

ATTACHMENT J-10
AWARD FEE EVALUATION PLAN

FOR

MEDICAL AND ENVIRONMENTAL
SUPPORT CONTRACT (MESC)

A. PURPOSE

The Performance/Award Fee Evaluation Plan defines the process by which the Government will encourage and reward the contractor for safe, high quality, cost conscious performance in fulfilling the requirements set forth in this contract; to provide flexibility for changes in management, business and performance emphasis; and to promote effective communications and customer service. The use of award fee permits the Government to focus on overall operational and cost performance and to emphasize those aspects of critical milestone achievements essential to reach performance objectives. The performance award fee process includes an objective and subjective assessment by the Government.

An overall performance evaluation and fee determination of zero 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.

B. EVALUATION PROCEDURES

Performance/Award fee will be determined annually in accordance with the KDP KSC-P-2402, Award Fee Evaluation Process. The Award Fee Board (AFB) will review and consider the summary evaluation report prepared by the Contracting Officer's Technical Representative (COTR), and additional contractor data, if any. The COTR will be the focal point for the accumulation and development of Performance/Award Fee evaluation reports, reviews, and presentations, as well as discussions with contractor management on Performance/Award Fee matters.

Performance metrics and Areas of Emphasis (AOE) will be established for each evaluation period and communicated by the Contracting Officer to the contractor at least 30 calendar days prior to the start of the evaluation period. The criteria will identify the performance elements of particular importance which are deserving of special attention during the evaluation period. The evaluation criteria will not detail the entire spectrum of performance that will be evaluated in determining the performance score and award fee.

The contractor's performance will be assessed at the mid-point (non-scored) of each evaluation period. Contractor performance levels which require remedial attention, or which may adversely affect Performance/Award Fee ratings, will be made known to the contractor by the COTR.

Within 30 calendar days following each annual evaluation period, the COTR will prepare a summary report on the evaluation of the contractor's performance based on all metrics, Government surveillance data, AOE 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 presentation to the Award Fee Board and Fee Determination Official (FDO) on that period's performance.

The award fee plan may be revised unilaterally by the Government prior to the beginning of any rating period. Any changes made to the metrics and AOE occurring within the evaluation period for which the metric is measured or the AOE is applied requires mutual agreement of the government and contractor.

D. EVALUATION FACTORS AND WEIGHTED SCORING SYSTEM

1. Performance Evaluation Factor. The contractor’s evaluation will include a review of demonstrated performance measured against performance standards and metrics as well as subjective assessments. The Government will evaluate major elements of contractor performance, such as managerial and business performance, efficiency and effectiveness of operations, safety, quality, communications and customer support, and develop a performance evaluation score (PES). The PES score will consist of two elements, an objective element and a subjective element.
2. 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.
3. Weighted Award Fee Scoring System.
 - a. Weights. A weighted scoring system will be utilized in determining contractor award fee. The performance evaluation factor’s weight shall be 75%, and the cost control factor’s weight shall be 25% for each evaluation period. Each evaluation factor will be scored against the period’s criteria on a scale of 0 to 100. The numerical score for each factor will be multiplied by the weighting for that factor to determine the weighted score using the formula in paragraph d. below.
 - b. Performance Threshold. The contractor may earn up to the maximum cost score only if the numerical score for the performance evaluation factor (PES) is “81” or above. PES falling within the range “61” to “80” will permit the contractor to be rewarded for cost control, but not at the maximum cost control score, 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 is not limited to cost control scores of zero (0) if overruns are insignificant; however, cost control scores will decrease sharply as overruns increase.
 - c. Score Calculation. The definitions and formula used to determine the total performance score and resultant award fee are as follows:

Definitions

Weighted Evaluation Score	=	WES
Objective Element Score	=	OES
Objective Element Weight (33%)	=	OEW
Subjective Element Score	=	SES

Subjective Element Weight (67%)	=	SEW
Performance Evaluation Score	=	PES
Performance Weight (75%)	=	PW
Cost Control Evaluation Score	=	CES
Cost Weight (25%)	=	CW

Formulas

$$PES = (OES) (OEW) + (SES) (SEW)$$

$$WES = (PES) (PW) + (CES) (CW)$$

E. AWARD FEE PERFORMANCE DETERMINATION

After consulting with the COTR and Award Fee Board, the FDO shall make a final, unilateral performance score and award fee determination. Generally, the FDO will make the award fee determination within 45 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 Contracting Officer shall promptly prepare a contract modification reflecting the award fee adjective rating, weighted evaluation score, and award fee earned.

F. 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. Weighted evaluation scores of zero (0) to 60 earn zero percent of available award fee for that evaluation period. Weighted evaluation 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.