

E-8 (Joint STARS) Total System Support Responsibility Contract

Award Fee Plan

Contractor:
Northrop Grumman Corporation

Contract Number: F09603-00-D-0210

September 14, 2000



COORDINATION

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TABLE OF CONTENTS

Section	Title	Page
1.0	INTRODUCTION	1
2.0	ORGANIZATION/RESPONSIBILITIES	1
3.0	AWARD FEE PROCESSES	2
4.0	AWARD FEE PLAN CHANGE PROCEDURE	3
5.0	CONTRACT TERMINATION	3

ANNEXES

Annex	Title	Page
A	AWARD FEE AND TERM STRATEGIC SCHEDULE	4
B	EVALUATION PERIODS AND AVAILABLE FEE POOLS	5
C	EVALUATION AREAS	6
D	TECHNICAL PERFORMANCE MEASURES	7

1.0 INTRODUCTION

1.1 This Award Fee Plan is the basis for the Government's evaluation of the Contractor's performance of the (E-8) Joint STARS Total Systems Support Responsibility (TSSR) contract and for presenting an assessment of that performance to the Fee Determining Official (FDO). It describes the specific criteria and procedures to be used in assessing the Contractor's performance and to determine the amount of Award Fee earned. The Award Fee will be earned in accordance with this plan and the Integrated Incentives Clause H-909 contained in Contract Number F09603-00-D-0210. Under the Integrated Incentive structure, the results of the Award Fee determinations will also be used as described in the Award Term Plan (Attachment 4 of the contract) as part of the periodic Award Term determinations. Actual Award Fee determinations are unilateral decisions made solely at the discretion of the Government.

1.2 The Award Fee will be provided to the Contractor through Delivery Orders and is in addition to any other payments under this contract. The Award Fee earned and payable will be determined by the FDO based upon review of the Contractor's performance against the criteria set forth in this plan. The Award Fee pertains to the Total Systems Support Responsibility (TSSR) for the Joint STARS Weapon System to include sustainment of the air vehicle, ground support systems, operational and maintenance trainers, supply chain and spares management, systems engineering, and technical data. The Award Fee Pool is 10% of the cumulative value of all Award Fee authorized work for the applicable performance period, with no base fee. The Award Fee evaluation criteria and determinations are applicable to TSSR at the contract level for all work specified as applicable on each delivery order placed on the contract in effect during each evaluation period. The Contractor earns Award Fee based on the overall accomplishment of the tasks in those Delivery Orders and how those overall accomplishments contributed to the overarching contract objectives.

2.0 ORGANIZATION/RESPONSIBILITIES

2.1 Fee Determining Official. The Commander, Electronic Systems Center (ESC/CC) is the FDO. The FDO will: (1) approve the Award Fee Plan and any significant changes; (2) approve appointments to the Award Fee Review Board (AFRB); (3) review the recommendations of the AFRB, consider all pertinent data, and determine the amount of Award Fee earned for each period; (4) notify the Contractor, in writing, of the amount of Award Fee for each Award Fee period with a description of the Contractor's strengths, areas for improvement, and what is expected in the future; (5) determine the amount of unused Award Fee Pool to be rolled over into the immediate following period (if applicable); and (6) authorize the Procuring Contracting Officer (CO) to make payment.

2.2 Award Fee Review Board (AFRB). The AFRB is chaired by the Joint STARS System Program Director (ESC/JS). The AFRB will: (1) review performance monitors' evaluations

and consider the Contractor's assessment and recommendations, (2) analyze the Contractor's performance against the criteria set forth in Annex C, and (3) provide a recommendation on the Award Fee grade and amount earned by the Contractor. The AFRB will also recommend changes to this plan. The following personnel will comprise the AFRB:

- 1) Joint STARS System Program Director - Chair
- 2) Joint STARS Deputy System Program Director
- 3) Joint STARS System Support Manager/TSSR Program Manager
- 4) Joint STARS TSSR Contracting Officer
- 5) DCM NG Melbourne Commander
- 6) HQ ACC/LGR
- 7) HQ ACC/DOY
- 8) HQ ACC/TRSS
- 9) 93d ACW LG
- 10) 93d ACW OG
- 11) Recorder

2.3 Recorder. The AFRB Recorder is a non-voting member of the AFRB, and will coordinate the administrative actions required by the performance monitors, the AFRB, and the FDO, including: (1) receipt, processing, and distribution of evaluation reports from all required sources; (2) scheduling and assisting with internal evaluation milestones, such as briefings; and (3) accomplishing other actions required to ensure the smooth operation of the Award Fee process.

2.4 Performance Monitors. The performance monitors will: (1) gather data concerning the Contractor's performance in their area of responsibility; (2) evaluate, and maintain written records of the Contractor's performance against the criteria provided in this plan; (3) provide a written report of their review to the AFRB at the end each evaluation period through the Recorder. The following personnel will comprise the performance monitors:

- 1) WR-ALC/LKS
- 2) 93d OG (TRS & CSS)
- 3) 93d LG (LSS/QA)
- 4) HQ ACC/LGRS & DOYA
- 5) HQ ACC/TRSS
- 6) Det 6, AETC
- 7) DCMDE-RJO

2.5 Contracting Officer. The Contracting Officer (CO) will: (1) ensure that the entire Award Fee process is conducted according to the requirements in the contract clause and this plan; (2) contractually implement the Award Fee determinations of the FDO; and (3) notify the Contractor in writing of changes in evaluation criteria.

3.0 AWARD FEE PROCESSES

3.1 Available Award Fee. The earned Award Fee will be paid based on the Contractor's performance during each evaluation period. The available Award Fee Pool for each evaluation period is shown in Annex B.

3.2 Evaluation Criteria. If the Contracting Officer does not give specific notice in writing to the Contractor of any change to the evaluation criteria prior to the start of a new evaluation period, then the same criteria listed for the preceding period will be used in the following Award Fee evaluation period. Any changes to evaluation criteria will be made by revising Annexes C, D, E, & F, and notifying the contractor, in accordance with paragraph 4.0.

3.3 Interim Feedback. Feedback will be accomplished via the existing quarterly System Program Office Assessment Report and Contractor Performance Feedback Report. Additionally, in conjunction with the previously mentioned reports and normal interactions throughout the Delivery Order performance periods, the System Support Manager (LKS) will specifically discuss the Contractor's performance with the Contractor at the midpoint of each semi-annual evaluation period.

3.4 End-of-Period Evaluations. The AFRB Recorder notifies each AFRB member and performance monitor 15 calendar days before the end of the evaluation period. Performance monitors submit their evaluation reports to the AFRB, through the Recorder, within 15 calendar days after the end of the evaluation period. The AFRB prepares its evaluation report and recommendation of an Award Fee grade and earned fee amount. The AFRB briefs the evaluation report and recommendation to the FDO. At that time, the AFRB may also recommend any significant changes to the Award Fee Plan for FDO approval. The FDO determines the overall grade and earned Award Fee for the evaluation period, then will send an FDO letter at least 10 calendar days in advance of the CO's contract modification as specified hereinafter to inform the contractor of the earned Award Fee amount and provide feedback as specified in paragraph 2.1. Finally, the CO issues a Delivery Order authorizing payment of the earned Award Fee amount within 60 calendar days of the first semi-annual period and 90 calendar days of the second semi-annual period in each yearly period.

3.5 Contractor's Self-Assessment. The Contractor submits a self-evaluation to the CO within five working days after the end of each evaluation period for the AFRB. This written assessment of the Contractor's performance throughout the evaluation period shall address the Contractor's performance on a program basis, rather than the specific Delivery Order level; however, specific Delivery Orders can be used to support the assessment. It may also contain any information that may be reasonably expected to assist the AFRB in evaluating the contractor's performance. The Contractor's self-evaluation may not exceed 15 pages. The Contractor may review and comment on the written evaluations provided to the AFRB by the performance monitors. The Contractor may also attend the AFRB briefing to the FDO and may present a separate briefing. The Contractor's presentation may not exceed 30 minutes in

length, not including questions and answers. However, the Contractor will not participate in the final AFRB/FDO deliberations and fee determination by the FDO.

3.6 Rollover. Rollover is a process in which unused Award Fee Pool may be carried forward for possible award in the subsequent evaluation period. Rollover will be solely at the FDO's discretion and subject to fiscal constraints. Unused Award Fee Pool from one period may be rolled forward into the next Award Fee period; however, any Award Fee Pool amount which has not been rolled forward is not available.

4.0 AWARD FEE PLAN CHANGE PROCEDURE

Changes to the Award Fee Plan will be made by bilateral agreement. Where the Government desires a change to the Award Fee Plan and a mutual agreement cannot be reached, the Government and Contractor agree that the Contracting Officer will implement the change, pending closure through the Alternate Disputes Resolution process cited in Clause H-943. Where the Contractor desires a change to the Award Fee Plan and a mutual agreement cannot be reached, the Government and Contractor agree that the Contracting Officer will not implement the change, pending closure through the Alternate Disputes Resolution process cited in Clause H-943. The Contractor's inputs for recommended plan changes will be due to the CO NLT 60 calendar days prior to the start of the next evaluation period.

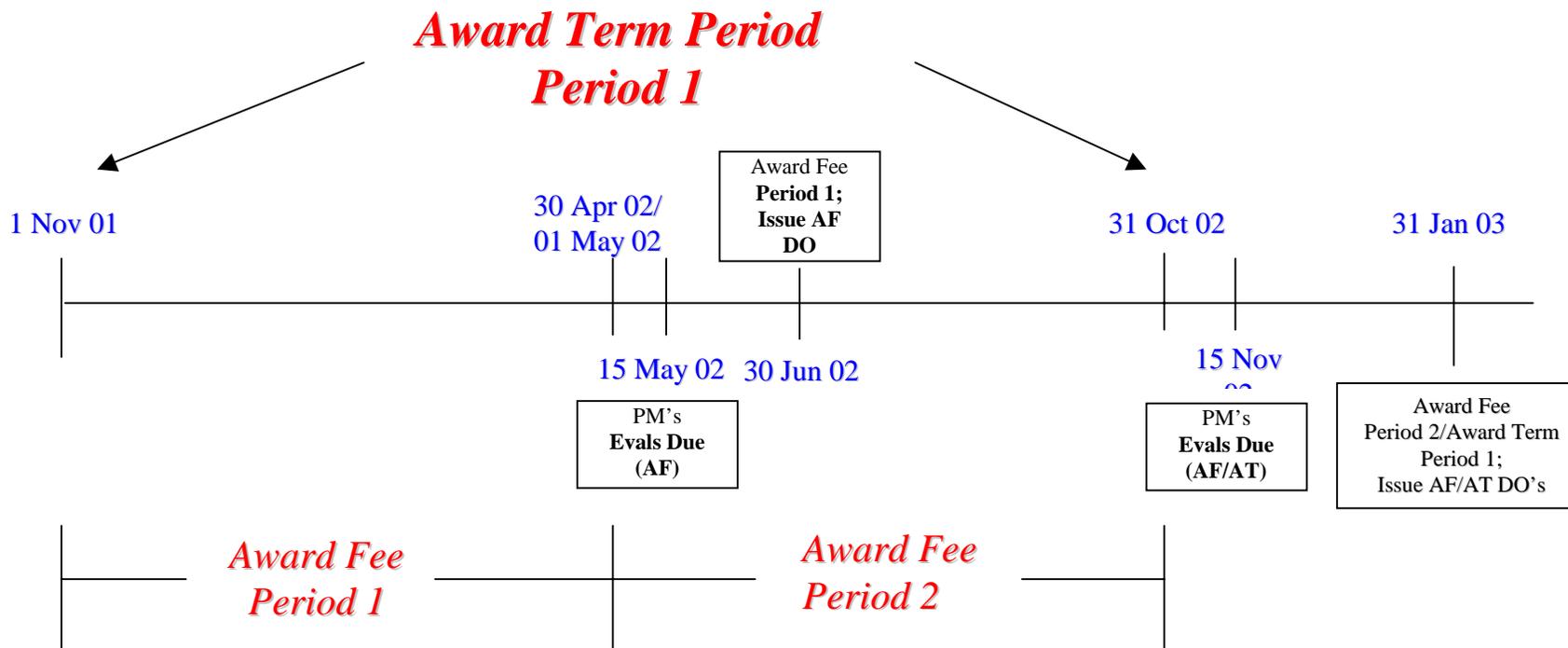
5.0 CONTRACT TERMINATION

If the contract is terminated for the convenience of the Government after the start of an Award Fee evaluation period, the Award Fee deemed earned for that period shall be determined by the FDO using the normal Award Fee evaluation process. After termination for convenience, the remaining Award Fee amounts allocated to all subsequent evaluation periods cannot be earned by the Contractor and, therefore, shall not be paid.

6.0 ANNEXES:

- A. Award Fee and Term Strategic Schedule
- B. Evaluation Periods and Available Fee Pool
- C. Evaluation Areas
- D. Technical Performance Measures
- E. Cost Performance to Contract Estimate Measure
- F. Customer Support Measures

ANNEX A
AWARD FEE & TERM STRATEGIC SCHEDULE EXAMPLE



ANNEX C

Evaluation Areas. Table 2 summarizes the three areas of evaluation in this Award Fee plan and the relative weighting for each evaluation period. This table will be updated as required for each subsequent evaluation period in accordance with paragraph 4.0. The fee allocation for each evaluation area can be calculated by multiplying the weight by the available Award Fee for that period (Attachment B).

Table 2	
EVALUATION AREA	WEIGHT
TECHNICAL PERFORMANCE	40%
Deviation in Total Aircraft Possessed Days	12%
Non-Mission Capable Supply (C) (%)	10%
Average MICAP Delivery (Hours)	8%
RSP Fill Rate (%)	4%
Trainer Availability (IFT, PME-MTS, & MCTS) (%)	6%
COST PERFORMANCE TO CONTRACT ESTIMATE	35%
CUSTOMER SUPPORT	25%
Engineering Support	4%
Technical Data Management	4%
Training Effectiveness	4%
ACW Support	5%
Program Control	4%
Quality Program	4%

Scoring: The earned-Award Fee for each evaluation period will be based on a cumulative result of the three evaluation areas: Technical Performance, Cost Performance to Contract Estimate, & Customer Support. The methodology to calculate the percentage Award Fee earned for each evaluation area (Technical Performance, Cost Performance to Contract Estimate, & Customer Support) fee allocation is contained within that area's annex.

The average score achieved during the first and second semi-annual periods will be the percentage utilized in the Award Term Area of Evaluation, set forth in Annex C of the Award Term Plan, for each of the above three (3) Evaluation Areas.

ANNEX D

TECHNICAL PERFORMANCE MEASURES

Technical Performance: Quantitative criteria have been developed by mutual agreement in order to incentivize the Contractor to focus on measurable results in areas key to program success. These output-oriented metrics are directly relevant to aircraft and trainer availability and the warfighter's capability to perform the mission. This reward system is based on a sliding scale that provides additional incentive to the Contractor for performance at or above the expected range, and reward potential is increasingly reduced for performance below the expected range. The specific ratings are as follows

OBJECTIVE	Performance is exemplary, substantially exceeding Government's expectations
EXPECTED	Performance reflects the Governments expectations for the contract's requirements
THRESHOLD	Performance is at the minimum level and any performance below will receive no Award Fee

Each Technical Performance Measures area is assigned a weighting factor and has criteria established associated with a sliding point scale (1-10) from Table 3. The Award Fee earned for the Technical Performance Measures area is calculated by (Reference Table 3):

- 1) Determining the points corresponding to each measurement's performance result.
- 2) Multiply the result from step 1 by the associated weighting factor for each measure.
- 3) Cumulatively add the result of step 2 for each measure.
- 4) Divide the result from step 3 by the total available points (400)
- 5) Multiply by 100 to provide the percentage of total available Award Fee earned for the Technical Performance Evaluation Area (Table 2).

TABLE 3								
Technical Performance Measures*								
	DEVIATION IN TOTAL AIRCRAFT POSSESSED DAYS	NOT MISSION CAPABLE SUPPLY(C) (%)	AVERAGE MICAP DELIVER Y (HOURS)	RSP FILL RATE (%)	IFT SORTIE EFFECTIVENES S (%)	PME MTS AVAIL (%)	MCTS AVAIL (%)	
WEIGHT	12	10	8	4	2	2	2	40
10	5	5.9	36	95	90	98	98	Objective
9	3 - 4	6.0 – 6.4	36.1 – 40	94.6 - 94.9	88.1 – 89.9	97.0 - 97.9	96.1 – 97.9	
8	1 - 2	6.5 – 7.0	40.1 - 48.0	93.1 - 94.5	85.6 – 88.0	95.1 - 96.9	94.1 - 96.0	
7	0	7.1 – 7.5	48.1 - 52.0	91.1 - 93.0	84.1 – 85.5	94.1 - 95.0	92.1 – 94.0	Expected
6	(-)1 - (-)3	7.6 - 7.9	52.1 – 60.0	88.1 - 91.0	82.1 – 84.0	92.5 - 94.0	90.5 – 92.0	
5	(-)4 - (-)6	8.0 – 8.3	60.1 – 68.0	86.1 - 88.0	80.1 – 82.0	91.1 - 92.4	88.1 – 90.4	
4	(-) 7	8.4 – 8.6	68.1 – 76.0	84.1 - 86.0	76.1 – 80.0	88.1 - 91.0	86.1 – 88.0	
3	(-) 8	8.7 – 8.8	76.1 – 84.0	82.6 - 84.0	73.1 – 76.0	85.1 -	84.1 –	

						88.0	86.0	
2	(-) 9	8.9 – 9.0	84.1 – 96.0	81.1 - 82.5	71.1 - 73.0	83.1 - 85.0	82.1 – 84.0	Threshold
1	(-) 10	9.1 – 9.2	96.1 – 102	80.1 - 81.0	70.1 - 71.0	82.1 - 83.0	80.1 – 82.0	
	(-) 11	9.3	102.1	80	70	82	80	

Note 1

Note 2

Note 3

Note 4

Note 5

Note 6

Note 6

* The Parties will evaluate the Technical Performance Measures periodically to ensure they reflect appropriate continuous improvements throughout the Term of the contract. When the update is deemed appropriate, Table 3 will be updated in accordance with paragraph 4.0 of this plan.

NOTE 1:**DEVIATION IN TOTAL AIRCRAFT POSSESSED DAYS (DAPD)**

Define Measure: This metric is comprised of the 93rd ACW total actual aircraft possessed days versus the total aircraft possessed days planned in a schedule published before the beginning of each evaluation period, and agreed to by both the Contractor and the Government. The depot possessed planned time that is tracked against the schedule will only include the required major depot level inspections, modifications, and retrofits that are scheduled and conducted in conjunction with Programmed Depot Maintenance (PDM). This metric provides incentive for the Contractor to complete scheduled depot maintenance on or ahead of schedule.

Exceptions: The following are excluded from both planned and actual aircraft possessed days:

- Unscheduled maintenance discovered during the PDM.
- For Contractor Field Teams that accomplish TCTO's, modifications, and retrofits at Robins AFB, concurrent with 93rd ACW maintenance activities, time possessed by the Contractor Field Teams will be excluded from both scheduled and actual possessed days.
- Approved O&As that cannot be accomplished within the scheduled PDM maintenance cycle will be excluded from both the actual and scheduled possessed days.

Measure Start/End: Measured quarterly for the period beginning the first day of the first month and ending the last day of the last month of the quarter. Evaluated by using the cumulative result of the two quarters for each semi-annual evaluation period.

Performance Calculation: Deviation In Total Aircraft Possessed Days (DAPD) will be the number of days above or below the schedule.

eg.: $DAPD = APD \text{ (actual)} - APD \text{ (scheduled)}$

NOTE 2:**NOT MISSION CAPABLE SUPPLY (CONTRACTOR) (%)**

Define Measure: This metric is based on the amount of time a 93rd ACW possessed aircraft is Not Mission Capable (NMC) because of parts the Contractor is obligated to provide under the terms of the TSSR contract [NMCS(C)]. This metric provides incentive for the Contractor to accurately forecast requirements rather than merely reacting to past demands.

Exceptions:

NMCS(C) time accrued while the aircraft is in NMCSB status or NMCS status for a part not covered by this metric

Considerations:

Because of the involvement of various Government Common-item Inventory Control Points (ICPs) used by the E-8, the Government recognizes there may be extenuating circumstances that occur that negatively impact the results of this metric. Therefore, the Government will exclude those items beyond the Contractor's direct span of control, budget authority, or resulting from unplanned operations tempo while determining the result of this metric at the end of each evaluation period.

Measure Start/End: Measured monthly beginning the first day of the month and ending the last day of the month. Evaluated by averaging the 6 months of performance within each semi-annual evaluation period. For Contractor managed parts, NMCS(C) hours begin when the Contractor's ICP receives the request for the part. For DOD managed parts, NMCS(C) hours begin when the Government requests the Contractor to provide the item, not when the demand is submitted within the Government. NMCS(C) hours end when the item is delivered to the Government by the Contractor.

Performance Calculation: Performance is calculated by dividing total NMCS(C) hours by the total 93rd ACW possessed hours. This performance measure is expressed as a percentage.

e.g.: $NMCS(C)\% = \frac{NMCS(C) \text{ Hours}}{\text{Total } 93^{\text{rd}} \text{ ACW Aircraft Possessed Hours}}$

NOTE 3:

AVERAGE MICAP DELIVERY (HOURS)

Define Measure: Response times will be measured for MICAPs (IA&JA) requested with the contractor's routing identifier/source of supply code for CONUS demands only. This metric applies only to Contractor ICP items for which the Contractor has requirements determination and ordering authority, since the delays in obtaining Government approval for the Contractor to procure/expedite common items will most likely exceed the order and shipping time.

Measure Start/End: An event starts when the contractor's ICP receives a requisition and ends when the item is delivered at the retail supply delivery location. A Response Time Log will be used for Post-Post or off-line requisitions to document start/stop time. The assigned performance monitors are responsible for capturing the starting and ending times. Results will be calculated monthly by averaging all MICAP events completed during the month. Evaluated by averaging the results of the six months of performance during the semi-annual evaluation period.

Exceptions: The following are excluded from the calculation of MICAP Response time:

- Any time spent awaiting Government approval for Contractor repair of an item (for example, AFMC/LGP approval of a 50/50 Review for a repair of a Core PME item which is beyond the capability or capacity of the Depot for timely repair).
- Any items for which the Contractor has not been provided budget authority to order replenishment stock.

Performance Calculation: The average amount of time it takes the Contractor to deliver parts on MICAP requisitions included in the metric as defined above to the required destination.

e.g.: Average MICAP (IA&JA) Response Time = $\{R_1 + R_2 + \dots + R_m\} / M$

Where: R_m = Response Time on individual requisitions
 M = Number of requisitions filled during the month

NOTE 4:

Readiness Spares Packages (RSP) Fill Rate (%)

Define Measure: RSP Fill Rate is the percentage of items on hand in all RSPs versus the total number of items authorized for all RSPs. This measure only applies to NGC Contractor ICP items for which the Contractor has requirements determination and ordering authority.

Exceptions:

- Deployed Kits
- Kits returned from deployment will be excluded from metric performance measurement for 90 calendar days to allow for stock replenishment.
- Any items for which the Contractor has not been provided budget authority to order replenishment stock

Measure Start/End: The fill rate will be computed monthly and averaged for the six-month evaluation period. The assigned performance monitors are responsible for conducting the kit inventory to determine the fill rates.

Performance Calculation: RSP Fill rates are calculated monthly using the following equation:

RSP FILL RATE = 100% x (Total Number of All RSP Items On Hand) / (Total Number of All RSP Items Authorized)

NOTE 5:

IN-FLIGHT TRAINER (IFT) SORTIE EFFECTIVENESS (%)

Define Measure: IFT Sortie Effectiveness is the percentage of times the IFT successfully accomplishes training for all scheduled missions. Successfully completed unscheduled missions will also be counted in order to incentivize the Contractor to provide maximum effective training. The total number of scheduled sorties will not exceed 4 per week. PDM activities occurring during any evaluation period shall result in revised scoring criteria which shall be published before the beginning of each evaluation period and agreed to by both the Contractor and the Government. In determining whether a scheduled mission was an effective training mission, deviations will be measured as follows:

Chargeable Deviations include:

- Maintenance Air Aborts - An airborne aircraft that cannot complete its mission
- Maintenance Ground Aborts - Events after crew show time that prevents a “crew ready” aircraft from becoming airborne.
- Cancellations due to maintenance and/or supply
- Non-effective training due to system failure (MESL required system) – mission does not meet the scheduled lesson plan

Non-chargeable Deviations include:

- Operations, weather, or higher headquarters delays/cancellations
- Delays that are beyond the contractor’s control as determined by 93LSS/LGLOA

Measure Start/End: Measured monthly beginning the first day of the month and ending the last day of the month. The assigned performance monitor is responsible for tracking successful and unsuccessful missions and for documenting chargeable and non-chargeable deviations. Results will be calculated monthly. Evaluated by averaging the six months of performance during the semi-annual evaluation period.

Performance Calculation: IFT Availability is the percent of missions for which the IFT successfully completes its scheduled sorties. Missions with chargeable deviations will not be included in the numerator. Unscheduled missions successfully completed will be included in the numerator, but not the denominator.

e.g.: Total Effective Training Missions Per Month / Scheduled Missions Per Month

NOTE 6:**TRAINER AVAILABILITY (%)**

Define Measure: Trainer Availability is the percentage of time each trainer is available to accomplish training for all scheduled missions or scheduled usage. Successfully completed unscheduled training hours will also be credited in order incentivize the Contractor to provide maximum effective training. The target is based on an operational scenario of 24 hours per day, 7 days per week, with an allowable 8-hour continuous maintenance period in each 24-hour cycle.

Measure Start/End: Measured monthly beginning the first day of the month and ending the last day of the month. The assigned performance monitors are responsible for tracking hours scheduled and available, and for tracking and deducting down time outside of the Contractor’s control. Results will be calculated monthly. Evaluated by averaging the six months performance during the semi-annual evaluation period.

Performance Calculation: Trainer Availability is the ratio of actual training hours successfully completed to total scheduled training mission or usage hours. Unscheduled hours successfully completed will be added to the numerator but not the denominator. Down time outside of the Contractor's control, such as higher authority direction, loss of facilities power, non-availability of government trained instructors or students, etc. will be deducted from the denominator. Finally, a scheduled training session may be completely cancelled by the government if the Trainer is not operational within 30 minutes of the start time.

e.g. $\text{Hours Successfully Completed} / \text{Total Scheduled Mission Hours}$

ANNEX E

COST PERFORMANCE TO CONTRACT ESTIMATE MEASURE

Objective: The objective of this category is to ensure that the Contractor manages the work authorized within the authorized funding for cost performance and to encourage effective identification of any potential cost underruns so that the Government may add additional work within the underrun forecasted.

Define Measure: Each evaluation period's performance calculation is based on the Estimate at Completion (EAC) for authorized Award Fee work as reported by the Contractor's Earned Value Management System (EVMS). Cost control will be measured in two phases: 1) the first evaluation period for the performance period; and 2) the second evaluation period for a performance period. For purposes of Award Fee, cost control will always be measured for the line items under CLINs 0001, 0002, and 0003, and other CLINS specifically stated in Delivery Orders.

The cost performance monitors will utilize the EAC derived from the Contractor's DCMA approved EVMS, to be used in each performance period calculation. The EVMS EAC is compared to the cumulative negotiated estimated cost baseline (ECB) of authorized Award Fee work for each annual performance period to determine the percentage amount of earned Award Fee applicable to that evaluation period. However, work added as a consequence of Contractor declared EAC underruns, exclusive of those described in the following paragraph, will be excluded from the EVMS EAC projection when determining the performance percentage in that instant annual performance period.

In the event that additional work is authorized by virtue of additional budget authority, that additional work content shall be added to the EAC and ECB for that evaluation period equal to the amount of work to be performed through the end of that period. In the case of a reallocation of a cost underrun, based on savings realized due to actions taken by the Contractor, the additional work content shall be added to the EAC and ECB while ensuring the integrity of the original savings is reflected in the revised EAC. Finally, the ECB for the next evaluation period shall include the estimated cost for all work remaining from all non-severable work of the prior annual period, combined with the authorized cost for all work authorized in that next fiscal year's evaluation period.

Measure Start/End: The start of the metric is the beginning of the period of performance for each ordering period. The metric ends at the end of the evaluation period.

Performance Calculation: Each evaluation period's performance calculation is based on the EAC as reported by the Contractor's EVMS. In the event the performance monitors disagree with the Contractor's EVMS EAC, their recommended adjustment along with supporting rationale shall be presented to the FDO for determination and if affirmed by the FDO, said rationale shall be provided the Contractor. The performance calculation is calculated as follows:

- The EVMS EAC is divided by the negotiated ECB (exclusive of added work due to declared underruns as cited above) of the contract.
- The calculated fractional value is multiplied by 100 to obtain a percentage value.
- The percentage value is the “actual contractor performance” used in Table 4. The corresponding value is the Award Fee earned.

Table 4		
Required Performance	Cost Performance	To Contract Estimate
Performance Levels	Actual Contractor Performance	Award Fee Amount (for 35% Cost Portion)
Objective	95	100%
	96	98%
	97	96%
	98	94%
	99	92%
Expected	100	90%
	101	85%
	102	80%
Threshold	103	75%
	104	70%
	105	65%
	>105	0%

Example:

Negotiated estimated cost baseline (ECB)	\$100M
Cost Control Award Fee Pool	\$3.5M (\$1.75M per evaluation period)
Period 1	
Estimate at Completion (EAC)	\$102M
Actual Contractor Performance	102%
Award Fee Amount from Table 4	80%
Award Fee Available	\$1.75M
Award Fee Earned	\$1.4M
Period 2	
EAC	\$99M
Actual Contractor Performance	99%
Award Fee Amount from Table 4	92%
Award Fee Available	\$1.75M
Award Fee Earned	\$1.61M

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Period 1 performance calculation: $102/100 = 1.02 \times 100 = 102\%$

Period 1 Award Fee earned (Table 4) = 80% (\$1.4M)

Period 2 performance calculation: $99/100 = 0.99 \times 100 = 99\%$

Period 2 Award Fee earned (Table 4) = 92% (\$1.61M)

ANNEX F

CUSTOMER SUPPORT MEASURES

Customer Support: Customer Support is comprised of 6 qualitative areas: Engineering Support, Technical Data Management, Training Effectiveness, ACW Wing Support, Program Control, and Quality Program. The Customer Support assessment is judged using the evaluation grades (Excellent, Very Good, Satisfactory, and Unsatisfactory) defined in this annex.

Performance monitors will assess Contractor's performance via personal observations, reviews, and evaluations. The primary measurement criteria will be the value to the Government of contractor quality of effort brought to bear on accomplishments, and the detriment to the Government of inadequate, incomplete or late accomplishment of program tasks. The qualitative evaluation will also include consideration and documentation of mitigating circumstances and the causes of significant delays or problems. Performance Monitors will recommend a performance level rating, and associated point value within the applicable range for each rating area assigned, and then provides that to the AFRB Recorder within the required timelines established earlier in the plan.

Scoring Assessment Table. The following table lists the point ranges that will be determined by the FDO based on achievement of an overall qualitative rating as shown.

Table 5	
<u>Rating</u>	<u>Point Range</u>
Excellent	10
Very Good	8-9
Satisfactory	5-7
Unsatisfactory	0-4

Award Fee Earned: To determine the earned fee for Customer Support, the AFRB Recorder will take the point values for each of the six areas to calculate a weighted average score for each of the six rating areas (Engineering Support, Technical Data Management, etc.). The AFRB Recorder will then multiply the result for each of the six areas by ten to reflect as a percent (%). These results will then be presented to the AFRB, with the associated weights and dollar values applied, for development of a final recommendation to the FDO.

AREA: Engineering Support

AREA WEIGHT: 4%

EXCELLENT

- Contractor consistently provides timely, clear, accurate, and thorough responses to requests for engineering assistance. (Data Items: Engineering Service Requisitions)
- Contractor aggressively surveys government information sources (i.e. FAA AD's) and commercial market databases (i.e. TACTRAC) to ensure the timely, safe and effective operation of the Joint STARS system. (Data Items: FAA Air Worthiness Directive's, GIDEP Alerts, CAT I Deficiency Reports, Service Bulletins.)

VERY GOOD

- Contractor provides timely responses to requests for engineering assistance. (Data Items: Engineering Service Requisitions)
- Contractor actively surveys government information sources (i.e. FAA AD's) and commercial market databases (i.e. TACTRAC) to ensure the timely, safe and effective operation of the Joint STARS system. (Data Items: FAA Air Worthiness Directive's, GIDEP Alerts, CAT I Deficiency Reports, Service Bulletins.)

SATISFACTORY

- Contractor provides responses to requests for engineering assistance. (Data Items: Engineering Service Requisitions)
- Contractor usually surveys government information sources (i.e. FAA AD's) and commercial market databases (i.e. TACTRAC) to ensure the timely, safe and effective operation of the Joint STARS system. (Data Items: FAA Air Worthiness Directive's, GIDEP Alerts, CAT I Deficiency Reports, Service Bulletins.)

UNSATISFACTORY

- Contractor fails to meet the criteria for Satisfactory performance

AREA: Technical Data Management**AREA WEIGHT: 4%****EXCELLENT**

- Contractor demonstrates superior expertise in maintaining, and continuously promoting improvements to, a data management program that addresses all aspects of Joint STARS. This includes technical manuals, engineering drawings, specifications and standards, and all other technical data sources used in supporting the Joint STARS program.
- Flight manuals are expertly managed to consistently deliver changes and updates ahead of schedule, and minimize supplements. Changes are well organized, complete and accurate. (Data Items: AFTO 847 Turnaround, CAFTOP Currency Metric, and Pre-Publication Quality Review Results from Flight Manual Review Conferences.)
- JIMIS database updates (AFTO 22's) are quickly and accurately incorporated to meet TCTO, ECP, and other upgrade requirements and arrive ahead of schedule. (Data Items: AFTO 22 Turnaround times and Pre-Publication Quality Review Results.)
- JIMIS (hardware & software) is exceptionally maintained and updated to remain operationally capable.

VERY GOOD

- Contractor is proactive and very competent in maintaining, and promoting improvements to, a data management program that addresses all aspects of Joint STARS. This includes technical manuals, engineering drawings, specifications and standards, and all other technical data sources used in supporting the Joint STARS program.
- Flight manuals are well managed to usually deliver changes and updates ahead of schedule, and minimize supplements. Changes are well organized, complete and usually accurate. (Data Items: AFTO 847 Turnaround, CAFTOP Currency Metric, and Pre-Publication Quality Review Results from Flight Manual Review Conferences.)
- JIMIS database updates (AFTO 22's) are usually quickly and accurately incorporated to meet TCTO, ECP, and other upgrade requirements and arrive on schedule. (Data Items: AFTO 22 Turnaround times and Pre-Publication Quality Review Results.)
- JIMIS (hardware & software) is well maintained and updated to remain operationally capable.

SATISFACTORY

- Contractor demonstrates adequate expertise maintaining, and identifies some improvements to, a data management program that addresses all aspects of Joint STARS. This includes technical manuals, engineering drawings, specifications and standards, and all other technical data sources used in supporting the Joint STARS program.
- Flight manuals are managed to deliver most time-critical changes and updates on schedule. Most all other changes and updates are delivered at the agreed-to dates. Changes are mostly complete and accurate. (Data Items: AFTO 847 Turnaround, CAFTOP Currency Metric, and Pre-Publication Quality Review Results from Flight Manual Review Conferences.)
- JIMIS database updates (AFTO 22's) are usually incorporated to meet TCTO, ECP, and other upgrade requirements. Most deliveries are available by established need dates, with the

remaining products delivered on the pre-coordinated dates. (Data Items: AFTO 22 Turnaround times and Pre-Publication Quality Review Results.)

- JIMIS (hardware & software) is adequately maintained and updated to remain operationally capable.

UNSATISFACTORY

- Contractor fails to meet the criteria for Satisfactory performance

AREA: Training Effectiveness

AREA WEIGHT: 4%

EXCELLENT

- Training media, mandatory reference material and students' records are error free and accurate. Presentation, arrangement, quantity, and quality of all training materials greatly improve student skills and significantly exceed development objectives.
- Instructor consistently accomplishes all training tasks during the training period and conducts training in a manner to best meet student needs.
- Training System Support Center personnel are exceptionally qualified and motivated to perform required tasks (e.g. staffed, trained, and utilized) and achieve student throughput goals.

VERY GOOD

- Training media, mandatory reference material and students' records are mostly error free and accurate. Presentation, arrangement, quantity, and quality of all training materials improve student skills and exceed development objectives.
- Instructor accomplishes all training tasks during the training period and conducts training in a manner highly suitable for learning.
- Training System Support Center personnel are highly qualified to perform required tasks (e.g. staffed, trained, and utilized) and achieve student throughput goals.

SATISFACTORY

- Training media, mandatory reference material and students' records are adequately maintained. Presentation, arrangement, quantity, and quality of all training materials usually meet development objectives.
- Instructor usually accomplishes all training tasks during the training period.
- Training System Support Center personnel are adequate to perform required tasks (e.g. staffed, trained, and utilized) and achieve student throughput goals.

UNSATISFACTORY

- Contractor fails to meet the criteria for Satisfactory performance

AREA: Air Control Wing (ACW) Support**AREA WEIGHT: 5%****EXCELLENT**

- Contractor's work and technical assistance in support of the operational aircraft, deployment and supply support, and other Joint STARS System Resources is extremely cooperative, proactive, timely, accurate, and technically correct. Additionally, contractor's work on Joint STARS assets, outside of Programmed Depot Maintenance, is consistently completed ahead of schedule. (Data Items: FSR/SSR results, other on-site personnel, CFT's.)
- Contractor aggressively strives to identify, appropriately assist, and recommend changes to warfighter operations and maintenance activities that will improve availability and maintainability to best help the warfighter meet it's mission capability maintenance standards. (MC Rate, TNMCM, Cannibalization/Break Rate.)
- Contractor demonstrates ability to proactively resolve equipment and supportability performance problems to meet warfighter requirements and ensures all impacts are identified to the user to minimize operational and cost impacts.

VERY GOOD

- Contractor's work and technical assistance in support of the operational aircraft, deployment and supply support, and other Joint STARS System Resources is cooperative, proactive, timely, accurate, and technically correct. Additionally, contractor's work on Joint STARS assets, outside of Programmed Depot Maintenance, is completed on schedule. (Data Items: FSR/SSR results, other on-site personnel, CFT's.)
- Contractor demonstrates initiative, appropriately assist, and recommend changes to warfighter operations and maintenance activities to improve availability and maintainability to best help the warfighter meet it's mission capability maintenance standards. (MC Rate, TNMCM, Cannibalization/Break Rate.)
- Contractor demonstrates ability to resolve equipment and supportability performance problems to meet warfighter requirements and ensures most impacts are identified to the user to help minimize operational and cost impacts.

SATISFACTORY

- The contractor demonstrates competent work and technical assistance in support of the operational aircraft, deployment and supply support, and other Joint STARS System Resources. Additionally, contractor's work on Joint STARS assets, outside of Programmed Depot Maintenance, is completed on schedule or by joint agreed to dates. (Data Items: FSR/SSR results, other on-site personnel, CFT's.)
- Contractor maintains cognizance of, and appropriately assists, warfighter operations and maintenance activities to improve availability and maintainability to best help the warfighter meet it's mission capability maintenance standards. (MC Rate, TNMCM, Cannibalization/Break Rate.)
- Contractor attempts to resolve equipment and supportability performance problems to meet warfighter requirements and usually identifies impacts to the user to help minimize operational and cost impacts

UNSATISFACTORY

- Contractor fails to meet the criteria for Satisfactory performance

AREA: Program Control

AREA WEIGHT: 4%

EXCELLENT

- Earned Value Management System (EVMS) is extremely effective and accurate, consistently provides early identification and prediction of problem areas, and enables corrective management actions to be taken.
- Contractor continually demonstrates thorough, cooperative, and proactive actions for the Joint Cost and Performance System (JCAPS). Milestones are consistently on or ahead of schedule, and requirements have been integrated to produce capability exceeding joint plans.

VERY GOOD

- Earned Value Management System (EVMS) is very effective and accurate, usually provides early identification and prediction of problem areas, and enables corrective management actions to be taken.
- Contractor demonstrates thorough, cooperative, and proactive actions for JCAPS development. Milestones are usually on or ahead of schedule, and requirements have been integrated to produce capability that meets, and sometimes exceeds, joint plans.

SATISFACTORY

- Earned Value Management System (EVMS) reflects accurate information relative to the contractor's plan.
- Contractor adequately executes JCAPS development. Milestones and capability requirements are usually met.

UNSATISFACTORY

- Contractor fails to meet the criteria for Satisfactory performance

AREA: Quality Program

AREA WEIGHT: 4%

EXCELLENT

- Contractor's Quality Program is noteworthy, and achieves outstanding quality workmanship results for depot inspections and repairs, retrofits, modifications, parts, and software.
- Contractor reporting is well organized, clear, complete, accurate, timely, and objectively represented.

VERY GOOD

- Contractor's Quality Program is above standards and achieves above average workmanship results for depot inspections and repairs, retrofits, modifications, parts, and software.
- Contractor reporting is organized, complete, accurate, and timely.

SATISFACTORY

- Contractor's Quality Program achieves average quality workmanship results for depot inspections and repairs, retrofits, modifications, parts, and software.
- Contractor reporting is usually organized, complete, accurate and timely.

UNSATISFACTORY

- Contractor fails to meet the criteria for Satisfactory performance