

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

WTD Printing Products RFSO

Annex A Statement of Work

Appendix E: Vendor Performance Incentive (VPI) Initiative - Framework and Processes

This appendix provides the Vendor Performance Incentive (VPI) Initiative Framework consisting of: the VPI Rating Tiers and Scoring; the presentation of the Key Performance Indicators (KPI) with sample ratings and scoring against the Common Requirements and the DISO Managed Print Services Requirements across the four KPI indices of Quality, Schedule, Cost and Management; a summary KPI Rating and Scoring table; and, the implementation and administration of the VPI initiative.

The VPI – KPI's are split into either of the NMSO Quarterly Price Refresh incentive and the DISO MPS incentive. Common Requirements and DISO based KPI scoring is applied to the NMSO Quarterly Price Refresh incentive and DISO MPS based KPI scoring is applied to the DISO evaluations.

KPI assessment ratings and scoring is outlined in the following table:

| KPI Rating Tiers and Scoring | | |
|--|---------------------------------|-------|
| KPI Rating Tiers and Equivalent Scores | Rating | Score |
| | Exceptional | 100 |
| | Surpassed | 85 |
| | Achieved | 70 |
| | Moderate Improvement Needed | 50 |
| | Considerable Improvement Needed | 25 |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

Common Requirements Quality Index KPI's:

Common Requirements Service Restoration KPI:

| Standard Quality Index KPI | Program Key Performance Indicator Application | | | | |
|---|---|-------------------|--------|--------|---------------------|
| Service Restoration (Standard) KPI | Common Requirements: NMSO - DISO Devices - DISO MPS (Standard Service Hours) Service Restoration (Standard) KPI measures by zone the time to restore services to a normal state for the standard service hours against the contracted time for restoring services to a normal state for all delivery points within the zone, calculated as follows: (total number of reported events (incidents) where service is restored within the contracted time for restoration to a normal state) / (total number of service events (incidents) requiring restoration to a normal state) x 100 | | | | |
| | Time to Restore to a Normal State Variables | | | | |
| | Service Areas / Level of Service | Zone A | Zone B | Zone C | Zone D |
| | Standard Service Hrs. | 8 | 12 | 24 | 10 FGWD's of Better |
| | SLT Attainment Level | 95% | | | |
| | KPI Ratings (Score) | KPI Rating Ranges | | | |
| | Exceptional (100) | 98.34-100% | | | |
| | Surpassed (85) | 96.68-98.33% | | | |
| | Achieved (70) | 95.0-96.67% | | | |
| | Moderate Improvement Needed (50) | 90.00-94.9% | | | |
| Significant Improvement Needed (25) | <90.00 % | | | | |

Common Requirements Service Restoration KPI Calculation:

| Standard Quality Index KPI | Time to Restore to a Normal State Calculation Example | |
|---|---|---------------|
| Service Restoration (Standard) KPI | Number of Restoration Events | 113 |
| | Number of Events Restored within SLT timeline | 109 |
| | Contractor's SLT Attainment Level | 96.5% |
| | Service Restoration (Standard) KPI Rating (Score) | Achieved (70) |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

Commons Requirements Service Desk Response Time KPI:

| Standard Quality Index KPI | Program Key Performance Indicator Application | | | | |
|-------------------------------------|--|-------------------|--------|--------|--------|
| Service Desk Response Time KPI | <p>Common Requirements: NMSO - DISO Devices - DISO MPS</p> <p>The Service Desk Response Time KPI measures the percentage of Service Desk calls that are responded to and not held on hold longer than the contracted service level target (SLT) response time, calculated as follows:</p> <p style="padding-left: 40px;">((number of calls answered within 30 seconds and not exceeding 90 cumulative seconds of hold time) / (total number of calls answered + total number of calls abandoned once the call is answered)) x 100</p> <p>Service Desk calls must activate the Automatic Call Distribution (ACD) system within 30 seconds, the Service Desk cumulative Hold Time timeline commences once the ACD places the caller into queue for a live agent and accumulates for the time Service Desk agent, places the caller on hold.</p> | | | | |
| | Service Desk Performance Variables | | | | |
| | Service Areas / Level of Service | Zone A | Zone B | Zone C | Zone D |
| | SLT Response Time | 60 Seconds | | | |
| | SLT Attainment Level | 95% | | | |
| | KPI Ratings (Score) | KPI Rating Ranges | | | |
| | Exceptional (100) | 98.34-100% | | | |
| | Surpassed (85) | 96.68-98.33% | | | |
| | Achieved (70) | 95.0-96.67% | | | |
| | Moderate Improvement Needed (50) | 90.00-94.9% | | | |
| Significant Improvement Needed (25) | <90.00 | | | | |

Common Requirements Service Desk Response Time KPI Calculation:

| Standard Quality Index KPI | Service Desk Response Time Calculation Example | |
|----------------------------|--|----------------|
| Service Desk KPI | Number of Calls Answered within SLT Timeline | 292 |
| | Total Number of Calls Answered or Abandoned after 60 Seconds | 300 |
| | Response Time Rate | 97.33% |
| | Service Desk Response Time KPI Rating | Surpassed (85) |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

Common Requirements Schedule Index KPI's:

| Standard Schedule Index KPI | Program Key Performance Indicator Application | | | | |
|------------------------------|--|--|--------|--------|--------|
| Timely Completion KPI | <p>Common Requirements: NMSO - DISO Devices - DISO MPS</p> <p>Timely Completion KPI is a measure of the percentage of contracted tasks, deliverables and milestones that have been completed within the contracted timelines, calculated as follows: (number of contracted tasks, deliverables and milestones* completed within the contracted timelines and evaluation period) / (total number of contracted tasks, deliverables and milestones to be completed within the contracted timelines and evaluation period) x 100.</p> <p>*NMSO - DISO Devices Deliveries, IMACR</p> | | | | |
| | Timely Completion Variables | | | | |
| | Service Areas / Level of Service | Zone A | Zone B | Zone C | Zone D |
| | Service | NMSO – DISO: Device Delivery and IMACR | | | |
| | SLT Attainment Level | 95% | | | |
| | KPI Ratings (Score) | KPI Rating Ranges | | | |
| | Exceptional (100) | 98.34-100% | | | |
| | Surpassed (85) | 96.68-98.33% | | | |
| | Achieved (70) | 95.0-96.67% | | | |
| | Moderate Improvement Needed (50) | 90.00-94.9% | | | |
| | Significant Improvement Needed (25) | <90.00% | | | |
| | Time Completion Example Calculation | | | | |
| | Total # of Contracted Tasks | 113 | | | |
| | Total of Contracted Task Completed on Time | 109 | | | |
| | SLT Attainment | 96.5% | | | |
| | Timely Completion KPI Rating (Score) | Achieved (70) | | | |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

Common Requirements Cost Index KPI's:

| Standard Cost Index KPI | Program Key Performance Indicator Application | | | | |
|-------------------------|--|-------------------|--------|--------|--------|
| Invoice Accuracy KPI | <p>Common Requirements: NMSO - DISO Devices - DISO MPS</p> <p>Invoice Accuracy KPI measures the percentage of invoices that are submitted in a compliant manner (e.g. on-time, accurate) as compared to the total number of contractually required invoices, calculated as follows:</p> <p>((number of invoices submitted on time and without errors) / (total number of contractually required invoices)) x 100</p> <p>Contractor is required to track and report actual invoice submissions, submission dates, number of contractually required submissions, and the number of resubmissions due to errors in the invoice. Resubmissions requested for reasons other than to correct errors (e.g. lost original) are not counted in the total number of resubmissions.</p> | | | | |
| | Invoice Accuracy Variables | | | | |
| | Service Areas / Level of Service | Zone A | Zone B | Zone C | Zone D |
| | SLT Attainment Level | 98% | | | |
| | KPI Ratings (Score) | KPI Rating Ranges | | | |
| | Exceptional (100) | 99.34-100% | | | |
| | Surpassed (85) | 98.68-99.33% | | | |
| | Achieved (70) | 98.00-98.67% | | | |
| | Moderate Improvement Needed (50) | 96.00-97.99% | | | |
| | Significant Improvement Needed (25) | <96.00% | | | |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

Common Requirements Invoice Accuracy KPI Calculation:

| Standard Cost Index KPI | Invoice Accuracy Calculation Example | |
|-------------------------|---|----------------|
| Invoice Accuracy KPI | Total Number of Contractually Compliant Contractor Submitted Invoices (On-time and Accurate) | 237 |
| | Resubmissions of Invoices as a Result of Inaccuracies by the Contractor* | 5 |
| | Resubmissions of Compliant Invoices at Canada's request** | 1 |
| | Total Number of Contractually Compliant Invoices | 240 |
| | Invoice Accuracy Rating | 98.75% |
| | Invoice Accuracy KPI Rating (Score) | Surpassed (85) |
| | * Inaccuracies can consist of but are not limited to the following missing or incorrect information: Contract number, dates, periods, work breakdown, volumes, rates, calculations, addressing, etc. ** The Contractor was requested by Canada to resubmit a compliant invoice | |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

Common Requirements Management Index KPI's:

| Standard Management Index KPI | Program Key Performance Indicators Application |
|---|---|
| Management KPI | <p>Common Requirements: NMSO - DISO Devices - DISO MPS</p> <p>The Management KPI is a qualitative assessment of the vendors:</p> <ol style="list-style-type: none"> 1. Business Relationship management as a measure of contract administration, and the development and maintenance of a professional, accountable and mutually beneficial relationship in a highly communicative and collaborative manner; and, 2. Event management capabilities in the handling of exceptions from two perspectives: <ul style="list-style-type: none"> ○ For events that add inherent and effective value, the proactive nature by which the vendor institutes best practices, innovation and continuous improvement; ○ For risk and issues based events the nature by which the vendor anticipates, identifies, monitors, manages, mitigates and resolves events that arise during the course of the contract. <p>Canada will assess the material* impact of a Vendor's management of events from a Business Relationship, Risk and Issue Management perspective. Qualitative measure for the Management KPI is completed on the basis of exceptions, meaning exceptional events or issues that have a material* impact (either positive or negative) that are within the contractor's responsibility or control.</p> |
| <p>* Materiality is interpreted and assessed by Canada. Material instances are assessed for the effective gain or loss in value to Canada in areas such as but not limited to the following: monetary value, time, level of service, quality, security and reputation. Canada will determine the gradients (i.e. considerable, moderate or immaterial) for material impact on a case by case basis. The determination of the impact will take into consideration both qualitative and quantitative measures, and when applicable an appropriate weighting may also be applied to reflect the level of impact.</p> | |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

Common Requirements Management Index KPI Qualitative Measures:

Management Index KPI - Exceptional Rating:

| Standard Management Index KPI | Management Index Qualitative Rating Measures | |
|--|--|--|
| Management Index Qualitative Rating Measures | Exceptional | <p>Performance exceeds contractual requirements / expectations and provides considerable material* added value to Canada. A rating of Exceptional is characterized by:</p> <ol style="list-style-type: none"> 1. The contractor acts in good faith, with collaboration and flexibility in resolving issues, and is reasonable in negotiations of Change Requests, Contract Amendments and dispute resolutions. The contractor is proactive and consistent in its communications by providing clear and comprehensive information, and responds in a timely manner to requests from the Government of Canada. Established communications channels and protocols are used appropriately and effectively. The contractor consistently follows through on agreed upon action items, decisions and commitments, with minimal contract management intervention required. The contractor consistently and effectively aligns and adheres to Government of Canada governance processes. 2. End-user satisfaction surveys consistently indicate expectations being exceeded. 3. Comprehensive event management that is proactive and effective in avoiding or minimizing risk and issues. Continuous monitoring and assessing of events throughout the evaluation period. Contracting and Project Authorities are informed of risks and issues and provided with mitigation recommendations in a timely manner. <p>No negative material* events within the contractor’s responsibility or control that could have reasonably been anticipated and avoided, or any events that were identified were resolved through highly effective corrective actions and mitigations by the contractor resulting in no negative material impact to Canada.</p> <p>Performance exceeding contractual requirements and providing considerable material* added value to Canada by means of:</p> <ul style="list-style-type: none"> • Effective response, corrective action and mitigations to events outside the contractor’s responsibility and control; and/or • Proactively providing added value by means of best practices, innovation and continuous improvement. |

Management Index KPI - Surpassed Rating:

| Standard Management Index KPI | Management Index Qualitative Rating Measures | |
|--|--|--|
| Management Index Qualitative Rating Measures | Surpassed | <p>Performance exceeds contractual requirements / expectations and provides moderate material* added value to Canada. A rating of Surpassed is characterized by:</p> <ol style="list-style-type: none"> 1. The contractor acts in good faith, with collaboration and flexibility in resolving issues, and is reasonable in negotiations of Change Requests, Contract Amendments and dispute resolutions. The contractor is proactive and consistent in its communications clear and comprehensive information, and responds in a timely manner to requests from the Government of Canada. Established communications channels and protocols are used appropriately and effectively. The contractor consistently follows through on agreed upon action items, decisions and commitments, with minimal contract management intervention required. The contractor consistently and effectively aligns and adheres to Government of Canada governance processes. 2. End-user satisfaction surveys consistently indicate expectations being exceeded. 3. Comprehensive event management that is proactive and effective in avoiding or minimizing risks and issues. Continuous monitoring and assessing of events throughout the evaluation period. Contracting and Project Authorities are informed of risks and issues and provided with mitigation recommendations in a timely manner. <p>No negative material* events within the contractor’s responsibility or control that could have reasonably been anticipated and avoided, or any events that were identified were resolved through highly effective corrective actions and mitigations by the contractor resulting in no negative material impact to Canada.</p> <p>Performance exceeding contractual requirements and providing moderate material* added value to Canada by means of:</p> <ul style="list-style-type: none"> • Effective response, corrective action and mitigations to events outside the contractor’s responsibility and control; and/or • Proactively providing added value by means of best practices, innovation and continuous improvement. |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

Management Index KPI - Achieved and Moderate Improvement Needed Rating:

| Standard Management Index KPI | Management Index Qualitative Rating Measures (Cont'd) | |
|--|---|---|
| Management Index Qualitative Rating Measures | Achieved | <p>Performance meets contractual requirements / expectations. A rating of Achieved is characterized by:</p> <ol style="list-style-type: none"> 1. The contractor acts in good faith, with collaboration and flexibility in resolving issues, and is reasonable in negotiations of Change Requests, Contract Amendments and dispute resolutions. The contractor is proactive and consistent in its communications clear and comprehensive information, and responds in a timely manner to requests from the Government of Canada. Established communications channels and protocols are used appropriately and effectively. The contractor consistently follows through on agreed upon action items, decisions and commitments, with minimal contract management intervention required. The contractor consistently and effectively aligns and adheres to Government of Canada governance processes. 2. End user satisfaction surveys consistently indicate expectations being met. 3. Comprehensive event management that is proactive and effective in avoiding or minimizing risks and issues. Continuous monitoring and assessing of events throughout the evaluation period. Contracting and Project Authorities are informed of risks and issues and provided with mitigation recommendations in a timely manner. <p>No negative material* events within the contractor's responsibility or control that could have reasonably been anticipated and avoided, or any events that were identified were resolved through acceptable corrective actions and mitigations by the contractor. The impact is considered to be immaterial to the overall value provided to Canada.</p> |
| | Moderate Improvement Needed | <p>Performance meets most contractual requirements / expectations and resulted in moderate material* added cost to Canada. A Moderate Improvement Needed rating is characterized by:</p> <ol style="list-style-type: none"> 1. The contractor is occasionally ineffective in resolving issues. Negotiations of Change Requests, Contract Amendments and dispute resolutions are occasionally challenging but eventually resolved. Responses to information requests are occasionally unclear, insufficient or not provided in a timely manner. Established communications channels and protocols are occasionally not properly followed. The vendor is inconsistent in following through on agreed upon action items, decisions and commitments. Government of Canada governance processes are not sufficiently accounted for in vendor planning and project management. 2. End-user satisfaction surveys indicate moderate level of expectations not being met. 3. Inadequate event management that does not sufficiently address all risks and issues effectively. Significant events within the contractor's responsibility and control arose that might have reasonably been anticipated and avoided, and required substantial mitigation to minimize negative impacts. Corrective actions taken by the contractor were effective and within a reasonable period of time, resulting in only moderate material* impact to Canada (including both out-of-pocket expenses and internal costs). The terms of the contract were not fully met, however risks and issues were remediated within a reasonable time or are expected to be remediable within a reasonable period of time. |

Management Index KPI – Considerable Improvement Needed Rating:

| Standard Management Index KPI | Management Index Qualitative Rating Measures (Cont'd) | |
|---|---|---|
| <p>Management Index Qualitative Rating Measures</p> | <p>Considerable Improvement Needed</p> | <p>Performance is considerably below contractual requirements / expectations and resulted in considerable material* added cost to Canada. A Considerable Improvement Needed rating is characterized by:</p> <ol style="list-style-type: none"> 1. The contractor is consistently ineffective in resolving issues. Negotiations of Change Requests, Contract Amendments and dispute resolutions are occasionally challenging but eventually resolved. Responses to information requests are occasionally unclear, insufficient or not provided in a timely manner. Established communication channels and protocols are occasionally not properly followed. The vendor is inconsistent in following through on agreed upon action items, decisions and commitments. Government of Canada governance processes are not sufficiently accounted for by the vendor in planning and project management. 2. End-user satisfaction surveys indicate a considerable level of expectations not being met. 3. Inadequate event management that does not sufficiently address all risks and issues effectively. Significant events within the contractor’s responsibility and control arose that might have reasonably been anticipated and avoided. The contractor’s corrective actions were ineffective, not undertaken taken, or not completed within a reasonable period of time, resulting in considerable material* impact to Canada (including both out-of-pocket expenses and internal costs). |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

DISO MPS Requirements Quality Index KPI's:

DISO MPS Fleet Availability KPI:

| Standard Quality Index KPI | Program Key Performance Indicator Application | | | | |
|----------------------------------|---|--|--------------|--------------|--------------|
| DISO MPS Fleet Availability KPIs | <p>DISO MPS Requirements: DISO MPS Only</p> <p>DISO MPS Fleet Availability KPIs measures the cumulative availability of the fleet of MPS managed (MPS Monthly Overlay) devices for all delivery points within each zone against the contracted cumulative availability requirement, calculated as follows:</p> <ol style="list-style-type: none"> For each zone, the zone availability is calculated for each zone based on the following formula: $\left(\frac{\text{(actual cumulative availability of all devices in minutes over the evaluation period)}}{\text{(contracted cumulative availability of all devices in minutes over the evaluation period)}} \right) * 100$ Zone Fleet Availability KPI ratings are determined according to the KPI ranges for each zone The overall DISO MPS Quality Index score is calculated as a weighted average of the zone KPI ratings based on the number of devices deployed in each zone. | | | | |
| | Fleet Availability Variables | | | | |
| | Fleet | Devices | Monthly | Daily (PPM) | |
| | Metrics | Total + Pro-rated deployed and removed | FGWD's | 8 hrs. | |
| | Service Areas | Zone A | Zone B | Zone C | Zone D |
| | SLT Thresholds | 99% | 98% | 95% | 90% |
| | KPI Rating (Score) | KPI Rating Ranges | | | |
| | Exceptional (100) | 99.68-100% | 99.34-100% | 98.34-100% | 96.68-100% |
| | Surpassed (85) | 99.34-99.67% | 98.68-99.33% | 96.68-98.33% | 93.34-96.67% |
| | Achieved (70) | 99.0-99.33% | 98.00-98.67% | 95.0-96.67% | 90.0-93.33% |
| | Moderate Improvement Needed (50) | 98.00-98.99% | 96.00-97.99% | 90.00-94.9% | 85.00-89.99% |
| | Significant Improvement Needed (25) | <98.00% | <96.00% | <90.00% | <85.00% |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

DISO MPS - Fleet Availability KPI Sample Calculation

| Standard Quality Index KPI | Fleet Availability KPI Calculation KPI | | | | |
|----------------------------------|---|---------------|----------------|----------------------------------|---------------|
| DISO MPS Fleet Availability KPIs | | Zone A | Zone B | Zone C | Zone D |
| | Number of Managed MPS Monthly Overlay Devices | 60 | 20 | 10 | 10 |
| | Cumulative Service Outages in Minutes | 6000 | 3,800 | 5,500 | 7,500 |
| | Cumulative Contracted Availability in Minutes | 604,800 | 302,400 | 100,800 | 100,800 |
| | Zone Availability | 99.01% | 98.74% | 94.54% | 92.5% |
| | Zone Rating | Achieved (70) | Surpassed (85) | Moderate Improvement Needed (50) | Achieved (70) |
| | Zone Weighting | 60% | 20% | 10% | 10% |
| | Weighted Overall DISO MPS Quality Index Score | 71 | | | |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

DISO MPS Schedule Index KPI's:

| Standard Schedule Index KPI | Program Key Performance Indicator Application | | | | |
|------------------------------|---|--|--------|--------|--------|
| Timely Completion KPI | <p>Timely Completion KPI is a measure of the percentage of contracted tasks, deliverables and milestones that have been completed within the contracted timelines, calculated as follows: (number of contracted DISO-MPS: Assessment and Project Plan tasks, deliverables and milestones completed within the contracted timelines and evaluation period) / (total number of contracted DISO-MPS: Assessment and Project Plan tasks, deliverables and milestones to be completed within the contracted timelines and evaluation period) x 100.</p> | | | | |
| | Timely Completion Variables | | | | |
| | Service Areas / Level of Service | Zone A | Zone B | Zone C | Zone D |
| | Service | DISO – MPS: Assessment and Project Plan Deliverables | | | |
| | SLT Attainment Level | 95% | | | |
| | KPI Evaluation Rating (Score) | KPI Rating Ranges | | | |
| | Exceptional (100) | 98.34-100% | | | |
| | Surpassed (85) | 96.68-98.33% | | | |
| | Achieved (70) | 95.0-96.67% | | | |
| | Moderate Improvement Needed (50) | 90.00-94.9% | | | |
| | Significant Improvement Needed (25) | <90.00% | | | |
| | Time Completion Example Calculation | | | | |
| | Total # of Contracted Tasks | 113 | | | |
| | Total of Contracted Task Completed on Time | 109 | | | |
| | SLT Attainment | 96.5% | | | |
| | Timely Completion KPI Rating (Score) | Achieved (70) | | | |

DISO MPS Requirements Cost Index KPI:

| Standard Cost Index KPI | Program Key Performance Indicator Application | |
|-------------------------------------|---|-------------------------------|
| Cost Control KPI | <p>DISO MPS Requirements</p> <p>Cost Control KPI is a measure of actual total FMR contract costs as invoiced for the evaluation period, benchmarked against the total budgeted FMR contract costs for the evaluation period. The total budgeted FMR cost is based on the planned device deployment outlined in the Project Plan, adjusted for increases in the number of delivery points or changes to requirements at a delivery point(s). Increases resulting from design changes must be in accordance with design principles or be authorized as an exception through the IMACR approval process. The Cost Control KPI is calculated as follows:</p> <p>(invoiced total FMR cost for the evaluation period) / (contractually (including exceptions) budgeted FMR cost for the evaluation period) x 100</p> | |
| | Cost Control Variables | |
| | Cost Control Rating (Score) | KPI Measures as a % of Budget |
| | Exceptional (100) | <=95% |
| | Surpassed (85) | >95-99% |
| | Achieved (70) | >99-100% |
| | Moderate Improvement Needed (50) | >100-108% |
| Significant Improvement Needed (25) | >108% | |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

DISO MPS – Cost Control KPI Sample Calculation

| Standard Cost Index KPI | Cost Control KPI Calculation Example | |
|-------------------------|--|-------------------|
| Cost Control KPI | Estimated budget total for FMR costs based on Canada Approved Optimization Plan for the evaluation period | \$1000 |
| | FMR cost increases/decreases from Canada approved Change Management | +\$200 |
| | Revised budgeted total FMR cost based on Canada Approved Optimization Plan and Canada approved Change Management for the evaluation period | \$1200 |
| | Invoiced total FMR cost for the evaluation period | \$1100 |
| | Budget Percentage | 91.7% |
| | Cost Control KPI Rating (Score) | Exceptional (100) |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

KPI Summary Scoring Tables:

| WTD Printing Products NMSO Common Requirements VPI KPI Summary Rating and Scoring Table | | | | | | | |
|--|--------------------------------|-------------|--------------------|---------------------|------------------------------------|---------------------|---|
| Index | KPI | Rating | Monthly KPI Scores | Quarterly KPI Score | Index Score | Standing Offers | NMSO KPI Quarterly Price Refresh Scoring Methodology |
| Quality | Service Restoration - Standard | Achieved | M1: 70 | 70 | 77.5 | NMSO SLT-CR-04 DISO | 1 st calculate Quarterly KPI (3-month average) scores average from the monthly KPI scores 2 nd calculate average of Quality index Quarterly KPI Scores to determine the Quality Index score. 3 rd calculate current quarter average of Quality, Schedule, Cost, and Mgmt. Index to determine the current quarter input for the NMSO Quarterly Price Refresh best value calculation. 4 th calculate the average of the previous 3 quarterly* Overall NMSO Quarterly Price Refresh VPI Scores (Average of Index Scores) and apply at 50% to 50% of the current Overall NMSO Quarterly Price Refresh Incentive Score. |
| | | Achieved | M2: 70 | | | | |
| | | Achieved | M3: 70 | | | | |
| | Service Desk - Response Time | Surpassed | M1: 85 | 85 | | NMSO SLT-CR-02 DISO | |
| | | Surpassed | M2: 85 | | | | |
| | | Surpassed | M3: 85 | | | | |
| Schedule | Timely Completion | Achieved | M1: 70 | 70 | 70 | NMSO DISO | |
| | | Achieved | M2: 70 | | | | |
| | | Achieved | M3: 70 | | | | |
| Cost | Invoice Accuracy | Surpassed | M1: 85 | 85 | 85 | NMSO SLT-CR-03 DISO | |
| | | Surpassed | M2: 85 | | | | |
| | | Surpassed | M3: 85 | | | | |
| Management | Management | Exceptional | M1: 100 | 100 | 100 | NMSO | |
| | | Exceptional | M2: 100 | | | | |
| | | Exceptional | M3: 100 | | | | |
| Overall NMSO Quarterly Price Refresh VPI Score (Average of Index Scores) | | | | | 83.13 @ 50% = 41.57 | | |
| Previous 3 Overall NMSO Quarterly Price Refresh VPI Scores | | | | | 85 + 90 + 87 = 87.33 @ 50% = 43.67 | | |
| Total Overall NMSO Quarterly Price Refresh VPI Score | | | | | 85.24 | | |
| * For commencement of an initial Overall NMSO Quarterly Price Refresh VPI Score calculation the previous quarter scores will consist of the previous quarter at 50% and for the 2 nd Overall NMSO Quarterly Price Refresh VPI Score calculation the previous quarter scores will consist of the 2 previous quarters at 50% until 3 previous quarters are reach. | | | | | | | |

VENDOR PERFORMANCE INCENTIVE (VPI) INITIATIVE

WTD Printing Products DISO MPS VPI KPI Summary Rating and Scoring Table

| Index | KPI | Rating | Monthly KPI Score | Quarterly KPI Score | Index Score | Standing Offers | DISO MPS KPI Scoring Methodology |
|---|--------------------|-------------------------------------|-------------------|---------------------|--|-------------------|--|
| Quality | Fleet Availability | Zone A: Achieved | M1: 70 | 75 | 75.83 | DISO MPS LD-DM-01 | <p>1st calculate Quarterly KPI (3-month average) scores average from the monthly KPI scores.</p> <p>2nd calculate average of Quality index Quarterly KPI Scores to determine the Quality Index score (75.83).</p> <p>3rd Index Scores are calculated by DISO MPS Clients (85.21), calculate the average of all Client DISO MPS Scores (87.58).</p> <p>4th Apply 50% of the Total Overall NMSO Quarterly Price Refresh score to 50% of the Total Overall DISO MPS Score to indicate the DISO MPS Evaluation Score</p> |
| | | Zone A: Surpassed | M2: 85 | | | | |
| | | Zone A: Achieved | M3: 70 | | | | |
| | | Zone B: Surpassed | M1: 85 | 80 | | | |
| | | Zone B: Achieved | M2: 70 | | | | |
| | | Zone B: Surpassed | M3: 85 | | | | |
| | | Zone C: Moderate Improvement Needed | M1: 50 | 68.33 | | | |
| | | Zone C: Achieved | M2: 70 | | | | |
| | | Zone C: Surpassed | M3: 85 | | | | |
| | | Zone D: Achieved | M1: 70 | 80 | | | |
| | | Zone D: Surpassed | M2: 85 | | | | |
| | | Zone D: Achieved | M3: 70 | | | | |
| Schedule | Timely Completion | Exceptional | M1: 100 | 85 | 85 | DISO MPS | |
| | | Achieved | M2: 70 | | | | |
| | | Surpassed | M3: 85 | | | | |
| Cost | Cost Control | Exceptional | M1: 100 | 95 | 95 | DISO MPS | |
| | | Surpassed | M2: 85 | | | | |
| | | Exceptional | M3: 100 | | | | |
| Management | Management | Achieved | M1: 70 | 85 | 85 | DISO MPS | |
| | | Surpassed | M2: 85 | | | | |
| | | Exceptional | M3: 100 | | | | |
| Client Overall Quarterly DISO MPS Score | | | | | 75.83 + 85 + 95 + 85 = 85.21 | | |
| Average of Current Client Overall Quarterly DISO MPS Scores (3 clients) | | | | | 85.21 + 90 + 87.53 = 87.58 | | |
| Previous 3 Overall DISO MPS Quarterly Scores + Current Client Overall Quarterly DISO MPS Score = Total Overall Quarterly DISO MPS Score | | | | | (70 + 90 + 80) @50% + 87.58 @50% = 83.79 | | |
| Total Overall NMSO Quarterly Score (50%) + Total Overall Quarterly DISO MPS Score = DISO MPS Evaluation Score | | | | | 85.24 @50% + 83.79 @50% = 84.52 | | |

DISO MPS Scores used for each DISO evaluation are based on the current DISO MPS Evaluation Score as of the release date of each new DISO. Commencement of the initial DISO MPS are based on the same commencement rules for the NMSO VPI.

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