ATTACHMENT E
PERFORMANCE EVALUATION PLAN

AWARD FEE DETERMINATION PLAN

FOR

WACKENHUT SERVICES, INCORPORATED

CONTRACT NO. DE-AC08-98NV13149

PART I OF II
BASIC PLAN

Evaluation Period: **October 1, 1998, through March 31, 1999**

PART I OF II
BASIC PLAN

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PERFORMANCE EVALUATION PLAN

A. INTRODUCTION

1. This Plan covers the administration of the award fee provisions of Contract No. DE-AC08-98NV13 149, effective October 1, 1998, with Wackenhut Services, Incorporated. The Contract was awarded after completion of competition in accordance with the provisions of Request for Proposal No. DE-RP08-98NV13 149.

2. The following matters, among others, are covered in the Contract:

   a. The Contractor is required to provide, operate, and maintain an armed and uniformed protective force for the physical protection of Department of Energy (DOE) security interests and other such related duties at the Nevada Test Site, and other locations, as may be directed by the Contracting Officer or the Contracting Officer's Representative.

   b. The term of the Contract is from October 1, 1998, through September 30,200 1, with two 1 -year options.

   c The estimated cost, basic fee, if any, and award fee pool for each Contract period subject to award fee evaluation is set forth in the Contract.

   d. The estimated cost, basic fee, and award fee pool are subject to equitable adjustments on account of changes or other Contract modifications.

   e. The award fee earned and payable will be determined periodically by the Fee Determination Official (FDO) in accordance with this Plan. The FDO is the Assistant Manager for Business and Financial Services, DOE Nevada Operations Office (DOE/NV).

   f. Award fee determinations are not subject to the Disputes clause of the Contract.

   g. The FDO may unilaterally change the matters in this Plan, providing the Contractor receives notice of the changes at least 30 calendar days prior to the beginning of the evaluation period to which the changes apply.

3. The objective of the award fee provisions of the Contract is to afford the Contractor an opportunity to earn increased fee commensurate with the achievement of optimum Contract performance. Optimum performance is not necessarily equated with the highest level of performance achievable in all incentivized areas. Rather, it represents the most favorable degree of performance obtainable in light of the Contractor's most

effective utilization of available resources. DOE expects the Contractor to perform at the highest levels of excellence; however, the standard anticipated rating level of a competent contractor equates to a Satisfactory performance rating. In addition to providing special management emphasis to the Objectives and Criteria identified in this Plan, the Contractor is responsible for striving to attain the highest standards of excellence in executing its responsibilities under the Contract as measured against performance standards consistent with DOE directives, commercial nuclear industry standards, and/or DOE/NV-approved guidance documentation for ensuring the protective measures employed are commensurate with the security interest and provide effective safeguards and security in support of DOE/NV's mission. The Contractor is expected to have a strong self-assessment program to measure progress against a standard of excellence. The Contractor will receive favorable ratings for identifying problems to DOE, and developing and implementing corrective actions. Conversely, the Contractor will receive less favorable ratings for failing to identify, report, and correct problem areas in a timely manner.

B. 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

a. The FDO is the Assistant Manager for Business and Financial Services, DOE/NV.

b. Primary FDO responsibilities are:

(1) Determining the award fee earned and payable for each evaluation period as addressed in Section C.

(2) Changing the matters covered in this Plan as addressed in Section D, as appropriate.

(3) Appointing the Award Fee Board (AFB) Chairperson.

2. Award Fee Board

a. Membership of the AFB shall consist of the DOE/NV Assistant Manager for Technical Services; the Deputy Assistant Managers for National Security and Business and Financial Services; Director, the Office of Safeguards and Security Director. A member of the DOE/NV Office of Chief Counsel shall serve as Legal Advisor to the AFB. The DOE/NV Director, Contracts Management Division, shall serve as the Contractual Advisor to the AFB. A member of DOE/NV Safeguards and Security Department shall serve as Security Advisor to the AFB.

b. Primary responsibilities of the AFB are:

(1) Reviewing the periodic evaluation reports of the Performance Evaluation Committee (PEC) regarding Contractor performance.

(2) Submitting an Award Fee Board Report to the FDO covering the Boards findings regarding performance and containing a recommendation of fee earned for each evaluation period. The Report to the FDO shall include all minority opinions or reports.

(3) Considering proposed changes to this Plan and recommending those it considers appropriate to the FDO for incorporation into the Plan.

c. Selection of the PEC Chairperson and Performance Monitors (PM) will be made by the AFB Chairperson with the concurrence of the AFB members.

3. Performance Evaluation Committee

a. Membership of the PEC will consist of representatives in key positions of the substantive areas of evaluation in the Performance Evaluation Plan (PEP). The members and Chairperson are appointed by the AFB Chairperson.

b. The PEC is responsible for complying with the General Instructions set forth in Section E of this PEP. Primary responsibilities of the PEC are:

(1) Monitoring, evaluating, and assessing the Contractor's performance in the Performance Objectives and Criteria set forth in Part II of this PEP.

(2) Meeting with the Contractor during the 30 day period prior to the beginning of the evaluation period to discuss the Objectives, Criteria, and Assessment Factors.

(3) Meeting with the Contractor during each month of the evaluation period to discuss the Contractor's performance relative to the established Performance Objectives and Criteria.

(4) Submission of a consolidated PEC Report to the AFB at the end of each evaluation period for the Performance Area assigned. Each PEC Report to the AFB shall include all minority opinions or reports.

(5) Recommending appropriate changes to this Plan to the AFB.

4. Performance Monitors

a. The PEC shall receive and evaluate input from PMs based upon the appointed individuals' expertise relative to the Performance Objectives and Criteria set forth for the PEC to evaluate.

b. Primary responsibilities of PMs are:

(1) Monitoring, evaluating, and assessing the Contractor's performance on the Performance Objectives, Criteria, and/or Assessment Factors assigned.

(2) Consulting with other DOE/NV personnel, as appropriate, regarding the Contractor's performance in aspects of performance within a Performance Objective, Criterion, or Assessment Factor which are not within the PM's expertise or have not been directly observed by the PM.

(3) Providing input in a format to be specified by the PEC Chairperson; documenting the Contractor's performance within the assigned Performance Objectives, Criteria, and/or Assessment Factor.

(4) Recommending appropriate changes to this Plan to the PEC Chairperson.

C. METHOD FOR DETERMINING AWARD FEE. A determination of the award fee earned for each evaluation period is to be made by the FDO within 45 calendar days after the end of each period. The method to be followed in monitoring, evaluating, and assessing Contractor performance during the period, as well as for determining the award fee earned, is described below. Attachment D summarizes the principal activities and schedules involved.

1. The PEC shall evaluate the Performance Areas identified in Part II of this Plan based upon the Performance Objectives, Criteria, and Assessment Factors set forth therein.

2. **The** PEC shall meet with the Contractor on a monthly basis to discuss the Contractor's performance.

3. Within 5 calendar days after the end of each evaluation period, the Contractor must provide a written self-evaluation of performance during the period. The self-evaluation shall address both the strengths and weaknesses of the Contractor's performance during the evaluation period. Where deficiencies in performance are noted. the Contractor shall describe the actions planned or taken to correct such deficiencies and avoid their recurrence. In other words, the self-evaluation should clearly assess the Contractor's measured performance against the standard of excellence. An original and 20 copies of the self-evaluation will be provided to the Award Fee Program Administrator for distribution to AFB members and the PEC.

4. Within 5 calendar days after the end of each evaluation period, copies of the contractor's written self-evaluation is provided to the Performance Monitors for evaluation. The Performance Monitors shall complete their written contractor evaluation and submit reports to the PEC not later than 20 calendar days after the end of the evaluation period.

5. The PEC and the AFB shall evaluate the Contractor's self-evaluation and consider its realism in relation to the Performance Monitor's evaluation reports. Differences between the Contractor's evaluation and the PEC and AFB reports should be analyzed and discussed in Section IIId. of the PEC Report and Section IIIc. of the AFB Report. The thoroughness and candor of the report will be considered by the PEC, the AFB, and the FDO as an indicator of the degree to which the Contractor seeks out problems and solutions and as an indicator of the Contractor's understanding of Site issues.

6. At the end of each evaluation period, the AFB will meet and consider all appropriate performance information it has obtained. The AFB will then prepare the AFB Report for the period and submit it to the FDO. The Report will include a recommended award fee with supporting documentation and all minority opinions or reports.

7. The FDO will consider the AFB Report and discuss it with the AFB and other personnel, as appropriate. If requested by the Contractor, or if the FDO considers it appropriate, the FDO will meet with the Contractor for discussions. If requested by the FDO, the AFB and any other personnel involved in performance evaluation may be required to attend the meeting with the Contractor.

8. The FDO will determine the amount of award fee earned during the period. The amount determined may not result solely from mathematical summing, averaging, or the application of a formula. The FDO may rely upon the information provided by the AFB and the PEC, as well as other reports, including the Contractor's self-evaluation, or supplement this information with personal knowledge (or any' other factors and information deemed appropriate) in determining the award fee earned. The FDO's determination of the amount of award fee earned will be provided in an Award Fee Determination Statement letter to the Contractor.

D. CHANGES IN PLAN COVERAGE

1. Right to Make Unilateral Changes. Any matters covered in this plan may be changed unilaterally by the FDO prior to the beginning of an evaluation period by timely notice of at least 30 calendar days to the Contractor in writing. The changes will be made without formal modification of the Contract.

2. Method for Changing Plan Coverage. The method to be followed for changing plan coverage is described below. Attachment E summarizes the principal actions and schedules involved.

   a. Personnel involved with the award fee process are encouraged to recommend changes in Plan coverage with a view toward changing Performance Areas, motivating higher performance levels, or improving the award fee determination process.

   b. The AFB will coordinate identified changes with the Contractor.

   c. Sixty calendar days prior to the end of each evaluation period, the AFB will submit to the FDO for approval proposed changes applicable to the next evaluation period, with appropriate comments and justification, or inform the FDO that no changes are recommended for the next period.

   d. A minimum of 30 calendar days before the beginning of each evaluation period, the FDO will notify the Contractor in writing of any changes, or that there are no changes. If the Contractor is not provided with the notification, or if the notification is not provided within the 30 calendar days before the beginning of the next period, the existing plan coverage will continue in effect for the next evaluation period, unless the Contractor agrees to accept the proposed changes.

E. GENERAL INSTRUCTIONS FOR PERFORMANCE EVALUATION COMMITTEE AND PERFORMANCE MONITORS

1. Monitoring and Assessing Performance

The basic concept of Cost Plus Award Fee Contracting is that Contractors are encouraged to work effectively to meet objectives, to control costs, and to improve the timeliness and quality of performance. In establishing the amount of the award fee to be paid the Contractor through periodic evaluations, DOE/NV will, in essence, determine the degree to which the Contractor has met these goals. The evaluation process consists of (1) formal semi-annual reviews of the Contractor's performance by the PEC; (2) semi-annual reviews of the evaluation reports and recommendations of earned fee by the AFB; and (3) final award fee determination by the FDO.

The evaluation process initiates with the PEC. The PEC is responsible for monitoring, reviewing, and evaluating the Contractor's performance against established criteria, including adherence to generally accepted standards of practice and standard operating procedures, and translating these evaluations into reports for the AFB. The PEC will also utilize all available performance information (e.g., audits, appraisals, task force reports, etc.) as sources of input to their reports in making their recommendation. The

PEC shall evaluate the Contractor's self-evaluation and consider its realism in relation to the Performance Monitors evaluation. Differences between the Contractor's evaluation and the PEC Report should be analyzed and discussed in Section IIId of the PEC Report. The thoroughness and candor of the report will be considered by the PECs, AFB, and the FDO as an indicator of the degree to which the Contractor seeks out problems and solutions, and as an indicator of the Contractor's understanding of Site issues. The evaluation will also appraise a combination of the Contractor's diligence in developing written procedures for all aspects of the Contractor's operation and the degree of adherence of these procedures by the Contractor's employees.

The AFB shall meet at the conclusion of each semi-annual evaluation period to consider the PEC report and make such adjustments in the PEC ratings as they deem appropriate, and recommend to the FDO the award fee amount. The AFB shall evaluate the Contractor's self-evaluation and consider its realism in relation to its report. Differences between the Contractor's evaluation and the AFB Report should be analyzed and discussed in Section IIIc of the AFB Report. The FDO will review the AFB'S recommendations and supporting information and determine the amount of award fee earned by the Contractor. The amount of award fee earned is determined unilaterally by the FDO.

The FDO may agree with the AFB's recommendation or change the recommended fee as deemed appropriate. The determination for the period is to be made within 45 calendar days after the end of each period. The Contractor will be notified promptly of the FDO's decision. The FDO's determination as to the amount of award fee earned is binding on both parties and shall not be subject to appeal under the "Disputes" clause or any other appeal clause. The Contractor may request a reconsideration by the FDO of the amount of award fee earned. Any action in response to the request for reconsideration is solely at the discretion of the FDO. In reviewing requests for reconsideration, emphasis shall be placed on the Contractor's candor and accuracy.

One prime consideration in the evaluation process is that the Contractor must be evaluated on the basis of those factors which are under its control. For example, the Contractor should not be penalized for failure to meet an objective if all Contractor management options have been exercised (e.g., rescheduling other activities, delaying some activities, providing additional resources, etc.) documented, and additional requisite resources are not made available to the Contractor by DOE/NV. It is the PECs' responsibility to use factors which the Contractor can control to some degree and to measure the Contractor's performance accordingly. Also, emphasis should be placed on the level of performance achieved during the period, measured against performance standards consistent with best available practices and procedures, rather than on program status. In some instances, Contractor performance may be measured in terms of its rate of improvement recognizing optimum performance may require several performance evaluation periods to achieve.

2. Documenting Evaluation/Assessment

a. Formal award fee feedback shall be provided by the FDO to the Contractor in the Award Fee Determination Statement.

b. Copies of all official PEC/PM documentation of evaluations and assessments shall be attached to the PEC Report as back-up information. This will permit the Award Fee Program Administrator to maintain a complete history of the Contractor's performance during the evaluation period.

c. All award fee documentation, including evaluation reports, the PEC Report, and the AFB Report, shall be stamped or marked "PREDECISIONAL--FOR OFFICIAL USE ONLY." The Award Fee Determination Statement provided to the Contractor is considered a public document and is releasable to the general public.

ATTACHMENT A

AWARD FEE EVALUATION PERIODS

No.	Period Covered
1	October 1, 1998-March 31, 1999
2	April 1 -September 30, 1999
3	October 1, 1999-March 3 1, 2000
4	April 1 -September 30, 2000
5	October 1, 2000-March 3 1, 2001
6	April 1 -September 30, 2001
Option 1	
1	October 1, 2001-March 3 1, 2002
2	April 1 -September 30, 2002
Option 2	
1	October 1, 2002-March 3 1, 2003
2	April 1 -September 30, 2003

ATTACHMENT B

GRADING TABLE

Adjective Grade	Performance Description	Range of Performance Points
Outstanding	Performance substantially exceeds expected levels of performance. Several significant or notable achievements exist. No notable deficiencies in performance.	98-100
Good	Performance exceeds expected levels and some notable achievements exist. Although some notable deficiencies may exist, no significant deficiencies exist.	84-97
Satisfactory	Performance meets expected levels. Minimum standards are exceeded, and "good practices" are evident in contract operations. Notable achievements or notable deficiencies may or may not exist.	75-83
Marginal	Performance is less than expected. No notable achievements exist; however, some notable deficiencies exist, OR any notable achievements which exist are more than offset by significant or notable deficiencies.	**70-74**
Unsatisfactory	Performance is below minimum acceptable levels. Significant deficiencies causing severe impacts on mission capabilities exist. Performance at this level in any area mentioned in the Performance Evaluation Plan (PEP) may result in a decision by the Award Fee Determination Official to withhold all award fee for the period.	69 and Below

See Definitions and Note on the following page.

DEFINITIONS

Significant. This term indicates a major event or sustained level of performance which, due to its importance, has a substantial impact on the Contractor's ability to carry out its mission.

Notable. This term indicates an event or sustained level of performance which is of lesser importance than a "significant" event but nonetheless deserves recognition.

NOTE

Management judgment is essential in applying these definitions to determine the quality of achievements/deficiencies and whether achievements offset deficiencies or vice versa.

Department of Energy (DOE) expects the Contractor to perform at the highest levels of excellence; however, the standard anticipated rating of a qualified, competent, and successful Contractor corresponds to a Satisfactory numerical rating of 80 points. Performance ratings above the standard level will reflect the extent to which the Contractor, on its own initiative, is actively involved in performance improvement activities and the extent to which these actions contribute to more efficient, effective and economical operations.

DOE expects the Contractor to exercise due diligence in the conduct of all Contract activities. It is expected that management systems will be in place and enforced to ensure that effective procedures are developed and implemented. The Contractor's failure to oversee, through acts of commission or omission, the conduct of its operations and all of its employees, which potentially or actually causes property damage; losses; endangers the safety, health, or environment; or compromises the ability of the Department or DOE Nevada Operations Office (DOE/NV) to carry out its mission, will be weighed heavily in the performance ratings. By the same standard, the performance ratings will not be adversely affected if the Contractor raises safety issues to the appropriate DOE/NV Assistant Manager, or his designee, for resolution. Furthermore, the performance ratings will not be adversely affected if the Contractor stops an activity which is deemed unsafe even though the Contractor's action may appear to be contrary to DOE direction.

While it is recognized that the basis for determination of the Award Fee shall be the evaluation by the Government, in accordance with the PEP, the Fee Determination Official (FDO) may also consider any information available which relates to the Contractor's performance of Contract requirements. Although the performance areas are divided into separate and distinct areas, in the event the Contractor's performance is considered unacceptable in any aspect of performance identified, or not specifically identified, in the PEP, the FDO may, at his/her discretion, determine the performance within a specific area, or in general, to be unacceptable and withhold

a portion or the entire award fee for the evaluation period as he/she deems appropriate. The FDO may also determine that performance within a specific area, or in general, exceeds expectations and appropriately approve a higher awarded fee for the evaluation period than the amount proposed by the Award Fee Board.

ATTACHMENT C

AWARD FEE CONVERSION CHART

The following chart converts performance points into percentage of available award fee.

Performance Points		Percent of Available Award Fee
98 and Above	OUTSTANDING	100.0
97		99.0
96		97.0
95		95.0
94		93.0
93		90.0
92		87.0
91		83.0
90		79.0
89		75.0
88		70.0
87		67.0
86		63.0
85		59.0
84	GOOD	55.0
83		50.0
82		47.0
81		43.0
80		39.0
79		35.0
78		30.0
77		27.0
76		23.0
75	SATISFACTORY	19.0
74		15.0
73		13.0
72		11.0
71		9.0
70	MARGINAL	7.0
Below 69	UNSATISFACTORY	0.0

ATTACHMENT D

ACTIONS AND SCHEDULES FOR AWARD FEE DETERMINATIONS

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

	Action	Schedule (Calendar Days)
1.	Fee Determination Official (FDO) provides signed AOP with Award Fee allocation to the Contractor.	Minimum of 30 days prior to start of the performance evaluation period.
2.	The Performance Evaluation Committee (PEC) meets with Contractor to discuss Objectives, Criteria and Performance Indicators.	During the 30 days prior to the beginning of the evaluation period.
3.	Performance Monitors (PM) monitor and evaluate Contractor performance.	Ongoing after start of period.
4.	The PEC assesses performance and discusses with Contractor.	Ongoing after start of period. Formal counterpart meetings are held with the Contractor monthly.
5.	Contractor submits self-evaluation report.	Within 5 days after the end of the evaluation period.
6.	PEC distributes Contractor's self-evaluation report to Performance Monitors for evaluation.	Within 5 days after the end of the evaluation period.
7.	PEC meets and summarizes preliminary findings and positions.	Within 10 days after contractor submits self-evaluation report.
8.	PM validate contractor's self-evaluation and provide evaluations to PEC.	Within 20 days after the end of the evaluation period.
9.	PEC meets with Contractor to discuss findings and positions, if necessary.	Within 25 days after the end of the evaluation period.

10.	PEC develops slides and support for presentation on the PERs to Award Fee Board (AFB).	Within 30 days after the end of the evaluation period.
11.	AFB evaluates ‘inputs as well as the Contractor’s self-evaluation and submits recommendation to the FDO.	Within 40 days after the end of the evaluation period.
12.	FDO sends Award Fee Determination Statement to Contractor.	45 days after the end of the evaluation period.

The AFB will establish appropriate lists of subsidiary actions to meet the above schedules.

ATTACHMENT E

ACTIONS AND SCHEDULES FOR CHANGING PLAN COVERAGE

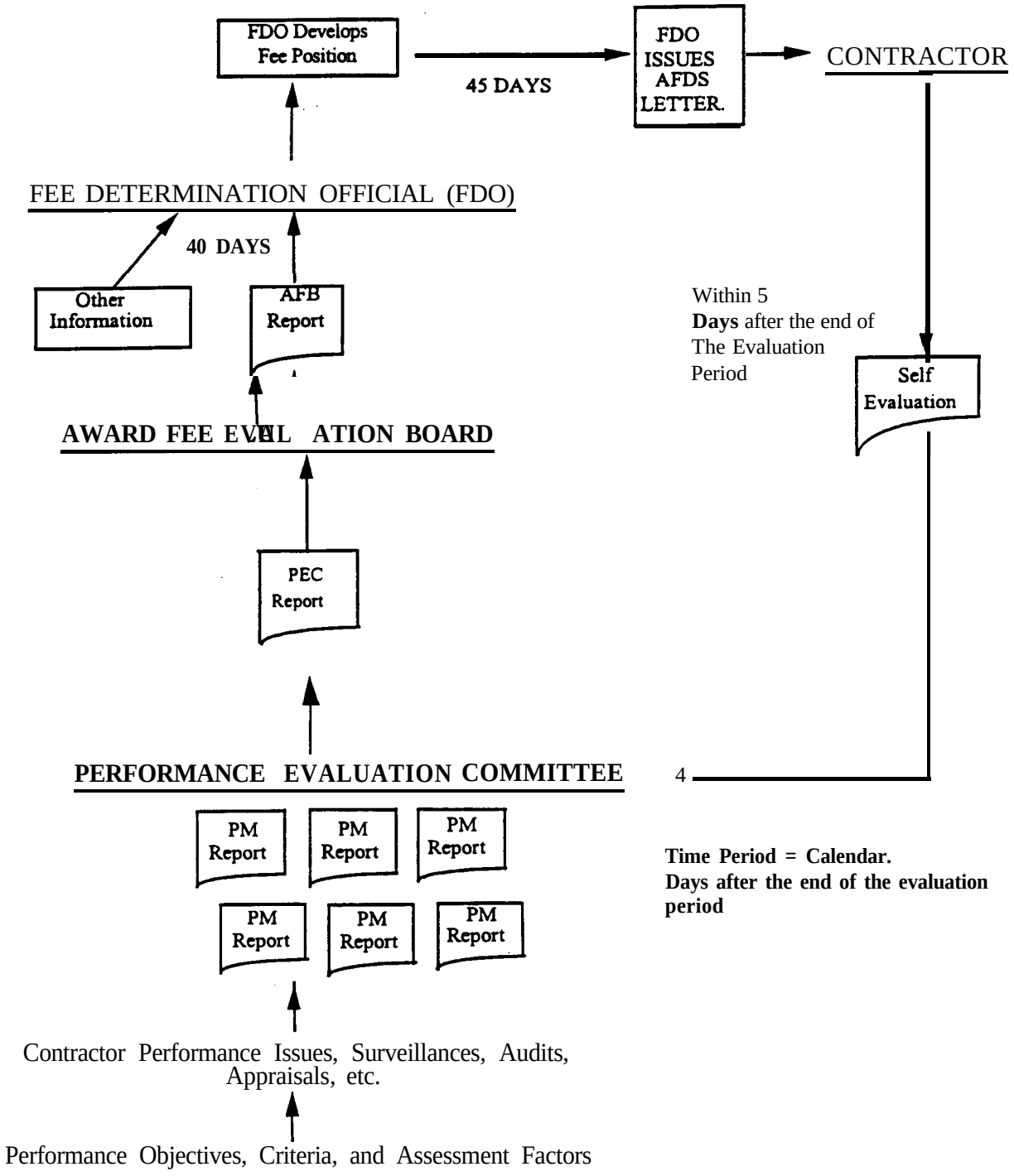
The following is a summary of the principal actions involved in changing plan coverage.

	Action	Schedule (Calendar days)
1.	The Performance Evaluation Committee (PEC) and Division Directors submit proposed changes to Award Fee Board (AFB).	Ninety days prior to end of evaluation period.
2.	AFB considers proposals and drafts changes, as appropriate.	Ongoing.
3.	AFB coordinates proposed changes with Contractor.	Ongoing.
4.	AFB submits recommended changes to Fee Determination Official (FDO).	Sixty days prior to end of each evaluation period.
5.	FDO notifies Contractor of changes or that there are no changes.	Thirty days before start of applicable evaluation period.

The AFB will establish appropriate lists of subsidiary actions and suspense dates to meet the above schedule, with emphasis on concurrency to the extent feasible.

ATTACHMENT F

AWARD FEE ORGANIZATION AND DOCUMENT FLOW



ATTACHMENT G

FORMAT FOR AWARD FEE BOARD REPORT

A. EXECUTIVE SUMMARY. The Executive Summary shall provide an overall summary of the Contractor's AOP performance during the rating period and shall provide both an adjectival and numerical performance rating. Any minority opinions or reports shall be identified.

B. ACHIEVEMENTS/DEFICIENCIES. This section of the report contains a listing of the Contractor's significant and notable achievements and performance deficiencies during the period. It shall be presented in the following format:

- SIGNIFICANT AND NOTABLE ACHIEVEMENTS (If any). List by Performance Area.

- SIGNIFICANT AND NOTABLE DEFICIENCIES (If any). List by Performance Area.

C. DISCUSSION

1. Part A of this section shall identify, in chart format, each Performance Area and shall provide comparison of the Performance Evacuation Committee (PEC) proposed numerical and adjectival rating versus the Award Fee Board's (AFB) adjectival and numerical rating for each Area.

2. Part B of this section shall provide a discussion of the Contractor's performance within each Performance Area indicating each Achievement and Deficiency in detail. It shall provide the AFB's rationale if the AFB's rating is different than the rating recommended by the PEC. This section shall also include any additional information considered by the Board in reaching its rating for the overall performance rating.

3. Part C of this section shall evaluate the Contractor's self-evaluation and consider its realism in relation to the AFB Report. Differences between the Contractor's evaluation and the AFB Report should be analyzed and discussed in this section.

4. Part D of this section shall discuss any minority opinions and/or include any minority reports.

ATTACHMENT H

FORMAT FOR PERFORMANCE EVALUATION REPORTS

A. EXECUTIVE SUMMARY. The Executive Summary shall provide an overall summary of the Contractor's performance during the rating period and shall provide both an adjectival and numerical performance rating. Any minority opinions or reports shall be identified.

B. ACHIEVEMENTS/DEFICIENCIES. This section of the report contains a listing of the Contractor's significant and notable achievements and performance deficiencies during the period. It shall be presented in the following format:

- SIGNIFICANT AND NOTABLE ACHIEVEMENTS (If any). List by Objective.
- SIGNIFICANT AND NOTABLE DEFICIENCIES (If any). List by Objective

C. DISCUSSION

1. Part A of this section shall identify in chart format each Performance Objective and shall provide an adjectival and numerical rating for each.

2. A full discussion of the Contractor's performance in each Performance Objective is to be provided in Part B of this section. This discussion must address the Contractor's performance during the entire evaluation period, with a detailed discussion of each Achievement and Deficiency. The overall rating should be based upon total program performance, not simply on isolated examples of good or poor performance. Factors outside the Contractor's reasonable control contributing to performance weaknesses should be identified to ensure that the rating is not influenced by such factors. The discussion should provide sufficient information-to fully and clearly support the performance rating assigned.

3. Identify and fully discuss in Part C of this section any other aspects of the Contractor's performance within the general coverage of a Performance Area (which was not specifically identified in the Criteria reported in Part B). The impact of this information on the overall rating must be specified.

4. Part D of this section shall evaluate the Contractor's self-evaluation and consider its realism in relation to the Performance Evaluation Committee (PEC) Report. Differences between the Contractor's evaluation and the PEC Report should be analyzed and discussed in this section.

5. Part E of this section shall discuss any minority opinions and/or include any minority reports.

GLOSSARY

ACHIEVEMENT/DEFICIENCY. A sustained level of performance, major event, or trend, which is exceptionally good or poor and requires the Award Fee Determination Official's attention for fee determination purposes.

AWARD FEE BOARD REPORT. A report to the Fee Determination Official (FDO) covering the Board's findings regarding the Contractor's overall performance during an evaluation period. The report contains a recommendation to the FDO of the fee earned for the evaluation period.

GOOD PRACTICES. Activities that are consistent with commercial nuclear industry standards, generally accepted business practices, the Department of Energy (DOE) Directives, and/or DOE Nevada Operations Office DOE/NV Operations Office Directive Implementation Instructions, and Federal regulations and requirements.

NOTABLE. This term indicates an event or sustained level of performance which is of lesser importance than a "significant" event, but nonetheless deserves positive or negative recognition.

PERFORMANCE AREA. An aspect of the Contract Scope of Work identified as an area which is extremely important to DOE and DOE/NV. The Contractor's performance under a Performance Area will be the primary basis for payment of the award fee under the Contract.

PERFORMANCE CRITERIA. The basic aspects of performance which breaks down the Performance Objective into the important integral parts which will be evaluated for award fee determination purposes.

PERFORMANCE EVALUATION COMMITTEE. A group of DOE/NV employees appointed to evaluate the Contractor's performance in a Performance Area.

PERFORMANCE EVALUATION COMMITTEE REPORT/EVALUATION. A. semi-annual report/evaluation written by a Performance Evaluation Committee. The report/evaluation documents the Contractor's performance under those aspects of performance covered by the Performance Objectives and Criteria.

PERFORMANCE MONITOR. A member of a Performance Evaluation Committee.

PERFORMANCE OBJECTIVE. A very broad category of performance which will be evaluated under a Performance Area. Normally it encompasses the performance of a total function or program.

SIGNIFICANT. This term indicates a major event or sustained level of performance which, due to its importance, has a substantial positive or negative impact on the Contractor's ability to carry out it's mission.

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AWARD FEE DETERMINATION PLAN

FOR

WACKENHUT SERVICES, INC.

CONTRACT NO. DE- AC08-98NV13149

PART II OF II

SPECIAL PERFORMANCE AREAS, PERFORMANCE OBJECTIVES AND CRITERIA, AND ASSESSMENT FACTORS

Evaluation Period: **October 1, 1998, through March 31, 1999**

PREFACE

SPECIAL PERFORMANCE AREAS, PERFORMANCE OBJECTIVES AND CRITERIA, AND ASSESSMENT FACTORS

This document comprises Part II of the Performance Evaluation Plan for Contract No. Part II identifies the Special Emphasis Areas to be evaluated during the award fee determination period. It also identifies their relative weights, and the relative weights of each of the Performance Objectives within the Special Performance Area.

NOTE: The percentage weights shown in this Part are quantifying devices. Their sole purpose is to provide guidance to the Fee Determination Official in arriving at a general indication of the amount of award fee that could be earned.

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AWARD FEE PERFORMANCE AREA

PERFORMANCE AREA	WEIGHT
OPERATIONS, MANAGEMENT, ENVIRONMENT, AND SAFETY	100%
TOTAL	100%

PERFORMANCE EVALUATION COMMITTEE

A. OPERATIONS, MANAGEMENT, ENVIRONMENT, AND SAFETY

Chairperson: Director, Safeguards and Security Division
Vice Chairperson: Physical and Technical Security Team Leader

Members:

Industrial Security Specialist, Safety Division
Industrial Relations Specialist, Human Resources Division
Senior Environmental Scientist, Environmental Protection Division

Alternates:

Alternates shall be acting personnel in absence of the Performance Evaluation Committee members.

SPECIAL PERFORMANCE AREA AND PERFORMANCE OBJECTIVES

The following Performance Objectives and Criteria are the areas of the Contractor's performance to be evaluated during the evaluation period covered by this Plan. The Contractor is expected to fully perform all requirements of the Contract. Aspects of performance not covered by these objectives will still be evaluated. In addition, the Contractor's performance in all areas of the Contract will be considered by the Fee Determination Official in the final award fee determination for the evaluation period.

Inherent in each of the below Objectives is the adherence of the Contractor to the Mission, Vision, and Principles of the DOE Nevada Operations Office (DOE/NV) (Attachment 1).

Specific Assessment Factors for the Objectives and Criteria are listed in Attachment 2

A. OPERATIONS, MANAGEMENT, ENVIRONMENT AND SAFETY
AREA WEIGHT: 100%

OBJECTIVE WEIGHT: 45%

Performance Objective	Criteria
1. Effectiveness of safeguards and security operations in the protection of DOE/NV assets.	1. Day-to-day Safeguards and Security Operations are conducted in a consistent manner that promotes the efficient utilization of available resources. 2. Wackenhut Services, Inc. (WSI) will effectively integrate resources to protect DOE/NV special nuclear material, facilities, property, and classified matter from theft, sabotage, or unauthorized control. The varied and changing mission responsibilities will be carried out in a manner that will allow WSI to accept new roles and expand those missions currently in force. WSI will accomplish these goals by continuous improvement through open communications with its customers, regular management reviews, and professional development of employees.

OBJECTIVE WEIGHT: 40%

Performance Objective	Criteria
2. Effectiveness of safeguards and security program management in ensuring the protection of DOE/NV assets.	1. Safeguards and security planning and analysis functions identify present and future needs on a timely basis. 2. Protective Force Training Programs support present and projected needs. 3. Assessment and Oversight functions identify vulnerabilities/deficiencies and verify that corrective activities are implemented. 4. Human Resource, Budget, and Administrative Systems support present and projected needs and provide for cost effective operations including complying with all federal and state regulations. 5. Special emphasis items identified by DOE/NV management.

OBJECTIVE WEIGHT: 15%

Performance Objective	Criteria
3. Environment, Safety, and Health (ES&H) policies, procedures, and programs provide compliance with requirements and protect workers, the public, facilities, and the environment.	1. ES&H, policies, procedures, and programs are developed and fully implemented in a timely and effective manner.

ATTACHMENT 1

MISSION, VISION, AND CORE VALUES OF THE DOE NEVADA OPERATIONS OFFICE DOE/NV

Mission. The primary mission of DOE/NV is to successfully accomplish assigned missions in a manner that protects the health and safety of workers and the public and promotes the public trust. The five current missions are:

- **National Security.** Support the Stockpile Stewardship Program through subcritical and other weapons physics experiments, emergency management, test readiness, work for other national security organizations, and other experimental programs.

- **Environmental Management.** Support environmental restoration, groundwater characterization, and low level radioactive waste management.

- **Technology Diversification.** Support nontraditional Departmental programs and commercial activities, which are compatible with the Stockpile Stewardship Program.

- **Energy Efficiency and Renewable Energy.** Support the development of solar energy, alternative fuel, and energy efficiency technologies.

- **Stewardship of the Nevada Test Site (NTS).** Manage the land and facilities at the NTS as a unique and valuable national resource.

Vision. To be the center of excellence for developing, testing, and fielding technologies for nuclear weapons stockpile stewardship; emergency response; and other challenges in national defense, environmental management, and technology diversification.

Core Values

The DOE/NV vision will be achieved by aggressively pursuing each strategic initiative through application of these core values.

- We pursue the highest standards of ethical behavior with honesty, integrity, and respect for employees, customers, and suppliers.

- We are committed to safety by providing a work environment where safety is of the utmost importance, and the employees take responsibility for their own safety and safety of their co-workers.

- We are customer oriented and provide our customers the best value by constantly striving to improve the quality and cost effectiveness of our products.

- We are committed to excellence and encourage creativity and innovation.

- People are our most important resource, and we provide opportunities for employees to grow professionally and personally by giving them technical challenges, opportunities, and training to develop their skills.

- We value diversity in terms of ethnicity, gender, age, disability, life styles, skills, disciplines, and thinking styles

- We respect the environment and perform work in a manner that safeguards the environment.

- We act as a responsible member of the community by encouraging opportunities for economic growth and respecting community programs through contributions of time, personal involvement, and financial support.

- We leverage our unique culture of teamwork by encouraging individuals to use and share their individual experience, skills, and knowledge to foster creative and cooperative problem solving.

- We believe empowerment and accountability are essential and individuals and teams are empowered and accountable to improve the processes by which we do business, address customer concerns, and make technological advances.

- We encourage open communication of information, both internally and externally, as the basis for establishing credibility and sound continuing relationships.

We believe that these beliefs define our pathway to success.

ATTACHMENT 2

OBJECTIVES, CRITERION, AND ASSESSMENT FACTORS

A. OPERATIONS, MANAGEMENT, ENVIRONMENT AND SAFETY

Area Weight: 100%

Performance Objective — OBJECTIVE WEIGHT: 45%

A. 1 Effectiveness of Safeguards and Security Operations in the protection of DOE Nevada Operaions Office (DOE/NV) assets.

Criterion

A.!.1 Day-to-day Safeguards and Security Operations are conducted in a consistent manner that promotes the efficient utilization of available resources.

Assessment Factors

A.l.l.l Provide professional, efficient, and cost-effective Protective Force services in compliance with contract requirements.

A.1.1.2 Actively participate in program development and implementation relative to the protection of DOE/NV special nuclear material, facilities, property, and classified matter. Probatively support environment, safety, and health program initiatives and improve safety awareness throughout zone ‘operations.

A.1.1.3 Provide effkient and effective Security Access Control, Central Clearance Processing, and Visit Control activities.

A.1.1.4 Provide Technical Support to develop and maintain computer security programs; electronic security systems; security alarm and assessment systems; security systems inherent to the Device Transport Vehicle; security systems in support of Special Security Operations; and other matrix support

A.1.1.5 Probatively support environment, safety, and health program initiatives and improve safety awareness throughout operations.

Criterion

A.1.2 Wackenhut Services, Inc. (WSI) will effectively integrate resources to protect DOE/NV special nuclear material, facilities, property, and classified matter from theft, sabotage, or unauthorized control. The varied and changing mission responsibilities will be carried out in a manner that will allow WSI to accept new roles and expand those missions currently in force. WSI will accomplish these goals by continuous improvement through open communications with its customers, regular management reviews, and professional development of employees.

Assessment Factors

A.1.2.1 WSI will provide an SP02 offensive capability based on professionalism, operational readiness, effective use of personnel and technology, and adaptability to .a constantly changing environment.

A. 1.2.2 WSI will provide Technical Support to ensure systems supporting Safeguards and Security Operations are maintained in an operational status.

A. 1.2.3 WSI will provide a comprehensive Loss Prevention/Asset Protection program that supports and enhances the security mission through the random inspection of critical facilities, vehicle inspections, property checks, and full integration into patrol function.

A. 1.2.4 WSI will provide, implement, and maintain an effective Materials Control and Accountability Program.

Performance Objective OBJECTIVE WEIGHT: 40%

A.2 Effectiveness of safeguards and security program management in assuring the protection of DOE/NV assets.

Criterion

A.2.1 ***Safeguards and Security planning and analysis functions identify present and future needs on a timely basis.***

Assessment Factors

A.2.1.1 Execute Performance Testing in support of Site Safeguards and Security Plan (SSSP)Nulnerability Assessments, any Operational Readiness

Reviews, Department of Energy (DOE) security surveys, assessments, inspections, and directive requirements.

A.2.1.2 Provide timely effective update to emergency preparedness, command and control protocols. Conduct emergency preparedness exercises that demonstrate effectiveness of security planning.

k.2.1.3 Effectively support the SSSP in meeting established goals and schedules to develop cost-effective short and long-term solutions which achieve acceptable levels of risks and prescribed levels of protection for DOE assets.

A.2.1.4 Protection-related plans describe, justify, and document the graded protection used to protect safeguards and security interests. Strategies for the physical protection of Special Nuclear Material, vital equipment, protection, and control of classified and sensitive unclassified matter, and the protection of government property incorporates applicable DOE requirements.

A.2.1.5 Ensure a continuing program is maintained in accordance with established DOE/NV procedures for identification, trend analysis, and timely closure of Security Inspection findings.

A.2.1.6 Implement an effective computer security program per DOE Order 47 1.1 and 1360.2B and associated Directive Implementing Instructions.

Criterion

A.2.2 Protective force training programs support presen t and projected needs.

Assessment Factors

A.2.2.1 Conduct a training needs assessment for protective force preparedness and response to a Chemical/Biological Warfare threat to DOE facilities.

A.2.2.2 Maintain distance learning at WSI in support of the Nonproliferation and Nuclear Security (NNSI) Institute distance learning center.

A.2.2.3 Function as the DOE/NV central registration authority for NNSI courses.

A.2.2.4 Maintain continued implementation of the computer-based training program.

A-2.2.5 Training Approval Program is implemented to ensure standardization of safeguards and security training. The program is conducted based on the necessary skill requirements, contains job and job task analyses, documenting the identification, and description of major task and skill requirements. It incorporates knowledge and performance based testing to measure the skills acquired from the training programs developed.

A.2.2.6 Complete all training approved in the Fiscal Year 1999 Annual Training Plan.

A.2.2.7 Identify and administer professional development and educational training opportunities that support technical and professional staff requirements.

A.2.2.8 Provide a physical fitness oversight program, which focuses on the identification of individual risk factors and specific fitness requirements.

Criterion

A.2.3 ***Assessment and Oversightfunctions identify vulnerabilities/deficiencies and verify that corrective activities are implemented.***

Assessment Factors

A.2.3.1 Timely and effective (analyzing of) correction of repetitive survey findings on a Sitewide basis.

A.2.3.2 Timely and effective execution of the Quality Assurance Program.

A.2.3.3 Execute the Internal Assessment Program and audits to ascertain protective force operational readiness and effectiveness through performance based and order compliance evaluations.

A.2.3.4 Continue Implementation of Total Quality Management process which support the organization's continuous improvement efforts.

A.2.3.5 Establish. and maintain effective programs for lessons learned, occurrence reporting, and performance indicators in accordance with DOE Order requirements and DOE/NV guidelines.

A.2.3.6 Conduct verifications and validations of corrective actions for internal and external assessments, inspections, performance tests, and surveys.

Criterion

A.2.4 Human Resource, Budget and Administrative Systems support present and projected needs and provide for cost effective operations including complying with all federal and state regulations.

Assessment Factors

A.2.4.1 Management of contract activities is effectively conducted in accordance with applicable federal and state law, DOE regulations, and in accordance with sound cost-effective business practices.

A.2.4.2 Labor Relations programs are administered effectively and efficiently, provide for open communication between management and labor, and utilize appropriate resolution techniques.

A.2.4.3 Incorporate the principals of equal employment opportunity and diversity into all personnel related matters

A.2.4.4 Provide equitable pay administration, effective employee relations/services, and appropriate incentives and recognition for excellence in performance

A.2.4.5 Provide budget estimates that are reasonable, subject to a zero-based development concept, prioritized from requirements to target and decrement cases, fully justified and documented, and in compliance with DOE Regulations, directives, and handbooks.

A.2.4.6 Provide efficient financial services to appropriate organizational entities.

A.2.4.7 Provide timely submission of all financial and/or budgetary data and information to both internal and external customers.

A.2.4.8 Incorporate comprehensive cost containment in all operations system designs and material procurments.

A.2.4.9 Manage the efficient acquisition, utilization, and disposition of supplies, material, and services, and to ensure the control and accountability of government property.

A.2.4.10 Implement an effective computer security program.

Criterion

A.2.5 Special Emphasis Items identified by DOE/NV management.

Assessment Factors

A.2.5.1 Develop and support the DOE/NV Target Folder Initiative.

A.2.5.2 Efficiently and effectively integrate assumed Bechtel Nevada Safeguards and Security assets, duties, and responsibilities into the WSI organization.

A.2.5.3 Support the development and implementation of DOE/NV Weapons of Mass Destruction Training and Exercises.

Performance Objective OBJECTIVE WEIGHT: 15%

A.3 Environment, Safety, and Health (ES&H) policies, procedures, and programs provide compliance with requirements, protect workers, the public, facilities, and the environment.

Criterion

A.3. I ***ES&H policies, procedures, and programs are developed and fully implemented in a timely and effective manner.***

Assessment Factors

A.3.1.1 Management demonstrates their commitment to Integrated Safety Management and occupational safety and health in general.

A.3.1.2 Employees at all levels are involved in the structure and operation of the environmental safety and health program and in decisions that affect employee health and safety.

A.3.1.3 The environmental safety and health program identifies all potentially hazardous situations, and recognizes and corrects all existing hazards as they arise.

A.3.1.4 Safety rules and work procedures are developed, communicated, and understood by supervisors and employees and are routinely followed by everyone in the workplace to prevent and control potential hazards.

A.3.1.5 Environmental safety and health training is provided to all employees on established policies, rules, and procedures to prevent exposure.

A.3.1.6 WSI conducts operations in a timely, effective, and environmentally sound manner in compliance with DOE Orders, Federal and State statutes and regulations, and approved internal policies and procedures.