210.P / Ms. M. Nieves-Torres

National Aeronautics and Space Administration

Goddard Space Flight Center
Greenbelt, MD 20771

June 6, 2012

Reply to Attn of: 400

Ms. Susan Chang
ITT Corporation Information Systems
7855 Walker Drive
Greenbelt MD 20770

Dear Ms. Chang:

The performance of ITT Corporation Information Systems during the second award fee period for the Space Communications Network Services (SCNS) under contract number NNG09DA01C has been evaluated. This assessment included an evaluation of Program/Business Management, Technical/Schedule, and Cost Performance according to the SCNS Performance Evaluation Plan (PEP), 450-MGMT-0005. The Contracting Officer (CO) will issue a contract modification for payment of the earned fee under separate cover.

For this award fee evaluation period (October 9, 2011 through April 8, 2012), ITT received a consolidated Indefinite Delivery Indefinite Quantity (IDIQ) Service Task and Core performance score of [redacted] percent (an adjectival score of "Very Good"), earning $2,327,100 of the available fee of $[redacted] For End Item Task Orders (TOs) ITT earned a total $1,054,521 of the available fee of [redacted] End Item TOs award fee earned was a combination of "final" fee for tasks whose final deliveries were made during this period, and "interim" fee for tasks whose deliverables will be completed during a future award fee period (Final End Item TO fee determination is made when final deliveries are made). See Enclosure for details.

The consolidated IDIQ Service Task and Core performance score is comprised of the following element scores:

Program/Business Management:

ITT is awarded a score of 85 percent for the Program/Business Management Performance factor, representing a "Very Good" adjectival rating.

ITT has generally complied with all contract terms and conditions, has been responsive to contract issues, and has submitted accurate and timely reports consistent with Government needs.

During this period, a large number of TOs were processed (modifications and new tasks).

While the majority of the proposals were submitted either on time or ahead of time, some task proposals were submitted late and others required re-submission.

ITT has demonstrated very good performance in many areas related to contracting, however there are some aspects that require improvement such as the submission of backup documentation for Other Direct Costs and Materials cost proposed in TOs. These are needed in order to assist the CO and Contracting Officer's Technical Representative in validating these costs which in turn helps avoid delays in the task approval process. In addition, ITT needs to be more proactive in having its subcontractors provide proprietary components of their backup documentation to the CO in a timely manner. Also, during this period, ITT did not always provide timely allotment dates required for funding modifications. However, by the end of the period, NASA observed a notable improvement in this area. Lastly, ITT has not consistently complied with the requirements of clause 1852.242-71, which requires travel reports to be submitted 30 days after any foreign trip.

In the area of Subcontracting, ITT's overall performance in achieving the Total Small Business participation for Period 2 was slightly lower than target. The contractor's performance in achieving the Small Disadvantaged Business (SDB), Women Owned Small Business (WOSB) and Service Disabled Veteran Owned Small Businesses (SDVOSB) participation for this period was also lower than expected. In the category of Historically Black Colleges and Universities (HBCU) participation was [redacted] In the category of Veteran Owned, the contractor significantly exceeded the expected dollars. In future periods, it is recommended that ITT work to improve performance in the overall Total Small Business, SDB, WOSB, HBCU, HubZone, and SDVOSB subcontracting goal categories.

In the area of Equal Employment Opportunity (EEO), ITT's representation of minorities and women in the "Total Workforce" and "Officials & Managers" categories are below norms in all groups. ITT did not submit, as required, their company's EEO policy, recruiting and career development initiatives, and community outreach activities. In the future, this information should be provided to identify best practices and opportunities for improvement.

Technical/Schedule Performance:

ITT is awarded a score of 92 percent for the Technical Performance factor, representing an "Excellent" adjectival rating.

ITT operations of the Space Network (SN) on the Core portion of the contract during this period were excellent.

Under the Core portion of the contract, the SN Proficiency was excellent. The Standard of Excellence (SOE) was exceeded for four months this reporting period, while the Level of Expectation (LOE) was exceeded for all six months of the period. Additionally, ITT exceeded the SOE for the SN Availability metric for three months and the LOE for all six months. There was a noticeable improvement from the previous reporting period in SN Critical Support. Process improvements enacted by ITT resulted in measurable benefits, and a level of 100 percent proficiency for all Expendable Launch Vehicle supports was achieved.

ITT performed at a truly outstanding level in the management of the Tracking and Data

Relay Satellites (TDRS) constellation during this period. The contractor completed a comprehensive fleet management campaign that included the TDRS-4 End-Of-Mission, the relocations of TDRS-6 and TDRS-10, a collision avoidance maneuver on TDRS-7, and extensive payload testing for a TDRS-3 anomaly. During the TDRS-10 relocation the spacecraft experienced a catastrophic thruster failure. The contractor team quickly isolated the anomaly, developed a new plan, and performed 139 maneuvers to successfully place TDRS-10 at the required position.

ITT's performance in support of SN IDIQ tasks was excellent overall. Of particular note, support provided by ITT on Systems Engineering, and Special Projects and Missions tasks, was excellent. The contractor is commended for demonstrating a high degree of technical expertise and flexibility, and the ability to work independently with minimal NASA involvement.

ITT provided excellent support of NASA Near Earth Network (NEN) tracking stations. Both NASA and commercial stations achieved an operational proficiency above 99.1 percent. McMurdo Ground Station accomplished recertification of all missions after a major upgrade, and increased operational data services to the reimbursable MetOp mission ahead of schedule. Commercial stations continued to extend NEN flexibility by achieving new mission certifications at Santiago, Svalbard, and TrollSat.

ITT performed at the excellent level in supporting the NEN engineering and development areas. The NEN Upgrade project made significant progress in installation, integration and test with the Wallops Ground Station and Alaska Satellite Facility 11m antenna systems. ITT also successfully supported the NEN Upgrade Test Readiness Review and the WS1 Operational Readiness Review during this period.

The contractor support for the Human Space Flight activities has been excellent and very responsive to real time operations and the contingency situations that have occurred. There were several occasions when the International Space Station required support outside normal hours and the contractor response was excellent.

The advanced planning Mission Commitment Engineer team continues to provide exemplary support to the advanced mission planning effort. This team did a superb job during this period in analyzing SN support options for the Joint Polar Satellite System Program.

Cost Performance:

ITT is awarded a score of 86 percent for the Cost Performance factor, representing a "Very Good" adjectival rating.

The negotiated versus actual cost for this period under-ran, however, this under-run was primarily due to inaccurate forecasting resulting in the inability of the Government to plan costs for this period and assure adequate funding levels. The Estimate at Completion (EAC) forecasts fluctuated and did not reflect the delayed material costs and delayed month-to-month subcontractor invoicing. Inadvertently, cost would not be re-forecasted until months later, making the EAC unreliable. ITT did implement a forecasting recovery plan at the end

of the first performance period, which has not yet been shown to be totally effective.

Overall, ITT provides timely and helpful cost data NASA that enables an in-depth understanding of the costs and financial issues on the contract. ITT has been responsive to cost and financial issues during this period.

End Items:

Several End Item Deliverable TOs were completed or neared completion at the end of this period that provided significant value to NASA. All End items were rated as exceptional or very good with the exception of two End items that ended this period with an unsatisfactory rating. ITT was not successful in completing the WSC Antenna Subsystem Controller III Replacement within the negotiated schedule and cost, and failed to identify an affordable alternative for the Real-time Telemetry Monitoring System Sustainment.

Summary:

ITT's overall performance on the contract was very good during the second period of the contract. The technical and schedule performance were sound. I am very pleased with ITT's overall performance, however, I urge you to take note of the areas for improvement, and continue to strive for excellence in the future.

Sincerely,

George W. Morrow
Fee Determination Official

Under Separate Cover:
Award Fee Modification to the Contract

Enclosure:
Award Fee Matrix

cc:
100/Mr. C. Scolese
100/Mr. A. Obenschain
210.P/Ms. T. Anthony
210.P/Ms. M. Nieves-Torres
400/Mr. D. Scheve
400/Mr. S. Shinn
450/Ms. M. Esfandiari
450/Ms. T. Felton
450/Ms. S. Janicki
450/Mr. J. Volosin
450/Mr. N. Wright
ITT/Mrs. S. Chang
ITT/Ms. J. Smith

End Item Task Orders
Available and Earned Award Fee Matrix
NNG09DA01C
October 9, 2011 through April 8, 2012

For the TOs that ended during this evaluation period, the score shown in the table represents the final score for the life of the task. The available and earned fee shown in the table only represents the fee available/earned for this period. In accordance with Section 4 (k) of the PEP, "the final evaluation will consider the Contractor's performance and will be evaluated against the PEP to determine the total delivery order earned Award Fee. The interim payments are superseded by the fee determination made in the final delivery order evaluation. The Government will then pay the Contractor, or the Contractor will refund to the Government, the difference between the final award fee determination and the cumulative interim fee evaluation payments". All adjustments will be made via the Award Fee Modification that follows this letter.

Task Order	Task Description	End Date	Interim/ Final	Fee Available for the period	Overall	Dollars Earned during the Period
034	NEN MG1/MG2 Development	9/30/2012	Interim	[redacted]		($16,741)
060	Blossom Point Antenna System	1/23/2013	Interim	[redacted]		$350,564
063	SN Obsolescence Mitigation Support for USS-CR Project	5/30/2013	Interim	[redacted]		$50,955
064	SN USS-CR Project - Materials	8/31/2012	Interim	[redacted]		$410,654
065	ATTC Systems Development	6/30/2012	Interim	[redacted]		$48,609
074	WSC Antenna SSCIII Replacement	11/30/2011	Final	[redacted]		$-
075	WSC MOVE Installation	12/23/2011	Final	[redacted]		$2,284
077	Administrative LAN Sustainment	5/31/2012	Final	[redacted]		$-
079	NCCDS/DIS Interface Replacement	4/30/2012	Interim	[redacted]		$2,563
081	Monitoring System Sustainment	11/30/2011	Final	[redacted]		$1,200
084	SN Support to Orion Flight Test 1	9/30/2013	Interim	[redacted]		$19,643
085	Digital Architecture Testing	6/1/2012	Interim	[redacted]		$81,941
086	WSC Telephone Sys Replacement	8/23/2012	Interim	[redacted]		$27,035
087	WSGT T-1 Roof Replacement	3/30/2012	Final	[redacted]		$24,202
94	Space Shuttle Termination and Retirement Network Activities	9/30/2012	Interim	[redacted]		$47,115
99	James Webb Space Telescope Portable Spacecraft Simulator	10/30/2012	Interim	[redacted]		$4,497
	TOTAL			[redacted]		$1,054,521

Enclosure