



FY2022 Performance Evaluation Summary

Contractor: Honeywell Federal Manufacturing and Technologies, LLC (FM&T)

Contract: DE-NA0002839

Evaluation Period: October 1, 2021 to September 30, 2022

Basis of Evaluation: Fiscal Year (FY) 2022 Performance Evaluation and Measurement Plan (PEMP)

The FY 2022 PEMP for this contract is available at: <https://www.energy.gov/nnsa/fy22-fmt-pemp>

The Contract is available at: <https://www.energy.gov/nnsa/kansas-city-national-security-campus-contract>

Award Fee Scorecard

Goal	Rating		At Risk Available	Final
	Adjectival	Percent		
Goal-1: Mission Execution: Nuclear Weapons	Excellent	91%	\$18,192,000	\$16,554,720
Goal-2: Mission Execution: Global Nuclear Security	Excellent	95%	\$4,548,000	\$4,320,600
Goal-3: DOE & Strategic Partnership Projects Mission Objectives	Excellent	95%	\$0	\$0
Goal-4: Science, Technology & Engineering (ST&E)	Excellent	100%	\$0	\$0
Goal-5: Mission Enablement	Very Good	90%	\$13,644,000	\$12,279,600
Goal-6: Mission Leadership	Very Good	90%	\$9,096,000	\$8,186,400
Total Award Fee		90.9%	\$45,480,000	\$41,341,320

In addition, the fixed fee and total fee summaries are provided below:

	Available	Final
Fixed Fee	\$0	\$0
SPP (Fixed Fee)	\$21,435,500	\$21,435,500
Total Fixed Fee	\$21,435,500	\$21,435,500
Total Fee (Award Fee and Fixed Fee)	\$66,915,500	\$62,776,820

FM&T earned an overall rating of Excellent (91 percent) for FY 2022, exceeding almost all of the Objectives and Key Outcomes and generally meeting the overall cost, schedule and technical performance requirements with accomplishments that significantly outweigh issues.

Significant performance accomplishments in Goals 1-6 were noteworthy this reporting period: FM&T quickly implemented redesigned B61-12 LEP components ahead of schedule, collaborated with the design agency to increase producibility ratings, and improved quality performance (Goal 1). FM&T was vital in supporting NEST's response to Russia's war on Ukraine and the surrounding region (Goal 2). FM&T completed \$497 million of total Strategic Partnership Project (SPP) work including continued support for the B61-12 and W88 ALT370 programs, Mk21 Arming and Fuzing Assembly, and SPP sponsors (Goal 3). FM&T partnered to accelerate technology readiness and production modernization (Goal 4). FM&T established an Annual Controlled Baseline (ACB) framework. Security's efforts to

support factory modernization drove the receipt of funding commitments from multiple Program Offices for Wireless Intrusion Detection System (WIDS) installation, monitoring, and maintenance (Goal 5). FM&T continued to operate the Supply Chain Management Center (SCMC) and reported strategic enterprise savings of \$388 million (Goal 6).

Issues include the need for continued collaboration to address the remaining W80-4 producibility and production-readiness challenges and delays in getting piece parts through the procurement and inspection cycle drove some lower level assembly baseline changes and increased the overall W80-4 schedule risk (Goal 1). Inadequate training, work instructions, and hazard analyses led to safety incidences; proactive versus reactive leadership is needed. Additionally, there is a need for more rigor in factory assessments to ensure execution targets are achievable (Goal 6).

Accomplishments:

Goal 1

- Completed first production unit ahead of schedule on a key redesigned component which had significant positive impacts on U.S. Air Force weapon deployments
- Collaborated with Design Agencies to increase W80-4 C or greater producibility ratings from 74 percent to 89 percent
- Achieved first production unit (FPU) for Telemetry Transmitter early
- Achieved W88 ALT 940 FPU 12 days ahead of schedule and shipped to the customer five days ahead of schedule
- Aggressively reduced defects and quality escapes improving the Quality Assurance Inspection Procedure/Certificate of Inspection (QAIP/COI) ratio by 54 percent and the Incoming Material Report/Unsatisfactory Report (IMR/UR) ratio by 73 percent compared to FY 2021. Met four of six KCFO Quality Performance Scorecard (KQPS) metrics

Goal 2

- Completed a prototype design to manufacture an advanced prototype material processing technology
- Delivered sufficient quantity of production-quality kits to meet the Office of Material Disposition Dilute and Dispose program schedules and milestones
- Completed assessments in support of the NNSA
- Developed and presented a 2-day virtual version of its Missile Technology Course for U.S. law enforcement
- Provided assessments and recommendations on cases submitted to NNSA by the Department of Commerce

Goal 3

- Executed \$497M [\$222M Nuclear Weapons Program (NWP) and \$275M Global Security (GS)] in mission scope
- GS and NWP collaborated with Sandia National Laboratories to produce and deliver External Naval Test Bed units and experimental units while using an innovative approach
- Serviced 26 tools and restored copies of the Torque Tester Gage for the B61-12 and W88 Alt 370 mechanisms
- Continued Process Prove-In, Qualification Evaluation and Production Readiness Review phases

Goal 4

- Deployed a state-of-the-art verification system for the detection of defects
- Fabricated Conformal Sensor Arrays that can detect compressions in discrete areas with high fidelity
- Used printed Additive Manufacturing (AM) for proof of concept in Test Equipment use
- Hosted 6th AM Joint Operations Working Group (JOWOG) on site with 70 participants across all sites, NNSA Headquarters, and the Atomic Weapon Establishment

Goal 5

- Completed the Low Humidity Production Revitalization in Building 2 increasing capacity
- Efforts from security to support factory modernization drove receipt of funding commitments from multiple Program Offices for Wireless Intrusion Detection System (WIDS) installation, monitoring, and maintenance
- Addressed contractual and cleared subcontractor facility security support issues, showing progress toward addressing concerns
- Received zero non-compliances from two unannounced inspections (KCMO Wastewater department and U.S. Environmental Protection Agency) at the Botts Road facility
- Established an Annual Controlled Baseline (ACB) framework for all NNSA directed programs tying statement of work to established costs

Goal 6

- Proactively initiated strategic plan development and released an updated KCNSC 25-year Strategic Plan ahead of schedule
- Adopted Honeywell Corporate's Leadership Edge and Program Management Academy, enhancing leadership, talent development, business acumen, innovation, and customer communication
- Drove awareness and garnered support of KCNSC's digital transformation strategy which includes modernizing KCNSC's digital infrastructure
- Collaborated with NNSA and other sites on strategic sourcing strategies

Issues:

Goal 1

- Additional collaboration needed between FM&T and the Design Agencies to address the remaining producibility and production-ready challenges to support W80-4 rate production
- Delays in getting piece parts through the procurement and inspection cycle drove some lower level assembly baseline changes and increased the overall W80-4 schedule risk
- Factory floor issues drove original major assembly schedule reduction and pushed additional scope in out years but noted improvement executing to the newly established April baseline

Goal 5

- Late execution drove notable schedule delays and cost increases on facilities projects, exemplified by the unoccupied area on the first floor and annex of a leased building
- Provided inconsistent responses to questions related to operations and maintenance program execution, prioritization, and forecasting which has negatively impacted the amount of funding carryover for FY 2022
- Received a DOE Office of Enforcement Consent Order due to a nitrogen asphyxiation incident.
- Failed to meet two of three established goals for Procurement Performance Scorecard metrics

Goal 6

- More rigor is needed in factory assessment planning and budget estimating to ensure execution targets are achievable
- Inadequate training, work instructions, and hazard analyses led to safety incidences; proactive versus reactive leadership is needed