



To: Nevada Site Office Federal and Contractor Employees
From: Gerald L. Talbot, Manager, Nevada Site Office
Subject: Nevada Test Site Duty Stationed Employees Daily Allowance

In recent months a question was raised relative to the appropriateness of Nevada Test Site (NTS) duty stationed employees receiving a daily allowance or, as some call it, “subsistence”.

Research found that a 1966 statute specifically allowed for NTS Federal employees to receive subsistence that was set at \$5.00 if duty stationed in Mercury and \$7.50 if duty stationed in the “forward” areas. In 1971 this statute was revised but made no reference to changes to the 1966 statute specific to the Nevada Test Site. As a result NTS Federal employees are “grandfathered” to continue to receive this allowance.

The Nevada Site Office, as a matter of practice, has been making this same allowance to contractor employees, but at a higher rate. After consultation with the National Nuclear Security Administration Chief Financial Officer and the Deputy General Counsel for Procurement, the Nevada Site Office determined that as a matter of equity all contractor employees duty stationed at the NTS would be provided this allowance after each contract is changed to make such payments an allowable cost.

The finding, though, did determine that **all** employees, federal and contractor, duty stationed at the NTS will be paid \$5.00 for those whose duty station is Mercury and \$7.50 for those whose duty station is in the “forward” areas. This determination is based on the allowance figures established pursuant to the 1966 statute.

This change in the allowance for all NTS duty stationed employees will take affect October 1, 2007.

Any questions should be directed to the Human Resources department of your organization.