

**DRAFT**  
**Performance Evaluation Management Plan**

**For**

**Portsmouth / Paducah Project Office (PPPO)**  
**Technical Support Services (TSS)**

**Contract No. TBD**

**Contract POP TBD**



DRAFT

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## 1. INTRODUCTION

The purpose of this Performance Evaluation and Measurement Plan (PEMP) is to motivate and reward good performance through monetary payments. The Award Fee component is designed to ensure safety, security, and environmental compliance requirements are not forgotten in the interest of achieving target cost and schedule. In addition, other areas to be incentivized under the PEMP include business systems, e.g. accounting system, property system, purchasing system, etc., interactions with the DOE, DOE contractors, and environmental regulators. Performance Based Incentive (PBI) components are to incentivize earlier completion of scope and/or completion at a lower overall total cost. PBIs are linked to objectives to enhance performance.

## 2. FEE TYPES

### a. AWARD FEE

The award fee serves as a tool to periodically measure the Contractor's performance on the contract and provides impetus for continuous improvement in areas other than milestones alone. The Contractor can earn award fee for performance under the contract, from a minimum of zero dollars to a maximum amount as stated in Section B of the contract. The detail on the amount of award fee available by evaluation period is located at Exhibit 1. Changes to the available award fee will be made by modification to Section B of the contract. The PEMP will reflect the available award fee in Section B of the contract. Changes in the criteria or other administrative changes may be made unilaterally by DOE with adequate notification to the Contractor.

Under the Award Fee provisions, DOE may evaluate the Contractor on any or all areas of performance. A significant element of any award fee evaluation is the Contractor's demonstrated performance in meeting or exceeding the Performance Work Statement requirements.

This PEMP is the basis for the Government's evaluation of the Contractor's performance under the contract, and for presenting an assessment of that performance to the Fee Determining Official (FDO). The exhibits to this plan describe the procedures to be used in assessing the Contractor's performance and in determining the amount of Award Fee earned in accordance with Section 5 (Evaluation Factors and Weightings). The Award Fee evaluation criteria and determinations are applicable only to the contract work authorized during the corresponding evaluation period.

Award Fee payments are provided to the Contractor through funding of the appropriate Contract Line Item Number (CLIN) and are in addition to any other payments under this contract. Category of Performance adjectival ratings pursuant to FAR 16.4, *Incentive Contracts*, are identified herein as Exhibit 2 Award Fee - Categories of Performance Section Rating Table, and are used to evaluate the subjective criteria. Award Fee determinations are unilateral decisions made solely at the discretion of the FDO, based upon input from the

government performance evaluation board and in consideration of the Contractor’s self-assessment data, if provided. Award Fee is considered earned in the evaluation period based on the FDO determination.

**b. PERFORMANCE BASED INCENTIVES**

If DOE elects to establish PBIs, the PEMP will be revised and the PBIs will be attached therein and this section will apply accordingly.

PBIs serve to incentivize completion of scope earlier and/or at a lower overall total cost to the Government than reflected in the Annual Work Plan (AWP). PBIs are linked to objectives to enhance performance, but not at the expense of minimum acceptable performance in other areas.

The FDO shall evaluate the Contractor’s completion of PBI’s against the pre-determined PBI completion criteria pursuant to FAR 16.4, Incentive Contracts. The FDO may consider partial payment of fee for partial completion of identified criteria in any PBI if any of the following apply: Circumstances completely beyond Contractor’s control have prevented successful completion of the PBI and such circumstances have been submitted/documented in accordance with the PEMP; or demonstrated and substantiated benefit has been received from Contractor performance efforts of specific PBI criteria.

The Contractor’s certificate of completion (provided below) shall be provided for each PBI and include associated documentation such as, acceptance/test reports, shipping manifest or other proof of completion. The DOE will perform a site walk-down to verify completion, as appropriate.

**PBI Certification of Completion:** The certificate of completion for each PBI shall include supporting documentation such as acceptance/test reports, shipping manifest or other proof of completion. The *Certification of Completion* shall be delivered to DOE for each PBI with the Contractor’s self-assessment. If the Contractor determines that the *Certificate of Completion* submitted is incomplete or requires an update, the Contractor shall immediately notify DOE and resubmit a revised *Certificate of Completion* along with the updated associated revised documentation attached. The certification may be executed by any person authorized to bind the Contractor with respect to the following:

**Certification of Completion**

“I certify performance completion of PBI # \_\_\_\_\_. This certification of completion is made in good faith; the supporting data are accurate and complete to the best of my knowledge and belief; the amount requested accurately reflects the amount of fee for which the Contractor believes is correct; and I am duly authorized to certify the PBI completion on behalf of the Contractor.”

Signature \_\_\_\_\_ Date \_\_\_\_\_

Title \_\_\_\_\_.

As determined by the FDO, with concurrence from the HCA, PBIs may be considered earned in the period performed as defined by Section B.7 *Provisional Payment of Fee (Oct 2013) (Revised) (Applies to CLINs 0002, 0004, 0006)*, paragraph (c), subparagraph (4) whereas “*earned fee for an incentive means fee due the Contractor by virtue of its meeting the contract’s requirements entitling it to fee. Earned fee does not occur until the contractor has met all conditions stated in the contract for earning fee.*”

### c. NOTIFICATION OF FEE BY CONTRACT MODIFICATION

The Contractor will be notified by contract modification of the total amount of fee earned and the amount of fee unearned in the period allowing the Contractor to invoice the actual dollar amount of the determination minus the quarterly provisional fee payments.

## 3. RESPONSIBILITIES

**Project Technical Monitors (PTM):** PTMs usually have an area of expertise, and will primarily focus their evaluations in these areas. In all cases, the government PTMs should be knowledgeable of the contractual requirements, periodically engage with the Contractor to assess performance accurately, and be knowledgeable on the evaluation process and criteria. As the initiators of the evaluation comments, the PTMs will: 1) gather data concerning the Contractor’s performance in their area of responsibility; 2) maintain written records of the Contractor’s performance against the criteria provided in this Award Fee Plan; and 3) provide written evaluation comments to the Contracting Officer Representative and/or Contracting Officer (CO) for each feedback cycle and at the end of each evaluation period. PTMs should discuss their evaluation findings with their Contractor counterparts as appropriate. The PTMs will use, at their discretion, evaluations and assessments from government officials in preparing their report on assigned areas. Additionally, performance monitors may periodically prepare reports for the Performance Evaluation Board (PEB) as requested.

**Contracting Officer:** The CO is to be the liaison between government and Contractor personnel. The CO will: 1) ensure that the entire Award Fee process is conducted according to the requirements in the contract and this Award Fee Plan; 2) contractually implement the Award Fee determinations of the FDO; and 3) notify the Contractor in writing of any changes in the plan, including evaluation criteria.

**Performance Evaluation Board:** The PEB is comprised of PPPO Deputy Manager, PPPO Procurement Director, and the Site Lead/COR (Paducah Site Lead, Portsmouth Site Lead, and the DUF6 Program Manager), Contracting Officer, and PPPO Attorney Advisor. The Contracting Officer, and Attorney Advisor are non-voting advisors to the PEB. The PEB will evaluate the Contractor’s performance against the evaluation factors listed in Section 5 of this PEMP and provides input to the FDO. The FDO’s determination takes into consideration the input from the PEB.

**PEB Chair:** The Performance Evaluation Board Chair will be identified and appointed by the FDO. The PEB Chair may assign or reassign performance monitors at any time without advance notice to the Contractor. The PEB Chairperson will: 1) review the performance monitors' evaluations and consider the Contractor's self-evaluation report and/or recommendations; 2) analyze the Contractor's performance against the criteria set forth in section 1.3 and Exhibit 3 of the Plan; 3) provide monthly feedback to the Contractor; 4) provide a recommendation on the Award Fee scoring and the amount earned by the Contractor; and 5) recommend any changes to this PEMP.

**Fee Determination Official:** The Portsmouth Paducah Project Office Manager will serve as the FDO. The FDO will: 1) appoint the PEB; 2) approve any significant changes to the PEMP; 3) review the recommendation of the PEB, consider all pertinent data, and determine the amount of Award Fee earned during each evaluation period; 4) notify the Contractor, in writing, of the strengths, areas for improvement, and what is expected in the future; 5) authorize the Contracting Officer to make the Award Fee payment. The FDO's decision is final and the Award Fee will be made by unilateral modification to the contract.

#### **4. PERFORMANCE EVALUATION MANAGEMENT PLAN**

The PEMP shall be provided to the Contractor 30 calendar days prior to the beginning of the first and each successive evaluation period. If there is not sufficient time for the PEMP to be provided to the Contractor in the required number of days in advance of the beginning of the evaluation period, the Contractor shall not be evaluated on its performance until 30 calendar days after the PEMP is received by the Contractor. The PEMP may be revised unilaterally at any time during the evaluation period; but the revised PEMP, or revised portion thereof, shall not be effective until 30 calendar days after the Contractor receives the revised PEMP. The PPPO will strive to gain concurrence with the Contractor prior to finalizing and issuing the annual PEMP.

#### **5. PERIODIC EVALUATION PROCESS**

All periodic performance evaluations, as determined by the FDO are final. Evaluation periods will be by government fiscal year (1 Oct through 30 Sep) in accordance with Exhibit 2. The first and last periods may be shorter or longer than one year to align rating periods with the fiscal year. Available award fee dollars are fixed by the award fee period as shown in Exhibit 1 but may be adjusted by the CO to align with the total available fee in Section B of the Contract. A determination of the performance score (percentage) and the associated fee earned for each evaluation period will be made by the FDO. The process followed in monitoring, assessing, and evaluating Contractor performance during each evaluation period is described below.

If the Contractor has any self-evaluation comments that they feel should be considered in DOE's quarterly performance evaluation, those comments must be submitted to the Contracting Officer Representative with a copy to the Contracting Officer within 10 working days following the reporting quarter in order to be considered.

The Contracting Officer Representative should provide at least semi-annual feedback, and at other times as is deemed appropriate, to apprise the Contractor of its performance. The feedback will address specific areas where Contractor performance requires improvement or has exceeded standards. This feedback should be based upon the Award Fee Plan's evaluation factors (see Section 5).

The Contractor may furnish a self-evaluation report within 7 calendar days after the expiration of each evaluation period. The PEB will not submit its recommendation to the FDO until 1) the Contractor's self-evaluation report has been received and considered, or 2) the Contractor has provided written notification that a self-evaluation report will not be submitted, or 3) the 7-day period provided for submission of the report has expired.

After the end of each evaluation period (as identified in the Exhibit 1), the PEB will prepare a written report documenting its evaluation. This report shall include recommendations for an adjectival rating and score (percentage) to be assigned to the Contractor's performance during the evaluation period.

The PEB Chair is responsible for the preparation of the Performance Evaluation Report (PER) and will present the report's findings and recommendation to the FDO. This report will include an overall adjectival rating, a recommended overall performance percentage, and a recommended adjectival rating for each criteria with supporting documentation.

The FDO will consider the recommendations from the following sources in determining the rating and percentage: (1) PEB; (2) information provided by the Contractor; and (3) any other pertinent sources of information. The FDO's determination of the Contractor's performance rating and percentage is final. This determination of performance will be stated in a written Award Fee Determination (AFD) document.

The Contractor will be notified by the Contracting Officer of the FDO rating and percentage, and a summary of the PER.

## **6. AWARD FEE EVALUATION FACTORS & WEIGHTINGS**

DOE may evaluate the Contractor on all areas of performance within the contract Performance Work Statement (PWS). A significant element of any award fee evaluation shall be the Contractor's demonstrated performance in meeting or exceeding the PWS standards. Subsequent revisions to this PEMP may revise the factors or the weightings with proper notification to the Contractor. The areas to be evaluated are as follows:

### **Programmatic Compliance (Weighting: 30%):**

**Quality:** The Contractor will be evaluated on the quality and effectiveness of their contractual deliverables, performance, policies, plans, and procedures governing Contractor activities. This includes the effectiveness of implementing corrective actions (short term and long term) for non-compliances.

**Regulatory Compliance:** The Contractor will be evaluated on their compliance with all applicable DOE Orders, Executive Orders, Codes, Regulations (applicable local, state and federal regulations), Regulatory Agreements (e.g., Agreed Orders, Negotiated Settlements, TSCA FFCA, FFA, SMP) and Permits.

**Project Execution (Weighting: 70%):**

**Schedule:** The Contractor will be evaluated on the timeliness of the completion of the contractual deliverables and execution of work scope against established schedules.

**Cost Control:** The Contractor will be evaluated on overall cost performance on an annual basis as measured against the final contract value and Annual Work Plan (AWP). The PEB may use any relevant information in this evaluation. In the event the actual costs for this performance period exceed the estimated cost for the period, this condition will be a primary factor for determining the overall rating for this (Cost Control) Category of Performance.

**Management:** The Contractor will be evaluated on how effectively programs and projects are managed, including the effectiveness of the Contractor Human Resources Management.

**7. TERMINATION FOR CONVENIENCE**

In the event that the contract is terminated for the convenience of the government the remaining award fee payable for the current period may be available for equitable adjustment in accordance with the termination clause of the contract. The remaining fee for all periods after the termination shall not be considered earned and therefore shall not be paid.



**EXHIBIT 1 - FEE ALLOCATION BY EVALUATION PERIODS**

The following schedule is calculated in accordance with the fee schedule as set forth in Section B of the Contract. The available fee may change consistent with changes to the contract. The available fee will be split between XX% for Award Fee and XX% Performance Based Incentives (PBIs) (TBD).

The award fee earned by the Contractor will be determined at the completion of the evaluation periods shown below. The PBI fee earned will be determined at the completion date for the PBI. The revised Total Fee indicated for each corresponding evaluation period represent the maximum available fee (award fee plus PBI fee) amount that can be earned for that particular period.

Fee Period <sup>1</sup>	Evaluation Period	Original Total Fee Available	Revised Total Fee Available <sup>2</sup>	Award Fee Available	PBI Fee Available
Period 1	Evaluation Period 1 Start Date – 09/30/2026	\$0.00	\$0.00	\$0.00	\$0.00
Period 2	10/01/2026 – 09/30/2027	\$0.00	\$0.00	\$0.00	\$0.00
Period 3	10/01/2027 – 09/30/2028	\$0.00	\$0.00	\$0.00	\$0.00
Period 4	10/01/2028 – 09/30/2039	\$0.00	\$0.00	\$0.00	\$0.00
Period 5	10/01/2029 – Completion Date	\$0.00	\$0.00	\$0.00	\$0.00
Total		\$0.00	\$0.00	\$0.00	\$0.00

<sup>1</sup>The actual number of performance periods is subject to change depending on the date of the contract award and DOE’s determination on the appropriate length of the first and last rating period.

<sup>2</sup>The revised available award fee amounts are fixed by award period covering contract fiscal years 2026 - 2030. These amounts may change throughout the life of the contract in response to changes in work scope (additions or deletions).

**EXHIBIT 2 - AWARD FEE CATEGORIES OF PERFORMANCE RATING TABLE**

<b>UNSATISFACTORY</b>	<b>SATISFACTORY</b>	<b>GOOD</b>	<b>VERY GOOD</b>	<b>EXCELLENT</b>
<b>0% Earned</b>	<b>No Greater than 50%</b>	<b>51-75% Earned</b>	<b>76-90% Earned</b>	<b>91-100% Earned</b>
Contractor <u>has failed</u> to meet overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period	Contractor <u>has met</u> overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.	Contractor has <u>exceeded some</u> of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.	Contractor has <u>exceeded many</u> of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.	Contractor has <u>exceeded almost all</u> of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

**EXCELLENT (91-100%)**

Performance is of the highest quality that could be achieved under the contract. There are no areas of deficiencies or problems encountered during the evaluation period.

**VERY GOOD (76-90%)**

Performance is of high quality and approaching the best that could be performed by the Contractor. Work completed greatly exceeds the average performance level. A few minor problems are experienced during the evaluation period without impacting the overall level of performance.

**GOOD (51-75%)**

Contractor exceeds some contract requirements in a manner demonstrating commitment to the program. Work is completed much better than the minimum required performance. Areas of deficiency and minor problems are more than offset by areas of good performance.

**SATISFACTORY (<=50%)**

Contractor’s performance is the minimum required level to meet needs. Areas of good performance are offset by deficiencies and problems, which reduces performance to a level that is minimally acceptable under the contract.

**UNSATISFACTORY (0%)**

Contractor does not meet minimum contract requirements.

### EXHIBIT 3 - PERFORMANCE BASED INCENTIVES - PERIOD X

**PBI-1 Description:** *TBD – provide a description of the work scope to be completed, including the end-state.* The fee available for this PBI is: *\$TBD*

**PBI-2 Description:** *TBD – provide a description of the work scope to be completed, including the end-state.* The fee available for this PBI is: *\$TBD*

**PBI-3 Description:** *TBD – provide a description of the work scope to be completed, including the end-state.* The fee available for this PBI is: *\$TBD*

*Additional PBIs may be added, depending on the work*

The Contractor may request to voucher earned fee, with PBI completion documentation as PBIs are completed. Refer to Section 2.b.

The FDO has the sole discretion to award partial fee for PBIs not completed.