



## Department of Energy

Oak Ridge Operations Office  
P.O. Box 2001  
Oak Ridge, Tennessee 37831—

December 19, 2003

Mr. Greg Turner  
Chief Financial Officer  
UT-Battelle, LLC  
Oak Ridge National Laboratory  
P. O. Box 2008  
Oak Ridge Tennessee 37831-6231

Dear Mr. Turner:

### **REIMBURSEMENT AUTHORIZATION (RA) NUMBER 9 SEVERANCE PAY**

Enclosed is our approval of the subject RA No. 9, that you requested by letter dated November 17, 2003.

The basis for this request has been the subject of several meetings, discussions and letters, in which UT-Battelle identified the need to reduce the Oak Ridge National Laboratory staff in several areas, and proposed to implement an enhanced Voluntary Separation Program of staff that are funded through overhead accounts.

If there are any questions, please contact Jerry Wills at 574-9277 or Susan Hiser at 576-6367.

Sincerely,



George J. Malosh  
ORNL Site Manager

**U. S. Department of Energy  
REIMBURSEMENT AUTHORIZATION**

Project

Operations and Research

Contractor

UT-Battelle, LLC

Contract No.

DE-AC05-00OR22725

Location

Oak Ridge, Tennessee

Date of Contract

April 1, 2000

The following modifications to the Advance Understanding on Personnel Costs (Appendix A) is approved as an allowable cost, effective: December 1, 2003.

This R. A. incorporates a new section to Severance Pay Benefit called Special Severance Programs where severance pay may be paid to employees accepted by management for participation in a Voluntary Separation Program.

The attached page is a sample of the page to be replaced in Appendix A. Upon approval of this RA (No. 9), Appendix A will be reissued in its entirety on the Web.

The contractor has a period of 60 days to transition completion of the changes resulting from this revised R.A. No. 9.

The following highlights the changes incorporated by this R.A.:

PageSectionDescription

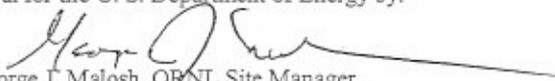
3-8

3.3.1.c

Special Severance Programs

Severance pay may be paid to employees accepted by management for participation in a self-select Voluntary Separation Program (VSP) offered by Contractor and who execute a general release and waiver of claims. Contractor may, with prior written approval by the Department, offer a VSP when, in its discretion, it determines that there are excess personnel in particular employee classifications due to reduced funding or scope of work, that cost reductions are necessary, or for other business reasons, and that a voluntary separation program is preferable to an involuntary reduction. Severance payable under a VSP will be no less than that payable under subpart b. above, but may exceed that amount. The terms and conditions, including the amount of severance to be paid, of any proposed VSP requires written approval of the Contracting Officer.

Approval for the U. S. Department of Energy by:

  
 Mr. George J. Malosh, ORNL Site Manager

Date

12/19/03