

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT	1. CONTRACT ID CODE	PAGES OF PAGES 1 1 2
---	---------------------	-----------------------------

2. AMENDMENT/MODIFICATION M005	3. EFFECTIVE DATE April 1, 2000	4. REQUISITION/PURCHASE REQ. NO. NOPR	5. PROJECT NO. (If applicable)
-----------------------------------	------------------------------------	--	--------------------------------

6. ISSUED BY U. S. Department of Energy Oak Ridge Operations Office, AD-421 P. O. Box 2001 Oak Ridge, TN 37831-8757	7. ADMINISTERED BY (If other than Item 6)
---	---

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) UT-Battelle, LLC P. O. Box 2008 Oak Ridge, TN 37831-6055	(X)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
	X	10A. MODIFICATION OF CONTRACT/ORDER DE-AC05-00OR22725
		10B. DATED (SEE ITEM 13) October 18, 1999

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATION

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of offers ___ is extended. ___ is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning ___ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOU ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ ORDERS, IT MODIFIES CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(X)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT/ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Clause I-105, Clause I-140, Mutual Agreement and P. L. 95-91
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor [] is not, [x] is required to sign this document and return 2 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/ MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
See Page 2.

Except as provided herein, all terms and conditions of the document referenced in Item 9A and 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) Greg L. Turner Chief Financial Officer	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Susan G. Hiser Contracting Officer
15B. CONTRACTOR/OFFEROR <u>Gregory L Turner</u> (Signature of person/authorized to sign)	15C. DATE SIGNED 3/31/00
16B. UNITED STATES OF AMERICA BY <u>Susan G. Hiser</u> (Signature of Contracting Officer)	16C. DATE SIGNED 3/31/00

The purpose of this modification is to make the following changes:

1. Incorporate the attached Appendix A, dated 4/1/00.
2. Incorporate the attached Appendix E, dated 12/13/99.
3. Revise Section C - Description/Specifications/Work Statement to add the following paragraph:

“C-2(e)(4) The Contractor shall support the closeout of Contract No. DE-AC05-96OR22464 with Lockheed Martin Energy Research Corp. (LMER) by providing up to 2000 staff hours, without cost to LMER, to prepare necessary reports, or respond to inquiries, claims, or other actions, with said support being scheduled on a mutually agreeable basis. This estimate shall not be exceeded without the prior consent of the Contracting Officer. The parties agree that no fee is payable in support of this closeout activity.”
4. Revise Clause H-41, to reflect the Energy & Water Development Appropriations Act, 2000.
5. Delete Clause I-54, DEAR 952.223-72, Radiation Protection and Nuclear Criticality (Apr 1984)

1. Introduction

This Personnel Appendix sets forth allowable cost by advanced understanding for the Contractor's human resource management policies and related expenses which have cost implications under the contract. This Appendix identifies those major cost areas deemed reasonable and allowable for reimbursement when incurred in the performance of the Contract work. This cost understanding is subject to all applicable provisions of the main contract.

The Contractor shall select, manage, and direct its work force and apply its human resource policies in general conformity with its private operations and/or standard industrial practice insofar as they are not inconsistent with this Contract. The Contractor shall use effective management review procedures and internal controls to assure that the cost limitations set forth herein are not exceeded, and that areas which require prior approval of the DOE Contracting Officer or designated representative are reviewed and approved prior to incurrence of costs.

Either party may request that this Personnel Appendix be revised, and the parties hereto agree to give consideration in good faith to any such request. Revisions to this Personnel Appendix shall be accomplished by executing Reimbursement Authorizations (DOE Form AD-36) as approved by the DOE Contracting Officer or designated representative. When revisions to this Personnel Appendix are agreed upon, revised pages will be issued reflecting such changes and will bear the effective date of such changes and the Reimbursement Authorization number in the upper right-hand corner of each page. The changes will be highlighted using "redline" feature or a similar word processing software feature.

This Appendix A is adopted for the exclusive benefit and convenience of the parties hereto, and nothing herein contained will be construed as conferring any right or benefit upon past, present, or future employees of the Contractor, or upon any other third party. Accordingly, neither this Appendix A nor any part thereof, as amended or modified, will be deemed to constitute a contract between a party hereto and any employee of the contractor or to be consideration for, or an inducement or condition of, the employment of any person, or to afford the basis for any claim or right of action whatsoever against a party hereto by any employee of the contractor or other third party.

The parties have agreed to increase the Contractor ' s latitude for managing overall personnel costs by eliminating many DOE approval requirements and holding the Contractor accountable for controlling and reducing total personnel costs. Nothing in this agreement precludes the government from making a future determination of unallowable costs based upon the test of reasonableness.

2. Definitions

Adjustment is a change in salary required to establish either internal or external equity.

Adjusted Rate, Adjusted Pay, or Adjusted Base Pay is the rate of pay per hour, per week, or per month, including any premium pay.

Average Rate. The rate which is determined by dividing the weekly straight-time pay by the number of hours worked during the payroll week when an employee works at more than one basic rate or more than one shift differential rate during a payroll week.

Basic Earnings. The amount obtained by multiplying the number of hours worked by the basic rate.

Basic Rate, Job Rate, or Basic Salary. Rate of pay per hour, per week, or per month, exclusive of any premium, but including any cost of living allowances (COLAs) established in any bargaining unit agreements established for each job classification in accordance with the approved wage and salary schedules.

Basic Workweek. A 40-hour workweek.

Change of Classification is the placement of an employee in a new classification due to reassignment without change in salary range.

Contractor. UT-Battelle, LLC.

DOE. The contracting officer or authorized representative of the contracting officer.

Demotion is the permanent placement of an employee in a lower-rated job classification.

Employee. A person hired by and working for the Contractor.

Exempt Employees. Executive, administrative, and professional employees who are exempt from certain provisions of the Wage and Hour laws. They are on the monthly or semi-monthly payroll.

Merit Increase is an increase in the salary of an employee within the established rate range of the job classification, which is granted consistent with the salary plan.

Overtime Pay. Payment (in addition to straight time) for any hours worked in excess of 8 hours in a 24 hour period or 40 hours within a payroll week for hourly and nonexempt salaried employees (or as otherwise agreed in advance and based on a 40 hour payroll week); and when applicable, payment for required hours worked in excess of 45 hours within a payroll week for eligible exempt salaried employees

Nonexempt Employees. Employees who are covered under and are subject to the provisions of the Wage and Hour laws. They are on the weekly salaried or hourly payroll.

Payroll Day. The 24-hour period extending from midnight to midnight. Exception: Payroll day may vary from midnight to the established starting or ending time of the shift.

Payroll Week. Seven consecutive days (168 hours) extending from midnight Sunday to midnight Sunday. Exception: Payroll week may vary from midnight to the established starting or ending time of the shift.

Premium Pay. A payment in addition to straight time pay made for any reason other than overtime; for example, shift differential, week-end premium, etc.

Promotion is the permanent placement of an employee in a higher rated job classification due to an increase in the character or scope of his/her job assignment.

Reevaluation is a change of job level, up or down, through formal evaluation of an existing job.

Regular employee is any full-time or part-time employee on the contractor's payroll, not in a temporary status.

Regular Rate. The straight-time rate at which the hours are worked, or the average rate for the week, whichever is greater.

Regularly Scheduled Shift. The normal hours of working time in each payroll day established for each employee by the Director Human Resources and Diversity Programs.

Straight-time Pay or Straight-time Earnings. Amount obtained by multiplying the number of units of time worked by the straight-time rate per unit of time.

Straight-time Rate. The rate of pay per hour, per week, or per month obtained by adding the applicable shift differential rate to the basic rate for the job classification assigned at the time the work is performed.

Termination. Quit, discharge, layoff, retirement, death, and/or removal from the payroll because of disability (as distinguished from disability absence where the employee is not removed from the payroll).

3. Pay Policies

3.1 Bargaining Unit Employee Compensation

- a. The terms and conditions set forth in collective bargaining agreements (CBAs) and modifications thereto and established practices thereunder between the Contractor and recognized bargaining agents for its employees assigned to work under this contract (which involve expenditure of funds) constitute the allowable costs for bargaining unit members' compensation and benefits for reimbursement by DOE. The collective bargaining agreements, incorporated by reference, include those with the following bargaining agents:

ORNL Atomic Trades and Labor Council
 AFL-CIO

Prior to the negotiation of a new and/or revised CBA, the Contractor will review its negotiation plan with DOE and obtain DOE approval of its cost parameters and/or subsequent changes thereto. Reasonable costs which arise from administration of or pursuant to CBAs shall constitute allowable costs. The specific approval of DOE shall be obtained in the case of unusual items. The contractor will provide to DOE copies of its CBAs as they are entered into or modified and will keep DOE informed as far in advance as practicable of significant labor developments which are potentially precedent setting, may involve high cost, or potential work stoppages.

3.2 Nonrepresented Employee Compensation

3.2.1. Policy/Objectives

The Contractor will implement a compensation program to attract, motivate, retain, and reward a competent work force to effectively accomplish the performance of work under the Contract at a reasonable cost to the government. Professional compensation methodologies and best business practices will be used in the management of the compensation program. Compensation costs will be managed consistent with the Contractor ' s prevailing operating budget and budget forecast.

3.2.2 Salary Administration

The Contractor shall:

- a. Implement a compensation system with the following components:
 - (1) Market policy for exempt salary structures and base salaries which seek to match average salaries in the competitive market at the beginning of the plan year.
 - (2) Market policy for nonexempt salary structures and base salaries which seek to match average salaries in the competitive market in the middle of the plan year.
 - (3) A job evaluation system for establishing appropriate job worth hierarchy.
 - (4.) A performance management system that supports a pay-for-performance compensation philosophy.
 - (5) System for developing a compensation plan.
 - (6) System for planning and controlling compensation expenditures and evaluating the effectiveness of the program.
 - (7) System for documenting job content.
 - (8) System for communicating the compensation program to employees and managers.
- b. Obtain DOE approval prior to changing compensation system component numbers 1-5 above.
- c. Obtain DOE approval on the salary surveys and survey participants used for market comparisons.
- d. Develop a Salary Increase Plan (SIP) annually, if appropriate, for the expenditure of funds that is consistent with the company ' s market policy, ability to pay, and relevant economic data, and obtain advanced DOE approval of this SIP.

The SIP will include the following:

- (1) Analysis of salary survey data and contractor ' s market position for salary structures and base pay levels. Comparison of average pay and salary range midpoints to market average pay for benchmark positions.
- (2) Identification of needed funds by payroll groups expressed as a percentage of the appropriate base payroll for the end of the previous plan year. All components will be identified therein, e.g. merit, promotion, adjustment, lump sum, etc.

Unexpended portions of the SIP for one salary year are not carried into the succeeding salary year. All pay actions granted under the SIP are fully charged when they occur regardless of time of year in which the action transpires and whether the employee terminates before the year end (commonly called recovery).

- (3) The Contractor will evaluate major changes occurring in a given year, such as significant reduction in Contractor employment levels and adjust the SIP if appropriate.
 - (4) Assessment of contractor ' s financial condition to determine affordability of increasing compensation costs.
 - (5) Communication materials and tools for supervisors to help them plan salary actions to manage base salary relationships and pay for performance.
 - (6) Submit an annual expenditure report, DOE F3220.8, to include breakouts for merit, promotion, adjustments, lump sums, and structure movement for each payroll showing actual against planned amounts.
- e. Assure no catch up occurs for monies saved as a result of the Secretary of Energy=s 1994 salary freeze in accordance with prior DOE direction.

3.2.3 Approval of Individual Compensation Actions

The Contractor will submit annually proposed individual salary actions for Laboratory Director and Deputy Laboratory Director positions for approval by DOE.

3.2.4 Other Pay Provisions

a. Overtime

- (1) Annually the Contractor will discuss with DOE, and when necessary or requested, develop and submit to DOE an overtime plan forecasting the overtime necessary to meet known work requirements. Overtime will be managed to provide for the safe and cost-effective utilization of human resources and efficient conduct of business. Performance will be reported to the DOE on an annual basis.
- (2) Nonexempt salaried employees may be paid for overtime hours worked on the same basis as employees within the bargaining units defined in Section 3.1.
- (3) Exempt salaried employees are eligible for either straight time pay or compensatory time off when required to work at the direction of their management in excess of 45 hours per week, as follows:
 - a. Employees at or below Salary Grade 5 are eligible for straight time pay.
 - b. All exempt employees, except those eligible for incentive compensation, are eligible to earn compensatory time off at the rate of one hour earned for two hours worked. Individual compensatory time may not exceed 80 hours annually.
 - c. Casual overtime will not be paid.
- (4) Employees in a capacity of supervisor may receive additional compensation when required to work extensive additional hours which result in serious inequities with other employees in the same work group.

b. Other Supplements

- (1) Pay practices may apply to nonexempt salaried employees to the maximum allowable consistent with collective bargaining agreements for the following benefits:

Call-in Allowance	Report for Work
Change in Working Schedule	Saturday and Sunday Work
Holiday Pay Shift	Differential

Lunch Periods
Meal Allowances
Overtime and/or Premium Pay

EMT Premium
Licensing Payments

- (2) Saturday and Sunday Work - An exempt salaried employee who works on Saturday as part of the regular schedule may receive an additional twenty-five cents per hour for such work, unless such work is part of an extended work week.

An exempt salaried employee who works on Sunday as part of the regular schedule may receive an additional fifty cents per hour for such work, unless such work is part of an extended workweek.

These payments may not be included in earnings when calculating the employee's participation in the various benefit plans.

- (3) Meal Allowances - An exempt salaried employee may be paid a meal allowance to the maximum allowable consistent with bargaining unit agreements set forth in Section 3.1.

- (4) EMT Premium - An exempt salaried employee who is required by the company to carry the EMT Medical Technician Certification may be paid a premium consistent with that paid under bargaining unit agreements listed in Section 3.1.

- (5) Licensing Payments - Where required to perform specific jobs in nuclear reactor operations related positions, a licensing payment for nuclear reactor controllers and related licensed positions is an allowable cost as long as the total compensation remains reasonable as supported by market data. Licensing payments discontinue upon failure to receive the required periodic re-licensing.

c. Salaried Employees - Part Time Employment

Part-time employees may be hired regardless of the salary ranges that are to be used. Compensation, determined by time actually worked, will be calculated on the same basis as for full time, salaried employees at a rate comparable to that paid to regular employees in similar assignments. All part-time employees are considered nonexempt for overtime purposes consistent with Fair Labor Standards Act regardless of job classification.

Part-time employees may participate in the following plans and activities:

Company Service	Credit Pension Plan
Group Insurance	Safety Programs and Awards
Holiday Pay (if working)	Savings Plan
Jury Duty (scheduled workday)	Shift Differential
Layoff Allowance	Travel
Occupational Disability	Vacation Plan
Overtime Premium	Voting

The cost of group health insurance premiums for part-time employees working 50 percent or greater is the same as regular employee premiums. Part-time employees working less than 50 percent will pay the regular employee premium plus 50 percent of the company's premium for health insurance. The cost of group life insurance will be the same as regular employee premiums for all part-time employees regardless of the hours worked. Vacation eligibility is prorated on the basis of total hours worked as a percentage of the regular schedule during the prior year (hours worked divided by 2080 hours). Part-time employees are eligible to convert to full-time status when management deems the change to be in the best interest of work performance under the Contract.

d. Shift Differentials - Exempt Employees

Exempt salaried employees assigned to shift work will receive shift differential as follows:

- (1) Employees assigned to the standard rotating shift schedule may receive up to \$65 a month.
- (2) Employees assigned to the 4 p.m. to 12-midnight shift or any variation of this shift, may be paid up to \$60 per month.
- (3) Employees assigned to the 12 midnight to 8 a.m. shift or any variation of this shift, may be paid up to \$110 a month.
- (4) Employees assigned to a rotating shift other than the standard rotating shift will be paid a combination of the appropriate differentials based on the percent of time worked on each shift.
- (5) Employees assigned to an irregular shift may be paid the differential for the shift on which more than 50 percent of the hours were worked. If time is equal, the highest rate may be used.

e. Holiday Pay

Hourly employees will be paid in accordance with collective bargaining agreements listed under paragraph 3.1 of this Appendix. Salaried employees working on scheduled holidays may be given holiday pay when schedules and contract requirements necessitating work to be scheduled on company observed holidays (which are listed under paragraph 4.2 of this Appendix). Holiday pay is paid at the rate of 2 times the employee's adjusted rate for nonexempt employees and 2 times the employee's adjusted rate for exempt employees in grades 5 and below. Exempt salaried employees above salary grade 5 are not eligible for a holiday pay premium.

3.3 Severance Pay

3.3.1 Severance Pay Benefit

a. General

Severance pay is payable to an employee who has three months or more of Company Service Credit and who is laid off on account of lack of work - unless the layoff is caused by a temporary suspension of work or the employee was hired for intermittent or casual work or as a temporary worker for a limited time or for a specific project.

If the Contractor reemploys an employee after having been paid a severance payment, Company Service Credit for any subsequent severance payment consideration shall start from the date of such reemployment. If any individuals are reemployed by the Contractor prior to the end of the period covered by the severance pay (e.g., received 20 weeks severance pay, but reemployed after 15 weeks), the difference must be refunded.

No severance pay is paid to employees who terminate their employment voluntarily, who are discharged, or who resign by Contractor request, except for:

- (1) Medical reasons (i.e., those terminated due to contractor determination of mental or physical inability to perform available work).
- (2) Voluntary Reduction in Force (VRIF) Programs: Situations wherein a reduction in force is necessary in an employee unit and an employee volunteers with Contractor consent to be laid off in the reduction in force in place of another person. All VRIF programs require prior DOE approval.

b. Amount of Severance Pay

Severance pay will be calculated on the basis of the employee's basic rate in effect at the time of layoff (including extended hours' pay, if any, but excluding all overtime premium or shift differential) and may be paid in accordance with the following schedules:

(1) Hourly Employees

Refer to the terms and conditions set forth in the applicable collective bargaining agreements listed in section 3.1.a of this Appendix for allowable costs.

(2) Salaried Employees

Company Service Credit

Under 3 months
3 months and under 1 year

1 year and under 3 years
3 years and under 5 years
5 years and under 7 years
7 years and under 10 years
10 years
11 years or more

Severance Pay

No pay
Same proportion of 1/2 month's
pay as completed months of
service are of 12 months
1/2 month's pay
3/4 month's pay
1 month's pay
1-1/2 month's pay
2 month's pay
same for 10 years, plus 1/4
month for each additional year
of service

3.3.2 Replacement Employer

Severance pay benefits are not payable when an employee is employed by or receives an offer of employment with a replacement contractor where continuity of employment with credit for prior length of service is preserved under substantially equal conditions of employment.

4. Benefit Programs & Policies

The employee benefit plans, and related cost, described in this section are approved by DOE for application to employees working on this Contract and are reimbursable. In addition, retirees of this Contractor or the predecessor Contractor have limited coverage of these benefits.

The benefit programs will be designed and administered to attract, retain, and motivate competent and productive staff. The programs will be competitive with labor markets from which employees are recruited, cost effective and in compliance with applicable laws and regulations.

Refer to the terms and conditions set forth in applicable collective bargaining agreements listed in this Appendix A, Section 3.1.a for allowable costs for hourly employees.

Contractor benefit programs will be designed and administered to attract, retain, and motivate competent and productive staff to support the DOE missions. In order to determine reasonableness of cost, the Contractor will:

- a. Conduct a benefits value study (market assessment) every 2 years to evaluate the relative value of the overall benefits package.
- b. DOE and the contractor will mutually agree on the companies to be used in each benefits value study. DOE will receive a copy of the study.
- c. The contractor's net benefit value will be managed so as not to exceed the average net benefit value (from the benefits value study) with appropriate consideration for the financial health of the organization and the reasonableness of the total compensation package.
- d. All changes to the contractor's benefit programs will be approved by the DOE.

4.1 Company Service Credit

Company and Credited Service can be restored to employees in accordance with the Contractor's Company and Credited Service policies. Policies will be administered consistently in accordance with applicable laws, and corporate rules.

- a. In order to facilitate the retention of certain critically skilled employees within the DOE management and operating, performance-based management, and environmental restoration and management contractor workforce systems, the Contractor may recognize (for the purpose of establishing appropriate vacation benefits) prior service credit earned while

employed in the DOE system provided all the required criteria contained in Acquisition Letter 94-19 is met. The Director Human Resources and Diversity Programs must approve any grant of vacation credit.

- b. When an individual is transferred to the service of the contractor from the DOE or from one of its contractors because of a DOE approved transfer of a function to the Contractor, such employees may be granted Company Service Credit for all of such previous DOE contract-related service provided that:
 - (1) the individual's service with the previous employer is essentially continuous with the time of transfer to the Contractor;
 - (2) the Company Service Credit thus allowed does not entitle the employee to buy back interest in employee benefits such as the Retirement Plan, but is limited to possible increased future benefits such as, but not limited to, vacations, non-occupational disability allowances, and layoff allowances; and,
 - (3) in all other respects the Company Service Credit will be allowed in accordance with the Contractor's Company Service Credit Rules.
- c. UT-Battelle employees transferring directly from Battelle companies or the University of Tennessee will retain their Battelle or University of Tennessee hire-in or seniority date for the purposes of vacation eligibility, and savings plan and pension plan vesting.

4.2 Holidays

The Contractor observes the following holidays during the calendar year.

New Year's Day	Labor Day
Martin Luther King, Jr. Day	Thanksgiving Day
Good Friday	Friday after Thanksgiving
Last Monday in May	Christmas Associated
Independence Day	Christmas
Independence Day Associated (or other day determined by the contractor)	

4.3 Short Term Disability Pay for Salaried Employees

Under the contractor's absence control program, a system to assure appropriate administrative actions are taken in a timely manner based upon medical evidence is implemented to assure

reasonable sick leave usage and management of the Disability Allowance Program for both non-occupational and occupational disabilities. The schedule of maximum salary continuation for short term disabilities is as follows:

<u>Company Service Time</u>	<u>Duration of Salary Continuation</u>
One month but less than two months	One month
Two months but less than three months	Two months
Three months but less than four months	Three months
Four months but less than five months	Four months
Five months but less than six months	Five months
Six or more months	Six months

Salary continuation for short-term disabilities will be on a per disability basis. Ordinarily, salary payments during short-term disabilities will be made at the employee's adjusted rate. Any "loss-of-earnings" payments received, such as Workmen's Compensation Benefits in cases of occupational disability, will offset the continued payments of salary.

4.4 Vacations

- a. The cost of salaried employee vacations taken in accordance with the established vacation plan is allowable.
- b. Eligible employees are strongly encouraged to use at least 80 hours of vacation each year.

Hire Date	Vesting/Accrual Schedule	Eligibility Credited Svc	Vacation Hours	Banking Maximum
Prior to 1-1-96	Upon attainment of actual service during the 1st year. On December 31st thereafter	6 months	40	None
		1 - 4 yrs	80	None
		5 - 9 yrs.	120	240 hours
		10 - 19 yrs.	160	240 hours
		20 yrs. and over	200	240 hours
		* 30 yrs. and over	* 240	240 hours
On or After 1-1-96	Accrual monthly	6 months	40	None
		1 - 4 yrs	80	None
		5 - 9 yrs.	120	200 hours
		10 19 yrs.	160	200 hours
		20 yrs. And over	200	200 hours

*Only employees with 15 years or more Credited Service years prior to 1-1-96 receive 240 hours

4.4.1 Vacation Payments

- a. An hourly employee who is deprived of a vacation at the end of the year due to a short-term disability, through management action, or because of unusual working conditions may receive payment for such vacation in addition to regular pay. A salaried employee similarly deprived of a vacation will receive equivalent time off in the following year unless the contractor authorizes payment for the vacation.
- b. An individual may be paid for unused vacation at the time of termination

4.4.2 Vacation Exceptions

The Director Human Resources and Diversity Programs has authority to change vacation entitlement in two ways:

- (1) by rolling entitlement from one year to the next where work schedules did not permit the employee to use the vacation and banking is not available; or
- (2) by granting up to two weeks of additional vacation eligibility on an exception basis to select new employees when, in the opinion of the Contractor, such an extraordinary entitlement is necessary to successfully hire the senior, critical, or key employee. In such exceptional cases, the individual would be eligible for either three or four weeks of vacation each year as authorized by the Director Human Resources and Diversity Programs until their company service would deem them eligible for more vacation.

4.5 Leaves of Absence

4.5.1 Personal Leave

Salaried employees may be granted time off with pay for personal commitments which cannot be handled except during working hours and for tardiness due to severe weather conditions and similar occurrences which temporarily prevent the employee from reporting to work. The amount of time is limited to a maximum of 40 hours per calendar year. The Director Human Resources and Diversity Programs may authorize up to an additional 40 hours for extenuating circumstances.

- a. Personal leave is any excused absence which results in fewer hours worked than normally scheduled, and which is not granted as compensation for unpaid

overtime worked or is not made up with overtime. Salaried employees may be excused from work for extenuating personal circumstances, such as serious illness in the immediate family, appearance in court as a witness other than for the contractor or DOE, or any similar circumstance which in the opinion of the Contractor warrants an excused absence and will not interfere with the Contractor's operations. Granting personal leave shall be prudently controlled, and vacation will be used for most personal circumstances, such as marriages, graduations, and similar occasions. The contractor shall maintain a system for approval and tracking of Personal Leave usage.

- b. Personal leave with pay is at the employee's adjusted salary rate.
- c. Hours paid for under the provisions of this policy do not count as hours worked toward Overtime and/or Premium pay.

4.5.2 Leave of Absence Without Pay

An employee may be granted a leave of absence without pay, of any duration, by the contractor provided the absence will not interfere with the Contractor's operations or create any conflict of interest. Continuation of benefits during leave of absence without pay will be administered according to the Contractor's leave of absence policy.

- a. Granting of company service for the full period of the leave (not to exceed 3 years) and restoration of vacation eligibility immediately upon return to work may be provided for employees who return to work from:
 - 1. Leaves granted when it is in the company's interest to make an employee's expertise or services available to DOE, another DOE contractor, another government agency, or to work-related agencies such as the International Atomic Energy Agency (Vienna), or the Center for Study of Communicable Diseases (Atlanta).
 - 2. Entrepreneurial leaves granted to accelerate technology start up based on DOE developed technologies.
- b. Continuation of company service credit and/or immediate restoration of vacation upon return to work for any leave without pay other than those listed above require prior DOE approval if the leave exceeds 180 days.

4.5.3 Paid Educational/Sabbatical Leave

- a. Salary continuation and benefit costs will be allowable for the granting of paid educational/sabbatical leaves for the following purposes:

1. To obtain advanced degrees in fields of study, which, in the opinion of the contractor, will further the DOE mission.

Such leaves may be approved for a cumulative duration not to exceed 24 months per individual.

2. To teach or perform research at an accredited college, university or research institute.

Such leaves may be approved for a cumulative duration not to exceed 12 months per individual.

Salary continuation shall be offset by compensation received from the college, university or research institute.

- b. No more than 4 individuals may be on paid educational/sabbatical leave at any given time.
- c. The leaves require approval by the Director Human Resources and Diversity Programs.
- d. If the employee does not return to active work after the approved leave period, the employee will be required to pay back the salary continuation and benefits costs received during the leave.
- e. If the employee voluntarily leaves the Contractor ' s payroll prior to working three years after returning to active work, the employee will be required to pay back the salary continuation and benefit costs on a prorated schedule based on the amount of time they have been back on the contractor ' s payroll.
- f. No educational assistance, travel or relocation expenses will be paid to employees on these leaves of absence with pay.

4.6 Jury Duty

An employee who is called for jury duty will be protected against loss of pay for the period of time needed to fulfill the obligation.

Employees will be paid their adjusted rate of pay for the regular day. Hours paid for under this policy will count as hours worked by salaried and hourly employees in the calculation of Overtime and/or Premium Pay.

4.7 Death Benefits - Salaried Employee Payments

In case of death of a salaried employee, salary payments may be continued until the end of the month following the month in which death occurs.

4.8 Military Service, Training, and Emergency Duty

Military service, training and emergency duty policies are administrated in accordance with applicable laws contractor policies and procedures.

An employee will be granted a leave and protection against loss of pay for required military training and emergency duty. Such payments are limited to a maximum of two weeks per year (or four weeks every two years) for training and one month per year for emergency duty at the employee's adjusted rate.

An employee also may be paid for absences from work when required to register or take a physical examination required for entry into the armed forces.

4.9 Community Service

4.9.1 Civic Leave

Employees holding elected federal, state, or local government office may be permitted to utilize a reasonable period of working time with pay to carry out responsibilities which are required by the office and cannot be handled outside working hours.

4.9.2 Civil Defense/Emergency Preparedness Exercises

Employees who have volunteered and have been accepted by a local Civil Defense Organization to participate in community or national defense alert operations or in Civil Defense/Emergency Preparedness training may be excused from work for such participation without loss of pay for scheduled hours of work.

4.9.3 Election Officials

An employee who has been officially appointed to serve as an election officer, judge, or clerk may be excused from work without loss of pay for the period of time necessary to serve in such capacity.

4.9.4 Voting Time

Employees may be excused from work without loss of pay for the minimum time needed to vote in a national, state, county, or municipal election consistent with state laws.

4.10 Group Insurance Plans

The Contractor will be reimbursed for all cost incurred in implementing, administering, and funding comprehensive group insurance plans. Initial implementations or substantial changes to these plans require DOE approval. The features of these plans are set forth in policies and summary plan descriptions, a current copy of which will be provided to DOE. These plans will be administered consistently in accordance with Plan Documents, insurance contracts, applicable laws and fiduciary responsibilities.

The Contractor will periodically review the Plans to assure plan designs represent good business practices regarding the incorporation of cost containment features, and to assure the overall benefit package is reasonable from a total compensation perspective.

Plan	Current Contractor Cost
Group Life Insurance	Active salaried employees, retirees under 65 - 50% of full cost for basic life.
Medical Expense including Prescription Drug and Vision Plans	Active employees - 88% of full cost Retirees (with greater than 10 years full time service) - 75% of full cost
Major Medical Medicare Supplement Plan	Retirees (with greater than 10 years full time service) - 50% of full cost
Dental Expense Assistance Plan	Active employees - 88% full cost effective July 1, 1996 Retirees under 65 - 75% of full cost effective July 1, 1996
Travel Insurance	100% of full cost
Special Accident Insurance Plan	0 - fully paid by employee
Long Term Disability Plan	100% of full cost for replacement income - 60% of salary
Medical and Dependent Care Flexible Spending Accounts	Administrative Cost only

* This table will be revised to reflect approved benefit plan changes when determined.

4.10.1 Benefits Programs for Displaced Workers

- a. The cost of medical plan coverage for contractor employees who have separated from employment, excluding those terminated “for cause,” will be reimbursable from the date of separation provided the employee was:
 1. On the employment rolls and voluntary or involuntary separation on or after September 27, 1991, as a result of the implementation of a work force restructuring plan requested by the Secretary of Energy; and,
 2. eligible for medical insurance coverage under the contractor’s plan at the time of separation; and,
 3. not eligible for coverage under an employer’s group health plan or Medicare since the time of separation.
- b. Retirees eligible for medical coverage under the Contractor’s health plan will not be eligible for coverage under Section 3161 of the National Defense Authorization Act of 1993.

- c. Benefits for displaced workers contained in a Workforce Restructuring Plan, developed pursuant to the National Defense Authorization Act of 1993, are reimbursable to the extent that a specific description of each benefit with supporting information and detailed projected costs has been reviewed and approved in advance by DOE, for inclusion in the Plan.

4.11 Pension & Savings Plans

The Contractor will be reimbursed for all costs incurred in implementing, administering, and funding the above plans. Initial implementations or substantial changes to these plans require DOE approval. The features of the Pension and Savings Plans are set forth in plan descriptions, current copies of which will be provided to DOE. These plans will be administered consistently and in accordance with applicable laws, Internal Revenue Service code, Plan Documents, and fiduciary responsibilities.

The Contractor will periodically review the Plans to assure that the plan design meets Contractor objectives to provide income replacement value consistent with industry standards, and to assure the overall benefit package is reasonable and competitive from a total compensation perspective. The contractor cost of these plans is included in the table below:

Plan	Contractor Cost
Pension Plan	100% contractor paid
Savings Plan	100% match up to 2% of pay 50% match up to 4% of pay (4% of total pay)

4.11.1 Reports

The Contractor will submit copies of actuarial valuation reports (prepared by the Contractor's actuarial consultants), a copy of IRS Form 5500 with schedules as submitted to IRS, and other financial or accounting reports developed or required in connection with the DOE reimbursed Pension and Retirement Plans.

4.11.2 Non-Qualified Pension Plans

Non-qualified Pension Plans implemented solely to replace the reductions in the Pension Plan benefit due to limitations imposed by Sections 415 and 401(a) 17 of the Internal

Revenue Code are reimbursable under this contract. These plans will provide employees with benefits provided under the formulae expressed in the contractor ' s Pension plan and does not provide any additional benefit absent the Internal Revenue Code limitations. These benefits will be funded on a pay-as-you-go basis.

4.11.3 Incentive Compensation

The inclusion of performance-based Incentive Compensation (IC) in pensionable earnings is an allowable cost with the following restrictions:

- a. The normal cost to the pension plan will not exceed \$35,000 per year.
- c. No more than 14 active employees will be covered by IC at any one time.
- d. UT Battelle, LLC will not exceed either the dollar amount or number of employees covered without prior written approval of the Contracting Officer or designee.

Note: The above Incentive Compensation excludes individuals covered under the SNS Human Resources Working Group Report. The approved Report addresses incentive compensation for the SNS project.

4.11.4 Contract Termination/Expiration

The contractor shall not terminate any benefit plan without DOE approval. All costs for claims arising from defined benefit plans and post-retirement life, medical, and other benefit liabilities for active and retired employees are obligations of the government. It is the intention of DOE not to entertain any enhancements in these programs after the contractor announces the intention not to renew the contract. At the termination or expiration of this contract, the contractor's obligations to employees and retirees for these plans shall be relieved and indemnified by the government as described below:

a. Defined Benefit Plans

- (1) If the contract terminates or expires and there is a replacement contractor, all assets and liabilities shall transfer to the replacement contractor, and the contractor shall be relieved of, and indemnified by DOE, against any and all liabilities arising from such plans.

- (2) If the contract terminates or expires and there is no replacement contractor, the plan shall be terminated in accordance with the provisions of ERISA and the Internal Revenue Code (IRC). Annuity purchase bids will be solicited from a minimum of five of the ten largest insurance companies whose AM Best rating is A+ and who are currently quoting pension plan termination annuities. After all obligations for all liabilities (as defined in IRC 1.414(1)) of these defined benefit plans have been fully funded, as well as any related tax liability of the corporation, any remaining assets shall be returned to the DOE. If the assets are insufficient to cover pension obligations, DOE shall provide additional funding to cover such obligations.
- (3) If the plan terminates before the contract terminates, the definition and disposition of assets and liabilities shall be as specified in paragraph (2).
- (4) Under the scenarios described in paragraphs (1), (2), and (3), the contractor shall actively manage all assets until the date of settlement. Such management shall include protection of principal if appropriate.

b. Defined Contribution Plan

Upon contract termination, individual employee accounts in the defined contribution plan shall be handled in accordance with the provisions of ERISA. Any unallocated funds (e.g., suspense accounts) shall be returned to the DOE.

c. Post-Retirement Life and Medical, and Other Benefit Obligations

- (1) If the contract terminates and there is a replacement contractor, all assets and liabilities shall transfer to the replacement contractor, and the contractor shall be relieved of, and indemnified by DOE, against any and all further liabilities arising from such plans.
- (2) If the contract terminates and there is no replacement contractor, DOE will make available to the contractor in a timely manner sufficient funds so that the contractor has no out-of-pocket expenditures from corporate funds to cover all liabilities incurred under this contract related to Contracting Officer-approved employee welfare benefit plans (including but not limited to medical, life, and workers' compensation). If so requested by DOE at the time of contract termination or expiration, the contractor will continue as the sponsor of these plans until all liabilities of such plans are discharged.

d. Taxes and IRS Penalties

If contractor action or inaction regarding plans approved by the Contracting Officer results in a tax or other IRS penalty, the contractor shall pay it from corporate funds.

If DOE action or inaction regarding plans approved by the Contracting Officer results in a tax or other IRS penalty, the contractor shall pay it from DOE funds.

4.12 Employee Assistance Program

The Contractor will provide for an Employee Assistance Program consistent with the Drug Free Workplace Act of 1988. This benefit will be administered in accordance with the contract between the contractor and the EAP vendor. Periodic internal reviews will be conducted to assess cost/benefit of program delivery.

4.13 Funeral Leave

In the event of the death of a member of the employee's immediate family, a salaried employee may be granted leave with pay for up to four days.

4.14 Decision Making Leave

Time off with pay for a decision making leave under the Contractor's discipline program is allowable

5. Employee Programs

5.1 Education & Training

a. Cooperative Educational Program

The Contractor may provide temporary employment opportunities for students under the cooperative education and student intern programs.

b. Educational Assistance Program

The Contractor may provide financial assistance to eligible employees who engage in educational activities in order to establish, maintain, or upgrade skill required by the Contractor. Eligible employees must satisfactorily complete courses of study to be eligible for assistance. Educational assistance may include payment for tuition, textbooks, and fees. Payment may also be made for proficiency testing, which results in the granting of academic credit or is otherwise required by the school.

Regular work hours may be rescheduled to attend classes provided that there is no significant reduction in the employee's productive contribution caused by the rescheduling. Reduction of work schedules, with appropriate reduction of pay, and leaves of absence may be granted to facilitate course completion where deemed beneficial to pay for work under the Contract. Employees participating in Educational Assistance Program may use facilities, equipment, and services in support of their studies if approved by management.

c. University Program Participation

The Contractor may permit a rescheduling of regular work hours or a reduction in the work schedule and corresponding reduction in pay for Contractor employees who are engaged in teaching, planning, or general management at local colleges or universities.

d. Training

The Contractor may conduct or permit employees to attend training programs and courses that are based on training needs assessments. These training courses should contribute to the performance of work under the contract and be provided at reasonable costs to the government.

e. Benefit Plans Participation

Employees working on a reduced workweek schedule under 5.1.b and c will be permitted to participate in all employee plans, based on their full regular salaries and the continuation of full Company Service Credit.

5.2 Employee Recognition and Memberships

The costs of employee recognition programs and organizational and individuals memberships are allowable based on a budget formula not to exceed 1/4 of 1% of base payroll on September 30 of the prior fiscal year. Program costs include the following:

- a. Company service awards for achieving service milestones consistent with the Corporate service awards program.
- b. Safety awards and recognition to promote health and safety.
- c. Awards, recognition, and celebrations for participating in management initiatives, special achievements, retirement, and similar activities to the extent that they are reasonable and consistent with industry practice.
- d. The costs of organization and employee memberships in trade, business, and technical organizations necessary for effective performance of work under the contract provided they are reasonable and do not constitute payments for, or in support of, partisan and political (lobbying) activity.

5.3 Patent Awards

Cash Awards of \$500 may be made to each inventor (or each co inventor) for each invention filed in the U.S. Patent and Trademark Office, which benefit the objectives of the Contractor and DOE.

Cash Awards of \$150 may be made to each author (or each coauthor) of works (other than scientific and technical articles) for which the Contractor has asserted copyright for the purpose of registration and commercialization through licensing.

6. Travel and Relocation

- a. The Contractor may pay transportation, lodging, meals, incidental, relocation, and other expenses for employees or other persons required to travel or move in conjunction with the performance of work under this contract. Allowable costs for travel and relocation include costs according to applicable provisions of the FAR and DEAR, the Federal Travel Regulations, and the Internal Revenue Service auto allowance. The Contractor may deviate in specific instances where it is determined to be economically advantageous to the DOE and to the extent such deviations conform to pertinent regulations and law. The Contractor will maintain records based on its determinations to deviate in specific instances sufficient for audit review.
- b. When the Contractor requires employees to work at locations of significant distance from their regular assignment, on a temporary or permanent basis, geographic pay allowances may be appropriate. The intent is to keep employee's compensation and standards of living reasonably whole so that they suffer neither a significant financial loss nor gain because of the assignment.
- c. Relocation costs are those costs incident to (1) the permanent change of duty station of an existing employee and (2) the recruitment of a new employee.
- d. Costs incurred in the recruitment of personnel consistent with applicable provisions of the DEAR and FAR and Federal Travel Regulations are reimbursable.

7. Miscellaneous Policies

7.1 Participation in Association Activities

Cost incurred as a result of participation in the activities of technical, professional, and business methods associations will be allowed, as long as reasonable and necessary for the performance of effective work under the contract.

7.2 Licenses and Fees

The costs of required licenses, fees, and similar costs to certify and maintain employee qualifications to perform work under the contract are allowable. The Contractor will closely manage and control the number of licenses/fees to limit reimbursed costs to provide a sufficient number of qualified employees to reasonably perform the affected work under the contract.

7.3 Personnel Borrowed

The cost associated with Battelle company or University of Tennessee employees not working for UT-Battelle borrowed for incidental work under this contract is reimbursable. Reimbursement for the time such employees work under this contract will be allowable in accordance with the home operating unit's disclosed costing practices. Time worked under this contract will include the time spent by employees en route to and returning from the site of work. Travel cost of such borrowed personnel will be allowed on the same basis as for employees working on the contract.

7.4 Personnel Loaned

The Contractor may loan, at no cost to the government, individuals working under this contract to other operations as long as it does not interfere with the performance of contract work. Each loan arrangement will be reviewed to assure no conflict of interest and will be approved by the cognizant UT-Battelle Director. A cumulative report showing all employees loaned, along with the total days loaned and services provided, will be submitted to the DOE annually.

7.5 Personnel Support Activities

The Contractor will be reimbursed for costs for activities incidental to the promotion of morale, welfare, health, and safety of employees, such as employee publications; health and first aid clinics; net costs of in-plant food services (operated on a break-even basis); employees time to promote employee participation in Blood Drives, U.S. Savings Bonds and United Fund campaigns; and other similar activities which may be sanctioned by the Contractor.

7.6 Protective Clothing

Employees who are required or allowed to wear special clothing, shoes and protective equipment for various reasons such as safety, housekeeping, protection from harmful chemicals or radioactive contamination, guard exercise clothing, etc., are furnished such items at no cost to the employees. Cost of providing and laundering of such special clothing are allowable costs. Safety glasses or goggles and safety shoes other than those furnished by the Contractor (one pair of which may be sold to any employee once every two years at \$8 less than cost per pair in an attempt to prevent off-the-job lost-time accidents) are also allowable costs.

7.7 Security Suspension Pay

- a. If the access authorization of an employee is suspended by direction of the Manager, Oak Ridge Operations Office, the Contractor shall transfer the employee to perform work not requiring access if such work is available. If a determination is made by the Contractor that no work is available in an uncleared area to which the employee may be transferred, the Contractor shall prepare a written report for the review and concurrence of DOE, setting forth the reasons for the determination. Subject to DOE's concurrence with such determination, the Contractor shall place the employee on leave with pay at the employee's current base compensation until the employee is notified in writing of the Hearing Officer's recommendation. If the Hearing Officer recommends revocation of access authorization the employee shall be placed on leave without pay. If the Hearing Officer recommends continuation of access authorization payment of the base wage shall be continued until final disposition of the case under Department procedures, 10 CFR Part 710.
- b. In the event the employee whose access authorization has been suspended is transferred to another position where such access authorization is not required, compensation shall,

thereafter, be the base wage or salary received by the employee on the position from which transferred, and such compensation shall continue until the employee is notified in writing of the Hearing Officer's determination. If the Hearing Officer recommends revocation of access authorization, compensation will be adjusted to the rate applicable to the job being performed.

If the Hearing Officer recommends continuation of access authorization, the base wage previously received shall be continued until final disposition of the case under Departmental procedures, 10 CFR Part 710.

- c. If at any stage of the access authorization procedure following a suspension, the employee's access authorization is reinstated and returns to work in the same or comparable position, the employee shall be reimbursed for net loss of base earnings during the period of suspension.

7.8 Business Expenses

The following expenses to the extent reasonable and which contribute to the effectiveness of the Contractor's work under the contract will be allowable:

- a. Booklets and pamphlets describing the capabilities of the Contractor, e.g., operational, financial, personnel, etc.
- b. Cost of meetings, including cost associated with activities such as labor negotiations, recruiting, etc.
- c. The cost of business meals is allowable to the extent reasonable and necessary for the effective performance of contract work. The Contractor shall establish and maintain effective internal controls.

7.9 Spallation Neutron Source (SNS) Project

Parties acknowledge that an SNS Working Group Report ("Plan to Assist in Recruitment of DOE Laboratory Employees for the Spallation Neutron Source Project") was approved by the DOE Director of Office and Science as a pilot program and was implemented on September 1, 1999. The SNS pilot will be evaluated on a periodic basis.

7.10 Key Personnel

Changes to key personnel must be approved by DOE.

**U.S. Department of Energy
REQUIREMENTS CHANGE NOTICE**

No. OR-01

Page 1 of 1

Project

Contract Baseline Documentation

Location

Oak Ridge, Tennessee

Contractor

UT-Battelle, LLC

Contract No.

DE-AC05-00OR22725

Special Contracts Requirements Clause I-140

Date of Contract

April 1, 2000

This Requirements Change Notice (RCN) No. OR 01 incorporates into Appendix E, Contract No. DE-AC05-00OR22725, the attached list of applicable documents which have been assessed against the terms and conditions of the subject contract in accordance with the above referenced clause. Changes to Appendix E are indicated by bold type.

Below is a list of the orders incorporated herein:

DOE O 110.3
DOE N 142.1
DOE N 205.2
DOE N 205.3
ORO O 250, Chptr II, Chg 2
ORO O 250, Chptr IV, Chg 1
ORO O 250, Chptr V, Chg 1
ORO O 250, Chptr VI, Chg 1
ORO O 250, Chptr VII, Chg 1
DOEN 413.1
ORO O 420, Chptr XI
ORO O 470, Chptr VII, Chg 2
DOE N 471.1

Revised:

DOE N 205.1, Compliance Line Only
DOE O 430.2, Compliance Line Only

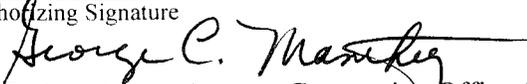
Other Applicable Directives:

WSS	Chg 3, 4, 5, & 6	Other Industrial, Radiological, and Non-Radiological Hazard Facilities
WSS	Chg 2	Radiochemical Research Facilities, Bldgs 2026 and 5505
WSS	Chg 2	Radiochemical Technology Facilities, Bldgs 3027 and 3047
WSS	Chg 2	Radiochemical Engineering Development Center, Bldgs 7920, 7930, and Support Areas
WSS	Chg 2	Radiochemical Development Facility, Bldg 3019 and its Ancillary Bldgs
WSS	Chg 2	Irradiated Materials Examination and Testing Facility and Irradiated Fuels Examination Laboratory, Bldgs 3025E, 3525, and Support Areas
WSS	Chg 2	HFIR
WSS	Chg 1	Nuclear Hot Cell Facility, Bldg. 4501
WSS		Chem-Bio Facility, Bldg 5507A

Attachments:

- 1) Appendix E - Baseline List of Required Compliance Documents (06/30/2000)
- 2) Outline of RCN No. 01 Changes (06/30/2000)

DOE Authorizing Signature



George C. Manthey, Alternate Contracting Officer's Representative

Date: June 30, 2000

6/22/00

APPENDIX E

LAWS, REGULATIONS, AND DOE DIRECTIVES

List A - List of Applicable Laws and Regulations

Executive Order 13101, GREENING THE GOVERNMENT THROUGH WASTE PREVENTION, RECYCLING, AND FEDERAL ACQUISITION

(NOTE: Executive Orders can be found at the following Internet address:

<http://library.whitehouse.gov/?request=Executive Order>)

List B - List of Applicable Directives

DOE DIRECTIVES				
DOE Directives can be found at the following Internet address: http://www.explorer.doe.gov:1776/htmls/directives.html				
Required Compliance	Through Change	Title	Date	Note
DOE O 110.3		Conference Management Compliance: Implementation is to be in accordance with an implementation plan due at DOE not later than 06/07/2000.	11/03/1999	
DOE O 137.1A		Plan for Operating in the Event of a Lapse in Appropriations	08/20/1999	
DOE M 140.1-1A		Interface with the Defense Nuclear Facilities Safety Board	01/26/1999	
DOE N 142.1		Unclassified Foreign Visits and Assignments Compliance: Implementation is to be in accordance with an implementation plan due at DOE not later than 07/21/2000.	07/14/1999	
DOE O 200.1		Information Management Program	09/30/1996	
DOE M 200.1-1 Except Chapter 7		Telecommunications Security Manual	03/1997	
DOE N 205.1		Unclassified Cyber Security Program Compliance: Implementation is to be in accordance with an implementation Plan [Cyber Security Program Plan (CSPP)] submitted to DOE on 04/28/2000.	07/16/1990	

APPENDIX E

DOE DIRECTIVES				
DOE Directives can be found at the following Internet address: http://www.explorer.doe.gov:1776/htmls/directives.html				
Required Compliance	Through Change	Title	Date	Note
DOE N 205.2		Foreign National Access to DOE Cyber Systems Compliance: Implementation is to be in accordance with an implementation plan due at DOE not later than 05/29/2000.	11/01/1999	
DOE N 205.3		Password Generation, Protection, and Use	11/23/1999	
DOE O 224.1		Contractor Performance Based Business Management Process	12/08/1997	
DOE O 241.1		Scientific and Technical Information Management	08/17/1998	
DOE O 251.1A		Directives System	01/30/1998	
DOE M 251.1-1A		Directives System Manual	01/30/1998	
DOE O 311.1A		Equal Employment Opportunity and Diversity Program	12/30/1996	
DOE O 350.1	1 05/08/1998	Contractor Human Resource Management Program	09/30/1996	
DOE N 350.5		Use of Facility Contractor Employees for Services to DOE in the Washington, D.C. Area	04/15/1999	
DOE O 412.1		Work Authorization System	04/20/1999	
DOE N 413.1		Extension of DOE O 413.1, Management Control Program	12/09/1999	
DOE O 413.1		Management Control Program Compliance: Implementation is in accordance with DOE (Cumesty) letter dated 07/08/1997, and LMER (Rhude) letter dated 09/26/1997.	12/06/1995	
DOE O 413.2		Laboratory Directed Research and Development	03/05/1997	
DOE O 430.1A		Life Cycle Asset Management Compliance: Implementation is in accordance with an implementation plan approved by DOE on 09/09/1999.	10/14/1998	

APPENDIX E

DOE DIRECTIVES				
DOE Directives can be found at the following Internet address: http://www.explorer.doe.gov:1776/htmls/directives.html				
Required Compliance	Through Change	Title	Date	Note
DOE O 430.2		In-House Energy Management Compliance: Implementation is in accordance with an implementation plan approved by DOE on 10/29/1999 .	06/13/1996	
DOE M 450.3-1		The DOE Closure Process for Necessary and Sufficient Sets of Standards	01/25/1996	
DOE O 470.1	1 06/21/1996	Safeguards and Security Program	09/28/1995	
DOE N 470.1		Extension of DOE O 470.1, Safeguards and Security Program	09/23/1999	
DOE O 470.2		Safeguards and Security Independent Oversight Program	12/23/1998	
DOE O 471.1		Identification and Protection of Unclassified Controlled Nuclear Information	09/25/1995	
DOE N 471.1		Extension of DOE O 474.1, Identification and Protection of Unclassified Controlled Nuclear Information	09/02/1999	
DOE O 471.2A		Information Security Program Compliance: Implementation is in accordance with an implementation plan approved by DOE on 10/08/1997.	03/27/1997	
DOE N 471.2		Extension of DOE O 471.2A, Information Security Program	09/23/1999	
DOE M 471.2-1B		Classified Matter Protection and Control Manual	01/06/1999	
DOE M 471.2-2		Classified Information Systems Security Manual	08/03/1999	DOE N 205.3 cancels paragraph 4j(2) & 4j(6) of Chpt VI & paragraph 12a(2) (a) of Chpt VII

APPENDIX E

DOE DIRECTIVES				
DOE Directives can be found at the following Internet address: http://www.explorer.doe.gov:1776/htmls/directives.html				
Required Compliance	Through Change	Title	Date	Note
DOE O 472.1B		Personnel Security Activities	03/24/1997	
DOE M 472.1-1		Personnel Security Program Manual	05/22/1998	
DOE O 474.1		Control and Accountability of Nuclear Materials	08/11/1999	
DOE M 474.1-1		Manual for Control and Accountability of Nuclear Materials	08/11/1999	
DOE M 474.1-2	1 04/27/1998 2 11/16/1998	Nuclear Materials Management and Safeguards System Reporting and Data Submission	02/10/1998	
DOE M 475.1-1		Identifying Classified Information	05/08/1998	
DOE O 481.1		Work for Others (Non-Department of Energy Funded Work)	09/30/1996	
DOE M 481.1-1		Reimbursable Work for Non-Federal Sponsors Process Manual	09/30/1996	
DOE O 534.1		Accounting	09/29/1995	
DOE N 534.1		Extension of DOE O 532.1, Accounting	09/19/1999	
DOE 1270.2B		Safeguards Agreement with the International Atomic Energy Agency (IAEA)	06/23/1992	1
DOE 1300.3		Policy on the Protection of Human Subjects	08/23/1990	
DOE 1340.1B		Management of Public Communications and Scientific, Technical, and Engineering Publications	01/07/1993	
DOE 1350.1	1 03/26/1984	Audio Visual and Exhibits Management	10/28/1981	
DOE 1450.4		Consensual Listening-in To or Recording Telephone-Radio Conversations	11/12/1992	
DOE 1500.3	7 07/06/1994	Foreign Travel Authorization Compliance: Implementation is in accordance with DOE letter for Martha Krebs, Director, Office of Energy Research, dated 05/24/1994.	11/10/1986	
DOE 2030.4B		Reporting Fraud, Waste, and Abuse	05/18/1992	

APPENDIX E

DOE DIRECTIVES				
DOE Directives can be found at the following Internet address: http://www.explorer.doe.gov:1776/htmls/directives.html				
Required Compliance	Through Change	Title	Date	Note
DOE 2100.8A		Cost Accounting, Cost Recovery, and Interagency Sharing of Information Technology Facilities	01/27/1993	
DOE 2110.1A	2 05/18/1992	<p>Pricing of Departmental Materials and Services.</p> <p>Compliance: Change 2 of the Order failed to incorporate interim guidance, "Policy on Waiver of DOE's Added Factor and Depreciation." Subsequent clarification from ORO confirmed the need to continue following this interim guidance.</p> <p>Compliance: Implementation will be in accordance with DOE-ORO letter from J. R. Martin, Director, Finance Division, dated 08/03/1994, regarding the application of the departmental added factor (DAF) based on the source of funds. Effective 08/03/1994, the DAF rate will be applied to any work performed for a non-Federal entity (as opposed to full cost factor and depreciation normally applied to private work) if the work is financed from another Federal entity. Written documentation should be provided from the non-Federal entity or the other Federal agency. This change in policy applies only to new work.</p> <p>Compliance: Implementation will be in accordance with DOE memorandum from Elizabeth E. Smedley, Controller, dated 08/25/1994, regarding the waiver of the added factor and depreciation for small businesses and nonprofit organizations participating in funds-in agreement, effective 10/01/1994. This waiver is valid for one year, through 09/30/1995.</p>	07/14/1988	
DOE 2300.1B		Audit Resolution and Follow-up	06/08/1992	
DOE 2320.1C		Cooperation with the Office of Inspector General	05/18/1992	
DOE 2320.2B		Establishment of Department Position on Inspector General Reports	05/18/1992	1
DOE 2321.1B		Auditing of Programs and Operations	05/14/1992	1

APPENDIX E

DOE DIRECTIVES				
DOE Directives can be found at the following Internet address: http://www.explorer.doe.gov:1776/htmls/directives.html				
Required Compliance	Through Change	Title	Date	Note
DOE 2340.1C		Coordination of General Accounting Office Activities	06/08/1992	1
DOE 5480.29		Employee Concerns Management System	01/15/1993	
DOE 5560.1A		Priorities and Allocations Program	05/08/1985	
DOE 5632.1C		Protection and Control of Safeguards and Security Interests	07/15/1994	
DOE M 5632.1C		Manual for Protection and Control of Safeguards and Security Interests	07/15/1994	DOE M 5632.1C-1, Chapter XI, canceled by DOE O 470.1. DOE M 5632.1C-1, Chapter III, paragraphs 1, 2, and 4 thru 9, canceled by DOE O 471.2
DOE 5639.8A		Security of Foreign Intelligence Information and Sensitive Compartmented Information Facilities	07/23/1993	
DOE 5660.1B		Management of Nuclear Materials.	05/26/1994	
DOE 5670.1A		Management and Control of Foreign Intelligence Compliance: Implementation is in accordance with MMES letter No. AE92-044 dated 06/10/1992.	01/15/1992	
SEN-34-91	1	Implementation of the Chief Financial Officers Act of 1990.	08/15/1991	

APPENDIX E

ORO DIRECTIVES ORO Directives can be found at the following Internet address: http://www.ornl.gov/doe_oro_dmg/orchk1st.htm				
Required Compliance	Through Change	Title	Date	Note
ORO O 130 Chapter II	2 07/28/1999	BUDGET Shutdown of Department Operations upon Failure of Congress to Enact Appropriations	05/15/1996	
ORO O 140 Chapter II	1 05/15/1998	EXTERNAL RELATIONSHIPS Safeguards Agreement with the International Atomic Energy Agency (IAEA)	05/15/1996	
ORO O 220 Chapter I	1 07/28/1998	ASSESSMENTS Reporting Fraud, Waste, and Abuse to the Office of Inspector General	05/31/1996	
Chapter II	1 01/07/1999	Cooperation with the Office of Inspector General	09/30/1996	
Chapter III	1 07/28/1998	Establishment of Department Position on Inspector General Reports	05/31/1996	
Chapter IV	1 07/28/1998	Coordination of General Accounting Office Activities	05/31/1996	
Chapter VII	1 07/28/1998	Audit Resolution and Follow-Up	05/31/1996	
Chapter IX		Auditing of Programs and Operations	09/30/1996	

APPENDIX E

ORO DIRECTIVES				
ORO Directives can be found at the following Internet address: http://www.ornl.gov/doe_oro_dmg/orchkst.htm				
Required Compliance	Through Change	Title	Date	Note
ORO O 250		STANDARDS MANAGEMENT		
Chapter II	2 12/13/1999	Oak Ridge Directives Standards System	03/27/1998	
Chapter III		Oak Ridge Operations Technical Standards Program	03/27/1998	2
Chapter IV	1 12/13/1999	Contractor Directives Appendix	03/27/1998	
Chapter V	1 12/13/1999	Development, Approval, and Maintenance of Smart Standards	03/27/1998	
Chapter VI	1 01/06/2000	Implementation and Corrective Action Plans	03/27/1998	
Chapter VII	1 01/06/2000	Maintenance of Standards/Requirements Identification Documents	03/27/1998	
ORO O 350		CONTRACTOR HUMAN RESOURCE PROGRAMS		
Chapter III	1 04/29/1999	Federal Labor Standards	05/31/1996	
Chapter VI	1 09/30/1998	Workplace Substance Abuse Programs at Oak Ridge Sites	06/28/1996	
ORO O 410		MANAGEMENT		
Chapter I	1 12/01/1998	Work Authorization System	09/24/1996	
Chapter II	1 09/21/1998	Management of Nuclear Materials	05/31/1996	
ORO O 410		FACILITY AUTHORIZATION	04/04/2000	
Chapter XI		Authorization Agreements		

APPENDIX E

ORO DIRECTIVES				
ORO Directives can be found at the following Internet address: http://www.ornl.gov/doe_oro_dmg/orchk1st.htm				
Required Compliance	Through Change	Title	Date	Note
ORO O 430		LIFE CYCLE FACILITY OPERATIONS		
Chapter I	5 07/07/1999	Life Cycle Asset Management (LCAM)	09/30/1996	
Chapter II		In-House Energy Management	06/14/1996	
ORO O 450		PROTECTION OF THE PUBLIC AND ENVIRONMENT		
Chapter III	1 04/09/1999	Cultural Resources Management Program	09/30/1996	
ORO O 470		SAFEGUARDS AND SECURITY		
Chapter I	1 04/16/1999	Safeguards and Security Program	09/30/1996	
Chapter VII	2 08/20/1999	Protection and Control of Safeguards and Security Interests	05/15/1996	
Chapter IX	1 05/10/1999	Control and Accountability of Nuclear Materials	05/15/1996	
Chapter XI	1 04/23/1999	Security of Foreign Intelligence Information and Sensitive Compartmented Information Facilities	09/30/1996	
Chapter XII	1 07/22/1998	Counterintelligence (CI) Program	05/15/1996	
ORO N 471.2	2 04/15/1999	TECHNICAL SURVEILLANCE COUNTERMEASURES (TSCM) PROGRAM Technical Surveillance Countermeasures (TSCM) Program - Use of Telephone Lineman-type Handsets or Items Similar in Purpose, Use, or Effect on DOE-owned or Leased Property	03/05/1996	
ORO O 560		TELECOMMUNICATIONS AND DATA SYSTEMS		
Chapter I	1 08/27/1998	Unclassified Computer Security Program	05/15/1996	

APPENDIX E

ORO DIRECTIVES				
ORO Directives can be found at the following Internet address: http://www.ornl.gov/doe_oro_dmg/orchk1st.htm				
Required Compliance	Through Change	Title	Date	Note
ORIG 4300.2B		Non-DOE Funded Work Compliance: Implementation will be in accordance with MMES letter dated 03/05/1993.	12/23/1992	

* Notes

(1) This document is not directly applicable to the Contractor; it is included in the list of applicable documents because the Contractor must provide certain information or input to DOE in order for DOE to comply with requirements specified in the document.

(2) This document is not directly applicable to the Contractor; however, it is included in this list of applicable documents because an associated document in the same series is applicable (e.g., because a DOE Order is applicable, the OR Order or ORIG is made applicable) or because the policies listed in the order are part of the Contractor's good business practices.

APPENDIX E

Work Smart Standards (WSS) and Standards/Requirements Identification Documents (S/RIDs) can be found at the following Internet address: http://www-internal.ornl.gov/WSS/standards.htm 				
Required Compliance	Through Change	Title	Date	Note
WSS	3 & 4 03/20/2000 5 03/07/2000 6 05/15/2000	Other Industrial, Radiological, and Non-Radiological Hazard Facilities	07/25/1996	
WSS	2 03/20/2000	Radiochemical Research Facilities, Bldgs 2026 and 5505	09/30/1996	
WSS		The Five Accelerator Facilities	09/30/1996	
WSS	2 03/20/2000	Radiochemical Technology Facilities, Bldgs 3027 and 3047	12/17/1996	
WSS	2 03/20/2000	Radiochemical Engineering Development Center, Bldgs 7920, 7930, and Support Areas	12/17/1996	
WSS	2 03/20/2000	Radiochemical Development Facility, Bldg 3019 and its Ancillary Bldgs	05/07/1997	
WSS	2 03/20/2000	Irradiated Materials Examination and Testing Facility and Irradiated Fuels Examination Laboratory, Bldgs 3025E, 3525, and Support Areas	05/07/1997	
WSS		Construction and Construction-Like Activities	05/07/1997	
WSS		Engineering Design for Standard Industrial, Radiological, Non-Reactor Category 2 and 3 Nuclear and Accelerator Facilities	04/14/1998	
WSS	2 03/20/2000	HFIR	09/10/1998	
WSS	2 03/20/2000	Nuclear Hot Cell Facility, Bldg 4501	07/01/1999	
WSS		Chem-Bio Facility, Bldg 5507A	05/15/2000	
S/RID	1	Occurrence Reporting	11/20/1997	
S/RID		Emergency Management	11/05/1996	

OUTLINE OF RCN NO. 01 CHANGES

<u>ITEM</u>	<u>DATE</u>	<u>TITLE</u>	<u>CHANGE #</u>	<u>AUTHORIZATION</u>
<u>OD #001</u>				
DOE N 471.1 Adds DOE N 471.1	09/02/1999	Extension of DOE O 471.1, Identification and Protection of Unclassified Controlled Nuclear Information		DOE ltr dated 10/18/1999 LMER ltr dated 12/13/1999
ORO O 470 Chptr V Deletes ORO O 470, Chptr V	09/30/1996	Identification of Classified Information		DOE ltr dated 01/04/2000
DOE N 205.2 Adds DOE N 205.2, with compliance line. Implementation Plan due at DOE 05/29/2000.	11/01/1999	Foreign National Access to DOE Cyber Systems		DOE ltr dated 11/29/1999 LMER ltr dated 01/04/2000
DOE O 110.3 Adds DOE O 110.3, with compliance line. Implementation Plan due at DOE 06/07/2000.	11/03/1999	Conference Management		DOE ltr dated 12/07/1999 LMER ltr dated 01/13/2000
ORO O 470 Chptr VIII Deletes ORO O 470, Chapter VIII	05/15/1996	Protective Force Program		DOE ltr dated 01/21/2000
DOE M 473.2-1 Deletes DOE M 473.2-1	07/08/1997	Firearms Qualification Courses Manual		DOE ltr dated 01/21/2000
DOE 5632.7A Deletes DOE 5632.7A	04/14/1994	Protective Force Program		DOE ltr dated 01/21/2000

OUTLINE OF RCN NO. 01 CHANGES

<u>ITEM</u>	<u>DATE</u>	<u>TITLE</u>	<u>CHANGE #</u>	<u>AUTHORIZATION</u>
<u>OD #001 (cont.)</u>				
DOE N 205.1	07/26/1999	Unclassified Cyber Security Program		LMER ltr dated 01/14/2000
Revises compliance line for DOE N 205.1				
DOE N 413.1	12/10/1999	Extension of DOE O 413.1, Management Control Program		DOE ltr dated 01/21/2000 LMER ltr dated 03/01/2000
Adds DOE N 413.1				
DOE N 205.3	11/23/1999	Password Generation, Protection, and Use		DOE ltr dated 01/31/2000 LMER ltr dated 03/09/2000

Adds DOE N 205.3 which cancels paragraphs 4j(2) & 4j(6) of Chapter VI and paragraph 12a(2)(a) of Chapter VII, DOE M 471.2-2.

OD #002

Other Applicable Directives

WSS	Other Industrial, Radiological, and Non-Radiological Hazard Facilities	3 & 4	LMER ltr dated 03/20/2000
		5	LMER ltr dated 02/23/2000
WSS	Radiochemical Research Facilities, Bldgs 2026 and 5505	2	LMER ltr dated 03/20/2000
WSS	Radiochemical Technology Facilities, Bldgs 3027 and 3047	2	LMER ltr dated 03/20/2000
WSS	Radiochemical Engineering Development Center, Bldgs 7920, 7930, and Support Areas	2	LMER ltr dated 03/20/2000
WSS	Radiochemical Development Facility, Bldg 3019 and its Ancillary Bldgs	2	LMER ltr dated 03/20/2000
WSS	Irradiated Materials Examination and Testing Facility and Irradiated Fuels Examination Laboratory, Bldgs 3025E, 3525, and Support Areas	2	LMER ltr dated 03/20/2000
WSS	HFIR	2	LMER ltr dated 03/20/2000
WSS	Nuclear Hot Cell Facility, Bldg 4501	1	LMER ltr dated 03/20/2000

OUTLINE OF RCN NO. 01 CHANGES

<u>ITEM</u>	<u>DATE</u>	<u>TITLE</u>	<u>CHANGE #</u>	<u>AUTHORIZATION</u>
<u>OD #003</u>				
DOE N 142.1	7/15/1999	Unclassified Foreign Visits and Assignments		DOE ltr dated 01/21/2000 & 05/25/2000 UT-Battelle ltr dated 4/25/2000
Adds DOE N 142.1, with compliance line. Implementation Plan due at DOE 07/21/2000. Cancels and replaces DOE 1240.2B. Deletes DOE N 1240.2 and DOE N 1240.3 which have expired.				
<u>OD #004</u>				
ORO O 250				DOE ltr dated 03/07/2000
Chptr II	12/13/1999	ORO Directives System	2	UT-Battelle ltr dated 4/25/2000
Chptr IV	12/13/1999	Contract Appendix and Impact Assessments	1	
Chptr V	12/13/1999	Development, Approval and Maintenance of Work Smart Standards	1	
Chptr VI	01/06/2000	Implementation Plans	1	
Chptr VII	01/06/2000	Maintenance of Standards/Requirements Identification Documents	1	
Cancels and replaces ORO O 250 Chapter II, Rev. 2, Chg 1; Chapter IV, Rev 2; Chapter V, Rev. 2; Chapter VI, Rev 2; Chapter VII, Rev. 2; and deletes Chapter I, Rev. 2				
<u>OD #005</u>				
ORO O 470	08/20/1999	Protection and Control of Safeguards and Security Interests	2	DOE ltr received 10/08/1999 & 12/17/1999 UT-Battelle ltr dated 04/25/2000
Chptr VII				
Cancels and replaces ORO O 470, Chapter VII, Change 1				

OUTLINE OF RCN NO. 01 CHANGES

<u>ITEM</u>	<u>DATE</u>	<u>TITLE</u>	<u>CHANGE #</u>	<u>AUTHORIZATION</u>
<u>OD #006</u>				
DOE O 430.2	06/13/1996	In-House Energy Management		LMER ltr dated 10/29/1999
Revise compliance line only.				
<u>OD #007</u>				
Other Applicable Directives				
WSS		Other Industrial, Radiological, and Non-Radiological Hazard Facilities	6	LMER ltr dated 03/29/2000 DOE acceptance dated 05/15/2000
WSS		Chem-Bio Facility, Bldg 5507A		LMER ltr dated 03/29/2000 DOE ltr dated 05/25/2000
<u>OD #008</u>				
ORO O 420 Chptr XI	04/04/2000	Authorization Agreements		DOE ltr dated 04/24/2000 UT-Battelle ltr dated 06/09/2000

Adds ORO O 420, Chapter XI