

Attachment J-3

Award Fee Plan

I. INTRODUCTION

In accordance with the provisions of the Federal Acquisition Regulation (FAR), NASA FAR Supplement (NFS), the NASA Award Fee Handbook, and JSC Implementation, an award fee evaluation procedure is hereby established for determination of award fees payable under this contract. The fee arrangement outlined in this plan has been established to motivate the contractor to strive for excellence in the quality and timeliness of performance, subcontracting goals, safety, and cost. The payment of any award fee is contingent upon compliance with contractual requirements and performance to the degree specified in Appendix 1.

The Contractor's performance will be evaluated by the Government in accordance with the procedures set forth below, at the expiration of each period specified in Appendix 3. The evaluation to be performed by the Government will be based on the Government's assessment of the Contractor's accomplishment of the various areas of work covered by the Statement of Work (SOW), in accordance with the criteria, weightings, procedures, and other provisions set forth below.

Performance determinations will be made at the end of each 6-month evaluation period as shown in Appendix 3.

II. ORGANIZATION STRUCTURE

A. Performance Evaluation Board (PEB)

A PEB, comprised of selected NASA technical and administrative personnel, will evaluate the Contractor's performance after each evaluation period to determine whether and to what extent the Contractor's performance during the evaluation period is deserving of the payment of award fee. The Board, at the end of each evaluation period, will prepare a summary of the evaluations for review by the Fee Determination Official (FDO). This summary will include a recommendation to the FDO as the adjective rating and numerical score to be assigned for the Contractor's performance in the preceding evaluation period.

B. FDO

The FDO, a senior NASA official, will determine the Contractor's performance score in accordance with the procedures set forth below. After considering available and pertinent information and recommendations, the FDO will make a performance determination for each period. The FDO shall appoint the PEB Chairperson and members.

III. EVALUATION PROCEDURES

A. No later than 30 calendar days prior to the start of each evaluation period (for the first evaluation period, this shall be construed as 30 days prior to the end of the phase-in period), the Contractor may submit to the Contracting Officer (C.O.) recommended areas of emphasis (AOEs) and weightings for the ensuing evaluation period that are within the general factors listed in Section III of this plan. Consideration will be given to the Contractor's

recommendations; however it is the Government's responsibility to establish the specific AOE's for each evaluation period.

B. Prior to the start of each new six-month evaluation period (for the first evaluation period, this shall be construed as 20 days prior to the end of the phase-in period), the Contractor will be notified by the C.O. of the selected AOE's and weightings for that period. Emphasis will be directed at particular areas under the contract which appear to the Government to be deserving of special attention and will be used in judging the Contractor's performance. These AOE's will not necessarily cover the entire spectrum of performance that will be evaluated in determining award fee dollars earned. Other pertinent factors included under the contract and general factors bearing upon overall performance will be considered as the facts and circumstances of each period may require.

C. The Contractor shall be apprised of a general assessment of performance at the mid-point of the period, and at such other times as may be deemed appropriate. The purpose of these meetings shall be to discuss any specific areas where the Contractor has excelled, and where future Contractor emphasis may be necessary.

D. Promptly after the end of each six-month evaluation period, the PEB shall meet to consider all of the performance information it has obtained. At the meeting, the PEB will summarize its preliminary findings and recommendations in the Performance Evaluation Board Report (PEBR).

E. At the PEB meeting, the contractor may provide a self-evaluation presentation (a copy of which shall be provided to the PEB) not to exceed 30 minutes in length.

F. The Contractor may furnish a separate self-evaluation report on or before the fifth calendar day following the expiration of each evaluation period. These self-evaluation reports shall not exceed 20 pages in length per each evaluation period. The PEB will not submit its recommendation to the FDO until (1) the Contractor's self-evaluation report has been received and considered, or (2) the Contractor has provided written notification that a self-evaluation report will not be submitted, or (3) the deadline for its submission has expired.

G. The PEB Chair will prepare the PEBR for the period and present the findings and recommendations to the FDO. The reports will include an adjective rating and a recommended performance score with supporting documentation.

H. The Contractor will be notified of the PEB evaluation and recommended ratings and scores and will be provided copies of the PEBR. The Contractor may provide additional information for consideration by the FDO. Such information shall be delivered in writing to the C.O. within 5 calendar days of notification to the contractor of the recommended rating and score. The PEB Chair will in turn provide this additional information to the FDO.

I. The FDO will consider the recommendations of the PEB, the PEBR, information provided by the Contractor, if any, and any other pertinent information in determining performance scores. The FDO's determination of the scores will be stated in a written Award Fee Determination.

J. The FDO will not make a performance determination prior to the expiration of the 5 calendar day period prescribed above for Contractor submissions unless the Contractor has affirmatively indicated, in writing, that no further Contractor submission will be made.

K. The Award Fee Determination will be provided to the Contractor by the C.O..

IV. AWARD FEE EVALUATION CRITERIA AND WEIGHTING

A. In evaluating the performance of the Contractor, the Government will evaluate major elements of Contractor performance including performance and cost.

B. The criteria for evaluation of Contractor performance for determination of award fee is defined below. The Government may unilaterally modify the award fee performance evaluation factors and performance evaluation areas applicable to the evaluation period. The C.O. shall notify the Contractor in writing of any such changes prior to the start of the relevant evaluation period.

Evaluation Criteria	Weight
1. Performance and Compliance with Management, Technical, & Safety and Health Requirements	65 Percent

Management and technical performance criterion includes all aspects of quality and schedule based on objective evidence demonstrating both technical and management performance. For technical performance, emphasis will be placed on the SOW performance standards.

Compliance with Safety and Health Requirements criterion includes all aspects of safety and health and environmental compliance issues primarily based on objective evidence demonstrating performance.

2. Cost	25 Percent
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Cost criterion includes evaluation of actual cost performance relative to negotiated contract values, including detailed variance analyses.

3. Small Business Subcontracting Goal Performance	10 Percent
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The Subcontracting Goals criterion includes evaluation of the Contractor’s success in achieving or surpassing the subcontracting goals specified in the contract.

C. Notwithstanding any of the above, a major breach of safety or security, as defined by clause 1852.223-75 of this contract, may result in an award fee score of zero for the affected evaluation period.

D. In order to earn any award fee, the Contractor must receive a numerical score of 61 or greater. Appendix 1 provides the performance level definition adjective ratings and corresponding numerical scores that will be used in evaluating performance. The numerical grade ranges corresponding to these adjective ratings and their conversion to total award fee earned are set forth in Appendix 2. Appendix 3 provides the distribution of the available maximum award fee for each evaluation period.

APPENDIX 1 – EVALUATION DEFINITIONS

ADJECTIVE	DEFINITION	GRADE RANGE
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.	91-100
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.	81-90
Good	Effective performance; fully responsive to contract requirements, reportable deficiencies, but with little identifiable effect on overall performance.	71-80
Satisfactory	Meets or slightly exceeds minimum acceptable standards; adequate results. Reportable deficiencies with identifiable but not substantial effects on overall performance.	61-70
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 effect overall performance.	60 and below

APPENDIX 2 – PERFORMANCE SCORE CONVERSION CHART

<i>Weighed Performance Score</i>		Percentage of Available Award Fee
100		100%
99		99
98		98
97		97
96	Excellent	96
95		95
94		94
93		93
92		92
91		91
90		90
89		89
88		88
87		87
86	Very Good	86
85		85
84		84
83		83
82		82
81		81
80		80
79		79
78		78
77		77
76	Good	76
75		75
74		74
73		73
72		72
71		71
70		70
69		69
68		68
67		67
66	Satisfactory	66
65		65
64		64
63		63
62		62
61		61
60 and below	Poor/Unsatisfactory	0

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APPENDIX 3 – AWARD FEE DISTRIBUTION

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Evaluation Period	Estimated Baseline Award Fee Available	Estimated IDIQ Award Fee Available	Estimated LOE Award Fee Available	Total Estimated Award Fee Available	Score	Earned Award Fee
BASIC CONTRACT (If Options 1 & 2 are not exercised):						
Period 1: January 1, 2009 - September 30, 2009	(b) (4)				97%	(b) (4)
Period 2: October 1, 2009 - March 31, 2010					96%	
Period 3: April 1, 2010 - September 30, 2010					98%	
Period 4: October 1, 2010 - March 31, 2011					99%	
Period 5: April 1, 2011 - September 30, 2011					99%	
Period 6: October 1, 2011 - March 31, 2012					99%	
Period 7: April 1, 2012 - September 30, 2012					98%	
Total Available Award Fee - Basic Contract						
OPTION 1 Exercised:						
Period 8: October 1, 2012 - March 31, 2013	(b) (4)				99%	(b) (4)
Period 9: April 1, 2013 - September 30, 2013					99%	
Total Available Award Fee - Option 1						
Total Award Fee - Base & Option 1						
Option 2 Exercised:						
Period 10: October 1, 2013 - March 31, 2014	(b) (4)				100%	(b) (4)
Period 11: April 1, 2014 - September 30, 2014					99%	
Total Available Award Fee - Option 2						
Total Available Award Fee -- Base, Option 1 & 2						
Extension Base Contract (If Option 3 is not exercised)						
Period 12: October 1, 2014 - March 31, 2015	(b) (4)				98%	(b) (4)
Period 13: April 1, 2015 - September 30, 2015					TBD	
Period 14: October 1, 2014 - March 31, 2016					TBD	
Period 15: April 1, 2016 - September 30, 2016					TBD	
Total Available Award Fee - Extension Base Contract						
Total Available Award Fee - Base Contract & Extension Base						
Extension Option 3:						
Period 16: October 1, 2016 - March 31, 2017	(b) (4)				TBD	(b) (4)
Period 17: April 1, 2017 - September 30, 2017					TBD	
Total Available Award Fee - Option 3						
Total Available Award Fee - Base Contract, Extension Base & Option 3						

The maximum award fee available for each period is based upon the condition that NASA authorizes the dollar amount of work as identified in B.2 Estimated Cost and Award Fee. Approximately sixty (60) days before each Award Fee period end-date, the contractor and NASA shall confirm that the Award Fee pool is appropriate for the work authorized for the current Award Fee Period and shall adjust the Award Fee allocations as appropriate. The contractor shall maintain a log of work authorized during the Award Fee period and shall submit that log to JSC approximately sixty days prior to each award fee evaluation period for review.

Note: *These amounts are based upon current work authorized as of the end of each award fee period. It is anticipated that as additional work is added and/or deleted then the out periods will be adjusted at or near the end of the award fee period.