

# **AWARD FEE PLAN**

(15 March 2004)

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## **1. INTRODUCTION**

This award fee plan is the basis for the WORLDWIDE CONTINGENCY LINGUIST CONTRACT evaluation of the contractor's performance and for presenting an assessment of that performance to the Fee Determining Official (FDO). It describes specific criteria and procedures used to assess the contractor's performance and to determine the amount of award fee earned. Actual award fee determinations and the methodology for determining award fee are unilateral contract decisions made solely at the discretion of the Government.

The award fee will be provided to the WORLDWIDE CONTINGENCY LINGUIST CONTRACT contractors through contract modifications and is in addition to the cost reimbursement provisions of the contract. The award fee earned and payable will be determined by the FDO based upon review of the contractor's performance against evaluation criteria set forth in this plan. The FDO may unilaterally change this plan prior to the beginning of an evaluation period if KO provides written notice of change to contractor before the start of the evaluation period. Changes in this plan that are applicable to a current evaluation period will be incorporated by mutual consent of both parties. This award fee plan has been prepared in accordance with the AFMC Award-Fee and Award Term Guide dated December 2002.

## **2. ORGANIZATION**

The award-fee organization consists of: the Fee Determining Official (FDO); an Award Fee Review Board (AFRB) which consists of a chairperson, the contracting officer, a recorder, other functional area participants, and advisor members; and the Performance Monitors.

## **3. RESPONSIBILITIES**

3.1 Fee Determining Official. The FDO approves the award-fee plan and any significant changes. The FDO reviews the recommendations of the AFRB, considers all pertinent data, and determines the earned award-fee amount for each evaluation period.

3.2 Award Fee Review Board. The AFRB members review Performance Monitor's evaluations of the contractor's performance, and consider all information pertinent sources, prepare interim performance reports and arrive at an earned award-fee recommendation to the FDO. The AFRB may make recommendations to this plan.

3.3 AFRB Recorder. The AFRB recorder is responsible for coordinating administrative actions required by the Performance Monitors, the AFRB and the FDO. Which includes: 1) receipt, processing and distribution or 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 operation of the award fee.

3.4 Contracting Officer (KO). The KO is the liaison between the contractor and the government personnel.

3.5 Performance Monitors. Performance Monitors maintain clearly written and explicit detailed records of the contractor's performance in their assigned area of evaluation. This is to ensure fair and accurate evaluations are obtained. They are responsible for preparing interim and end of period evaluations reports as directed by the AFRB.

## **4. AWARD FEE PROCESSES**

4.1 Available Award-Fee Amount. The available award-fee for each evaluation period is shown in 8.1. The award fee earned will be paid based on the contractor performance during each evaluation period. The government is not required to pay an award fee for contractor's performance that is below satisfactory (see paragraph 9.1 below).

4.2 Evaluation Criteria. If the KO does not give specific notice in writing to the contractor of any unilateral change to the evaluation criteria prior to the start of a new evaluation period, then the previous criteria listed for the preceding period will be used. Revising paragraph 9.2 of this plan and forwarding it to the contractor will suffice as proper notification of changes to the evaluation criteria.

4.3 Interim Evaluation Process. The AFRB Recorder notifies each AFRB member and Performance Monitor 15 days before the midpoint evaluation period. Performance Monitors submit their evaluations within 7 days of notification. The AFRB determines the interim evaluation results and notifies the contractor in writing of strengths and weaknesses for the current evaluation. The KO may also issue letters at any time to the contractor when the government deems it necessary to highlight the areas of the Government's concern.

4.4 End-of-Period Evaluations. The AFRB Recorder notifies each AFRB member and Performance Monitor 15 days before the end-of-period evaluation. This notification shall also include a copy of the contractor's self-assessment (see paragraph 4.5 below). Performance Monitors submit their evaluations within 7 days of notification. The AFRB prepares its evaluation report and recommendation of earned award fee. The AFRB briefs the evaluation report and recommendation to the FDO. At this 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 amount for the evaluation period within 3 days of receiving recommendation from the AFRB. The FDO prepares a letter informing the contractor of the earned award fee amount and notifies the government program office of WORLDWIDE CONTINGENCY LINGUIST CONTRACT to allow management of the award-fee dollars. The WORLDWIDE CONTINGENCY LINGUIST CONTRACT program office prepares a contract modification-allocating award dollars and forwards to contracting. The KO releases the contract modification.

4.5 Contractors Self-Assessment. When the WORLDWIDE CONTINGENCY LINGUIST CONTRACT contractor chooses to submit a self-evaluation, it must be submitted to the KO and AFRB Recorder 15 business days before the end of evaluation period. This written self-evaluation may contain information that may be reasonably expected to assist the AFRB in evaluating the contractor's performance. The contractor's self-assessment may not exceed 5 pages.

4.6 Government Oversight. The Contracting Officer's Representative (COR) working with forward deployed Alternate Contracting Officer's Representative (ACORs) will be responsible for monitoring, assessing, recording, and reporting on the managerial performance of the contractor on a day-to-day basis. ACORs will have the primary responsibility for completing Surveillance Activity Checklist (DA Form 5476-R), which will be used to document the inspection and evaluation of the contractor's work performance.

## **5. AWARD FEE PLAN CHANGE PROCEDURES**

All significant changes are approved by the FDO; the AFRB Chairperson approves other changes. Examples of significant changes include changing evaluation criteria, adjusting weights to redirect the contractor's emphasis to areas needing improvement, and revising the distribution of the award-fee funds. The WORLDWIDE CONTINGENCY LINGUIST CONTRACT contractor may recommend changes to the KO no later than 15 days prior to the beginning of a new evaluation period. After review

and if approved, the KO will notify the contractor in writing of any changes. Unilateral changes may be made to the award-fee plan if the KO provides the contractor with written notice of change prior to the start of a new evaluation period. Changes affecting the award-fee plan during the current evaluation period must be by mutual agreement.

**6. 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 award-fee evaluation periods cannot be earned by the contractor and, therefore, shall not be paid.

**7. AWARD FEE**

Area Number	Area of Evaluation	Performance Monitor(s)
I	Program Management	COR
II	Recruitment/Deployment	COR, G3 HU/CI
III	Small Business/Sub-Contracting Management	COR
IV	On-Site Management	COR, User

**8. AWARD FEE ALLOCATIONS**

**8.1 Available (Maximum) Award Fees**

The award fee earned by the contractor will be determined at the completion of evaluation periods shown below. The percentage and dollars shown corresponding to each period is the maximum available-award-fee amount that can be earned during that particular period.

	First Award Fee Period	Available Award Fee*		Second Award Fee Period	Available Award Fee*		Total Available Award Fee*	
		Dollars	%		Dollars	%	Dollars	%
Base Year	01 Oct 2004 to 31 Mar 2005			01 Apr 2005 to 31 Aug 2005				
1 <sup>st</sup> Option Year	01 Sep 2005 to 31 Mar 2006			01 Apr 2006 to 31 Aug 2006				
2 <sup>nd</sup> Option Year	01 Sep 2006 to 31 Mar 2007			01 Apr 2007 to 31 Aug 2007				
3 <sup>rd</sup> Option Year	01 Sep 2007 to 31 Mar 2008			01 Apr 2008 to 31 Aug 2008				
4 <sup>th</sup> Option Year	01 Sep 2008 to 31 Mar 2009			01 Apr 2009 to 31 Aug 2009				

\* Offeror shall include proposed award fee dollars and the computed percentage in cost proposal. Fees shall be proportional in each period.

## 8.2 Earned Award Fees

	First Award Fee Period	Earned Award Fee*		Second Award Fee Period	Earned Award Fee*		Total Earned Award Fee*	
		Dollars	%		Dollars	%	Dollars	%
Base Year	01 Oct 2004 to 31 Mar 2005			01 Apr 2005 to 31 Aug 2005				
1 <sup>st</sup> Option Year	01 Sep 2005 to 31 Mar 2006			01 Apr 2006 to 31 Aug 2006				
2 <sup>nd</sup> Option Year	01 Sep 2006 to 31 Mar 2007			01 Apr 2007 to 31 Aug 2007				
3 <sup>rd</sup> Option Year	01 Sep 2007 to 31 Mar 2008			01 Apr 2008 to 31 Aug 2008				
4 <sup>th</sup> Option Year	01 Sep 2008 to 31 Mar 2009			01 Apr 2009 to 31 Aug 2009				

\* The Government will unilaterally determine the Earned Award Fee amounts. These amounts will be incorporated in the above chart by contract modification signed by the Contracting Officer.

## 9. AWARD FEE EVALUATION PROCEDURES

### 9.1 Evaluation Standards

Rating	Point Std.	Earned Award Fee %
Outstanding	90-100	100%
Excellent	85-89	80%
Very Good	80-84	60%
Satisfactory	70-79	40%
Unsatisfactory	0-69	\$0

**(a) Outstanding: 90-100 Points**

The Contractor will receive Award Fee based on the following: Performance exceeds contractual requirements and exceeds all to the Government's benefit. The contractor demonstrated innovation and creativity in the performance of the elements or sub-elements. Contractor's performance requires minimum oversight and quickly implements lessons learned.

**(b) Excellent: 85-89 Points**

Contractor's performance of virtually all contract tasks is consistently noteworthy and provides numerous significant, tangible or intangible, benefits to the Government. The few areas for improvement are all minor. There are no recurring problems. Contractor's management initiates effective corrective action whenever needed.

**(c) Very Good: 80-84 Points**

Contractor's performance meets the contract tasks and is consistently above standard and provides numerous significant tangible and intangible benefits to the Government (e.g., improved quality, responsiveness, increased timeliness, or generally enhanced effectiveness of operations). Although some areas may require improvement, these areas are minor and are more than offset by better performance in other areas. Few, if any, recurring problems have been noted, and contractor takes satisfactory corrective action.

**(d) Satisfactory: 70-79 Points**

Contractor's performance of most contract tasks is adequate with few tangible benefits to the Government due to contractor's effort or initiative. Although there are areas of good or better performance, these are more or less offset by lower-rated performance in these areas.

**(e) Unsatisfactory: 0-69 Points**

Contractor's performance of most contract tasks is inadequate and inconsistent. Quality, responsiveness, and timeliness in many areas require attention and action. Corrective actions have not been taken or are ineffective. Overall unsatisfactory performance shall not earn an award fee.

Award-fees will be computed and expressed in dollars at the conclusion of negotiations or in the Final Price Revision after Negotiations.

**9.2 Award Fee Evaluation Criteria**

The following section is a detail of the performance award fee criteria areas that the Government will be evaluating and provides a means to measure the contractor's ability to meet program objectives from the Performance Based Work Statement. Evaluation of performance is subjective in nature unless otherwise indicated.

Area Number	Area of Evaluation	Maximum Amount of Points
I	Program Management	30
II	Recruitment/Deployment	25
III	Small Business/Sub-Contracting Management	20
IV	On-Site Management	25
	TOTAL	100

**I. Program Management Point Range (0-30)**

The Government will evaluate this section based on how well the contractor demonstrated effective and efficient Program Management based on the following criteria:

- (a) 6 points - Adequate personnel to perform all tasks (resources which include both management staff and linguists)
- (b) 6 points - Capability to respond to critical mission requirements in accordance with the Movement Instruction 95% of the time.
- (c) 3 points - Identification of problem areas and implementation of corrective measures

- (d) 3 points - Effective reporting and timely delivery of all CDRLs
- (e) 3 points – Services provided within proposed cost.
- (f) 2 points -Accurate invoices
- (g) 3 points - Effective plan for preventions of waste, fraud, misuse of government funds
- (h) 4 points - Timely submission of cost proposals for urgent orders

**II. Recruitment/Deployment Point Range (0-25)**

The contractor will be evaluated based on the following criteria:

- (a) 5 points - Utilization of proactive advertising campaigns to include unique and innovative strategies that target a sufficiently large and diverse ethnic population to reasonably result in a sufficient number of linguist recruits with the correct language skills.
- (b) 5 points - 100% of all applicants have been adequately pre-screened inclusive of submission of completed documentation prior to counterintelligence/force protection interview.
- (c) 5 points - Ability to deploy on-time personnel to meet mission requirements within the Contractors control.
- (d) 5 points - All facets of security to ensure no mission delays, within the Contractors control.
- (e) 5 points - Identification of problem areas and implementation of corrective measures

**III. Small Business/ Sub-Contract Management. Point Range: (0-20)**

The Government will evaluate this section based on how well the prime contractor met the 23% Small Business Subcontracting Goal. The criteria to be used in scoring is as follows:

- (a) 5 points to be awarded if the contractor achieved at least 5%.
- (b) 10 points to be awarded if the contractor achieved at least 11%
- (c) 15-points to be awarded if the contractor achieved at least 17%.
- (d) 20 points to be awarded if the contractor met or exceeded the 23% goal.

**IV. On-Site Management Point Range: (0-25)**

Contractor will be evaluated based on the following criteria:

- (a) 3 points - Accountability of GFE;
- (b) 3 points - How well deployed personnel follow security procedures and precautions;
- (c) 5 points - Ability to manage on-site workforce;
- (d) 5 points - Responsiveness to emergencies;
- (e) 4 points - Development of procedures to ensure quality control and customer satisfaction of personnel;
- (f) 2 points - Immediate resolution of customer complaints; and
- (g) 3 points - Timely replacement of on-site personnel as necessary.

*(The remainder of this page is intentionally left blank.)*

**9.3 Sample Score Sheet**

Evaluation Criteria/Max Points Possible/Earned Points

<i>Area Number</i>	<i>Area of Evaluation</i>	Max Points Possible	Earned Points
I	Program Management	30	25
II	Recruitment/Deployment	25	20
III	Small Business/Sub-Contracting Management	20	20
IV	On-Site Management	25	23
	<b>TOTAL</b>	<b>100</b>	<b>88</b>

Evaluation Standard

Rating	Point Standard	Earned Award Fee %
Outstanding	90-100	100%
<b>Excellent</b>	<b>85-89</b>	<b>80%</b>
Very Good	80-84	60%
Satisfactory	70-79	40%
Unsatisfactory	0-69	Base Fee Only

Calculation of Award Fee

Maximum Possible Award Fee For That Period	\$200,000
<b>88 Earned Points equates to an Excellent Rating for a score of 80%. The 80% Score is then applied to the Maximum Possible Award Fee for that Period to get Total Earned Award Fee.</b>	<b><u>x 80%</u></b>
<b>Total Earned Award Fee For That Period</b>	<b>\$160,000</b>