NORTHROP GRUMMAN

Aerospace Systems

Supplier Scorecard Guidelines

SG-0110

Revision Date: June 23rd, 2016

Approved   Approved

(Signature on file)   *(Signature on file)*

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Director, Supplier Quality   Vice President, Subcontracts

General Information

As part of our efforts to more effectively rate supplier performance, Northrop Grumman Aerospace Systems has refined the Supplier Scorecard Process. Scorecards are used to support our commodity management, subcontract management and strategic sourcing objectives, and are also used as the main criteria for our Platinum Source Certification program. More importantly, we believe the Scorecards facilitate stronger communications between Northrop Grumman and our supplier team members.

Suppliers who provide products that are ultimately delivered to our customers will receive a Scorecard. Manufacturers and distributors will receive a Scorecard. Generally, special processors, service suppliers, Universities and tooling suppliers will not receive a Scorecard.

There are two types of supplier scorecards; SAP Scorecards which are generated in support of Procurement and Supplier Assessment Management System (SAMS) Scorecards which are generated in support of Subcontracts. SAP Scorecard detailed information is provided in Appendix A and SAMS scorecard detailed information is provided in Appendix B.

Supplier Scorecards are posted quarterly on the Northrop Grumman OASIS website located at http://www.northropgrumman.com/suppliers under "Tools".

Access to Supplier Scorecards: A User ID and password are required to access Supplier Scorecards. A link to the scorecards can be found on the OASIS website, "Tools" page. If you are not accessed to the scorecards or do not have a User ID/password, please contact:

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For OASIS login problems contact Suzette Sakazaki

APPENDIX A
SAP SCORECARD

Northrop Grumman Team Members

Both Supplier Quality and Procurement review and have input into your SAP Scorecard. Each supplier has been assigned a Supplier Quality Field Engineering (QFE). The QFE ensures accuracy of the Quality Profile and inputs the Process Health/ Lean/ Six Sigma rating.

Some suppliers receive purchase orders from multiple sites within the Aerospace Systems and therefore have various buyers assigned to them. The buyers are responsible to review and correct the Delivery metrics prior to publication. The buyer assigned as the lead buyer is responsible for loading the Customer Satisfaction element of the Scorecard.

Scorecard Elements

Your Supplier Scorecard is made up of the following elements. These elements have assigned point values and when combined together comprise your Scorecard rating.

- Objective Elements
  - Quality (ref: Figure 2)
  - Late Delivery
    - Material received more than 7 days late based on the negotiated purchase order date within the last 12 months.
  - Team Assessment Elements
    - Customer Satisfaction

      Responsiveness
      - Provides real time delivery status updates, communicates changes and cost schedule impacts
        - Always
        - Usually, communicates changes
        - Seldom, or never communicates changes.

      Oversight
      - Oversight Required in the Areas of Quality, Technical and Delivery Requirements
        - No Oversight Required
        - Minimal Oversight Required
        - Regular Oversight Required
        - Excessive Oversight Require

Management

- Displays Technical and Management Expertise Required to Identify and Implement Innovative Solutions to Issues
  - o Proposed solutions are accurate, concise and insightful, addressing all issues at hand
  - o Average, most solutions are acceptable. Some require further work
  - o Unable to consistently offer effective solutions.

o Process Health/ Lean & Six Sigma
  o Process Health

  - Mature Quality Management System – Corrective Action Processes
    - o Supplier has a proven Corrective/Preventive Action process and responds quickly and effectively to requests
    - o Supplier has an effective Corrective/Preventive Action process, most responses are acceptable. Some require follow up
    - o Supplier has an ineffective Corrective/Preventive Action process, responses are inadequate. Typically requires multiple follow up.

  o Lean & Six Sigma
  - Embraces Continuous Process Improvement with Tools such as Lean and Six Sigma
    - o Employees are Trained and Knowledgeable
    - o Evidence of some Ongoing Activities or Events that Generate Cost Reductions and/or Lead Time Improvements
    - o Aggressively Practiced Throughout the Enterprise. Continuous Improvement of Costs and Lead Time

Feedback

Any questions regarding your Scorecard should be directed to your QFE or your Buyer.

Supplier Scorecard Format (Figure 1)

Quality Profile Rating (See Figure 2)		Late Delivery (last 12 months) (PO Date > 7 days)		Customer Satisfaction	Process Health/Lean/ Six Sigma
Actual	Points	Actual	Points	Points	Points
100	50	0%	30	10	10
90	45	1%	27	9	9
80	40	2%	24	8	8
77	39	3%	21	7	7
70	35	4%	18	6	6
67	34	5%	15	5	5
57	29	6%	12	4	4
54	27	7%	9	3	3
47	24	8%	6	2	2
44	22	9%	3	1	1
34	17	> 9%	0	0	0
30	15				
20	10				
10	5				
0	0				

Supplier Scorecard Rating	
Blue	91-100
Green	75-90
Yellow	51-74
Red	0-50

Scorecard Formula
(Quality Score) + (Late Delivery Score) + (Customer Satisfaction score) + (Process Health Score) = **Overall Score**

Quality Profile Rating (Figure 2)

Hardware Acceptance Rating (70% wt)			Level 2 CARs (30% wt)			Supplier Quality Profile		
100	(70)		0	(30)		100	=	Blue
99	(47)	+	1	(20)	=	67 to 99	=	Green
97 – 98	(24)		2	(10)		35 to 66	=	Yellow
0 - 96	(0)		3	(0)		< 35	=	Red

- Hardware Acceptance Rating: 1 – (Quantity of pieces rejected divided by the quantity of pieces received) x 100 based on previous 12 months of supplier history.

- Level 1 CARs: Have no impact on the Quality Score

- Level 2 CARs: Three (3) months of closed CARs and all CARs with open Corrective Action.

- Level 3 CARs: Will result in Zero points for the Quality Score.

SAP Supplier Scorecard

Northrop Grumman, Aerospace Systems

Supplier Procurement Scorecard (1st QUARTER 2013)

Supplier Number:
Supplier Name:
Manf/Dist.Address:

AS Quality Rep: Platinum Source: Non-Platinum

Scorecard Rating					
Scorecard Element	Possible Points	End Date 03/31/2013	End Date 12/31/2012	End Date 09/30/2012	End Date 06/30/2012
Quality Profile	50	50	50	50	50
Late Delivery	30	30	30	30	30
Customer Satisfaction	10	10	10	10	10
Process Health/Lean	10	10	10	10	10
Total Points (sum)*	100(max.)	100	100	100	100

Total Score Blue=100-91 Green=90-75 Yellow=74-51 Red=50-0

* Total points may reflect a one point difference from the actual sum of the four elements scored.
Each element and the total are independently measured in tenths, and then rounded to the nearest whole number.

APPENDIX B
SUPPLIER ASSESSMENT MANAGEMENT SYSTEM (SAMS) SCORECARD

Northrop Grumman Team Members
Supplier Assessment Management System (SAMS) provides a standard tool and online database to regularly assess Supplier performance.

Some suppliers receive subcontracts from multiple sites within the Aerospace Systems and therefore have various Subcontract Administrators assigned to them. The Subcontract Administrators are part of a Subcontract Management Team (SMT) whose members have input into your Scorecard. The SMT Lead has overall responsibility to ensure all stakeholders provide accurate and complete representation of all elements of the subcontractor's performance, and serves as main interface between Program/IPT and Global Supply Chain (GSC). The GSC Program Manager (GSCPM) has overall responsibility to review and approve all SAMS full assessments.

Every active subcontract with one or more deliverables and all GSC managed Inter-Company Work Orders (IWOs) shall receive a SAMS assessment, unless approved by management. There are two types of assessments: SAMS Full and SAMS Quick assessments. Each should be performed based on the following guidelines:

NOTE: Judgment, and other circumstances, allow deviation from these guidelines.

- A SAMS "Quick" assessment is recommended for activities where:
    - Subcontract value is less than $1M
    - **and/or** with activities that are of low complexity
    - **and/or** with activities that are of low program criticality

- A SAMS "Full" assessment is recommended for activities where:
    - Subcontract value is greater than $1M,
    - **and/or** with activities that are of high complexity,
    - **and/or** with activities that are of high program criticality.

SAMS assessments are used to provide an objective data summary and SMT assessment of Supplier performance on a particular program on a monthly or quarterly basis depending on the type of assessment. It provides assessment ratings based on data relative to the supplier's technical, quality (mission assurance), cost, schedule, management, proposal, supply chain management and customer satisfaction performance. Ratings are based on a color scale of red (1), yellow (2), green (3) or blue (4).

The assessment is completed on a quarterly basis through the SAMS database within thirty (30) days after the end of the reporting period.

SAMS assessments consist of the following 8 primary elements, with various sub-categories:

- Management
- Technical
- Schedule
- Cost (including: Financial Stability/Health)

Proposal
Mission Assurance/ Quality
Supply Chain Management
Customer Satisfaction

SAMS Quick assessments consist of the following 5 mandatory elements:

- Management
- Technical
- Schedule

- Cost (including: Financial Stability/Health)
- Mission Assurance/Quality

Optional elements in SAMS Quick assessments include:

- Supply Chain Management

- Customer Satisfaction

The following rating criteria are applied to suppliers that are assessed utilizing SAMS. The score is calculated by an average of all rating elements with the exception of financial health. The maximum and minimum scores are 4.00 and 1.00 respectively.

- Red (Unsatisfactory): Does not meet all PO requirements; recovery not likely; ineffective corrective actions. Scale: < 2.0 total score or any score containing 1 red in any subcategory.

- Yellow (Marginal): Does not meet all PO requirements; recovery still possible; marginally effective corrective actions, not fully implemented. Scale: 2.75-2.0 total score.

- Green (Satisfactory): Meets all PO requirements; satisfactory corrective actions. Scale: 3.75-2.76 total score.

- Blue (Excellent): Exceeds PO requirements; highly effective corrective actions. Scale: 4.00-3.76 total score.

Score-Color Legend
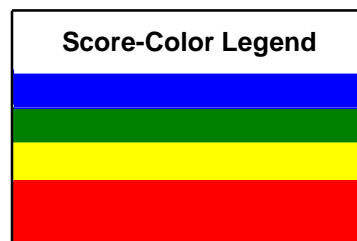
SAMS Supplier Scorecard (sample)

Northrop Grumman Private / Proprietary Level I

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Northrop Grumman Supplier Assessment Management System

SUPPLIER XYX	
ADDRESS LINE 1	
ADDRESS LINE 2	

DUNS: DUNS # (or NA)	CAGE: CAGE # or (NA)	
SAP Code: Supplier # from SAP	Certification: Any Known Cert #	
District: Congresional District of Work	Business Category: (ex Small, Large)	
Program:	Program Name	
Effective Date:	(Qtr) - (Year) (time period being evaluated)	
Average Score:	Automatically calculated in SAMS based on Average of all rated Sub - elements	

This assessment will be exported to OASIS upon approval.

Evaluator

Subcontract Information:

Reporting Sector & Division	NG Sector/Division/Business	Subcontract Number	NGAS Purchasing #
Division POC	Division Subcontract Director	Period of Performance	POP Start Date 1/1/2010 POP End Date 12/31/2013
Subcontract Exercised Value	$xx.xxxM (format)	Subcontract Type	Choose an item
Fee Provision	Choose an item	Work type	Choose an item

Purchase Order Information:

PO Number	Description	Value	POP
NGAS Purchasing #	Description of items	Value of item	Period of Performace

Assessment Subcontract Information:

Estimated Quarterly Expenditure	$xx.xxxM (format)	Open Balance	$xx.xxxM (format)
Funded Value	$xx.xxxM (format)	EVMS	Required/Not Required
CPI Value	0 - 1.00	SPI Value	0 - 1.00
Deliverables Received	# of Deliverables	Deliverables Due for This Period	# of Deliverables
Quality Deliverables Received	# of Deliverables	On-Time Deliverables Received	# of Deliverables
Acceptance Rate	0 - 100%	Delivery Rate	0 - 100%

Description of Products/Services	Description of Products/Services

Supplier's Management Reporting Chain:

RBS	Name	Title	Phone	E-mail
Program Manager	Supplier Program Manager Name	Title	Phone #	E-mail
Line of Business	Supplier LOB Manager Name	Title	Phone #	E-mail
Division Equivalent	Supplier Division Manager Name	Title	Phone #	E-mail
Sector Equivalent	Supplier Sector Manager Name	Title	Phone #	E-mail

Scorecard:

Color Grade	Category	Comments / Actions
	Management	
B	Management Responsiveness	Measured on the timeliness/completeness of problem identification and corrective action plans. supplier's history of resonable and cooperative behavior, and effective business relations
G	Program Management	Measured on the extent to which the suppler discharges it's responsibilitiy for integration and coordination of all activity needed to execute the subcontract purchase order, identifies and applies resources requred to meet schedule requirements; assigns reponsibility for tasks/actions required by the subcontract/purchase order, communicates appropriate information to affected program elements in a timely manner. integration and coordination of activites should reflect those required by the Integrated Master Plan Schedule

SAMS Evaluation Criteria sub-category rating descriptions are provided below (excluding SAMS Quick):

The SAMS Evaluation Criteria Guidance is provided as a supplement and offers detailed descriptions of the 22 sub-elements found in SAMS. This supplement also defines criteria and provides verbiage in support of a fair and reasonable subcontractor assessment which is averaged to an overall rating. Additionally, the guidelines are a basis to establish a color rating (i.e. blue, green, yellow or red) and each color rating has recommended guidance. These guidelines are representative but not all inclusive and may be tailored to specific Program guidance (as applicable).

Note: Assessments are completed by individual Purchase Order (PO) number. Therefore, one vendor site may have multiple assessments by PO and/or by NGAS Program. In this case, multiple assessments will be included in one PDF. Scorecards will be available each quarter in OASIS.

MANAGEMENT

Sub-Categories	B	G	Y	R
Management Responsiveness	• Management is consistently proactive, cooperative, and responsive • Exceeds expectations	• Management is generally cooperative and responsive • Meets expectations	• Management is often unreasonable and/or reactive • Does not meet expectations	• Management is uncooperative and unresponsive • Far below expectations
Program Management	• Program management consistently demonstrates strong leadership • Allocates appropriate resources, tools, and infrastructure in a robust and proactive manner that fully supports program requirements • Communications are consistently timely, appropriate, and relevant resulting in "no surprises" • Consistently demonstrates good decision making	• Program management demonstrates sound leadership • Allocates appropriate resources, tools, and infrastructure in a manner that adequately supports program requirements • Communications are usually timely, appropriate, and relevant • Demonstrates good decision making	• Program management shows signs of poor leadership • Periodic gaps in resources, tools, and infrastructure, with minimal impact to the program • Communications are often not timely or inappropriate resulting in occasional "surprises" both within the seller team and NG • Demonstrates poor decision making, continued demonstrated behaviors may lead to larger performance issues	• Program management consistently demonstrates inadequate leadership • Inadequately allocates resources, tools, and infrastructure, with adverse impact to the program • Communications are broken and adversarial resulting in regular "surprises" both within the seller team and NG • Consistently demonstrates poor decision making, behaviors have an immediate detrimental effect to the performance of the subcontract
Risk and Opportunity (R/O) Management	• Proactive ID & track R/O • Mitigation actions captured and tracked; timely, succinct, and relevant communication • R/O process and procedure are robust and well integrated into program practice resulting in the clear ability to demonstrate R/O actions' cause and effect, visibility into sub-tier supplier risks • R/O Process consistently burns down risks before they become issues	• Regular R/O meetings • Mitigation actions assigned and tracked Periodic communication and R/O responses • R/O process and procedure are practiced resulting in the demonstration of R/O actions' cause and effect • R/O Process burns down risks before they become issues	• Ad hoc R/O engagement • Risk mitigation/opportunity harvesting actions are not pre-planned, maintained, communicated, or acted upon resulting in the Seller being reactive, with minimal impacts to the program • R/O process and procedure are not consistently practiced resulting in limited value to the program • R/O process fails to prevent a few risks from becoming issues	• R/O management is not practiced or is non-existent • Risk mitigation/opportunity harvesting actions are non-existent resulting in the Seller team and NG being surprised by foreseeable events occurring that adversely impact the program • R/O process and procedure are non-existent resulting in no added value to the program • R/O Process fails to prevent the majority of risks from becoming issues
Staffing	• Qualified personnel are available to provide surge and gap capacity • Exceptional expertise and leadership skill mix at the appropriate level which contains "bench strength"	• Qualified personnel are staffed to the appropriate level to meet program requirements • Appropriate expertise and skill mix required to meet program requirements	• Qualified personnel are not staffed to the appropriate level to meet program requirements, key personnel turnover • Future critical skill gap identified with an expected impact to the program, recovery plan in place	• Qualified personnel are not staffed to the appropriate level to meet program requirements, key personnel turnover • Multiple critical skill gaps exist with an adverse impact to the program, no recovery plan in place

TECHNICAL

Sub-Categories	B	G	Y	R
Product Performance	• Measured/estimated performance within budget <u>with margin</u> • Some Technical Requirements [e.g., Key System Attributes (KSAs) and Key Performance Parameters (KPPs)] exceed design requirements with NG benefits	• Measured/estimated performance meets budget • All Technical Requirements meet design requirements	• Some measured/est performance parameters exceeds budget • 1 or more Technical Requirements does not meet design requirements, workaround/ recovery in place	• Measured/estimated performance shortfalls are significant • 1 or more Technical Requirements does not meet design requirements
Systems Engineering	• Optimized design, analysis, and documentation resulting in an exceptional product • Acceptance criteria well defined, proactively controlled & approved • CCB/MRB/FRB processes and Configuration management in place and highly effective and tightly controlled • Verification &Validation (V&V) methodology are comprehensive	• Accurate design, analysis, and documentation resulting in a good product • Acceptance criteria defined, controlled and approved • CCB/MRB/FRB processes and Configuration management in place and effective • V&V methodology are adequate and in place	• Incomplete design, analysis, and documentation resulting in an adequate product • Some acceptance criteria gaps and/or lapses in control • CCB/MRB/FRB processes and Configuration management in place but ineffective • V&V methodology are not yet matured	• Incomplete design, analysis, and documentation resulting in a poor product • Significant acceptance criteria shortfall or lapses in control • CCB/MRB/FRB processes and Configuration management not in place • V&V methodology are flawed or non-existent
Software Engineering	• Consistently, timely & accurate requirements, design, coding, verification, documentation and maintenance • Complete Software design and documentation satisfies all requirements and exceeds some requirements with margin.	• Timely & accurate requirements, design, coding, verification, documentation and maintenance • Complete Software design and documentation satisfies all requirements.	• Late and/or incomplete requirements, design, coding, verification, documentation and maintenance, recovery plan in place & tracking to plan • Incomplete software design, and documentation resulting in an adequate product	• Late and/or incomplete requirements, design, coding, verification, documentation and maintenance resulting in adverse program impacts • Incomplete software design and documentation resulting in a poor product
Logistics and Sustainment	• Detailed plan to support all elements of fielded equipment delivered ahead of schedule • Proactive DMS Process	• Detailed plan to support all elements of fielded equipment on schedule • DMS Process	• Logistics/sustainment plan incomplete and/or late. Recovery plan in place • Not following DMS Process	• Logistics/sustainment plan not developed, inability to close overall NG Logistics plan • No DMS Process
Part Material and Process	• Prohibited Materials , Non Standard Parts Approval Request (NSPAR)/Non Standard Material Approval Request (NSMAR) plans submitted <u>early</u> and approved	• Prohibited Materials NSPAR/NSMAR plans approved, no issues identified	• Prohibited Materials, NSPAR/NSMAR plans are late and/or recoverable • Escapes discovered, but contained	• Prohibited Materials, NSPAR/NSMAR plan issues impacting program • Escapes discovered, no plan in place to recover
Service Level Performance	• Exceeded the service levels specified through contractual agreements for the reporting period	• Met service levels specified through contractual agreements for the reporting period	• Did not meet one or more service levels specified through contractual agreements. • Risk is manageable at the program level and/or • Customer satisfaction is not adversely impacted by the failure to meet the specified service level	• Did not meet one or more service levels specified through contractual agreements. • Risk is not manageable at the program level and/0r • Customer satisfaction is adversely impacted by the failure to meet the specified service level

SCHEDULE

Sub-Categories	B	G	Y	R
Schedule	• Ahead of schedule in meeting critical commitment milestones IMS has clearly measurable events and criteria for successful completion >100% planned/ finished on time Sufficient slack time, not on critical path	• Tracking to schedule in meeting critical commitment milestones IMS has measurable key events and criteria for successful completion 100 - 98 % planned/ finished on time; slipped milestones do not impact NG program critical path or subcontract delivery date/s – Meets expectations	• Behind schedule in meeting critical commitment milestones; recovery plan in place and supplier is tracking to plan; IMS does not include key program events /essential milestones 95-97% planned/ finishes on time; missed milestones negatively impact NG critical path or require work-arounds – Below expectations	• Behind schedule in meeting critical commitment milestones. Recovery inadequate to mitigate impacts IMS have not been developed <95 % planned/ finished on time Result in NG impacts if not mitigated; Far below expectations
SPI	• CUM SPI >1.05	• CUM SPI > 0.98 – 1.05	• CUM SPI >0.95 – 0.97	• CUM SPI <0.95

COST

Sub-Categories	B	G	Y	R
Cost	• Weekly EVMS reporting Quarterly EAC s shows TCPI vs. EAC <1% >10% Mgt reserve (proportional to remaining POP & R/O) No Claims or REAs Submitted Strong evidence sub is managing and controlling costs and expenditures Consistent - Timely, Accurate & Complete Invoicing.	• Monthly EVMS reporting. Quarterly EAC shows TCPI vs. EAC <5% >5-10% Mgt Reserve (proportional to remaining POP & R/O) No Claims or REAs Submitted without merit Good evidence sub is managing and controlling costs and expenditures Timely, Accurate & Complete Invoicing	• Ineffective cost forecasting Quarterly EAC shows TCPI vs. EAC 5- 15% <5% Mgt Reserve (Reserve does not cover identified R/O) Claim or REA Submittal where entitlement has not been established Minimal evidence sub is managing and controlling costs and expenditures Late or Inaccurate Invoicing	• Significant cost forecasting deficiencies causing NG re-plan and other collateral impacts Quarterly EAC shows TCPI vs. EAC >15% 0% mgt reserve (Projected cost grown/overrun in ability to perform or meet requirements Unfounded & aggressive Claim and REA Submittal History No evidence sub is managing and controlling costs and expenditures Significant Late or Inaccurate Invoicing
CPI	• CUM CPI >1.05	• CUM CPI > 0.98 – 1.05	• CUM CPI = 0.95 – 0.98	• CUM CPI <0.95
Financial Health	• = 85 PAYDEX 80 – 100 CC 80 – 100 FS Equifax = 1 CRMZ = 9 or 10 or as rated by Business Management	• 65 – 84 PAYDEX 60 – 79 CC 60 – 79 FS Equifax = 2 CRMZ 7 or 8 or as rated by Business Management	• 50 – 64 PAYDEX 40 – 59 CC 40 – 59 FS Equifax = 3 or 4 CRMZ = 3 to 6 or as rated by Business Management	• < 50 PAYDEX < 40 CC < 40 FS Equifax = 5 CRMZ = 1 or 2 or as rated by Business Management

PROPOSAL

Sub-Categories	B	G	Y	R
Team Commitment	• Management commitment demonstrated at all levels; proactively obtains outside support/expertise to the team; substantial investment in proposal (RWA, travel, on-site support, capital, etc.); key personnel with the appropriate skill mix and quantities are dedicated to the proposal – Exceeds expectations	• Management commitment is present, outside support/expertise brought to the team, only as required; adequate investment in proposal (travel, on-site support, etc.); key personnel with the appropriate skill mix and quantities are dedicated to the proposal – Meets expectations	• Management commitment is sufficiently low to jeopardize the NG Pwin; Outside support/expertise not brought to the team when needed; inadequate investment in proposal; Personnel availability, with mismatched skills causing proposal submittal delays – Below expectations	• Management commitment is not present; outside support/expertise not available to the team when requested; inadequate Investments causing impact to NG; key personnel unavailability, or personnel with the wrong skill mix are causing additional NG expenditures and negatively impacting NG Pwin – Far below expectations
Proposal Strategy	• Actively engaged in NG Marketing Communications (MARCOM) team supporting win strategy & action plan Active participation in jobs calculation, comm plan, etc.; offers creative/innovative solutions and proactively works with NG to collaboratively develop a strategy that maximizes NG Pwin –	• Provides regular inputs to NG's MARCOM team to support win strategy Participant in Jobs data, communications, etc; willing to work with NG to develop creative/innovative solutions and collaboratively develop a strategy that maximizes NG Pwin – Meets expectations	• respond to NG's MARCOM general requests for information in a timely manner; does not provide support Bi-partisan geopolitical program support to all teams	• Non-responsive to NG's MARCOM requests for information and actions Not engaged in geopolitical program support –
Proposal Adequacy & Negotiation	• Proposal is complete, on time, and RFP compliant Price is well within affordability target and BOEs are accurate, clear, concise, and readily ports into the NG proposal; Constructive, communicates and early definitization; Acceptance of flowdown T&Cs, IP restrictions , other terms – Exceeds expectations	• Proposal is complete, on time, and RFP compliant Price meets affordability target and BOEs are adequate, clear, and concise; engaged in regular dialogue and definitization on track Acceptance of flowdown T&Cs, IP restrictions , other terms with minor changes; Meets expectations	• Proposal is late or has gaps in SOW/RFP compliance; price exceeds target and BOEs are incomplete/ unclear; engaged in irregular and protracted definitization; resistance to flowdown T&Cs, IP restrictions, other terms – Below expectations	• Proposal is late and is non-compliant to the SOW/RFP Price far exceeds target and BOEs are missing/inaccurate Adversarial communication and late definitization Refusal to flowdown T&Cs, IP restrictions , other terms – Far below expectations

MISSION ASSURANCE/QUALITY

Sub-Categories	B	G	Y	R
Quality	• Consistently accurate and complete submittal of all deliverables (to include hardware, software, documents, specs, reports, drawings, etc...) • Hardware and/or software consistently meets quality requirements and have no non-conformances • No outstanding corrective action requests • One or more quality service level agreements (SLA) exceeded target(s). No quality SLAs were rated as yellow or red.	• Accurate and complete submittal of deliverables (to include hardware, software, documents, specs, reports, drawings, etc...). Minor discrepancies incur infrequently and have no impact to NG • Hardware and/or software meets quality requirements . Minor non-conformances incur infrequently and have no impact to NG • Corrective Action Request are minor in nature and are not delinquent • All quality SLAs targets were met. No quality SLAs were rated at yellow or red.	• Sometimes inaccurate or incomplete submittal of deliverables (to include hardware, software, documents, specs, reports, drawings, etc...) • Hardware and/or software have minor non-conformances with minimal impact to the program • Some delinquent or ineffective corrective action requests • One or more quality SLAs were rated yellow. No quality SLAs were rated as red.	• Consistently inaccurate and incomplete submittal of deliverables (to include hardware, software, documents, specs, reports, drawings, etc...) that requires e-submittal, review, and/or rework • Hardware and/or software have significant non-conformances in deliverables with adverse impact to the Program • Consistently late or ineffective corrective actions or issuance of a NGAS Level 3 Corrective Action Request (CAR) • One or more quality SLAs were rated red
Process Effectiveness	• QMS is effective in managing supplier's processes and products meeting OR exceeding intended Program requirements • Existing Quality processes /controls detect and prevent potential quality issues early, proactively precludes escapes from occurring	• QMS is effective in managing supplier's processes and products meeting intended Program requirements • Existing Quality processes /controls detect and ensures any discovered quality gaps are mitigated prior to occurrence	• QMS is inconsistent in managing supplier's processes and products meeting intended Program requirements • Existing Quality processes/ controls are inadequate, existing quality gaps exist and a remediation action plan is underway	• QMS is ineffective in managing supplier's processes and products meeting intended Program requirements • Existing Quality processes/ controls fail to prevent and detect quality issues, quality escapes have been realized , no remediation plan exists

SUPPLY CHAIN MANAGEMENT

Sub-Categories	B	G	Y	R
Supply Chain Management	• Robust sub-tier source selection and qualification. Many qualified sources where practical; NG provided full visibility to lower tiers. No supplier quality/performance surprises. Fully engaged Supply Chain organization construct with resources/processes in place and the capacity to address sustained or multiple surge requirements; Supplier Mgt tools in place and information flowed up to NG Proactive sub-tier R/O management with risk mitigation/opportunity capture tied to IMS No sub-tier issues – Exceeds expectations	• Adequate sub-tier source selection and qualification process. Multiple sources exist where practical; NG provided adequate visibility to lower tier performance and supplier quality insights; Supply Chain organization engaged with suppliers with adequate resources & processes in place with normal surge capacity; Supplier Mgt tools in place and information flowed to supplier; Established sub-tier R/O Management with adequate risk mitigation/opportunity capture; No significant issues with sub-	• Inadequate supply base identified resulting in higher than necessary cost (when supplier is on CR-type subK) and/or higher risk to surety of supply. NG provided limited visibility to lower tiers performance with supplier quality gaps; Fragmented Supply Chain organization with limited resources & processes. Ineffective usage of Supplier mgt tools, weak data flow; inadequate sub-tier R/O management. Reactive and does not actively identify R/Os; Significant issues with sub-tiers that are being addressed to ensure no impacts to milestones/	• Alternate sources not readily available, impacts to cost, schedule, and quality. NG not provided visibility to lower tiers , with repeated supplier quality surprises Dysfunctional Supply Chain organization with inadequate resources & processes Supplier mgt tools not used to measure supplier activities Sub-tier R/O not identified or tracked, multiple unexpected events and missed opportunities Sub-tier issues impacting deliveries, adequate recovery not in place – Far below expectations

CUSTOMER SATISFACTION

Sub-Categories	B	G	Y	R
Customer Satisfaction	• Extremely satisfied with subcontractor performance. Better than expected results. Exceptional CPAR/Prime Evaluation– "Blue/Purple" NG program judgment or Award fee > 95%; NG Customer, Contracting Agency (e.g. Government /Customer Program Office, DCMA, and/or DCAA) and End User are extremely satisfied with subcontractor overall performance. Product performs better than expected in the field; Affordability targets exceeded and /or additional cost initiatives successful – Exceeds expectations	• Satisfied with subcontractor overall performance. Results are as planned. All Good CPAR/Prime Evaluation – "Green" NG program judgment or Award fee > 85%; NG Customer, Contracting Agency (e.g. Government /Customer Program Office, DCMA, and/or DCAA) and End User are satisfied with subcontractor overall performance. Fielded product performs as expected; affordability targets are on track and cost initiatives in place – Meets expectations	• Dissatisfied with subcontractor performance. Potential problems are being resolved. Any unsatisfactory CPAR/Prime Evaluation – "Yellow" NG program judgment or Award fee > 70%; NG Customer, Contracting Agency (e.g. Government /Customer Program Office, DCMA, and/or DCAA) and End User are less than satisfied with subcontractor overall performance. Fielded product does not perform as expected. Affordability targets are not being met, learning curve and cost cutting initiatives underway. Below expectations	• Subcontractor performance impacts end item deliverable and requires workarounds, waivers and/or deviations; Any unsatisfactory CPAR/Prime Evaluation – "Red" NG program judgment or Award fee <70%; NG Customer, Contracting Agency (e.g. Government /Customer Program Office, DCMA, and/or DCAA) and End User are dissatisfied with subcontractor overall performance, affecting customer perception of NG. Fielded product problems affects NG end item. Affordability targets are not being met, unable/unwilling to address cost objectives.