

DON EVALUATION PROCESS OF AWARD/INCENTIVE FEES EARNED

TABLE I: REFERENCES/RESOURCES

| Reference/Resource | Description |
|---|--|
| DASN(A&LM) Policy Memoranda of May 8, 2007 and January 22, 2008 | These documents provide implementing guidance on DoD policy for (1) the collection/reporting of data on award fee and incentive fees earned; and (2) the proper use of award fee contracts and award fee provisions. Memoranda are available at the ASN(RD&A) acquisition website, https://acquisition.navy.mil/rda/home/policy_and_guidance/policy_memos |
| FAR Subpart 16.4, Incentive Contracts | Prescribes the policies, procedures and implementing guidance on use of incentive contracts. Access the Subpart via http://farsite.hill.af.mil/farsite.html or https://www.acquisition.gov/comp/far/index.html |
| DFARS Subpart 216.4, Incentive Contracts | Supplements FAR 16.4 with policies, procedures, and implementing guidance applicable to DOD regarding incentive contracts. Subpart 216.4 is available through http://farsite.hill.af.mil/VDFDARA.HTM or http://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html |
| PGI 216.4, Incentive Contracts | Prescribes procedures, guidance, and information implementing policy applicable to incentive contracts within DoD. The PGI is available at http://www.acq.osd.mil/dpap/dars/pgi/pgi_htm/PGI216_4.htm |
| DPAP Memoranda of April 24, 2007 and September 22, 2009 attached/included | Implement Section 814 of the 2007 National Defense Authorization Act (Pub.L. 109-364) by prescribing the policies and procedures for reporting award fee and incentive fee data earned and ensuring proper use of award fee contracts. Memoranda are available at DPAP's website via http://www.acq.osd.mil/dpap/ops/policy_vault.html?directorate=cpf |
| Defense Acquisition University (DAU) Community of Practice | Contains "The Award and Incentive Fees" Community of Practice (CoP) which was established to support the March 29, 2006, Award Fee Contracts Memorandum signed out by Mr. Finley, Deputy Under Secretary of Defense (Acquisition and Technology). As stated in the memo, "In order to facilitate discussion and to share proven incentive strategies across the entire acquisition workforce, the Department has established the Award and Incentive Fee Community of Practice (CoP) under the leadership of the DAU." The COP provides DoD organizations a web-enabled means to share lessons learned, examples and related resources to expand the existing knowledge base and to support acquisition professionals in successfully planning, implementing, and assessing incentive strategies. The COP is available through DAU's Acquisition Community Connection website at https://acc.dau.mil/CommunityBrowser.aspx |
| Government Accountability Office (GAO) Reports on AF/IF | Relevant GAO reports addressing can be accessed through http://www.gao.gov/index.html GAO-06-409T, April 5, 2006: <i>DOD Wastes Billions of Dollars through Poorly Structured Incentives</i> ; GAO-09-630, May 29, 2009: <i>Guidance on Award Fees Has Led to Better Practices but Is Not Consistently Applied</i> ; GAO-09-839T, August 3, 2009: <i>Application of OMB Guidance Can Improve Use of Award Fee Contracts</i> ; GAO-06-66, December 19, 2005: <i>DOD Has Paid Billions in Award and Incentive Fees Regardless of Acquisition Outcomes</i> |