluation of all PWS sections in accordance with this plan, and as delineated in Attachment J-1, Appendix C, *Performance Specifications*. In addition to the subjective input for the PWS section 2.0, 3.0, 4.0, 5.0 and 6.0, each TM assigned to PWS sections 3.6, 3.8, and 4.0 is to provide validation of objective contractor performance metrics, as delineated in Attachment J-4, *Performance Measures.*

The TMs establish the insight requirements for a technical work area. In this role, the TMs plan and implement the required performance surveillance and audit activities for that work area and provides input into the contractor's performance evaluation. As part of the TMs' responsibility in reviewing contractor work, they attend contractor managed technical meetings and perform any other function deemed necessary to accurately assess performance. The TMs validate the contractor-provided performance metrics data as part of the award fee and incentive fee performance evaluation process.

For all award fee CLINs as delineated in Table A, the TMs will document the contractor's performance by describing relevant examples of strengths and weaknesses of actual performance measured against the evaluation criteria described in Part A below.

The TMs provide a factual evaluation of each criterion and subcriterion within the designated area. It is incumbent upon the TMs to acquire data to substantiate why the contractor's performance is a strength or weakness by maintaining a daily knowledge of contractor performance through review of output production and reports, observations, problem resolution, discussion with the contractor, interface with the IT Point-of-Contact of the principal organizations, and meetings with users. Information required for evaluation purposes that is not readily available from existing sources should be discussed with the COTR and written reports initiated as necessary to provide essential evaluation documentation. TMs assigned to specific task orders shall also provide the evaluation data required by this section.

The following specific duties and responsibilities delegated to the TMs affecting performance surveillance are:

- Monitor contract performance for each PWS sub-section of assigned responsibility and immediately report all problems related to it to the COTR. Keep the COTR informed, both orally and in writing, of the status of the contract and performance to requirements. Periodic reports, as agreed to between the COTR and TM, shall be provided.
- Recommend to the COTR performance metrics that will ensure receipt of the quality and kinds of supplies or services required by the contract.
- Perform on-site surveillance of the contractor's work. Document surveillance activities and provide a copy of the documentation to the COTR.
- Assure technical proficiency and compliance with the technical provisions of the contract by review and verification of work accomplished by the contractor.
- Assist the COTR in ensuring that the contractor complies with the defined PWS or specifications included in the contract.
- Assist the CO and COTR in interpreting technical requirements of the contract scope of work specifications. Differences of opinion shall be referred to the CO if necessary.
- Recommend in writing to the COTR any changes desired in scope and/or technical content of the contract with justification for the proposed action.

The letter utilized to appoint the evaluation TMs is included in Attachment 1.

b. Contracting Officer (CO) Responsibilities:

The Contracting Office will provide subjective assessment of contractor performance under the Contract Management Criterion as more fully described in Part A. The CO will also execute to the award fee modification subsequent to the determination of the total fee earned for the evaluation period.

c. Contracting Officer Technical Representative (COTR) Responsibilities:

For all contract years, the COTR has overall responsibility for evaluating the contractor's performance, preparation and presentation of the composite report to the PEB, thus functioning as the award fee coordinator. For contract years 4-10 (Options 1, 2, and 3), the COTR also serves as the Incentive Fee coordinator and receives and reviews the TM's written reports to determine the total incentive fee earned for the evaluation period. The COTR also works closely with the TMs to assure the evaluation process is equitably and systematically performed in accordance with this plan.

Additionally, the COTR serves as the single-point technical liaison between the contractor and CO. As an appointee by the CO, the COTR is responsible to the CO for monitoring and ensuring contractor performance and delivery of the final product and/or services under the contract. Specific duties and responsibilities delegated to the COTR affecting performance surveillance are to:

- Establish objectively measurable performance standards that will ensure receipt of the quality and kinds of services required by the PWS.
- Perform audits, surveillance and insight in accordance with the standards.
- Assure technical proficiency and compliance with the technical provisions of the contract by review and verification of the performance of the work.
- Approve and issue technical direction as may be required and authorized by the contract.
- Provide the contractor with the technical data and information as required by the contract.
- Monitor contractor compliance with the defined PWS or specification included in the contract.
- Conduct subjective performance evaluations and compile and report this data to the NASA performance evaluation board to be used in conjunction with the award fee evaluation process for the other PWS elements.
- Establish and manage overall TM support of the above activities. This will include appointment of a TM for each PWS sub-section. The COTR may appoint a TM as monitor for more than one PWS sub-section. The COTR will also ensure that the data required for quarterly and semi-annual performance measurement is provided by each TM in a timely manner.

d. Performance Evaluation Committee (PEC)

The PEC is an organization established by the CO and COTR to provide oversight of the fee evaluation process, ensure that recommendations made by the COTR to the PEB are consistent with the requirements of this plan, and ensure that the recommended performance rating is indicative of the contractor's performance. The PEC meets on both a quarterly and semi-annual basis and is responsible for reviewing the Draft PEB performance report and recommending a performance score to the Performance Evaluation Board (PEB) on a semi-annual basis.

The PEC is comprised of the Headquarters I^3P Project Representative(s), MSFC Chief Information Officer (CIO), Contracting Officer (CO), Contracting Officer's Technical Representative (COTR), and representative(s) of the NICS Project Office. The PEC is also comprised of the following members: the NICS Business Manager, one TM from each of the represented NASA Centers, the Corporate Services TM, the Mission Services TM, the Corporate Operations/IT Security TM, the Missions Operations/IT Security Infrastructure Projects TM, and the Unique Services TM.

e. Performance Evaluation Board (PEB)

The PEB responsibilities are defined in Marshall Work Instruction MWI 5116.1, *Evaluation of Contractor Performance under Contracts with Award Fee Provisions*. The Agency CIO will be the Fee Determination Official, while the MSFC CIO will serve as the PEB Chair.

B. Evaluation Process

The evaluation process consists of data collection/analysis, PEC report preparation, scoring, and PEB report preparation.

a. Data Collection/Analysis

The COTR functions as the award fee coordinator and has overall responsibility for the evaluation process. The COTR works closely with the TMs to assure the evaluation process is equitably and systematically performed in accordance with this plan.

The Government will establish areas of emphasis for each evaluation period. They will be used to specifically define an area/activity within the criteria that requires emphasis during an evaluation period due to its importance, or due to its possible adverse impact (e.g., significant activities, problem areas, goals, objectives). These areas of emphasis are to be based on the established criteria in Part A of this plan and will be formally transmitted to the contractor via a letter from the COTR. Areas of emphasis do not take precedence over the evaluation criteria. The number of areas of emphasis is to be kept to a minimum. Each area of emphasis shall be addressed in the Government evaluation report and the Contractor Self-Assessment report. All correspondence dealing with areas of emphasis shall be provided to the Contracting Officer and the PEB Executive Secretary.

In assessing subjective performance against PWS sections 2.0, 3.0, 4.0, 5.0, and 6.0, principal organizations for which the contractor provides support also have an opportunity to provide input to the quarterly evaluation process. The users may submit written comments to be considered in the contractor evaluation process through the TMs, COTR, or CO. The TMs contact the corresponding users to solicit their observations on a regular basis.

The TMs document the contractor's performance by describing relevant examples of strengths and weaknesses of actual performance measured against the evaluation criteria described in Part A below. The TMs also utilize the performance measures shown in Attachment J-4, *Performance Measures*, of the NICS contract to validate contractor performance for both the base period and all contract options. Finally, TMs assess contractor performance for each Option Year Incentive Fee CLIN by providing subjective evaluation of the technical operations management. The following definitions apply:

a. Significant Strength: Accomplishment exceeding even the best expectations. Innovation that significantly improves the services, operations, or projects. Effort that enables significant cost or schedule savings throughout the evaluation period.

b. Strength: Accomplishment beyond the expected work level of fulfilling the contract requirements. Performance that earns recognition from customers or can be used as an example other efforts could follow.

c. Significant Weakness: Failure to accomplish contractual requirements that endangers the overall success of a service, operation, or project. Performance that elicits negative response from key customers or the public, and therefore reflects poorly on the NICS project or the I^3P.

d. Weakness: Performance of services, operations, or projects that does not live up to the normal expectations of contract fulfillment. Performance that impacts negatively the work of other NICS services, operations, or projects, or I^3P. Effort needing remedial activity or recovery efforts in order to get the effort back on track.

e. Observation: A noteworthy experience, service, act, concern, potential issue, (either positive or negative) that should be mentioned.

The TMs prepare a written evaluation relating factors under consideration to the specified evaluation criteria. This written evaluation provides factual evaluation of each criterion and subcriterion within the designated area. TMs acquire data to substantiate why the contractor's performance is a strength or weakness by maintaining a daily knowledge of contractor performance through review of output production and reports, observations, problem resolution, discussion with the contractor, interface with the IT Point-of-Contact of the principal organizations, and meetings with users. Strengths and weaknesses are to be stated in a manner to convey a clear understanding of the performance. Significant strengths and weaknesses are also to be clearly delineated. Information required for evaluation purposes, that is not readily available from existing sources, should be discussed with the COTR and written reports initiated as necessary to provide essential evaluation documentation. The TMs validate, using the necessary means at their disposal, objective performance measurement for the objectively measured sections of the PWS 3.0 and 4.0. TMs assigned to specific task orders shall also provide the evaluation data required by this section. Each TM maintains open communication with the contractor counterpart to permit full understanding of progress under the contract.

b. PEC Report Preparation

The COTR receives and reviews the TMs' written reports. The COTR prepares a composite draft report for the PEC review. The COTR incorporates any PEC changes to the report and presentation to the PEB. The subjectively evaluated award fee is determined by the Fee Determination Official after receipt of the PEB's report and recommendations. Criterion evaluated as needing improvement will require detailed review each period until the required level of performance is attained by the contractor.

The PEC meets on a semiannual basis to review the Draft PEB report and to recommend a performance score to the PEB.

c. Scoring

The scoring system is as follows:

The PEC will assign an adjective rating and a numerical score at the criteria level and utilize these ratings and scores to establish a recommended award/incentive fee earned amount in accordance with the methodology described below. This weighted scoring system is utilized to derive an overall award fee earned amount.

Table 2 will be utilized to allocate the potential subjectively evaluated fee available during each evaluation period. These percentages apply to the total subjective fee percentage delineated in Table 1. These percentages shall remain unchanged throughout the life of the contract unless changed by revision to this plan and are outside the PEB approval process.

Upon establishing the potential subjective award fee pool, the COTR will further apply the percentages delineated in Table 2 to determine the applicable award fee pool for each of the areas of performance to be subjectively evaluated. The weights assigned reflect the importance of the respective criteria and sub-criteria to be used in determining the final numerical score and adjective rating. These weights may be adjusted by the COTR over specific contract periods to provide motivational emphasis based on such factors as labor-hour requirements, cost, and management considerations. Objective performance for PWS sections 3.0 and 4.0 will also be measured against the standards established in Attachment J-4, *Performance Measures.*

Upon establishment of the subjective fee earned (as determined by the PEB and Award Fee Determination Official) and objective fee earned, the amounts will be combined to establish the total fee earned for the period. A modification to the contract allocating the Earned Award Fee from the Potential Award Fee will be executed by the Contracting Officer subsequent to this determination. Any unearned Potential Award Fee will be removed as a reduction to contract value as part of the award fee modification and will not roll over into any subsequent period.

The overall numerical score is converted to an adjective rating in accordance with the chart on Attachment 2.

d. PEB Report Preparation

A semiannual performance evaluation report and presentation to the PEB is prepared by the COTR. This report includes a summary of significant strengths, strengths, significant weaknesses, and weaknesses for each evaluation criterion, recommended ratings for each criterion and for the total performance utilizing the weighting factors, adjective, and numerical ratings described in Part A, and award fee recommended for the period.

The COTR report and presentation charts are forwarded to the PEB Secretary. NASA Headquarters *Award Fee Contracting Guide* dated June 1994 and MWI 5116.1 provide detailed instructions concerning the structure of the TM and COTR reports and supporting documentation required.

A quarterly written performance evaluation report is prepared by the TMs and furnished to the COTR. A semiannual performance evaluation report and presentation to the PEB is prepared by the COTR. This report includes a summary of significant strengths, strengths, significant weaknesses, and weaknesses for each evaluation criterion, recommended ratings for each criterion and for the total performance utilizing the weighting factors, adjective, and numerical ratings described in Part A, and award fee recommended for the period. The COTR report and presentation charts are forwarded to the PEB Secretary. NASA Headquarters *Award Fee Contracting Guide* dated June 1994 and MWI 5116.1 provide detailed instructions concerning the structure of the TM and COTR reports and supporting documentation required.

The subjectively evaluated award fee is determined by the Fee Determination Official after receipt of the PEB's report and recommendations. For any subsequent corrective actions, the correction action process/procedure will be in accordance with of MWI 5116.1.

PART A- Contract Base Period (Years 1-3)

I. CONTRACT BASE PERIOD TABLES (CLINS 1, 2, 3, 4, 5)

As indicated in Table 1, Fee Allocation Table, the contract base period will utilize both subjective and objective evaluation criteria. All CLINs Potential Award Fee pools will be combined to arrive at a total Potential Award Fee for the semi-annual evaluation period. The fee will then be allocated in accordance with the percentages delineated in Table 1 between subjective and objective evaluation criteria.

For the subjective fee pool, evaluation will be conducted using the criteria discussed in Part 1, *Evaluation Criteria* below, and in accordance with the allocation percentages delineated in Table 2 below.

Table 2

Subjective Fee Pool Allocation Table
(65% of AF Pool per Table 1)

PWS Section	Applicable Percentage of Total Award Fee Pool
A. Program Management	15%
B. Contract Management	15% Business Decisions Affecting the Contract Compliance with Contract Provisions
C. Technical Achievement	45% PWS 3.0 PWS 4.0 PWS 5.0 PWS 6.0
D. Cost Control	25% Budget Management Contract Value Management

For the objective fee pool, evaluation will be conducted using the objective performance measures delineated in Attachment J-4, *Performance Measures*. Within this document, objective measures have been established for PWS sections 3.6, 3.8 and 4.0. The established objective fee pool will be further allocated among the weighting percentages delineated in Table 3 below for each of these PWS sections, for a total of 100% of the total objective fee available for the period.

Table 3

Objective Fee Pool Allocation Table
(35% of AF Pool per Table 1 for CLINS 1 - 5)

PWS Section	Allocation Percentage
3.6	45%
3.8	40%
4.0	15%

The performance measures delineated in Attachment J-4, *Performance Measures*, are measured on a monthly basis. However, the individual monthly measures will not be averaged over the six-month evaluation period to arrive at a total fee earned but will measured by distinct one-month evaluation periods. Therefore, the pool allocated in accordance with Table 3 above will be allocated to six separate measurement periods, by individual performance measure. The cumulative fee earned over the six distinct one-month periods will be added to arrive at a total objective fee earned for the semi-annual evaluation period.

II. AWARD FEE EVALUATION CRITERIA

The Government shall establish areas of emphasis for each performance period. These areas of emphasis are to be based on the established criteria of this plan and will be formally transmitted to the contractor via a letter from the COTR. Areas of emphasis do not take precedence over the evaluation criteria. They will be used to more specifically define an area/activity within the criteria that requires emphasis during an evaluation period due to its importance, or due to its possible adverse impact (e.g., significant activities, problem areas, goals, objectives). The number of areas of emphasis is to be kept to a minimum. Each area of emphasis shall be addressed in the Government evaluation report and the Contractor Self-Assessment report. All correspondence dealing with areas of emphasis shall be provided to the Contracting Officer and the PEB Executive Secretary.

The TMs will evaluate the areas of quality of work performed, use of resources, timeliness of performance, and customer satisfaction by considering any combination of one or more, or all of the following factors of relevance to the evaluation process. The contractor's performance will be evaluated in terms of Program Management Criterion, Contract Management Criterion, Technical Achievement Criterion, and Cost Control Criterion as defined in the following paragraphs:

A. Program Management Criterion

This criterion addresses Program Management for the entire PWS. Additionally, the TMs evaluate the effectiveness of the contractor’s Program Management performance for the following areas:

a. Logistics, property, inventory, shipping/ receiving/inspection, and vehicle management practices and procedures
b. Contract transition practices and approach
c. Physical and IT security, export control, and emergency management
d. Safety, health, and mission assurance program and practices
e. Facilities management policies and practices
f. Quality assurance management
g. I^3P integration and effective resolution of I^3P issues
h. Strategic planning and evaluation practices
i. Management structure including key personnel
j. Delegation of authority and lines of communication, local autonomy and corporate support
k. Staffing plan and management of attrition
l. Planning, estimating and organizing for individual tasks, as well as supervising and coordinating all tasks
m. Support of specific projects objectives
n. Procedures and plans for receiving work, scheduling, assigning, processing, controlling, and completing the work
o. Flexibility in adjusting to necessary changes in planning and execution, whether these changes originate with the contractor or the Government
p. Productivity improvement and quality enhancement initiatives
q. Coordination, communication, responsiveness, and cooperativeness with NASA, contractors, users, and others
r. Self evaluation and recognition of the contractor's strengths and weaknesses
s. Commitment to NASA ITIL processes.

B. Contract Management Criterion

Contract management is the major criterion for evaluating the contractor's performance for all PWS in the areas of administering business decisions affecting the contract and compliance with contract provisions.

In order to provide a meaningful evaluation, the business management criterion is subdivided into two sub-criteria as follows:

1. Business Decisions Affecting the Contract

The contractor's management proficiency and effectiveness on business-oriented obligations are vital to contract performance. Flaws or weaknesses in the business management can affect overall performance of the contract.

This subcriterion assesses the contractor's management initiative and effectiveness in areas of policies and procedures and general business requirements of the contract. Additionally, the CO will evaluate the effectiveness of the contractor's business decisions as follows:

a. Contract and subcontract management program, policies, and practices
b. Control of major subcontractors, vendors, and intra-company work orders
c. Implementation of Associate Contractor Agreements
d. Procurement approach and adherence to DCMA-approved acquisition system policies and procedures
e. Salary and wage administration
f. Overtime control
g. Paid absence rate
h. Voluntary attrition
i. Proposal quality and accuracy (including adequate details and basis of estimate)
j. Timeliness in response to Government-directed changes
k. Cooperation in negotiation of contract change proposals
l. Accuracy and adequacy of record keeping
m. Mentor-protégé program status
n. Quality of procurement and subcontract related documentation, including subcontract consent packages
o. Contractor's demonstration of integrity and business ethics

2. Compliance with Contract Provisions

Compliance with the contract clauses, general and special provisions, and directed actions under the contract terms are evaluated in this subcriterion. This includes an assessment of the following:

a. The contractor's compliance with the overall agreements contained in the contract including accurate and timely submittal of reports and requests for special information
b. Adherence to pertinent NASA, Center-specific, Federal, State, and local regulations
c. Personnel administration, labor relations, affirmative action plans, and Equal Employment Opportunity including retention and hiring practices for minorities and women
d. Technology utilization and transfer
e. Success in achieving proposed subcontracting goals and socioeconomic requirements
f. Property management/administration, accountability, accuracy of property reporting
g. Safety and security provisions (safety education, lost time incidents, close calls)

Safety will be measured in terms of the contractor's compliance with current contract requirements for system/industrial/occupational safety evaluation, controls implementation, reporting, and documentation. Particular attention will be directed toward safety awareness and effectiveness of effort.

C. Technical Achievement Criterion

In evaluating Technical Achievement Criterion, the TMs will evaluate the following factors of relevance to the evaluation process:

a. Quality of the services provided and assessment of the degree to which the products and services meet user requirements
b. Accuracy and quality of documentation submissions
c. Responsiveness to emergency situations
d. Adequacy of communications with the customer, including responsiveness to customer inquiries
e. Assessment, verification, and understanding of requirements
f. Technical initiative, innovation, and thoroughness in such activities as analysis, design, test, checkout, design correction, acceptance, sustaining engineering, configuration management, and documentation
g. Adherence to established procedures, practices, and regulatory requirements
h. Technical support and technical problem solving including problem identification, processing, statusing, resolution, and remedial remedies
i. Quality assurance
j. Availability of adequate numbers of qualified personnel to perform work requirements including training consideration
k. Appropriateness and mix of skills used in the performance of mission requirements and assignment of personnel to utilize their talents in mission accomplishment
l. Training and cross-utilization of skills
m. Effective use of equipment, building space, facilities and other available resources
n. Care of NASA equipment and equipment maintenance
o. Logistics support and configuration management
p. PWS 5.0 project cost and schedule performance indices, and performance against objectives and requirements
q. Timely achievement of scheduled milestones and assignment of priorities and resources to meet milestones
r. Timely completion and delivery of the results of studies, analyses, or other tasks which may not be specifically identified prior to the start of a particular evaluation period.
s. Effectiveness of the contractor's I^3P integration and effective resolution of I^3P issues as related to service delivery
t. Commitment to NASA ITIL processes and procedures.

D. Cost Control Criterion

Cost control is the criterion for measuring the contractor's ability to develop and adhere to cost plans, control the various elements of cost for maximum effectiveness, provide visibility of costs, make cost adjustments within funding limitations, and adhere to funding guidelines and constraints for all PWS areas. Cost Control evaluation includes the following sub-criteria:

1. Budget Management

This subcriterion evaluates the contractor's ability to: manage work packages; economize and provide service in a low cost environment; prepare and implement annual cost plans within funding guidelines and constraints; and provide continuing visibility of expended efforts through monthly cost reports per DRD 1294MA-010, *Cost Reports*. The following are typical factors to be addressed in the evaluation of this subcriterion:

a. Management decisions, policies, procedures, practices, and changes thereto that affect work package cost and/or performance
b. Recognition and response to funding limitations
c. Recurring and one-time innovative actions taken to achieve economy in the performance of services and delivery of products
d. Activities initiated to increase productivity within the existing workforce
e. Accuracy of cost projections, tracking, and reporting
f. Timely development of budget and financial data, and monthly presentation of planned versus actual cost data
g. Work package budget and financial methodology
h. Voucher reconciliation
i. Accuracy of cost data on contract/configuration changes
j. Special economic analyses and trade studies
k. Effectiveness of the contractor's financial management structure and system, and ability to provide insight into the contractor's costs
l. Timely and effective management initiatives for planning and implementing program operating cost/funding constraints and/or changes

2. Contract Value Management

This subcriterion evaluates the contractor's ability to perform mission requirements within negotiated costs (as reflected in DRD 1294MA-012, *Financial Management Report (533M and 533Q*) and negotiated rates (as reflected in DRD 1294MA-013, *Contractor Self-Assessment Report*). Due to stringent time constraints for conducting performance evaluations following the end of six-month periods, initial cost submissions should reflect actual costs for the first five months and estimated costs for the sixth month. Actual costs for the sixth-month period should be provided prior to the semiannual PEB Meeting. Deferred and/or unaccomplished work and costs not under the contractor's control will be considered, as well as the following factors:

a. Timely development of contract value data and monthly presentation of negotiated cost/rates versus actual cost/rates
b. Cost control measures
c. Initiative and ingenuity demonstrated in minimizing the cost effect of any program changes
d. Cost saving initiatives
e. Administration of salaries and wages and resulting rates while providing proper skills and mix
f. Actions initiated to control direct labor, overhead, subcontractor, other direct, and general and administrative costs

g. Explanation of variances to determine whether incurred costs are within or outside the contractor's control, as determined by the COTR

PART B- Contract Options 1, 2, and 3 (Years 4-10)

I. CONTRACT OPTION PERIOD TABLES (CLINS 6 through 20)

The CPIF/AF evaluation methodology presented in Part B applies only to Contract Options 1, 2, and 3 (Years 4-10). Evaluation of contractor performance will utilize a combination of subjective, objective, and technical/cost criterion, dependent upon the CLINs being evaluated. Section I of Part B describes the subjective/objective methodology to be utilized for the evaluation of performance of CLINS 6, 7, 10, 11, 12, 15, 16, 17, and 20. Section II of Part B describes the objective methodology to be utilized for the evaluation of performance of Incentive Fee CLINs 8, 9, 13, 14, 18 and 19.

Evaluation of the Award Fee CLINS (6, 7, 10, 11, 12, 15, 16, 17, and 20), will continue to utilize both objective performance measures contained in Attachment J-4, *Performance Measures*, and subjective performance criterion, as described in Part A.

Evaluation of the Incentive Fee CLINs (8, 9, 13, 14, 18, and 19) associated with PWS sections 3.6, 3.8, and 4.0, will utilize objective technical measures, and cost incentive procedures in accordance with the contract clause B.7 *Incentive Fee*, and technical operations management assessment.

Tables 3A, 3B, 4A, 4B, 5A, and 5B below delineate the percentages of fee allocated by evaluation methodology. For each evaluation period, fee associated with subjectively evaluated CLINs (6, 7, 10, 11, 12, 15, 16, 17, and 20) will be combined to arrive at a total potential award fee for each evaluation period. This fee will be further allocated in accordance with the percentages delineated in the Tables 3A, 4A, and 5A below in order to establish both the subjective and objective pools of the total award fee pool for each semi-annual evaluation period.

CLINs associated with effort to be objectively evaluated as part of the Incentive Fee process (CLINs 8, 9, 13, 14, 18, and 19) will not be combined but will stand alone, as these CLINs have discreet target costs against which cost performance, technical performance, and technical operations management assessment will be evaluated. The fee associated with each CLIN will be allocated at the percentages delineated in Table 3B, 4B, and 5B in order to establish the amounts allocated to technical performance, cost incentive performance, and technical operations management assessment. As indicated in Tables 3B, 4B, and 5B, 15% of the available Target Incentive Fee will be allocated to the Potential Award Fee pool in order to evaluate the contractor’s technical operations management, specifically PWS sections 3.6, 3.8, and 4.0. This allocation will utilize the award fee process described in Part A of this plan.

Table 3A
Option 1 (Years 4-5) Subjective Award Fee Evaluation

PWS Section	Cumulative Potential Award Fee Available	Applicable Percentage of Incentive/Award Fee Pool
A. Management Approach/Contract Management/Technical Achievement/Cost Control CLINS 6, 7, 10 [PWS 2.0, 3.0 (excluding 3.6 and 3.8), 5.0, and 6.0]	100%	100%- Management Approach Contract Management Business Decisions Affecting the Contract Compliance with Contract Provisions 45% - Technical Achievement PWS 3.0 PWS 4.0 PWS 5.0 PWS 6.0 25% - Cost Control Budget Management Contract Value Management

Table 3B
Option 1 (Years 4-5) Objective Incentive Fee Evaluation

PWS Section	Target Incentive Fee Available	Applicable Percentage of Incentive Fee Pool
A. Technical Performance (Objective) CLINS 8, 9 [PWS 3.6, 3.8, 4.0]*	100%	60% 3.6 – 45% 3.8 – 40% 4.0 – 15%
B. Cost Incentive CLINS 8, 9 [PWS 3.6, 3.8, 4.0]*		25%
C. Technical Operations Management Assessment		15%

* CLINs for PWS sections 3.6/3.8 and 4.0 will not be combined but will be measured independently of each other as the cost incentive fee is tied to cost performance against differing target cost amounts.

Table 4A
Option 2 (Years 6-8) Subjective Award Fee Evaluation

PWS Section	Cumulative Potential Award Fee Available	Applicable Percentage of Incentive/Award Fee Pool
A. Management Approach/Contract Management/Technical Achievement/Cost Control CLINS 11, 12, 15 [PWS 2.0, 3.0 (excluding 3.6 and 3.8), 5.0, and 6.0]	100%	100%- Management Approach Contract Management Business Decisions Affecting the Contract Compliance with Contract Provisions 45% - Technical Achievement PWS 3.0 PWS 4.0 PWS 5.0 PWS 6.0 25% - Cost Control Budget Management Contract Value Management

Table 4B
Option 2 (Years 6-8) Objective Incentive Fee Evaluation

PWS Section	Target Incentive Fee Available	Applicable Percentage of Incentive Fee Pool
A. Technical Performance (Objective) CLINS 13, 14 [PWS 3.6, 3.8, 4.0]*	100%	60% 3.6 – 45% 3.8 – 40% 4.0 – 15%
B. Cost Incentive CLINS 13, 14 [PWS 3.6, 3.8, 4.0]*		25%
C. Technical Operations Management Assessment		15%

* CLINs for PWS sections 3.6/3.8 and 4.0 will not be combined but will be measured independently of each other as the cost incentive fee is tied to cost performance against differing target cost amounts.

Table 5A
Option 3 (Years 9-10) Subjective Award Fee Evaluation

PWS Section	Cumulative Potential Award Fee Available	Applicable Percentage of Incentive/Award Fee Pool
A. Management Approach/Contract Management/Technical Achievement/Cost Control CLINS 16, 17, 20 [PWS 2.0, 3.0 (excluding 3.6 and 3.8), 5.0, and 6.0]	100%	100%- Management Approach Contract Management Business Decisions Affecting the Contract Compliance with Contract Provisions 45% - Technical Achievement PWS 3.0 PWS 4.0 PWS 5.0 PWS 6.0 25% - Cost Control Budget Management Contract Value Management

Table 5B
Option 3 (Years 9-10) Objective Incentive Fee Evaluation

PWS Section	Target Incentive Fee Available	Applicable Percentage of Incentive Fee Pool
A. Technical Performance (Objective) CLINS 18, 19 [PWS 3.6, 3.8, 4.0]*	100%	60% 3.6 – 45% 3.8 – 40% 4.0 – 15%
B. Cost Incentive CLINS 18, 19 [PWS 3.6, 3.8, 4.0]*		25%
C. Technical Operations Management Assessment		15%

* CLINs for PWS sections 3.6/3.8 and 4.0 will not be combined but will be measured independently of each other as the cost incentive fee is tied to cost performance against differing target cost amounts.

The weights assigned reflect the importance of the respective criteria and sub-criteria to be used in determining the final numerical score and adjective rating. These weights may be adjusted by the COTR over specific contract periods to provide motivational emphasis based on such factors as labor-hour requirements, cost, and management considerations but will remain unchanged throughout the life of the contract unless changed by revision to this plan.

II. AWARD FEE EVALUATION

CLINS 6, 7, 10, 11, 12, 15 16, 17, and 20 will utilize subjective evaluation criteria in accordance with the percentages delineated in Tables 3A, 4A, and 5A above. The total fee pool available for these CLINs will be evaluated quarterly in order to provide mid-term feedback to the contractor. However, fee will be assessed on a semi-annual basis only.

A. Subjective Fee Evaluation

The contractor's subjective performance will be evaluated in terms of Management Approach Criterion, Contract Management Criterion, Technical Achievement Criterion, and Cost Control Criterion, as defined in the following paragraphs:

a. Management Approach Criterion

Evaluation of Management Approach will be in accordance with the criteria described in Part A, Contract Base Period (Years 1-3), Evaluation Criteria, Part A, Management Approach Criterion.

b. Contract Management Criterion

Evaluation of Contract Management will be in accordance with the criteria described in Part A, Contract Base Period (Years 1-3), Evaluation Criteria, Part B, Contract Management Criterion.

c. Technical Achievement Criterion

Evaluation of Technical Achievement will be in accordance with the criteria described in Part A, Contract Base Period (Years 1-3), Evaluation Criteria, Part C, Technical Achievement Criterion.

d. Cost Control Criterion

Evaluation of Cost Control will be in accordance with the criteria described in Part A, Contract Base Period (Years 1-3), Evaluation Criteria, Part D, Cost Control Criterion.

B. Incentive Fee Evaluation

CLINS 8, 9, 13, 14, 18, and 19 (PWS sections 3.6, 3.8, and 4.0) will utilize objective evaluation criteria for technical performance, cost incentive, and technical operations management assessment in accordance with the percentages delineated in Tables 3B, 4B, and 5B above. The fee associated with these CLINS will be awarded on an annual basis.

a. Technical Performance (Objective) Criterion

Objective evaluation of technical performance against CLINS 8, 9, 13, 14, 18, and 19 (PWS sections 3.6, 3.8, and 4.0) will be conducted using the technical performance standards delineated in Attachment J-4, *Performance Measures.* The weighting assigned to objective technical performance will be those delineated in Tables 3B, 4B, and 5B. As indicated in Part A, performance measures will be captured and assessed monthly. Therefore, for each CLIN, the fee allocated to technical performance (objective) will be allocated to twelve distinct periods. The fee will be earned monthly and combined at the conclusion of the annual evaluation period to arrive at a total objective fee.

b. Cost Incentive Fee Criterion

Cost performance evaluation against CLINS 8, 9, 13, 14, 18, and 19 (PWS sections 3.6, 3.8, and 4.0) will be conducted in accordance with the contract clause B.7, *Incentive Fee*. The weighting assigned to the cost performance incentive will be those delineated in Tables 3B, 4B, and 5B. Each CLIN will be assessed separately.

c. Technical Operations Management Assessment Criterion

Technical Operations Management Assessment will be conducted in accordance with the weighting delineated in Tables 3B, 4B, and 5B above. 50% of the weighting allotted to this element will be allocated to each semi-annual evaluation period in order to allow for subjective TM assessment of performance of the incentive fee CLINs.

ATTACHMENT 1
APPOINTMENT LETTER

TO: Distribution

FROM: [designated COTR]

SUBJECT: Appointment of Performance Evaluation Monitor for the "NASA Integrated Communications Services (NICS)" Contract

Pursuant to the responsibility and authority vested in me as Contracting Officer's Technical Representative (COTR) for management of the "NASA Integrated Communications Services (NICS) contract, I, [COTR], do hereby appoint and constitute _____ as a duly authorized Technical Monitor of the performance of the NICS contract with **TBD.**

Technical Monitor's Responsibilities

a. The TM will assume, for evaluation purposes that the area of evaluation under his cognizance is of equal importance to areas assigned to other TMs. Therefore, each TM will develop an evaluation plan for his specific area of evaluation in which milestones, events, or other relevant items may be weighted in a manner best suited to the circumstances.

b. Each TM will evaluate contractor performance within the confines of his area of evaluation by providing a brief narrative report consisting primarily of strengths and weaknesses with significant strengths and weaknesses clearly delineated. Each TM will also validate contractor performance against the objective performance measures delineated in the NICS contract. Further, each TM will provide a Technical Monitor Performance Assessment when requested to do so by the COTR.

c. Evaluation will be conducted on a quarterly basis. Quarterly TM reports will be submitted according to a schedule provided by the COTR. TM Performance Assessment reports will be provided at least annually based on cumulative data for the period.

d. TMs will be responsible for maintaining appropriate working files of information utilized in the evaluation process throughout the life of the contract.

Operational Assistance to the COTR

TMs will provide operational assistance and support to the COTR in the management and utilization of resources used under the contract. Specifically, the appointed TMs will:

a. Establish and maintain a working relationship with the contractor that will be conducive to good business environment and stimulate free exchange of relevant information.

b. TM all aspects of the work, interpret data and assigned portions of the contract scope of work, clarify requirements, and otherwise assist the contractor to understand the nature and extent of the work assigned. Differences of opinion will be referred to the COTR for resolution.

c. Establish priorities and sequence of work, as appropriate.

d. Notify the COTR of any irregularities that may disrupt service or constitute violations of labor laws or other applicable statutes or regulations.

This authorization does not include the power to execute or agree to any contract modification or to attempt to resolve any dispute concerning a question of fact arising under the contract, but is limited to the duties specified herein.

This appointment and its authority shall become effective immediately and shall remain in full force and effect until completion of this contract or until rescinded in writing by me, or my successor, or other duly constituted authority.

[COTR’s Name]
Contracting Officer's Technical Representative
Contract **TBD**

ATTACHMENT 2
DEFINITION OF ADJECTIVE RATINGS

ADJECTIVE RATING	DEFINITION	EFFICIENCY RATING AND AWARD FEE PERCENTAGE
Excellent	Of exceptional merit; exemplary performance in a timely, efficient, and economical manner; very minor (if any) deficiencies with no adverse effect on overall performance.	91.0 – 100
Very Good	Very effective performance; fully responsive to contract; requirements accomplished in a timely, efficient, and economical manner for the most part. Only minor deficiencies.	81.0 – 90.0
Good	Effective performance; fully responsive to contract requirements; reportable deficiencies, but with little identifiable effect on overall performance.	71.0 – 80.0
Satisfactory	Meets or slightly exceeds minimum acceptable standards; adequate results. Reportable deficiencies with identifiable, but not substantial, effects on overall performance.	61.0 – 70.0
Poor/Unsatisfactory	Does not meet minimum acceptable standards in one or more areas; remedial action required in one or more areas; deficiencies in one or more areas which adversely affect overall performance.	LESS THAN 61.0

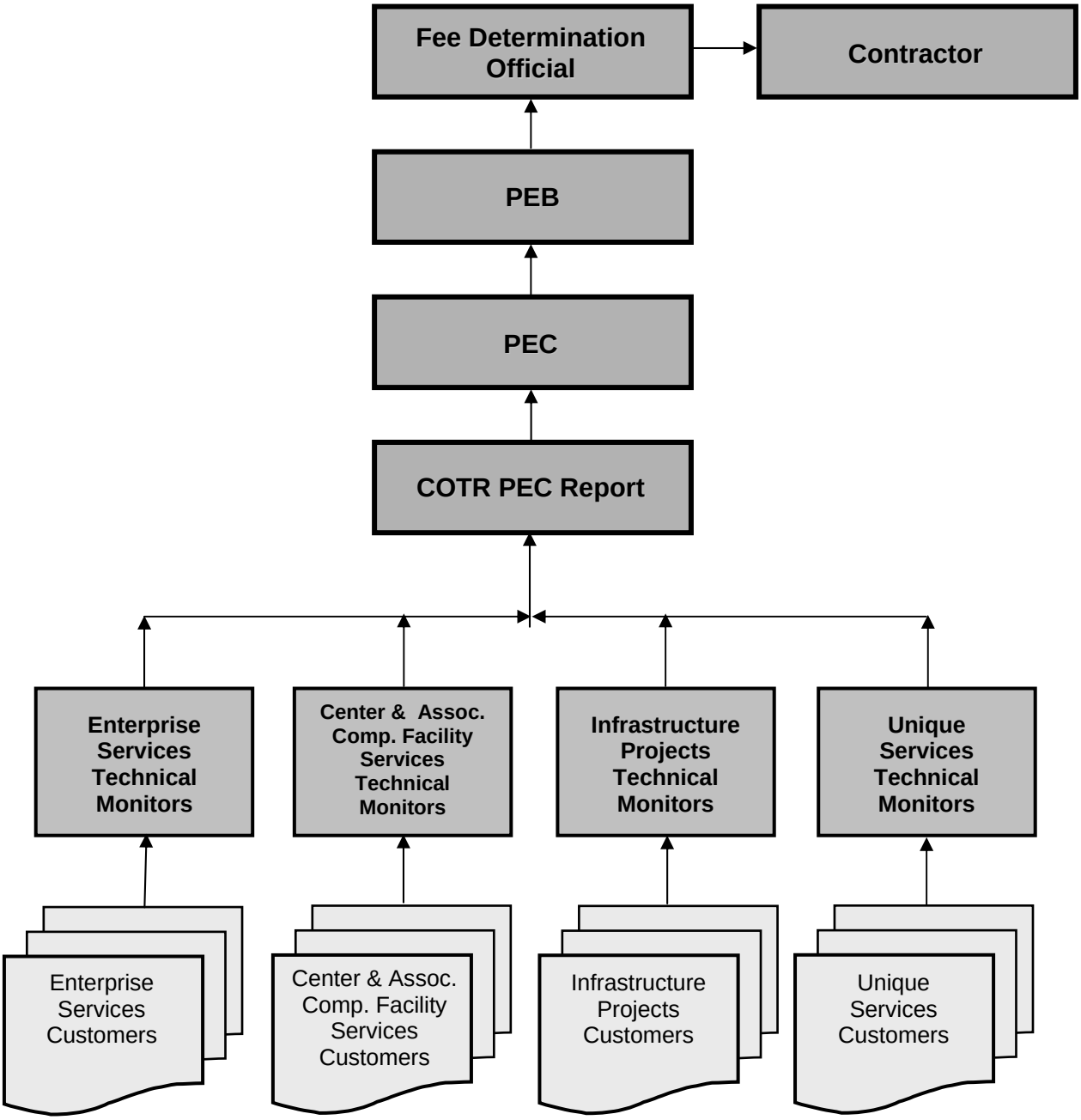
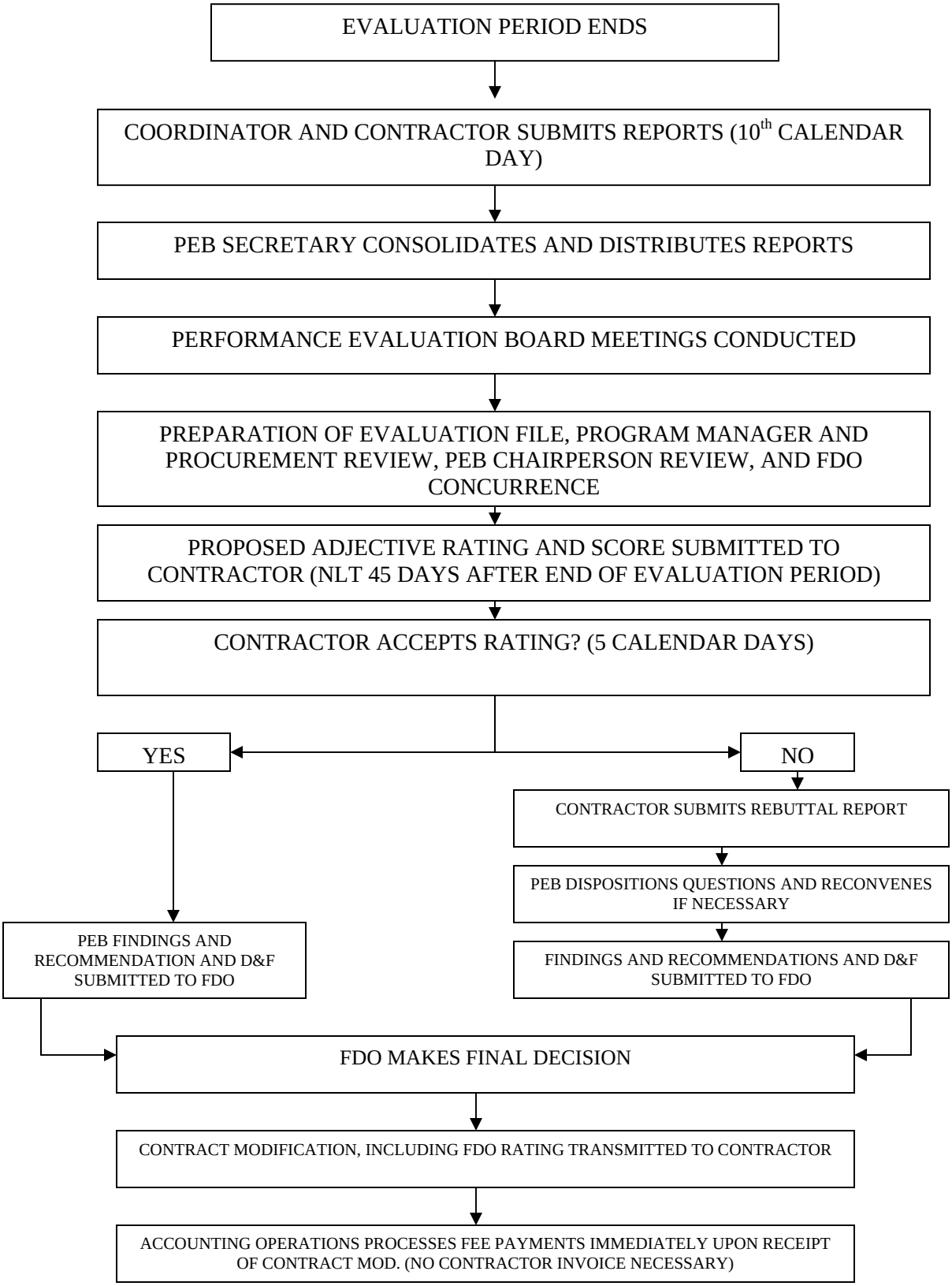
NOTES:

1. As a benchmark for evaluation, in order to be rated Excellent, the contractor must be under cost, on or ahead of schedule, and have provided excellent technical performance.
2. If a significant weakness is identified under a subcriterion, that subcriterion shall not receive a score higher than 80 with a rating of Good. However, an Excellent or Very Good rating may still be assigned the overall rating provided the scores in the other criteria add up to 81 or higher.
3. Any factor/subfactor receiving a grade of Poor/Unsatisfactory (less than 61) will be assigned zero performance points for purposes of calculating the award fee amount. The contractor will not be paid any award fee when the total award fee score is "Poor/Unsatisfactory" (less than 61).

ATTACHMENT 3

OFFICE OF THE CIO PERFORMANCE EVALUATION OF CONTRACT TBD

ORGANIZATION AND RESPONSIBILITY FLOW CHART



ATTACHMENT 4
PERFORMANCE EVALUATION PROCESS EVENTS