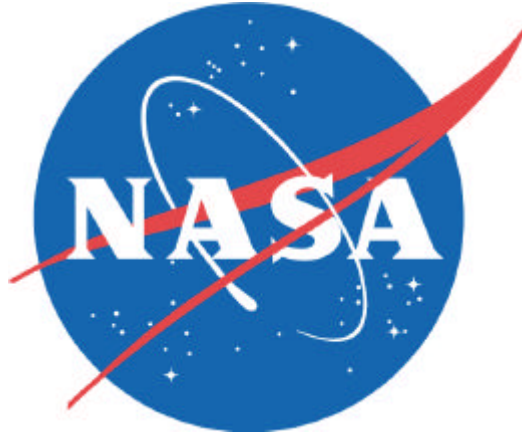


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Fee on Prime Contract for JPL Operations**



**NASA Headquarters
Office of Space Science (OSS)**

Office Work Instruction

**Evaluating, Approving, and Authorizing Award
Fee on Prime Contract for JPL Operations**

Approved by: (Original signed by Dr. Earle K. Huckins) Date: _____
Dr. Earle K. Huckins
Deputy Associate Administrator for Space Science

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DOCUMENT HISTORY LOG

| STATUS (BASELINE/ REVISION/ CANCELED) | DOCUMENT REVISION | EFFECTIVE DATE | DESCRIPTION |
|--|----------------------|-------------------|--|
| Baseline | | 02/01/1999 | <ul style="list-style-type: none"> Initial "baseline" version of the OWI. |
| Revision | A | 05/10/1999 | <ul style="list-style-type: none"> Incorporates modifications responsive to NCRs #293, #300, #302, #308, #311, #315, #317, #319, and #324 from the NASA HQ ISO-9001 Pre-Assessment audit. |
| Revision | B | 11/16/1999 | <ul style="list-style-type: none"> Incorporates modifications by Process Owner to process flow in Section 5 and process description in Section 6. Clarifies that the deadlines in Section 6 are <u>self-levied milestones</u>, not external mandatory requirements. Incorporates recent terminology and format standardization. |
| Revision | C | 05/01/2000 | <ul style="list-style-type: none"> Modifies the entry in Section 4 pertaining to the NASA/Caltech Prime Contract. Incorporates modifications by Process Owner to process flow in Section 5 (e.g., revised inputs and outputs) and process description in Section 6 (e.g., combining Steps 6.1 & 6.2 and revised Action Officers). |
| Administrative Change | C | 5/2/2000 | <ul style="list-style-type: none"> Administrative Change to correct the title of a Quality Record (PAEB Recommendation Summary) |

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1. PURPOSE The purpose of this Office Work Instruction (OWI) is to define the process by which the Office of Space Science (OSS) evaluates, approves, and authorizes payment of award-fee amounts earned by the prime contractor under the prime contract for operation of the Jet Propulsion Laboratory (JPL).

2. SCOPE AND APPLICABILITY

2.1 This OWI describes a critical process in facilitating the successful management and administration of the JPL operations contract. It represents one of the core responsibilities of the Contracts Management Section of the NASA Management Office (NMO) for JPL.

2.2 A cost-plus-award fee contract is utilized for operation of JPL. Use of an award-fee structure provides NASA considerable leverage in favorably influencing both the program performance and business practices of the prime contractor at JPL. The award fee is administered per criteria contained in the Performance Evaluation Plan (PEP) for management of the Jet Propulsion Laboratory (see the sample PEP in Appendix A to this OWI). This plan ensures complete, timely, and fair evaluations of JPL performance under the contract at regular intervals.

2.3 Members of the Performance Award Evaluation Board (PAEB) are appointed not later than 30 calendar days after contract award. PAEB members are appointed by the PAEB Chairman [Deputy Associate Administrator for Space Science], subject to approval by the Fee Determination Official (FDO) [Associate Administrator for Space Science]. The membership of the PAEB is drawn from NASA Headquarters Senior Officials of codes that perform functional oversight or sponsor programmatic tasks at JPL. The NMO Procurement Officer provides orientation and guidance concerning preparation of assessments for award-fee determination purposes to Performance Monitors (PMs) appointed by Officials in Charge (OICs) of NASA HQ Functional Offices.

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2.4 This OWI describes the award-fee process throughout the life of the JPL operations contract. It encompasses all facets of evaluating, approving, and authorizing payment of the award fee earned under the contract.

3. DEFINITIONS

3.1 Administrative Point of Contact (APOC). The cognizant NASA Headquarters code representative tasked to consolidate the code's award-fee inputs and furnish them to the NMO.

3.2 Award Fee (AF). Discretionary funds a contractor can earn based upon subjective Government evaluation of its contractual performance.

3.3 Award Fee Determination Report (AFDR). A written report containing the FDO's determination of the amount of award fee earned and the basis for this determination.

3.4 Fee Determination Official (FDO). The Associate Administrator for Space Science, who is responsible for determining the actual amount of award fee earned by the contractor and payable during each evaluation period.

3.5 Jet Propulsion Laboratory (JPL). NASA's only Federally Funded Research and Development Center (FFRDC). It conducts solar-system exploration.

3.6 NASA Management Office (NMO). The local NASA contracting authority for matters pertaining to operation of the Jet Propulsion Laboratory.

3.7 Not Later Than (NLT).

3.8 Official in Charge (OIC).

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- 3.9 Performance Award Evaluation Board (PAEB). The PAEB is responsible for evaluating contractor performance against the criteria elements established in the PEP and any special areas of emphasis for the period under review. The PAEB provides the FDO and PEB a detailed written evaluation of the Contractor's performance and a recommendation on the amount of award fee to be granted.
- 3.10 Performance Evaluation Board (PEB). The PEB is responsible for receiving and evaluating recommendations of the PAEB and advising the FDO in determining final performance scores for each of the performance-evaluation factors contained in the PEP.
- 3.11 Performance Evaluation Plan (PEP). The PEP is a NASA-internal management tool for evaluating and grading the adequacy of contractor performance under award-fee contracts. The PEP serves as a roadmap for the process of administering the award-fee provisions of the JPL operations contract. The PEP is not a contractual document, but rather is a NASA tool for evaluating the adequacy of prime-contractor management of the Jet Propulsion Laboratory. The PEP ensures timely evaluation, approval, and subsequent payment of award-fee amounts earned by the prime contractor under the contract. The PEP also details the mechanics of soliciting, collecting, and reporting summary findings of JPL performance in a given award-fee evaluation period.
- 3.12 Performance Evaluation Report (PER). The PER is prepared at the conclusion of each evaluation period by the PAEB chair. The report, which is submitted to the PEB and FDO for use in determining award fee earned, includes recommended adjectival ratings for each performance factor and recommended performance scores, with supporting documentation.
- 3.13 Performance Monitor (PM). A NASA Headquarters code functional specialist assigned to assess contractor performance (based upon personal observations and evaluation of current contractor data) for submission to the APOC.

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4. REFERENCES

- | | | |
|------|--------------------------|--|
| 4.1 | ANSI/ISO/ASQC Q9001-1994 | American National Standard, Quality Systems -- Model for Quality Assurance in Design, Development, Production, Installation, and Servicing |
| 4.2 | HCP1280-2 | Corrective and Preventive Action |
| 4.3 | HCP1280-3 | Internal Quality Audits |
| 4.4 | HCP1400-1 | Document and Data Control |
| 4.5 | HCP3410-4 | Employee Training |
| 4.6 | HQPC1150.1 | NASA Headquarters Quality Council Policy Charter |
| 4.7 | HQSM1200-1 | NASA Headquarters Quality System Manual |
| 4.8 | NAS7-1407 | NASA/Caltech Prime Contract |
| 4.9 | NHB 1101.3 | NASA Organization Handbook |
| 4.10 | NPD 1000.1 | NASA Strategic Plan |
| 4.11 | NPD 8730.3 | NASA Quality Management System Policy (ISO 9000) |
| 4.12 | NPG 1000.2 | NASA Strategic Management Handbook |
| 4.13 | NPG 1441.1 | NASA Records Retention Schedules (NRRS) |

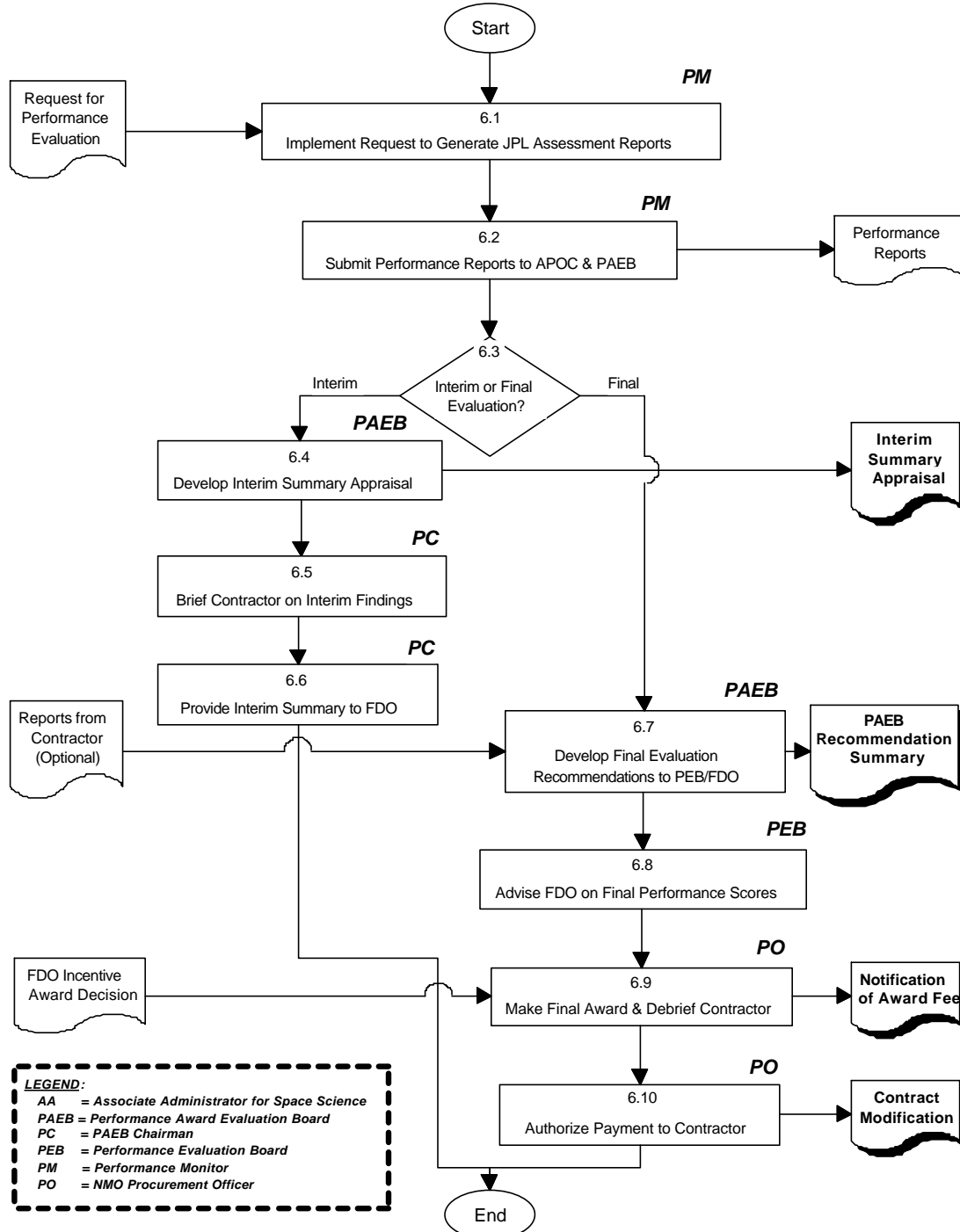
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5. FLOWCHART

[NOTE #1: "Quality records" are identified via shadowing of their ANSI symbols.]

[NOTE #2: Process steps are numbered in accordance with their corresponding paragraph numbers in Section 6.]



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6. PROCEDURE

[NOTE: Deadlines cited in Section 6 are self-levied goals, not external mandatory requirements.]

| <u>STEP #</u> | <u>ACTION OFFICERS</u> | <u>DESCRIPTION</u> |
|---------------|------------------------|--|
| 6.1 | PM | Implement a request by the Associate Administrator for Space Science to generate JPL assessment reports. The OIC-appointed Performance Monitors (PM's) assess contractor performance based upon personal observations and evaluation of performance data. |
| 6.2 | PM | Submit completed performance reports to the APOC within the appropriate Functional Office. <i>[The APOC consolidates these reports and forwards them to the PAEB.]</i> |
| 6.3 | | If the evaluation is for the "interim" category, proceed to Step #6.4. If the evaluation is for the "final" category, proceed directly to Step #6.7. <i>[Interim evaluations are conducted at the midpoint of each fiscal year of the performance term of the contract and cover the preceding six months. Final evaluations are conducted at the conclusion of each fiscal year of the performance term of the contract and cover the entire year.]</i> |
| 6.4 | PAEB | Develop an interim summary within 20 calendar days after the midpoint of the evaluation period. |
| 6.5 | PAEB Chairman | Brief the contractor on interim findings within 10 calendar days of the PAEB interim meeting. |
| 6.6 | PAEB Chairman | Provide the summary interim evaluation to the FDO within 5 calendar days after the interim progress briefing to the contractor. |
| 6.7 | PAEB | During the final evaluation, receive optional written self-evaluation reports from the contractor. Meet and formulate final evaluation recommendations and provide them to the PEB and the FDO within 25 calendar days after the end of |

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the evaluation period.

- 6.8 PEB Advise the FDO of the final performance scores within 10 calendar days after the PAEB meeting.
- 6.9 NMO Procurement Officer Make the final Incentive Award Decision within 10 calendar days after the PEB meeting.
- 6.10 NMO Procurement Officer Authorize payment to the contractor based upon contract modification NLT 60 calendar days after the end of the evaluation period.

7. QUALITY RECORDS

| RECORD IDENTIFICATION | OWNER | LOCATION | MEDIA: ELECTRONIC OR HARDCOPY | NPG 1441.1 SCHEDULE NUMBER AND ITEM NUMBER | RETENTION/ DISPOSITION |
|--|-------------------------|-------------------------|-------------------------------|--|---|
| Interim Summary Appraisal of JPL performance | NMO Procurement Officer | NMO Central File System | Hardcopy | Schedule 5, Item 1A1 | Destroy 6 years and 3 months after final payment. |
| PAEB Recommendation Summary | NMO Procurement Officer | NMO Central File System | Hardcopy | Schedule 5, Item 1A1 | Destroy 6 years and 3 months after final payment. |
| Notification of Award Fee | NMO Procurement Officer | NMO Central File System | Hardcopy | Schedule 5, Item 1A1 | Destroy 6 years and 3 months after final payment. |
| Contract Modification (authorizing payment of award fee) | NMO Procurement Officer | NMO Central File System | Hardcopy | Schedule 5, Item 1A1 | Destroy 6 years and 3 months after final payment. |

[NOTE #1: These "quality records" are identified in Section 5 ("Flowchart") of this OWI via shadowing of their ANSI symbols.]

[NOTE #2: In accordance with NPG 1441.1 NASA Records Retention Schedules, "... installations' office of primary responsibility will maintain one official record copy ...; reference copies may be maintained for related work". Therefore, the "Retention" and "Disposition" aspects of quality records apply only to the one official record copy of each quality record.]

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**APPENDIX A: Performance Evaluation Plan (PEP) for Management of the Jet
Propulsion Laboratory**

***[NOTE: Appendix A presents a notional example of a typical PEP issued by the
NMO. It is not intended to be used as the actual currently effective document.]***

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**PERFORMANCE EVALUATION PLAN (PEP)
FOR MANAGEMENT OF THE JET PROPULSION LABORATORY**

Contract No. NAS7-1407 with the California Institute of Technology

Contents

- I. Introduction
- II. Organizational Structure for Award Fee Administration
- III. Evaluation Requirements
- IV. Method for Determining Award Fee
- V. Changes in Plan Coverage
- VI. Method for Creating Special Areas of Emphasis

Attachments

- III-A Evaluation Periods and Maximum Available Award Fee for Each Period
- III-B Performance Areas and Evaluation Criteria
 - III-B.1 Evaluation Criteria for Performance Area No. 1
 - III-B.2 Evaluation Criteria for Performance Area No. 2
 - III-B.3 Evaluation Criteria for Performance Area No. 3
 - III-B.4 Evaluation Criteria for Performance Area No. 4
- III-C Grading Table
- IV-A Actions and Schedules for Award Fee Determinations
- IV-B General Instructions for Performance Monitors

APPROVED BY:

(Signature) (Date)
Earle K. Huckins
Deputy Associate Administrator, Office of Space Science

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I. Introduction

1. This plan covers the administration of the award fee provisions of Contract No. NAS7-1407, to be effective September 21, 1998, with the California Institute of Technology. The contract is to be awarded after completion of negotiations in accordance with the provisions of RFP No. NAS7-98-46.
2. The following matters, among others, are covered in the contract:
 - a. The contractor is required to plan and execute exploration of the solar system with unmanned spacecraft and perform related space flight scientific research projects for NASA as well as operate various NASA-owned Research and Development facilities in California.
 - b. The term of the contract is from 9/21/98 through 9/28/03.
 - c. The estimated cost of performing the contract is as specified in task orders to be issued during the contract period.
 - d. The available award fee is \$22,000,000 for each annual performance evaluation period. As the contract has a five-year period of performance, the total available award fee is therefore \$110,000,000.
 - e. The estimated cost and award fee are subject to equitable adjustments arising from changes or other contract modifications.
 - f. The award fee payable will be determined periodically by the Fee Determination Official (FDO) in accordance with this plan.
 - g. Award fee determinations are not subject to the Disputes Clause of the contract.
 - h. The FDO may unilaterally change certain matters in this plan, as covered in Part V and not otherwise requiring mutual agreement under the contract, provided the contractor receives notice of the changes prior to the beginning of the evaluation period to which the changes apply.

II. Organizational Structure for Award Fee Administration

The following organizational structure is established for administering the award fee provisions of the contract.

1. Fee Determination Official (FDO)
 - a. The FDO is the Associate Administrator for Space Science or the Deputy Associate Administrator for Space Science.

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- b. Primary FDO responsibilities are:
 - (1) Determining the award fee earned and payable for each evaluation period as addressed in Part IV of this plan.
 - (2) Changing the matters covered in this plan as addressed in Part V as appropriate.
- 2. Performance Award Evaluation Board (PAEB)
 - a. The PAEB shall be chaired by the Deputy Associate Administrator for Space Science.
 - b. Primary responsibilities of the PAEB are:
 - (1) Evaluate contractor performance against the established criteria elements and special areas of emphasis for the period under review;
 - (2) Provide the FDO and PEB with a written evaluation of the Contractor's performance, including proposed strengths and weaknesses for the applicable performance factors and a recommendation on the Incentive Award to be granted; and
 - (3) Recommend special areas of emphasis for an evaluation period to the FDO and PEB.
 - c. Primary responsibilities of the PAEB Chair are:
 - (1) Ensure that each board member is knowledgeable and prepared to perform assigned tasks in a timely manner;
 - (2) Coordinate the activities of all board members;
 - (3) Prepare the Incentive Award briefing to the PEB and FDO, which will include summary statements of strengths and weaknesses and recommended areas of special emphasis for the following evaluation period;
 - (4) Have overall responsibility for Incentive Award administration;
 - (5) Ensure that the entire Incentive Award process is conducted according to guidelines laid out in this plan and the fee determinations of the FDO;
 - (6) Solicit, as appropriate, evaluation data from NASA Codes that are not specifically represented by PAEB members, and also from appropriate non-NASA sponsors; and
 - (7) Appoint individuals to vacancies on the PAEB subject to the approval of the FDO.
 - d. Performance Award Evaluation Board Composition:

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Chair: Deputy Associate Administrator for Space Science

Contracts Advisor: Procurement Officer, NASA Management Office-JPL

Representatives of the:

Associate Administrator for Management Systems and Facilities

Associate Administrator for Earth Science

Associate Administrator for Safety and Mission Assurance

Deputy Associate Administrator for Space Communications, Office of Space Flight

Associate Administrator for Space Science

Comptroller/CFO, NASA Headquarters

- e. In addition to the above composition, the FDO may, at his discretion, appoint a senior management representative to represent outreach activities.
- f. The PAEB members and Contracts Advisor will:
 - (1) Report to and support the PAEB Chair;
 - (2) Gather evaluation inputs from NASA offices and non-NASA sponsors concerning Contractor performance in their assigned area of responsibility, and consider any written self-assessment by the Contractor;
 - (3) Evaluate Contractor performance against the established criteria and special areas of emphasis provided for the evaluation period;
 - (4) Recommend performance scores for each of the performance evaluation factors specified in Attachment III-B; and
 - (5) Provide a summary of their review and assist the PAEB Chairperson in preparing a Performance Evaluation Report (PER) of their findings for the PEB and FDO.

3. Performance Evaluation Board (PEB)

- a. The Chair of the PEB is the Associate Administrator for Space Science or the Deputy Associate Administrator for Space Science.

The following are voting members:

Associate Administrator for Management Systems and Facilities

Associate Administrator for Earth Science

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Associate Administrator for Safety and Mission Assurance

Deputy Associate Administrator for Space Communications, Office of Space Flight

Associate Administrator for Space Science

Associate Administrator for Procurement

Director, NASA Management Office - JPL

- b. The Chair may appoint non-voting members to assist the PEB and PAEB in performing their functions.
 - c. Primary responsibilities of the Board are:
 - (1) Receiving and evaluating recommendations of the PAEB and advising the FDO in determining final performance scores for each of the performance evaluation factors.
 - (2) Participating in post-determination discussions with the Contractor on contract performance in their designated areas.
 - (3) Considering proposed changes to this plan that are referred to it by the FDO and recommending those it determines appropriate for adoption by the FDO, as addressed in Part V.
4. Performance Monitors
- a. Officials in Charge (OIC) of organizations sponsoring tasks or providing oversight of functional or outreach activities at JPL will designate monitors, responsible for evaluating task, functional, or outreach performance.
 - b. Monitors will be selected on the basis of their knowledge and expertise relative to the task or institutional/outreach area being evaluated. Normally, monitor duties will be in addition to, or an extension of, regular responsibilities. Monitor assignments may change at any time without advance notice to the contractor.
 - c. Each monitor will be responsible for complying with the General Instructions for Performance Monitors, Attachment IV-B, and any specific instructions of the PAEB Chair as addressed in Part IV. Primary monitor responsibilities are:
 - (1) Monitoring and assessing contractor performance in assigned areas.
 - (2) Periodically preparing a Performance Monitor Report for submission to the designated administrative point of contact (APOC) within their code tasked with compiling all code inputs for the PAEB.

III. Evaluation Requirements

The applicable evaluation requirements are attached as indicated below.

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| <u>Requirement</u> | <u>Attachment</u> |
|--|-------------------|
| Evaluation Periods and Maximum Available Award Fee for Each Period | III-A |
| Performance Evaluation Factors and Evaluation Criteria | III-B |
| Evaluation Criteria for Performance Evaluation Factor No. 1 | III-B.1 |
| Evaluation Criteria for Performance Evaluation Factor No. 2 | III-B.2 |
| Evaluation Criteria for Performance Evaluation Factor No. 3 | III-B.3 |
| Evaluation Criteria for Performance Evaluation Factor No. 4 | III-B.4 |
| Grading Table | III-C |

The percentage weights indicated in Attachment III-B and the Attachment III-C grading table are quantifying devices. Their sole purpose is to provide guidance in arriving at a general assessment of the amount of award fee earned. In no way do they imply an arithmetical precision to any judgmental determination of the contractor's overall performance and amount of interim or final award fee earned.

IV. Method For Determining Award Fee

A determination of the award fee earned for each evaluation period will be made by the FDO within 45 days after the end of the period. The method to be followed in monitoring and assessing contractor performance during the period, as well as for determining the award fee earned or paid, is described below. Attachment IV-A summarizes the principal activities and schedules involved.

1. The PAEB Chair will ensure that each monitor receives the following:
 - a. A copy of this plan along with any changes or updates made in accordance with Part V and Part VI.
 - b. Appropriate orientation and guidance.
2. Monitors will evaluate contractor performance in accordance with the General Instructions for Performance Monitors, Attachment IV-B, and specific instructions and guidance furnished by the PAEB Chair.
3. Monitors will submit Performance Monitor Reports to the code APOC who will provide a consolidated evaluation report to the PAEB at the mid-point and conclusion of each evaluation period. If required, Monitors will make verbal presentations to the PAEB and/or PEB.

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4. The PAEB Chair may request performance information from other units or personnel involved in observing contractor performance, as appropriate.
5. The Contractor will be afforded an opportunity to submit information on its behalf, including an assessment of its performance during the evaluation period. The Contractor assessment will be limited to fifty written pages in length and may be accompanied by an oral presentation regarding contract performance to the PAEB before the PAEB develops and submits its recommendation to the FDO. The contractor shall submit a total of twenty (20) copies of any such self-assessment. The Contractor's self-assessment shall be made without use of expensive materials or graphics.
6. At the mid-point and conclusion of each evaluation period, the PAEB will convene to consider Performance Monitor Reports and performance information it obtains from other sources, and discuss the reports and information with monitors or other personnel, as appropriate.
7. The PAEB Chair will conduct an interim discussion regarding progress with the Contractor within 30 days of the mid-point of each evaluation period. The interim discussion will be supplemented by a written assessment of progress.
8. At the end of each evaluation period, the PAEB Chair will prepare the PER for the evaluation period and submit it to the PEB and FDO for use in determining the award fee earned. The report will include a recommended adjectival rating for each performance factor and recommended performance scores, with supporting documentation.
9. After the end of each evaluation period, the PEB will meet to consider the PAEB's recommendations and advise the FDO in developing final scores for each of the performance factors.
10. The FDO will consider the recommendations of the PEB and any other pertinent information in determining the amount of award fee earned for the period. The FDO's determination of the amount of award fee earned and the basis for this determination will be stated in the Award Fee Determination Report (AFDR).
11. Following the Award Fee determination, the PEB will meet with the Contractor to conduct a Performance Award discussion, including communication of the incentive award to be paid, reviews of strengths and weaknesses for each performance factor, and discussion of special areas of emphasis for the current evaluation period. As requested by the PEB Chair, monitors and other personnel involved in performance evaluation will attend the meeting and participate in discussions.

V. Changes in Plan Coverage

1. Right to Make Unilateral Changes

Except for the matters described below, this plan may be revised unilaterally by the Government prior to the beginning of any rating period to redirect emphasis. Such unilateral changes are to be made by the FDO prior to the beginning of an evaluation period by timely notice to the contractor in writing. Unilateral changes will be made without formal modification of the contract since the plan is not

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incorporated into the contract.

In accordance with the Award Fee provision of this contract, the following changes must be made bilaterally:

- a) Changes in designation of the FDO must be made bilaterally, except for the following. Through unilateral designation of the Government, the FDO may be: the Associate Administrator or Deputy Associate Administrator of the Office of Space Science; or, an individual holding an equivalent position within a successor entity having institutional sponsorship of the Jet Propulsion Laboratory; or, if directed by the NASA Administrator, any other individual so designated holding a position at or above the Deputy Associate Administrator level.
- b) Changes to the Factors or changes to the Factor Weights which would result in an increase or decrease in any factor's weighting of more than ten points from that established in the initial Performance Evaluation Plan must be made bilaterally.

2. Steps to Change Plan Coverage

The following is a summary of the principal actions involved in changing plan coverage

| <u>Action</u> | <u>Schedule</u> |
|---|--|
| PAEB submits recommended changes to the FDO for approval. | Prior to conclusion of each period. |
| Through the CO, the FDO notifies contractor of changes to the plan and obtains contractor concurrence on any changes which can not be made unilaterally . | At the start of the applicable period. |

The PAEB will establish lists of subsidiary actions and schedules as necessary to meet the above schedules.

3. Method for Changing Plan Coverage

The method to be followed for changing the plan coverage is described below:

- a. Personnel involved in the administration of the award fee provisions of the contract are encouraged to recommend plan changes with a view toward changing management emphasis, motivating higher performance levels or improving the award fee determination process. Recommended changes should be sent to the PAEB Chair.
- b. Prior to the end of each evaluation period, the PAEB will submit its recommended changes, if any, applicable to the next evaluation period for approval by the FDO with appropriate comments and justification. The FDO may refer the proposed changes to the PEB for evaluation and recommendation.

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c. At or before the beginning of each evaluation period, the Contracting Officer will notify the contractor in writing of any changes to be applied during the next period, and will request the Contractor's concurrence with any such changes which must be made bilaterally. If the Contractor is not provided with this notification, or if the notification is not provided at or before the beginning of the next period, then the existing plan will continue in effect for the next evaluation period. If the Contractor does not concur with a proposed change which is required to be bilateral, then the proposed change will not take effect.

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VI. Method for Creating Special Areas of Emphasis

1. For each evaluation period, the Government will unilaterally identify Special Areas of Emphasis, consistent with the agreed criteria elements, within 45 calendar days after the beginning of the evaluation period, and will provide notification to the Contractor within 10 days thereafter.
2. The Special Areas of Emphasis are not scored, but the Contractor's performance within designated Special Areas of Emphasis during the performance period can be considered by the PAEB, PEB, and FDO as factors that influence the determination of performance scores within applicable performance evaluation factors.

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**Subject: Evaluating, Approving, and Authorizing
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ATTACHMENT III-A TO PEP FOR CONTRACT No. NAS7-1407
with California Institute of Technology

EVALUATION PERIODS AND MAXIMUM AVAILABLE AWARD FEE FOR EACH PERIOD

| <u>Period Number</u> | <u>Start Date</u> | <u>End Date</u> | <u>Maximum Available Award Fee</u> |
|----------------------|-------------------|-----------------|------------------------------------|
| 1 | 10/21/98 | 9/30/99 | \$22,000,000 |
| 2 | 10/1/99 | 9/30/00 | \$22,000,000 |
| 3 | 10/1/00 | 9/30/01 | \$22,000,000 |
| 4 | 10/1/01 | 9/30/02 | \$22,000,000 |
| 5 | 10/1/02 | 9/28/03 | \$22,000,000 |

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ATTACHMENT III-B TO PEP FOR Contract No. NAS7-1407 with California Institute of Technology

PERFORMANCE EVALUATION FACTORS AND EVALUATION CRITERIA

The performance factors to be evaluated are identified below. The evaluation criteria for each factor are attached, as indicated.

| <u>Area No.</u> | <u>Brief Factor Identification</u> | <u>Factor Weight</u> | <u>See Attachment</u> |
|-----------------|--|----------------------|-----------------------|
| 1 | Programmatic | 65 | III-B.1 |
| 2 | Institutional | 25 | III-B.2 |
| 3 | Outreach | 10 | III-B.3 |
| 4 | Special Areas | N/A | III-B.4 |

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ATTACHMENT III-B.1 TO PEP FOR Contract No.NAS7-1407 with California Institute of Technology

EVALUATION CRITERIA FOR PERFORMANCE EVALUATION FACTOR NO. 1

[Factor Identification Per Attachment III-B]

Factor Weight 65

Description of Factor: PROGRAMMATIC, SCIENTIFIC AND ENGINEERING PERFORMANCE

Evaluation Criteria:

- Scientific and technological achievements on NASA and non-NASA sponsored programs.
- Degree to which advanced planning of missions, projects and tasks meets the sponsor's requirements for programmatic content, fiscal constraints and schedule requirements.
- Degree to which assigned missions, projects and tasks achieve agreed upon objectives. This element will include programmatic objectives, cost and schedule performance, and re-balancing within overall mission constraints.
- Achievement of solutions to technical challenges confronting work assigned to JPL, especially development of unique and innovative solutions consistent with NASA's stated policy of performing missions faster, better and more cost effectively.
- Quality and responsiveness of support provided to HQ and other NASA centers on programmatic and technical issues.

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ATTACHMENT III-B.2 TO PEP FOR Contract No.NAS7-1407 with California Institute of Technology

EVALUATION CRITERIA FOR PERFORMANCE EVALUATION FACTOR NO. 2

[Factor Identification Per Attachment III-B]

Factor Weight 25

Description of Factor: INSTITUTIONAL MANAGEMENT PERFORMANCE

Evaluation Criteria:

- Ensuring cost-effective operation of the FFRDC, including control and effective management of allocated direct (burden) costs.
- Degree to which business practices satisfy contract requirements (e.g., safety, security, public affairs, procurement, property, funds management).
- Timeliness, accuracy and completeness of Contractor submittals.
- Development of new, more cost-effective business practices.
- Degree to which Contractor sustains its responsibilities as an FFRDC, including operation in the public interest and disclosure of its affairs as an FFRDC to its primary sponsor (NASA).

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ATTACHMENT III-B.3 TO PEP FOR Contract No. NAS7-1407 with California Institute of Technology

EVALUATION CRITERIA FOR PERFORMANCE EVALUATION FACTOR NO. 3

[Factor Identification Per Attachment III-B]

Factor Weight 10

Description of Factor: SUPPORT TO OUTREACH INITIATIVE PROGRAMS

Evaluation Criteria:

- Quality and effectiveness of efforts to achieve technology transfer to public agencies and the private sector.
- Achievements in meeting National socio-economic goals identified by NASA, such as small and small disadvantaged business subcontracting, educational outreach programs, and women-owned business subcontracting.

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ATTACHMENT III-B.4 TO PEP FOR Contract No. NAS7-1407 with California Institute of Technology

EVALUATION CRITERIA FOR PERFORMANCE EVALUATION FACTOR NO. 4

[Factor Identification Per Attachment III-B]

Factor Weight N/A

Description of Factor: SPECIAL AREAS OF EMPHASIS

Evaluation Criteria:

- Please see Section VI of this plan, which sets forth the method for creating special areas of emphasis.

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ATTACHMENT III-C TO PEP FOR CONTRACT No. NAS7-1407
with California Institute of Technology

GRADING TABLE

| <u>Adjectival</u> | <u>Range of Perf. Points</u> | <u>Description</u> |
|--------------------------------------|------------------------------|--|
| Excellent | (100-91) | Of exceptional merit; exemplary performance in a timely, efficient and economical manner; very minor (if any) deficiencies with no adverse effect on overall performance. |
| Very Good | (90-81) | Very effective performance, fully responsive to contract requirements; contract requirements accomplished in a timely, efficient and economical manner for the most part; only minor deficiencies. |
| Good | (80-71) | Effective performance; fully responsive to contract requirements; reportable deficiencies, but with little identifiable effect on overall performance. |
| Satisfactory | (70-61) | Meets or slightly exceeds minimum acceptable standards; adequate results; reportable deficiencies with identifiable, but not substantial, effects on overall performance. |
| Poor/ Unsatisfactory adversely | (less than 61) | 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 affect overall performance. |

Any factor receiving a grade of "poor/unsatisfactory" (less than 61) will be assigned zero performance points for purposes of calculating the award fee amount. The contractor will not be paid any award fee when the total award fee score is "Poor/Unsatisfactory" (less than 61).

The Incentive Award evaluation adjectival ratings, procedures, criteria elements and weightings described in Appendix A, Attachments III-A through III-C, above are applicable to all Contract evaluation periods until changed.

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ATTACHMENT IV-A TO PEP FOR CONTRACT NO. NAS7-1407
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ACTIONS AND SCHEDULES FOR AWARD FEE DETERMINATIONS

The following is a summary of the principal actions involved in determining the award fee for the evaluation periods.

| <u>Action</u> | <u>Schedule</u> |
|--|---|
| 1. PAEB members appointed. | 30 days prior to first period |
| 2. OICs appoint Performance Monitors. | Ongoing |
| 3. Monitors receive orientation and guidance. | Ongoing |
| 4. Monitors assess performance. | Ongoing after start of period |
| 5. Monitors submit Performance Reports to APOC. | Established by APOC |
| 6. APOC submits consolidated Code Performance Report to PAEB. | Bi-Annually (31 Mar and 30 Sep) |
| 7. Contractor submits written report and may supplement written comments with oral presentation to the PAEB. | Prior to PAEB meeting |
| <u>FOR INTERIM EVALUATION:</u> | |
| 8. PAEB meets and develops interim summary | Within 20 days after the midpoint of the evaluation period. |
| 9. PAEB Chair conducts an interim discussion of progress with the Contractor. | Within 10 days after the PAEB interim evaluation meeting. |
| 10. PAEB Chair provides a summary interim evaluation to the FDO. | Within 5 days after the interim discussion of progress. |

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FOR FINAL EVALUATION:

- | | |
|---|--|
| 11. PAEB meets and formulates recommendations to PEB and FDO on final Performance Evaluation Factor scores and Special Areas of Emphasis. | Within 25 days after end of evaluation period. |
| 12. PEB advises FDO on determining final Performance Evaluation Factor scores and formulates Special Areas of Emphasis. | Within 10 days after PAEB meeting. |
| 13. FDO makes final Incentive Award Decision. | Within 10 days after PEB meeting. |
| 14. FDO sends award determination and notification of special areas of emphasis to Contractor. | NLT 45 days after end of period. |
| 15. Payment made to contractor based on contract modification. | NLT 60 days after end of period. |

The PEB will establish lists of subsidiary actions and schedules as necessary to meet the above schedules.

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ATTACHMENT IV-B TO PEP FOR CONTRACT No. NAS7-1407
with California Institute of Technology

GENERAL INSTRUCTIONS FOR PERFORMANCE MONITORS

1. Monitoring and Assessing Performance
 - a. Monitors will conduct assessments in an open and objective spirit so that a fair and accurate evaluation is obtained. This will ensure that the contractor receives accurate and complete information from which to plan improvements in performance. Positive performance accomplishments should be emphasized just as readily as negative ones.
 - b. Evaluations must be conducted exclusively by NASA or other Federal civil service personnel, and evaluation reports must not be developed through consultation with Contractor employees or Contractor affiliates. The monitor may, at his or her discretion, discuss the assessment with Contractor personnel, to afford the Contractor an opportunity to clarify possible misunderstandings regarding areas of poor performance.
 - c. Monitors must remember that contacts and visits with contractor personnel are to be accomplished within the context of official contractual relationships. Monitors will avoid any activity or association which might cause, or give the appearance of, a conflict of interest.
 - d. Evaluations of program performance are normally based on such factors as the monitor's observations and knowledge of quality of the Contractor's work and the Contractor's adherence to elements of the task plan and task order, such as delivery schedule, cost estimate, and technical approach.
 - e. Evaluations of Institutional Management and Outreach performance can be based on the following procedures and information sources:
 - (1) Periodic functional reviews necessary for providing certification that capabilities, operations, and procedures within a functional area (for example, acquisitions or financial management) meet established standards.
 - (2) Staff visits and spot checks by Agency Functional/Outreach Managers.
 - (3) NASA Management Office (NMO) oversight in select areas (for example, acquisitions, property management, security, environmental management, emergency preparedness, safety, small/small disadvantaged business subcontracting).
 - (4) Situational evaluations based on JPL's response to a specific incident.
 - (5) Ad hoc evaluations to assess functional capability and compliance with NASA guidelines, directives, and policies which are accepted in the prime contract.

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- (6) Reviews and audits performed by the General Accounting Office, NASA Office of Inspector General, the Defense Contract Audit Agency, and other Federal agencies.
- (7) Information and data provided by other Federal agencies (for example, the Department of Labor, the Occupational Safety and Health Administration, and the General Services Administration).
- (8) Evaluation of certain programs by NASA civil service personnel based on analysis of business data provided by JPL.

2. Documenting Evaluation/Assessment

Evaluations and assessments conducted and discussions with contractor personnel will be documented as follows:

Monitors should keep notes of the Contractor's performance through the performance period on an "as it occurs" basis, with specific reference to strengths and weaknesses in applicable program, institutional management, or outreach areas. Notes should document, where practicable, the identity of the contractor employee contacted and summarize the issues discussed.

3. Evaluation/Assessment Reports

At the midpoint and end of each evaluation period monitors will prepare a formal Performance Monitor Report on a format provided by the PAEB Chair, and submit it to the designated APOC within their respective code. Reports will include:

- (a) an assessment of the Contractor's strengths and weaknesses within the performance area;
- (b) assignment of a numerical score based on an evaluation scoring system of 0-100 as detailed in Attachment III-C. The assigned score must be consistent with written comments; in particular, very high/very low scores require adequate justification.

The APOC will consolidate code inputs into a single submission to be furnished to the PAEB. This submission will include a score assigned by the code for each applicable performance factor.

4. Verbal Reports

Monitors may be required to make verbal reports of their evaluations and assessments as required by the PAEB and/or PEB Chair.