

DRAFT MIOES CPFF Approach

The MIOES team is considering the use of Cost Plus Fixed Fee (CPFF) with a clause/approach similar following:

BLUF

Ability to meet PWS standards will determine the amount of fee paid. The QASP will identify how performance is measured.

DRAFT Section G Clause

G-X FIXED FEE

The Contractor is obligated to, at a minimum, [acceptably/satisfactorily] [deliver/perform] [insert scope], within the [schedule/period of performance] and in accordance with the requirements and standards of CLIN(s) [insert CLIN number(s) and PWS/QASP Sections], as a condition for payment of the entire fixed fee. Should the Contractor fail to [acceptably/satisfactorily] [deliver/perform] the [insert scope] within the contract [delivery schedule/period of performance], or should the delivered [insert scope] fail to function in accordance with contract requirements, the Contractor shall not be entitled to payment of the full fixed fee. In such event, the Contractor may, at the Contracting Officer's sole discretion, earn a portion of the fixed fee commensurate with the percentage of [accepted deliverables/satisfactorily completed work], as determined by the Contracting Officer.

In accordance with FAR 42.1503 Table 42-1, CPARS, and the task order QASP, a satisfactory rating is defined as:

Performance meets contractual requirements. The contractual performance of the element or sub-element contains some minor problems for which corrective actions taken by the Contractor appear, or were, satisfactory.

Note: To justify a Satisfactory rating, there should have been only minor problems, or major problems that the Contractor recovered from without impact to the contract or order. There should have been NO significant weaknesses identified. A fundamental principle of assigning ratings is that Contractors will not be evaluated with a rating lower than Satisfactory solely for not performing beyond the requirements of the contract or order.

The following are the maximum fee percentages that will be considered at each of the Quarterly Assessments: Quarter 1 = not more than 20%; Quarter 2 = not more than 20%; Quarter 3 = not

more than 20%; Quarter 4 = not more than 40%. The Contractor shall not be paid more than 100% of the fixed fee after Quarter 4, and it can recoup fee withheld in earlier Quarters at the Contracting Officer's sole discretion, not to exceed 100% of the fixed fee.

The Contractor may provisionally bill on each voucher the amount of fixed fee bearing the same percentage to the amount of cost billed as the total fixed fee bears to the total estimated cost set forth in Section B, subject to the contract clause entitled "Fixed Fee" at FAR 52.216-8 (JUN 2011). If the full fixed fee is reduced pursuant to any clause or requirement of this contract and the reduced fee is less than the sum of all fee payments made to the Contractor under this contract, the Contractor shall repay the difference to the Government within thirty (30) days of receipt of the Contracting Officer's written request. In no event shall the total fee paid to the Contractor exceed the fixed fee set forth in Section B.