

RFP

INSTITUTIONAL SERVICES CONTRACT

REQUEST FOR PROPOSAL

ATTACHMENT J-8

AWARD FEE EVALUATION PLAN

DRAFT

SIGNATURE PAGE

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Approval:

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A. Purpose

The Award Fee Evaluation Plan defines the process by which the Government will encourage and reward the Contractor for safe, high quality, cost effective performance in fulfilling the requirements set forth in the Institutional Services Contract (ISC); to provide flexibility for changes in management, business and performance emphasis; and to promote effective communications and customer service. The award fee process enables the Government to focus on successful outcomes, overall operational and cost performance, and to emphasize those aspects of critical milestone achievements essential to reach performance objectives. The award fee process includes an objective and subjective assessment by the Government.

B. Evaluation Procedures

Performance evaluation and Award Fee will be determined semi-annually in accordance with the KDP-KSC-P-2402, Award Fee Evaluation Process. The Award Fee Board (AFB) membership for ISC is documented in KDP-KSC-P-2402. In addition to the NASA membership, the United States Air Force (USAF) will provide a representative to the AFB. The AFB will review and consider the summary evaluation report, prepared by the Contracting Officer's Technical Representative (COTR). The COTR will be the focal point for the accumulation and development of Award Fee evaluation reports, reviews, and presentations, as well as discussions with Contractor management on Award Fee matters.

Performance metrics and Areas of Emphasis (AOE) will be established for each evaluation period and communicated by the Contracting Officer (CO) to the Contractor at least 15 calendar days prior to the start of the evaluation period. The metrics and AOE will identify the performance elements of particular importance which are deserving of special attention during the evaluation period. The metrics and AOE will not detail the entire spectrum of performance that will be evaluated in determining the performance score and award fee. Other pertinent factors included under the contract and general factors bearing upon overall Contractor performance will be considered as the facts and circumstances of each period may require.

The award fee plan and related performance standards may be revised unilaterally by the Government prior to the beginning of any evaluation period as long as the CO notifies the Contractor, in writing, of any such changes 15 days prior to the start of the relevant evaluation period. Any changes occurring within the evaluation period shall require mutual agreement of the Government and Contractor.

The Contractor's performance will be continually assessed by Government technical monitors throughout the evaluation period. The Government may formally assess the Contractor's overall performance at the mid-point of each evaluation period. In this case, the COTR will communicate this assessment in writing to the Contractor and copies will be provided to AFB members.

Within 30 calendar days following each semi-annual evaluation period, the COTR will prepare a summary report on the evaluation of the Contractor's performance based on all metrics and AOE's, Government surveillance data, and Contractor furnished data. The Contractor will be furnished a copy of the evaluation report for the period. Within 5 working days from receipt of the evaluation report, the Contractor may submit additional data relevant to the performance evaluation in writing to the COTR. The Contractor also has the option of making a self-evaluation presentation to the AFB and Fee Determination Official (FDO).

C. **Evaluation Factors and Weighted Scoring System**

The Government will use four factors – Objective, Subjective, Small Business Utilization, and Cost Control – to determine the Total Award Fee Score for each semi-annual evaluation period. The Contractor's performance will be evaluated based on objective and subjective criteria as well as utilization of small business subcontracting. The Contractor's ability to manage and control costs will also be evaluated. The Government will determine a score, 0-100, for each evaluation factor, based on the performance evaluation. Each factor's score will be weighted based on the following respective contribution to the Total Award Fee Score; Objective 20%, Subjective 45%, Small Business Utilization 10%, and Cost Control 25%. The following sections describe each evaluation factor and the Total Award Fee Score calculations.

1. **Objective Performance Evaluation Factor:** The Government's evaluation of the Contractor's performance will include a review of demonstrated performance measured against objective performance standards and metrics including:
 - No delays to program milestones due to action or inaction by ISC
 - 100% availability on all Mission Essential(ME) Facilities, Systems, Equipment and Utilities (FSEU)
 - No major safety and health mishaps due to action or inaction by ISC
 - No environmental regulatory or permit violations due to action or inaction by ISC
 - 100% completion of all Critical, ME and Life Safety preventive maintenance work orders
 - 100% availability/accessibility of Management Information System.Additional performance standards and metrics may be identified for specific award fee periods and will be communicated by the CO to the Contractor, at least 15 days prior to the start of the period. If the Contractor meets all of these performance standards, the entire 20 points for the Objective Performance Evaluation Factor will be awarded. If any one of the performance standards is not met, the entire 20 points associated with the Objective Performance Evaluation Factor will be subjectively evaluated and scored.

2. **Subjective Performance Evaluation Factor:** The Government's evaluation of the Contractor's performance will also include a subjective assessment in areas such as process improvement, customer satisfaction, management effectiveness (including relationships with the Government and other Contractors as well as management of subcontractors), and documented AOE's.

3. Small Business Utilization Evaluation Factor: The Government will evaluate the Contractor’s performance in meeting Small Business and Small Disadvantaged Business goals. The evaluation will include an assessment of both the complexity and quantity of work assigned to small and small disadvantaged subcontractors.

4. Cost Control Evaluation Factor: The Government will evaluate the Contractor’s cost management and develop a cost control evaluation score (CES). The predominant consideration of this factor will be a measurement of the Contractor’s performance against the negotiated estimated cost of the contract for the evaluation period. This estimated cost may be adjusted to include the value of undefinitized change orders and for costs outside of the Contractor’s control.

The sum of the weighted scores of the Objective, Subjective, and Small Business Utilization Evaluation Factors equals the Performance Evaluation Score (PES). The Contractor may earn up to the maximum cost score only if the Weighted Performance Evaluation Score (WPES) equals 81 or above. WPES falling within the range 80 to 61 will permit the Contractor to be rewarded for cost control, but not at the maximum available cost control weight (see Table 1 below), to the degree that the Contractor prudently managed costs while meeting contract requirements. The Contractor shall receive a score of zero (0) for cost control if the PES is less than “61” or if the Contractor significantly overruns costs within its control. The Contractor may not receive a cost control score of zero (0) if overruns are insignificant; however, cost control scores will decrease sharply as overruns increase.

The following definitions and formulas will be used to determine the Total Award Fee Score:

Definitions

Objective Factor Score	=	OFS
Objective Factor Weight (20%)	=	OFW
Subjective Factor Score	=	SFS
Subjective Factor Weight (45%)	=	SFW
Small Business Factor Score	=	SBFS
Small Business Factor Weight (10%)	=	SBFW
Performance Evaluation Score	=	PES
Weighted Performance Evaluation Score	=	WPES
Cost Control Evaluation Score	=	CES
Cost Control Weight (see below)	=	CCW

Formulas

$$PES = (OFS)*(OFW) + (SFS)*(SFW) + (SBFS)*(SBFW)$$

$$WPES = PES/75 * 100$$

If WPES > 80, then CCW = 25%

If WPES between 61 and 80, then use values in Table 1 to adjust CCW

If WPES ≤ 60, then CCW = 0

$$\text{Total Award Fee Score} = (PES) + (CES)*(CCW)$$

WPES	CCW (%)		WPES	CCW (%)
80	24		70	14
79	23		69	13
78	22		68	12
77	21		67	11
76	20		66	10
75	19		65	9
74	18		64	8
73	17		63	7
72	16		62	6
71	15		61	5

Table 1 – Cost Control Weight Adjustments

An overall performance evaluation and fee determination of zero (0) shall be made for any evaluation period when there is a major breach of safety or security as defined in NFS 1852.223-75, “Major Breach of Safety or Security”.

D. Award Fee Performance Determination

After consulting with the COTR and AFB, the FDO will make a final, unilateral performance score and award fee determination. The FDO will make the award fee determination within 45 calendar days from the end of the period being evaluated. The FDO’s unilateral determination shall not be subject to the clause of this contract entitled “Disputes” and there are no provisions for additional appeal rights. After receipt of the FDO’s Award Fee Determination Letter, the CO will promptly prepare a contract modification reflecting the award fee adjective rating, weighted evaluation score, and award fee earned.

E. Numerical Scores, Adjective Definitions and Award Fee Scale

1. Numerical Scores and Award Fee Scale. The FDO may award numerical scores from a range of zero (0) to 100. Total Award Fee scores of zero (0) to 60 earn

zero (0) percent of available award fee for that evaluation period. Total Award Fee scores of 61 and greater have a linear relationship to the percentage of award fee earned for that evaluation period. For example, a numerical score of 85 would earn 85% of available award fee for that evaluation period.

2. Adjective Rating, Definitions and Numerical Range. The following adjective ratings, definitions and numerical ranges shall be used to define the various levels of performance under the contract:

<u>NUMERICAL RANGE</u>	<u>ADJECTIVE RATING</u>	<u>ADJECTIVE DEFINITION</u>
91 - 100	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
81 - 90	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 with little effect on overall performance
71 - 80	Good	Effective performance; responsive to contract requirements; favorable results; reportable deficiencies with minor identifiable effect on overall performance
61 - 70	Satisfactory	Meets or slightly exceeds minimum acceptable standards: adequate results; reportable deficiencies with identifiable, but not substantial, effects on overall performance
60 and below	Poor/Unsatisfactory	Does not meet minimum acceptable standards in one or more areas; remedial action required in one or more areas which adversely affect overall performance.