PGI 216.470 Other applications of award fees.

The “award amount” portion of the fee may be used in other types of contracts under the following conditions:

(1) The Government wishes to motivate and reward a contractor for—

(i) Purchase of capital assets (including machine tools) manufactured in the United States, on major defense acquisition programs; or

(ii) Management performance in areas which cannot be measured objectively and where normal incentive provisions cannot be used. For example, logistics support, quality, timeliness, ingenuity, and cost effectiveness are areas under the control of management which may be susceptible only to subjective measurement and evaluation.

(2) The “base fee” (fixed amount portion) is not used.

(3) The chief of the contracting office approves the use of the “award amount.”

(4) An award review board and procedures are established for conduct of the evaluation.

(5) The administrative costs of evaluation do not exceed the expected benefits.

### TABLE 16-1, PERFORMANCE EVALUATION CRITERIA

<table>
<thead>
<tr>
<th></th>
<th>Submarginal</th>
<th>Marginal</th>
<th>Good</th>
<th>Very Good</th>
<th>Excellent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong> Time of Delivery.</td>
<td>(A-1) Adherence to plan schedule. Consistently late on 20% plans.</td>
<td>Late on 10% plans w/o prior agreement.</td>
<td>Occasional plan late w/o justification.</td>
<td>Meets plan schedule.</td>
<td>Delivers all plans on schedule &amp; meets prod. Change requirements on schedule</td>
</tr>
<tr>
<td></td>
<td>(A-2) Action on Anticipated delays. Does not expose changes or resolve them as soon as recognized.</td>
<td>Exposes changes but is dilatory in resolution on plans.</td>
<td>Anticipates changes, advise Shipyard but misses completion of design plans 10%.</td>
<td>Keeps Yard posted on delays, resolves independently on plans.</td>
<td>Anticipates in good time, advises Shipyard, resolves independently and meets production requirements.</td>
</tr>
<tr>
<td></td>
<td>(A-3) Plan Maintenance. Does not complete interrelated systems studies concurrently.</td>
<td>System studies completed but constr. Plan changes delayed.</td>
<td>Major work plans coordinated in time to meet production schedules.</td>
<td>Design changes from studies and interrelated plant issued in time to meet product schedules.</td>
<td>Design changes, studies resolved and test data issued ahead of production requirements.</td>
</tr>
</tbody>
</table>
Quality of Work

(B-1) Work Appearance.

- 25% dwgs. Not compatible with Shipyard repro. processes and use.
- 20% not compatible with Shipyard repro. processes and use.
- 10% not compatible with Shipyard repro. processes and use.
- 0% dwgs. prepared by Des. Agent not compatible with Shipyard repro. processes and use.

Thoroughness and Accuracy of Work

(B-2)

- Is brief on plans tending to leave questionable situations for Shipyard to resolve.
- Has followed guidance, type and standard dwgs. Questioning and resolving doubtful areas.
- Work complete with notes and thorough explanations for anticipated questionable areas.
- Displays excellent knowledge of constr. Reqmts. considering systems aspect, cost, shop capabilities and procurement problems.

Engineering Competence

(B-3)

- Tendency to follow past practice with no variation to meet reqmts. job in hand.
- Adequate engrg. To use & adapt existing designs to suit job on hand for routine work.
- Engineered to satisfy specs., guidance plans and material provided.
- Displays excellent knowledge of Naval shipwork & adaptability to work process incorporating knowledge of future planning in Design.

Liaison Effectiveness

(B-4)

- Indifferent to requirements of associated activities, related systems, and Shipyard advice.
- Satisfactory but dependent on Shipyard of force resolution of problems without constructive recom—dations to subcontr. or vendors.
- Maintains normal contract with associated activities depending on Shipyard for problems requiring military resolution.
- Maintains independent contact with all associated activities, keeping them informed to produce compatible design with little assistance for Yard.

(B-5)

- Constant surveillance required to keep job from slipping—assign to low priority to satisfy needs.
- Requires occasional prodding to stay on schedule & expects Shipyard resolution of most problems.
- Normal interest and desire to provide workable plans with average assistance & direction by Shipyard.
- Complete & accurate job. Free of incom-patibilities with little or no direction by Shipyard.

Develops complete and accurate plans, seeks out problem areas and resolves with assoc. act. ahead of schedule.
(C-1) Utilization of Personnel
Planning of work left to designers on drafting boards.

(C-2) Control Direct Charges (Except Labor)
Expenditures not controlled for services.

(C-3) Performance to Cost Estimate
Does not meet cost estimate for original work or changes 30% time.

TABLE 16-2, CONTRACTOR PERFORMANCE EVALUATION REPORT

<table>
<thead>
<tr>
<th>Period of ________________</th>
<th>Contract Number ________________</th>
<th>Contractor ________________</th>
<th>Date of Report ________________</th>
<th>PNS Technical Monitor ________________</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>CRITERIA</th>
<th>RATING</th>
<th>ITEM FACTOR</th>
<th>EVALUATION RATING</th>
<th>CATEGORY</th>
<th>EFFICIENCY RATING</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-1 Adherence to Plan Schedule</td>
<td></td>
<td>x</td>
<td>.40</td>
<td>=</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A-2 Action on Anticipated Delays</td>
<td></td>
<td>x</td>
<td>.30</td>
<td>=</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A-3 Plan Maintenance</td>
<td></td>
<td>x</td>
<td>.30</td>
<td>=</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Item Weighed Rating</td>
<td></td>
<td>x</td>
<td>.30</td>
<td>=</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B-1 Work Appearance</td>
<td></td>
<td>x</td>
<td>.15</td>
<td>=</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B-2 Thoroughness and Accuracy of Work</td>
<td></td>
<td>x</td>
<td>.30</td>
<td>=</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B-3 Engineering Competence</td>
<td></td>
<td>x</td>
<td>.20</td>
<td>=</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B-4 Liaison Effectiveness</td>
<td></td>
<td>x</td>
<td>.15</td>
<td>=</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B-5 Independence and Initiative</td>
<td></td>
<td>x</td>
<td>.15</td>
<td>=</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Item Weighed Rating</td>
<td></td>
<td>x</td>
<td>.40</td>
<td>=</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
EFFECTIVENESS IN CONTROLLING AND/OR REDUCING COSTS

C-1 Utilization of Personnel

\[ \text{Rating} \times 0.30 = \text{Rating} \]

C-2 Control of all Direct Charges Other than Labor

\[ \text{Rating} \times 0.30 = \text{Rating} \]

C-3 Performance to Cost Estimate

\[ \text{Rating} \times 0.40 = \text{Rating} \]

Total Item Weighed Rating

\[ \text{Rating} \times 0.30 = \text{Rating} \]

TOTAL WEIGHT RATING

________________________________________

Rated by:

________________________________________

Signature(s)

________________________________________

NOTE: Provide supporting data and/or justification for below average or outstanding item ratings.

Parent topic: PGI 216.4 — INCENTIVE CONTRACTS