

June 5, 2003

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| DIRECTIVE: JOB CORPS INFORMATION NOTICE. NO. 02-29 |
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TO: ALL JOB CORPS NATIONAL OFFICE SENIOR STAFF
 ALL JOB CORPS REGIONAL DIRECTORS
 ALL JOB CORPS CENTER DIRECTORS
 ALL JOB CORPS CENTER OPERATORS
 ALL NATIONAL TRAINING CONTRACTORS
 ALL OUTREACH, ADMISSIONS AND CTS CONTRACTORS

FROM: RICHARD C. TRIGG
 National Director
 Office of Job Corps

SUBJECT: Announcement of PY 03 Performance Range for Center Performance Based Service Contracts (PBSC)

1. Purpose. To announce the performance range for PY 03 for center operations PBSC.
2. Background. In accordance with Federal Acquisition Regulations (FAR) and the government wide PBSC initiative, on May 1, 2002, Job Corps began incorporating incentive fee provisions into all new contracts and option year awards for center operations. Under the terms of these contracts, incentive fee is earned by the contractor based on achievement of OMS performance goals.

The performance range for each upcoming PY is set at the beginning of the PY. It is set based on the projected performance of all contracts, as determined by data analysis of the last 12 months of actual performance against the goals for the upcoming PY.

The performance range establishes maximum and minimum performance levels for fee payment, as well as a performance excellence range, as follows:

Maximum: level at which the contractor receives the maximum available incentive fee payment.

Minimum: level at and below which the contractor receives no incentive fee payment

Performance

Excellence: range above the standard performance range, within which the contractor receives a bonus above the maximum incentive fee

Incremental incentive fee payment points are established for each contract at each level of OMS performance (to one decimal point) within the established performance range.

Based on analysis of actual performance for the period May 1, 2002 through April 30, 2003, against the OMS goals for PY 03, the median projected overall OMS rating for all contract centers is 92.1%. This data was used to set the point within the performance range at which a contract would earn the average incentive fee level.

3. Action. Effective July 1, 2003, the performance range for center operations incentive fee contracts will be **84.0%-100.0%**. The performance excellence range will be **100.1%-110.0%**.

Contracts performing at 84.0% or below will earn no incentive fee. Contracts performing at 100.0% or above will earn the maximum incentive fee.

The incentive fee pool for each contract will be distributed incrementally throughout the performance range for each .1% increment of performance.

Contracts performing between 100.1% and 110.0% will earn the maximum incentive fee and a performance excellence bonus prorated based on the level of achievement within the performance excellence range. Contracts exceeding 110.0% will receive the maximum performance excellence bonus.

Incentive fee earnings for the PY 03 Performance Range are shown on the attached table.

4. Expiration Date. July 1, 2004.

5. Inquiries. Direct any inquiries to Pat Putnins, at (206)553-7938 x8065, e-mail to Putnins.patricia@dol.gov, or to Renee Evans, at (202)693-3091, e-mail to Evans.renee@dol.gov.

Attachment