

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES 1 2
2. AMENDMENT/MODIFICATION NO. 0022	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
6. ISSUED BY NNSA M&O Contracting Operations Div NA-APM-13 Forrestal Building 1000 Independence Avenue, S.W. Washington DC 20585	CODE 05114	7. ADMINISTERED BY (If other than Item 6) NNSA Nevada Field OFC NA-00-NV P.O. Box 98518 Las Vegas NV 89193-8518	CODE 05002
8. NAME AND ADDRESS OF CONTRACTOR (No. , street, county, State and ZIP Code) MISSION SUPPORT AND TEST SERVICES LLC Attn: JOHN MURRAY 23500 W 105TH ST MD 300 OLATHE KS 660618425		(x) 9A. AMENDMENT OF SOLICITATION NO.	
CODE 080083514 FACILITY CODE		9B. DATED (SEE ITEM 11)	
		x 10A. MODIFICATION OF CONTRACT/ORDER NO. DE-NA0003624	
		10B. DATED (SEE ITEM 13) 05/12/2017	

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

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 YOUR ACKNOWLEDGEMENT 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 ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	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 date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF.
X	D. OTHER (Specify type of modification and authority) Agreement of the Parties

E. IMPORTANT: Contractor is not. is required to sign this document and return _____ copies to the issuing office.

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



The purpose of this modification is to -

- Update and Add Clauses to Section H;
- Update Clauses in Section I;
- Update Directives in Appendix F; and
- Add the FY18 Small Business Subcontracting Plan to Appendix I

as set forth in Attachment 1 attached hereto.

Continued ...

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

15A. NAME AND TITLE OF SIGNER (Type or print) Mark W. Martinez, President		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Darby A. Dieterich	
15B. CONTRACTOR/OFFEROR  <small>(Signature of person authorized to sign)</small>	15C. DATE SIGNED 6/18/18	16B. UNITED STATES OF AMERICA  <small>(Signature of Contracting Officer)</small>	16C. DATE SIGNED 6/18/18

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED
DE-NA0003624/0022

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NAME OF OFFEROR OR CONTRACTOR
MISSION SUPPORT AND TEST SERVICES LLC

ITEM NO (A)	SUPPLIES SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Payment: OR for NNSA U.S. Department of Energy Oak Ridge Financial Service Center P.O. Box 5807 Oak Ridge TN 37831 Period of Performance: 06/07/2017 to 11/30/2022				

I. Part I, Section H – Special Contract Requirements, is changed as follows:

- A. Delete Clause H-20, *Management and Operating Contractor Subcontract Reporting (Sep 2015)*, and replace it with updated clause H-20, *Management and Operating Contractor Subcontract Reporting (Nov 2017)*, as follows:**

**H-20 MANAGEMENT AND OPERATING CONTRACTOR SUBCONTRACT REPORTING
(Nov 2017)**

(a) *Definitions.* As used in this clause—

“First-tier subcontract” means a subcontract awarded directly by the Contractor for the purpose of acquiring supplies or services (including construction) for performance of a prime contract. It does not include the Contractor’s supplier agreements with vendors, such as long-term arrangements for materials or supplies that would benefit multiple contracts and/or the costs of which are normally applied to a Contractor’s general and administrative expenses or indirect costs.

“Management and Operating Contractor Subcontract Reporting Capability (MOSRC)” means a DOE system and associated processes to collect key information about Management and Operating Contractor first-tier subcontracts for reporting to the Small Business Administration.

“Transaction” means any contract, order, other agreement or modification thereof (other than one involving an employer-employee relationship) entered into by the Contractor acquiring supplies or services (including construction) required solely for performance of the prime contract.

Reporting. The Contractor shall collect and report data via MOSRC necessary for DOE to meet its agency reporting requirements, as determined by the Small Business Administration, in accordance with the most recent reporting instructions at <https://energy.gov/management/downloads/mosrc-reporting-instructions>. The Contractor shall report first-tier subcontract data in MOSRC. Classified subcontracts shall not be reported. Subcontracts with Controlled Unclassified Information marking shall not be reported if restricted by its category. Contact your Contracting Officer if uncertain of information reporting requirements. The MOSRC reporting requirement does not replace any other reporting requirements (e.g. the Electronic Subcontracting Reporting System or the FFATA Subcontracting Reporting System).

(End of Clause)

- B. Delete Clause H-23, *Contractor Community Commitments*, and replace it with updated clause H-23, *Contractor Community Commitments*, as follows:**

H-23 CONTRACTOR COMMUNITY COMMITMENTS

The Contract’s Section J Appendix M entitled “Contractor Commitments, Agreements, and Understandings” sets forth the Contractor’s Community Commitment Plan consistent with the intent of DEAR 970.5226-3, “Community Commitment”. The plan shall describe the Contractor’s planned activities as to how it will be a constructive partner to the communities in the State of Nevada. The Contractor is encouraged to consider specific performance goals around maximizing subcontracting to business within Nevada and Strategic Partnerships with

Nevada's system of higher education. Reasonable costs associated with the development of the plan will be considered allowable, while costs associated with implementing the plan are unallowable.

(End of Clause)

C. Add Clause H-25, Agreements for Commercializing Technology, as follows:

H-25 AGREEMENTS FOR COMMERCIALIZING TECHNOLOGY

This H-clause authorizes the use of the mechanism: Agreements for Commercializing Technology (ACT). In accordance with the requirements specified in this H-clause, the M&O Contractor may conduct third party-sponsored research at the M&O Contractor's risk. While the Department believes ACT has the potential to greatly assist in the commercialization of technologies, it also specifically recognizes that ACT can be used for other engagements with outside entities that are not necessary aimed at commercialization (e.g., technical assistance, training, studies), but which facilitate access to DOE facilities. In performing ACT work, the M&O Contractor may use staff and other resources associated with this M&O contract for the purposes of conducting technical services¹, training, studies, performing research and development, and/or furthering the technology transfer mission of the Department, only when such work does not interfere with DOE-funded activities conducted as authorized by other parts of this M&O contract. The resources that may be used include Government-owned or leased facilities, equipment, or other property that is either in the M&O Contractor's custody or available to the M&O Contractor under this M&O contract (unless specifically excluded by the Contracting Officer). For M&O Contractor activities conducted under authority of this H-clause, the M&O Contractor shall provide full-cost recovery, assume indemnification and liability as provided in paragraph 9 below, and may assume other risks normally borne by private parties sponsoring research at the DOE national laboratories and production plants. In exchange for accepting such risks, or for other private consideration provided by the M&O Contractor, the M&O Contractor is authorized to negotiate separate ACT agreements with the sponsoring third parties. Under ACT agreements, the M&O Contractor may charge those parties additional compensation beyond the full costs of the work at the facility.

The following applies to all work conducted under the ACT mechanism regardless of the source of funding:

1. *Authority to Perform work under this H-clause.* Pursuant to the Atomic Energy Act of 1954, as amended (42 U.S.C. 2011 et seq.) and other applicable authorities, the M&O Contractor may perform work for non-Federal entities, in accordance with the requirements of this H-clause.
2. *M&O Contractor's Implementation.* For ACT work conducted under the contract, the M&O Contractor must draft, implement, and maintain formal policies, practices, and procedures in accordance with this H-clause, which must be approved by the Contracting Officer, and such approval shall not be unreasonably withheld.
3. *Conditions for Participation in ACT.* The M&O Contractor:
 - a. Must not perform ACT activities that would place it in direct competition with the private sector;
 - b. May only conduct work under this H-clause if the work does not interfere with or adversely affect projects and programs the M&O Contractor conducts on behalf of the DOE under this contract,

and complies with the terms and conditions of the prime contract. If the Government determines that an activity conducted under this H-clause interferes with the Department's work under the M&O contract, or that termination/stay/suspension of work under an ACT agreement is in the best interest of the Government, the M&O Contractor must stop the interfering ACT work immediately to the extent necessary to resolve the interference. At any time, the Contracting Officer may require the use of specified Government-owned or leased property and facilities for the exclusive use of the DOE mission by providing a written notice excluding said property from the M&O Contractor's activities under this H-clause. Any cost incurred as a result of Contracting Officer decisions identified in this subparagraph shall be borne by the M&O Contractor. The Contracting Officer shall provide to the M&O Contractor in writing its decision, identifying the issues and reasons for the decisions. The M&O Contractor shall be provided with a reasonable opportunity to address and resolve the issues identified by the Contracting Officer;

- c. Except as otherwise excluded in this H-clause, must perform all ACT activities in accordance with the standards, policies, and procedures that apply to performance under this M&O contract, including but not limited to environmental, safety and health, security, safeguards and classification procedures, and human and animal research regulations;
- d. Must maintain and provide when requested by the DOE Contracting Officer, a summary of project information for each active ACT project, consisting of: sponsor name; total estimated costs; project title and description; project point of contact; and estimated start and completion dates;
- e. Is responsible for addressing the following items in ACT agreements as appropriate: disposition of property acquired under the agreement; export control; notice of intellectual property infringement; and a statement that the Government and/or the M&O Contractor shall have the right to perform similar services in the Statement of Work for other Parties as otherwise authorized by this M&O contract subject to applicable data restrictions;
- f. Must include a standard legal disclaimer notice on all publications generated under ACT activities. Each DOE M&O Contractor has its own pre-approved publications statement, and this should be included; and
- g. Must insert the following disclaimer in each agreement under ACT, which must be conspicuous (e.g. bold type, all capital letters, or large font) in all Agreements under ACT so as to meet the standards of due notice.

DISCLAIMER

THIS AGREEMENT IS SOLELY BETWEEN [INSERT NAME OF THE M&O CONTRACTOR] AND [THE OTHER IDENTIFIED PARTY]. THE UNITED STATES GOVERNMENT IS **NOT** A PARTY TO THIS AGREEMENT, THIS AGREEMENT DOES NOT CREATE ANY OBLIGATIONS OR LIABILITY ON BEHALF OF THE GOVERNMENT AND THE GOVERNMENT MAKES NO EXPRESS OR IMPLIED WARRANTY AS TO THE CONDITIONS OF THE RESEARCH OR ANY INTELLECTUAL PROPERTY, GENERATED INFORMATION, OR PRODUCT MADE OR DEVELOPED UNDER THIS AGREEMENT, OR THE OWNERSHIP, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE RESEARCH OR RESULTING PRODUCT; THAT THE GOODS, SERVICES, MATERIALS, PRODUCTS, PROCESSES, INFORMATION, OR DATA TO BE FURNISHED HEREUNDER WILL ACCOMPLISH INTENDED RESULTS OR ARE SAFE FOR ANY PURPOSE INCLUDING THE INTENDED PURPOSE; OR THAT ANY OF THE ABOVE WILL NOT INTERFERE WITH PRIVATELY OWNED RIGHTS OF

OTHERS. THE GOVERNMENT SHALL NOT BE LIABLE FOR SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES ATTRIBUTED TO SUCH RESEARCH OR RESULTING PRODUCT, INTELLECTUAL PROPERTY, GENERATED INFORMATION, OR PRODUCT MADE OR DELIVERED UNDER THIS AGREEMENT. THIS DISCLAIMER DOES NOT AFFECT ANY RIGHTS THE GOVERNMENT MAY HAVE AGAINST THIRD PARTIES ARISING FROM WORK CONDUCTED IN CONNECTION WITH THIS AGREEMENT.

4. Contracting Authority.

- a. Subject to DOE approval as described in this paragraph, the M&O Contractor is hereby authorized to negotiate terms and conditions between the M&O Contractor and third parties when entering into ACT agreements. The M&O Contractor will have no authority to bind the Government in any way with such terms and conditions. The Government will have no obligation to the M&O Contractor due to such terms and conditions.
- b. The M&O Contractor shall submit an ACT proposal package (Package) to the Contracting Officer for approval prior to beginning work under an ACT agreement.
 - i. A complete Package will include at a minimum: the identity of the parties to the ACT agreement; the principal place of performance; any foreign ownership or control of the ACT agreement parties; a Statement of Work; an estimate of costs incurred under the M&O contract; an anticipated schedule; identification of key Government equipment and facilities that will be used under the ACT agreement; a list of expected deliverables; identification of the Intellectual Property (IP) lead and proposed selection of IP rights, as defined in DOE Class Waiver W(C)-2011-013; a signed certification by the private party(ies) that the M&O Contractor offered the option to use CRADA and SPP alternatives (see paragraph 7a) sufficiently such that the private parties are aware of the relative costs and other differences between the ACT agreement and the CRADA and SPP alternatives; source of funds, including a statement that no Federal funds, including pass-through funds received as a subcontractor or partner, are being utilized to fund the agreement except as authorized under the FedACT pilot (see paragraph 14 below); applicable ES&H and NEPA documentation; a statement of consideration, summarizing the risk and/or consideration offered the ACT participants in exchange for charging beyond full cost recovery or for other compensation provided by the participants; and when multiple third parties are parties to the ACT agreement, or as otherwise requested by the Contracting Officer, an IP Management Plan that sets forth the proposed disposition of IP rights, and income and royalty sharing, among the parties to an ACT agreement.
 - ii. If the M&O Contractor, the M&O Contractor's parent, member, subsidiary, or other entity in which the M&O Contractor, the M&O Contractor's parent, member or subsidiary has an equity interest, is a party to the ACT agreement, the M&O Contractor shall include as necessary a project-specific addendum to the Master OCI Plan in the Package to address special circumstances not fully anticipated in the prior approved Master OCI Plan (see paragraph 7).
 - iii. If the ACT agreement includes a foreign entity as a party or the statement of work includes the use of human subjects, animal subjects, classified or sensitive subject matter or describes a work scope involving high risks or hazards including environmental issues, the M&O Contractor shall include additional information as necessary or as requested by the Contracting Officer.

- c. The Contracting Officer shall use reasonable best efforts to review each complete Package submitted by the M&O Contractor under subparagraph 4.b. of this H-clause within ten (10) business days of receiving the Package and provide the M&O Contractor with approval or non-approval of the Package. The review of the complete Package by the Contracting Officer shall include a determination that the proposed work: (1) is consistent with or complementary to DOE missions and the contract statement of work; (2) will not adversely impact programs under the contract scope of work; (3) will not place the contractor in direct competition with the domestic private sector; and (4) will not create a detrimental future burden on DOE resources.
 - d. Except as conditionally allowed under subparagraph i. below, the Contracting Officer must approve the Package before the M&O Contractor may begin work under the proposed ACT agreement. If the Contracting Officer rejects the Package then the Contracting Officer must provide said rejection to the M&O Contractor in writing including the reasons for the rejection. Upon receipt of the Contracting Officer's written rejection, the M&O Contractor agrees to not further pursue the work described in the package or incur additional costs under the M&O contract for the work described in the Package.
 - i. The M&O Contractor may request a preliminary determination that the proposed scope of work is consistent with the contract statement of work and the Contracting Officer will use his/her best efforts to provide such a determination within three (3) business days. Upon such a determination from the Contracting Officer, the M&O Contractor may begin work under the ACT agreement at the M&O Contractor's risk pending final approval of the complete Package. The M&O Contractor must submit a complete Package, as identified in subparagraph 4.b. above, within (10) business days of the preliminary determination. All costs associated with the performance of work under a preliminary determination are the responsibility of the M&O Contractor, as no Federal funds will be used to fund any work conducted under this H-clause.
 - ii. If the M&O Contractor, the M&O Contractor's parent, member, subsidiary, or other entity in which the M&O Contractor, the M&O Contractor's parent, member or subsidiary has an equity interest, is a party sponsoring work in connection with the ACT agreement, work may not commence until approval of the complete Package by the Contracting Officer.
5. *Advance Payment for ACT Projects.* The M&O Contractor shall be responsible for providing adequate advance payment for ACT work conducted under this H-clause consistent with procedures defined in the Department's Financial Management Handbook. The M&O Contractor shall be solely responsible for collecting payments from third parties for any work conducted under this H-clause and such collections shall be independent of providing advance payment. For such payments and for any costs, obligations, or liabilities arising due to the M&O Contractor's work under this H-clause, the M&O Contractor is entirely at risk and the Government shall have no risk.
6. *Costs.* All direct costs associated with the M&O Contractor's work conducted under this H-clause shall be directly charged to separate and identifiable accounts in accordance with the requirements of the Department's Financial Management Handbook. An allocable portion of indirect costs normally applied to equivalent work under this M&O contract shall also be applied to work conducted under this H-clause in accordance with the requirements of the Financial Management Handbook. As required by the Financial Management Handbook, changes to the Handbook will be incorporated into

this H-clause by a unilateral administrative modification to the contract. In addition, all work must be performed at full costs which would include Federal Administrative Charge (FAC).

- a. Work conducted under this H-clause shall be excluded from the M&O contract award fee calculations and such fee shall not be allocable to work conducted under this H-clause.
 - b. Federal funds will not be used to fund work conducted under this H-clause except as authorized under the FedACT pilot (see paragraph 14 below).
7. *Organizational Conflict of Interest.* The M&O Contractor shall conduct work under this H-clause in a manner that minimizes the appearance of conflicts of interest and avoids or mitigates actual conflicts of interest with the M&O Contractor's functions under this M&O contract. Accordingly, the M&O Contractor shall develop an Organizational Conflict of Interest Mitigation Plan (OCI Plan). The OCI Plan should address OCI issues that arise as a result of the M&O Contractor taking a financial interest in ACT projects, especially in cases where the M&O Contractor retains rights in ACT IP. Said OCI Plan shall be provided to the Contracting Officer for review and approval as soon as practicable after execution of the M&O contract modification incorporating this H-clause into the M&O contract. Unless provided otherwise by the Contracting Officer, no work on ACT agreements may commence before Contracting Officer approval of the OCI Plan. In addition to those elements expressly stated in the OCI Plan, the Department may condition any ACT transaction on such other mitigating conditions it determines are appropriate. The OCI Plan shall, at a minimum, include elements that address the following:
- a. *Full Disclosure.* Before work can begin under an ACT transaction, all parties to ACT agreements must sign a DOE-approved certification that they have been fully informed about the availability of SPP agreements and CRADAs in addition to ACT. The certification at a minimum shall briefly describe SPP agreements, CRADAs and ACT, and will include the relative disposition of IP rights and the costs (including identification of any additional costs e.g. insurance, and other compensation to the M&O Contractor under ACT) for each type of agreement for the scope of work being proposed.
 - b. *Priority of Work.* The M&O Contractor shall not give work under ACT any special attention or priority over other work under the DOE M&O contract. Work under ACT shall be approved by the Contracting Officer and assigned the same priority relative to other work under the DOE M&O contract that it would normally have if performed under a non-Federal SPP agreement. The Contracting Officer has discretion to determine the agency's priority of work, considering the M&O Contractor's input.
 - c. *Participation by Contractor-related Entity:* Where the M&O Contractor, the M&O Contractor's parent, member, subsidiary, or other entity in which the M&O Contractor, the M&O Contractor's parent, member or subsidiary has an equity interest, is a party to the ACT agreement, the M&O Contractor shall include as necessary an addendum to the OCI Plan to address special circumstances not fully anticipated in the OCI Plan.
 - d. *Right of Inquiry for ACT IP Designation.* DOE Patent Counsel may inquire into the M&O Contractor's designation of any invention or data as arising under an ACT transaction. The M&O Contractor is responsible for curing any defect identified in such inquiry, and if the M&O Contractor cannot adequately justify the designation or cure the defect, then the parties to the ACT agreement may receive modified rights in the IP to the degree necessary to resolve the issues identified by the inquiry.

8. *Intellectual Property.* Disposition of intellectual property (IP) arising from work conducted under this H-clause shall be governed by Class Waiver W(C)-2011-013 (ACT Class Waiver) which is incorporated herein by reference.
 - a. All Contractor ACT inventions shall be reported to DOE pursuant to the requirements of the [*cite Patent Rights –M&O contract, Nonprofit Organization or Small Business Firm Contractor*] clause of this M&O contract.
 - b. In reporting ACT inventions, the M&O Contractor shall identify the ACT agreement under which the invention was made and specify the rights reserved by the Government pursuant to the ACT Class Waiver.
 - c. All technical data identified by the ACT client as Protected ACT Information shall also be marked to identify the ACT agreement under which the data was generated.
 - d. The M&O Contractor shall ensure that all rights and obligations concerning ACT IP, including the appropriate IP provisions authorized in the ACT Class Waiver, are clearly provided in ACT agreements, and that all parties granted any rights in ACT IP are informed of the terms of the waived rights, including the rights reserved by the Government.
 - e. Where the M&O Contractor receives ownership or license rights to ACT IP, the M&O Contractor may elect to commercialize the ACT IP consistent with the Technology Transfer Mission clause of this M&O contract.
 - f. As an alternative to subparagraph e., if the M&O Contractor has an authorized Private Funded Technology Transfer (PFTT) program, the M&O Contractor may elect to retain private ownership of the ACT IP and commercialize the IP under its applicable PFTT clause, using its private funds, where no costs for developing, patenting, and marketing will be allowable under this M&O contract. The M&O Contractor will share royalties collected on ACT IP with inventors in accordance with paragraph (h) of the Technology Transfer Mission clause of this M&O contract.
 - g. For ACT projects in which the terms of the Agreement provide that the Government reserves the right to use generated data after the particular project expires, the M&O Contractor must provide to OSTI computer software produced under the Agreement in both source and executable object code format.
 - h. Where terms and conditions governing Data and Subject Inventions under this Contract are inconsistent with the terms of the ACT Class Waiver, the ACT Class Waiver will control.
9. *Contractor Liability and Indemnification.*
 - a. *General Indemnity.*
 - (i) The M&O Contractor agrees to indemnify and hold harmless the Government, the Department, and persons acting on their behalf from all liability, including costs and expenses incurred, to any person, including the ACT participants, for injury to or death of persons or other living things or injury to or destruction of property arising out of the performance of an ACT transaction by the Government, the Department, the M&O Contractor, or persons acting on their behalf, or arising out of the use of the services

performed, materials supplied, or information given hereunder by any person including the M&O Contractor, and not directly resulting from the fault or negligence of the Government, the Department, or persons (other than the M&O Contractor) acting on their behalf.

- (ii) Subject to Contracting Officer approval, the General Indemnity set forth in (i) above may be modified or waived where: (1) ACT participants are not providing material or equipment to the M&O Contractor to be used in the performance of the Statement of Work under the ACT transaction; and (2) ACT participants are not sending their employees to the M&O facilities as part of the Statement of Work; and (3) the specific activities performed under the ACT transaction are normally performed by the DOE M&O Contractor under the DOE contract.
 - (iii) Notwithstanding the provisions in a (i) and a (ii) above, the M&O Contractor shall indemnify and hold harmless the Government, the Department, and persons acting on their behalf for loss, damage, or destruction of Government property resulting from the fault or negligence of the M&O Contractor. Such indemnification shall be subject to a liability limit of \$2,000,000 (two million dollars) per year, or such greater liability limit approved by the cognizant DOE/NNSA Contracting Officer under the DOE contract. Above the applicable liability limit, the M&O Contractor's responsibility to the Government for such loss, damage or destruction, shall be as set forth in the "Property" clause of this contract.
- b. *Intellectual Property Indemnity.* The M&O Contractor shall indemnify the Government, its agents, and employees against liability, including costs, for infringement of any United States patent, copyright, or other intellectual property arising out of any acts required or directed to be performed under the Statement of Work under an ACT transaction to the extent such acts are not already performed at the M&O contract facilities. Such indemnity shall not apply to a claimed infringement that is settled without the consent of the M&O Contractor unless required by a court of competent jurisdiction.
- c. *Product Liability Indemnity.*
- (i) Except for any liability resulting from any negligent acts or omissions of the Government, the M&O Contractor agrees to indemnify the Government for all damages, costs, and expenses, including attorney's fees, arising from personal injury or property damage occurring as a result of the making, using, or selling of a product, process, or service by or on behalf of the ACT participants or the M&O Contractor, their assignees, or licensees, which was derived from the work performed under ACT transactions. With respect to this H-clause, neither the Government nor the M&O Contractor shall be considered assignees or licensees as a result of reserved Government rights in ACT IP. The indemnity set forth in this paragraph shall apply only if the M&O Contractor shall have been informed as soon and as completely as practical by the Government of the action alleging such claim and shall have been given an opportunity, to the maximum extent afforded by applicable laws, rules, or regulations, to participate in and control its defense, and the Government shall have provided all reasonably available information and reasonable assistance requested by the M&O Contractor. No settlement for which the M&O Contractor would be responsible shall be made without the M&O Contractor's consent, unless required by final decree of a court of competent jurisdiction.

- (ii) Where the M&O Contractor assigns the responsibility for indemnifying the Government under subparagraph c(i) above to other ACT participants, the M&O Contractor agrees to seek such indemnification from the other ACT participants.
 - d. *Claims and Liabilities.* Claims and liabilities resulting from the M&O Contractor's performance of work under an ACT transaction authorized pursuant to this H-clause shall not be subject to the M&O contract clause entitled "Insurance -Litigation and Claims." In no event shall the M&O Contractor be reimbursed under the M&O contract for liabilities (and expenses incidental to such liabilities, including litigation costs, counsel fees, and judgment and settlements) incurred as a result of third party claims related to the M&O Contractor's performance under this H-clause.
 - e. *Government Obligations.* The M&O Contractor shall not include any guarantee or requirement that will obligate the Government to pay or incur any costs or create any liability on behalf of the Government in any ACT agreement or commitment the M&O Contractor executes under authority of this H-clause. The M&O Contractor agrees if the Contractor does include such a guarantee or requirement, it will have no effect on the Government, such that, the M&O Contractor will be responsible for any costs or liability due to such a guarantee or requirement.
 - f. *Insurance.* Any cost of insurance to cover risks of the M&O Contractor associated with ACT agreements is unallowable under this contract.
10. *ACT Records.* All records associated with the M&O Contractor's activities conducted under the authority of this H-clause, with the exception of information required under paragraphs 3e, 4.b.i, and 13 shall be treated as M&O Contractor-owned records under the provisions of the Access to and Ownership of Records clause of this M&O contract. The Government or its designees shall use such records in accordance with applicable Federal laws (including the Privacy Act), as appropriate.
11. *Termination.* The Government or the M&O Contractor may terminate ACT authority under this contract by providing written notification of termination to the other party (Contracting Officer or the M&O Contractor) as appropriate, no less than 60 days prior to the requested termination date. In such cases, the M&O Contractor shall provide DOE a comprehensive list of active ACT projects. DOE anticipates work commitments under these agreements will be completed regardless of termination. All costs associated with early termination of any ACT agreements prior to the completion shall be the responsibility of the M&O Contractor.
12. *Successor M&O Contractor.* To minimize the potential for negative Government programmatic impact and to facilitate seamless transition of work to a successor M&O Contractor, ACT agreement(s) executed under this H-clause and any contractual instruments associated therewith may be novated to the successor M&O Contractor with the mutual consent of the M&O Contractor, the successor M&O Contractor, and the parties to the affected ACT agreement(s). If the ACT agreement(s) cannot be novated, then the M&O Contractor as a private sponsor shall be permitted to enter into a Non-Federal SPP agreement with the successor M&O Contractor that will enable completion of the statement of work. Such agreements shall be entered into pursuant to DOE SPP policies. DOE shall make good faith efforts to incorporate the terms of the applicable ACT agreement.
13. *Minimum Reporting requirements.* The M&O Contractor shall maintain records of its activities related to ACT in a manner and to the extent satisfactory to DOE and specifically including, but not limited to the number of ACT agreements, the amount of funds reimbursed to DOE for work under ACT and aggregate funding received beyond costs in the performance of ACT, the number of third party entities engaged through ACT that had not previously sponsored projects under the M&O

contract and the number that had not previously sponsored projects under any DOE/NNSA M&O contract, the amount of funds reimbursed to DOE by newly engaged entities, the number of parties and types of entities engaged in each individual ACT agreement, and the number of invention disclosures, licenses and startups arising from ACT. The M&O Contractor shall establish performance metric(s) to measure the time required to negotiate ACT agreements in a manner consistent with the time required to negotiate CRADAs and SPPs. The M&O Contractor shall obtain from each entity engaged in ACT the entity's reason(s) for selecting ACT for performance of work under the M&O contract. Also, the M&O Contractor shall report the above identified data annually to the DOE Contracting Officer and in such a format which will serve to adequately inform DOE of the Contractor's activities under ACT while protecting any data not subject to disclosure under this M&O contract. Such records shall be made available in accordance with the clauses of this M&O contract pertaining to inspection, audit and examination of records.

14. *FedACT Pilot.* Under this paragraph the DOE is authorizing a 3-year pilot program for Federally funded ACT (FedACT). FedACT contracts are ACT agreements between the M&O Contractor and a non-Federal third party partner, where a portion of the project funding originates from a Federal agency (i.e., Federal appropriations). In most cases, the industry partner's original source of funds will have been as a result of a contract or financial assistance award from the Federal agency. Any agreement that includes Federal funds must be performed under the FedACT pilot. Federal funds used to support a FedACT project must solely be used to carry out the purposes of the Federal award. FedACT does not include agreements directly funded from another Federal agency. DOE and the M&O Contractor recognize that FedACT is a new mechanism and subject to modifications as more data and experience are realized. During the FedACT pilot either party may suggest changes to the program based on the experiences gained. Furthermore, the M&O Contractor recognizes that the Department may decide to end the FedACT pilot at any time and that termination of the FedACT pilot by the Department will be in accordance with this paragraph. During the FedACT pilot the M&O Contractor is permitted to negotiate and execute such agreements, subject to DOE approval, as described in paragraph 4 above and as set forth herein. The following additional requirements apply:
- a. The M&O Contractor agrees, prior to executing such agreements, to submit to DOE for approval a modified ACT procedure for implementing the execution of FedACT.
 - b. If the M&O Contractor is charging the third party additional compensation beyond the full costs of the work performed under the M&O contract, the ACT agreement will not be approved unless DOE or the M&O Contractor obtains a written certification from the Federal agency funding the third party that such additional compensation using Federal funds is permissible under the Federal award. In order to maximize the transparency of the transaction to the funding agency, the written certification shall be in the form of a standard template approved by DOE. Such template shall include at a minimum:
 - i. The amount of and explanation for the cost difference between performing the work as an ACT agreement as compared with an SPP or CRADA; and
 - ii. A detailed description of the risk and/or consideration offered the participant by the M&O Contractor in exchange for charging beyond full cost recovery. This information shall also be included in the statement of consideration contained in the ACT proposal package submitted to the Contracting Officer.
 - c. M&O Contractor may not agree to any terms and conditions of the Federal award that conflict with this M&O contract.

- d. Notwithstanding any other provision in this H-clause, rights to ACT inventions and copyrights arising from work conducted under this paragraph made by the M&O Contractor shall be governed by the terms of the Patent and Data Rights clauses of this M&O Contract, as well as any applicable PFTT clause. The ACT Class Waiver does not apply to any ACT agreement funded with Federal funds.
- e. DOE’s approval to negotiate and execute a FedACT agreement under this paragraph is for the sole purpose of evaluating and considering the M&O Contractor and DOE’s processes and procedures for implementing such FedACT agreements and does not in any way provide the Contractor authority beyond the scope of this paragraph or imply that permanent authority shall be forthcoming.
- f. Advance payment requirements in Section 5 equally apply to FedACT agreements.
- g. All work must be performed at full costs which includes a Federal Administrative Charge (FAC).

Termination. The FedACT Pilot implemented by this H-clause will terminate three years from the date AL 2018-07 is issued, unless renewed by the Contracting Officer. The Government may provide the M&O Contractor with written notice to terminate the M&O Contractor’s authority to conduct FedACT.

(End of Clause)

II. Part II, Section I – Contract Clauses, Paragraph A. FAR CLAUSES INCORPORATED BY REFERENCE, is changed as follows:

A. The following clauses are modified to reflect the Class Deviation issued by DOE and NNSA to increase the micro-purchase threshold and simplified acquisition threshold per the National Defense Authorization Act for 2018 (Public Law 115-91)(Section 806 and 805 respectively):

FROM:

FAR NUMBER	CLAUSE TITLE	DATE OF CLAUSE
52.203-16	Preventing Personal Conflicts of Interest	Dec 2011
52.219-9	Small Business Subcontracting Plan, Alt II Nov 2016	Jan 2017

TO:

FAR NUMBER	CLAUSE TITLE	DATE OF CLAUSE
52.203-16	Preventing Personal Conflicts of Interest (CLASS DEVIATION MAR 2018)	Dec 2011
52.219-9	Small Business Subcontracting Plan, Alt II Nov 2016 (CLASS DEVIATION MAR 2018)	Jan 2017

The Class Deviation is included as Attachment 2 to this modification for information purposes.

B. Delete the entry for Clause 52.244-6, Subcontracts, Subcontracts for Commercial Items, in its entirety and substitute in lieu thereof the following entry:

FAR NUMBER	CLAUSE TITLE	DATE OF CLAUSE
52.244-6	Subcontracts for Commercial Items	Nov 2017

III. Part III – List of Documents, Exhibits, and Other Attachments, Section J – List of Attachments, is modified as follows:

A. Appendix F – List of Applicable Laws, Regulations, and DOE Directives, is modified by deleting the directives referenced below.

DIRECTIVE NUMBER			DATE	DOE DIRECTIVE TITLE
DOE	M	470.4-3A	11/5/2008	Contractor Protective Force
NNSA	SD	350.2 Rev 1	11/16/2011 10/18/2012	Use of Management and Operating Contract Employees for Services to NNSA in the Washington, D.C., Area

B. Appendix F, List of Applicable Laws, Regulations, and DOE Directives, is modified by incorporating the requirements of DOE Acquisition Letter 2018, Contractor Domestic Extended Personnel Assignments, to NAP-31, as follows:

DIRECTIVE NUMBER			DATE	DOE DIRECTIVE TITLE
NAP		31	11/22/2016	NNSA M&O Off-Site Extended Duty Assignments as supplemented by DOE Acquisition Letter 2018-08 (May 3, 2018)

DOE Acquisition Letter 2018-08 is included as Attachment 3 to this modification for information purposes.

C. Appendix I, Small Business Subcontracting Plan and Small Business Participation, is modified by deleting the existing information and substituting the plan included as Attachment 4 to this modification.

No other changes are made as a result of this modification. All other terms and conditions remain unchanged.

(END OF MODIFICATION)

**CLASS DEVIATION
FINDINGS AND DETERMINATION
INCREASE IN MICROPURCHASE THRESHOLD AND SIMPLIFIED ACQUISITION
THRESHOLD**

Findings

1. The National Defense Authorization Act (NDAA) for 2018 (Public Law 115-91) (Sections 806 and 805 respectively) increased the micro-purchase threshold to \$10,000 and the simplified acquisition threshold (SAT) to \$250,000.

Additionally, Section 217(b) of the NDAA for 2017 (Public Law 114-328) changed a portion of the micro-purchase threshold definition in FAR 2.101 to increase the micro-purchase threshold to the following:

[f]or acquisitions of supplies or services from institutions of higher education (20 U.S.C. 1001(a)) or related or affiliated nonprofit entities, or from nonprofit research organizations or independent research institutes—

(i) \$10,000; or

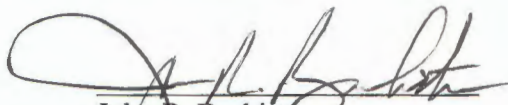
(ii) A higher threshold, as determined appropriate by the head of the agency and consistent with clean audit findings under 31 U.S.C. chapter 75, Requirements for Single Audits; an internal institutional risk assessment; or State law.

2. The Civilian Agency Acquisition Council (CAAC) issued CAAC Letter 2018-02 on February 16, 2018, authorizing agencies to issue class deviations implementing these provisions pending publication of the formal amendment to the Federal Acquisition Regulation (FAR) via FAR case 2018-004.

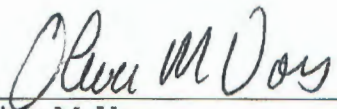
3. CAAC letter 2018-02 constitutes consultation in accordance with FAR 1.404 with the Chair of the CAAC allowing agencies to authorize a class deviation to implement the changes.

Determination

It is hereby determined that a class deviation is appropriate to implement sections 805 and 806 of Pub L. 115-91 and section 217(b) of Pub. L. 114-328. This class deviation is effective upon the date of signature and will remain in effect until cancelled or until the new thresholds are incorporated into the FAR.



John R. Bashista,
Director
Office of Acquisition Management,
Department of Energy



Oliver M. Voss,
Director
Office of Acquisition Management
National Nuclear Security Administration

Department of Energy
Acquisition Regulation

No. AL 2018-08
May 3, 2018



ACQUISITION LETTER

This Acquisition Letter is issued under the authority of the Senior Procurement Executives of DOE and NNSA. It is intended for use by procurement professionals of DOE and NNSA, primarily Contracting Officers, and other officials of DOE and NNSA that are involved in the acquisition process. Other parties are welcome to its information, but definitive interpretations of its effect on contracts, and related procedures if any, may only be made by DOE and NNSA Contracting Officers.

Subject: Contractor Domestic Extended Personnel Assignments

References:

FAR 31.201-2	Determining Allowability
FAR 31.201-3	Determining Reasonableness
FAR 31.205-35	Relocation Costs
FAR 31.205-46	Travel Costs
DEAR 970.3102-05-46	Travel Costs
DOE M 552.1-1A	U.S. Department of Energy Travel Manual
FTR 302-3.400-429	Employee's Temporary Change of Station
NNSA Policy Letter NAP-31	NNSA M&O Off-Site Extended Duty Assignments

When Is this Acquisition Letter (AL) Effective?

This AL is effective immediately upon issuance.

When Does this AL Expire?

This AL remains in effect until superseded or canceled.

Who Is the Intended Audience For this AL?

Department of Energy (DOE) and National Nuclear Security Administration (NNSA) Contracting Officers are the audience for this AL.

Who Is the Point of Contact For this AL?

DOE Contracting Officers may contact Jason Taylor of the Contracts and Financial Assistance Policy Division, Office of Policy, Office of Acquisition Management by phone at (202) 287-1560 or by email to Jason.Taylor@hq.doe.gov. NNSA Contracting Officers may contact Rocio Bolivar by phone at (505) 845-6057 or by email to Rocio.Bolivar@nnsa.doe.gov.

Need More Information on ALs?

Visit the website at <http://energy.gov/management/office-management/operational-management/procurement-and-acquisition/guidance-procurement> for information on Acquisition Letters and other policy issues.

What Is the Purpose Of this AL?

The purpose of this AL is to provide guidance on the Department's policy governing reimbursement of costs associated with contractor domestic extended personnel assignments. This AL supersedes the guidance provided in the Memorandum for Heads of Contracting Activity; "*Contractor Domestic Extended Personnel Assignments*" issued May 16, 2012. This revision clarifies the definition of such assignments, modifies the policy on reimbursement of meals and incidental expenses, clarifies the requirement for receipts to substantiate all lodging expenses and other expenses greater than \$75, deletes a "Question and Answer" that is no longer relevant, and makes various administrative updates.

What Types of Contracts Are Affected by this AL?

This AL applies to all cost reimbursement contracts.

What Is the Background Of this AL?

Generally speaking, contractor travel costs are governed by the FAR travel cost principle at 31.205-46 (or DEAR 970.3102-05-46). This principle (incorporated into contracts by either the Payments and Advances clause in M&O contracts, or the Allowable Cost and Payment clause in non-M&O contracts) provides that lodging costs may be based on per diem, actual expenses, or a combination thereof, provided the method used results in a reasonable charge. It provides further that these costs shall be considered to be reasonable and allowable only to the extent that they do not exceed on a daily basis the maximum per diem rates in effect at the time of travel as set forth in the Federal Travel Regulation (FTR), Joint Travel Regulation (JTR) or Standardized Regulations (SR).

Importantly, the travel cost principle does not incorporate the entirety of the FTR, JTR or SR. Absent specific contract language to the contrary, only the maximum per diem rates, the definitions of lodging, meals, and incidental expenses, and the regulatory coverage dealing with special or unusual situations are incorporated. Accordingly, when determining the reasonableness of costs associated with contractor domestic extended personnel assignments, we must rely on the general principles established by FAR 31.201-2 and 31.201-3.

According to FAR 31.201-2, a cost is allowable only when it complies with all of the following requirements: reasonableness, allocability, cost accounting standards if applicable (otherwise generally accepted accounting principles), the terms of the contract, and the limitations set forth in FAR Subpart 31.2.

A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person in the conduct of competitive business. If the contractor is not subject to effective competitive restraints, reasonableness of specific costs must be examined with particular care. What is reasonable depends on a variety of circumstances, including whether the cost: is generally recognized as

ordinary and necessary for the conduct of a contractor's business or contract performance; incurred per a generally accepted sound business practice, arm's-length bargaining, law or regulation; congruent with the contractor's responsibilities to the Government and the public at large; and consistent with the contractor's established practices.

No presumption of reasonableness is attached to the incurrence of costs by a contractor. If the Government's initial review of the facts results in a challenge of a cost by the Government, the burden of proof is on the contractor to establish that the cost is reasonable. In order to avoid disallowance or dispute based on reasonableness, it is often a good idea to reach an advance agreement on certain costs. FAR 31.109(h) provides a list of examples of costs for which advance agreements can be particularly important. Among those listed are: off-site pay, incentive pay, location allowances, hardship pay, and cost of living differential.

What Guidance is Included in this AL?

1. What's new for Contracting Officers?

Definition

Contractor domestic extended personnel assignments are defined as any assignment of contractor personnel to a domestic location different than (and more than 50 miles from) their normal duty station for a period expected to exceed 30 consecutive calendar days. This includes (but is not limited to) Management and Operating (M&O) contractor personnel details to Washington, D.C. NNSA M&O contractor personnel details to Washington, D.C., or other detailees to NNSA, are governed by NNSA Policy Letter NAP-31.

Policy

The Department has adopted the following policy regarding contractor domestic extended personnel assignments:

- Contractors should be reimbursed the lesser of temporary relocation costs (Temporary Change of Station allowances as described in the Federal Travel Regulation at §302-3.400—§302.3.429) or a reduced per diem (Extended Travel Duty) described below. Contracting Officers are encouraged to request input from their contractor and the affected program office prior to making a decision on the appropriate reimbursement method.
- When a reduced per diem method (Extended Travel Duty) is utilized, the allowances are as follows:
 - For the first 60 days and last 30 days of the assignment, DOE/NNSA will reimburse costs associated with lodging at the lesser of actual cost or 100% of the Federal per diem rate at the assignment location. The intervening days will be reimbursed at the lesser of actual cost or 55% of Federal per diem.
 - For the first 30 days and last 30 days of the assignment, DOE/NNSA will reimburse costs associated with meals and incidental expenses (M&IE) at a rate not to exceed 100% of

- the Federal per diem rate at the assignment location. The intervening days will be reimbursed at a reduced rate, not to exceed 55% of Federal per diem.
- Receipts are required to substantiate all lodging expenses and any other authorized expense greater than \$75.
 - DOE/NNSA will not reimburse costs associated with salary premiums, per diem, or lodging/other subsidies for contractor employees on domestic extended personnel assignments after 3 years.
 - DOE/NNSA will not reimburse any costs associated with per diem (except for en-route travel) unless the contractor employee maintains a residence at the permanent duty station.
- DOE/NNSA will not reimburse costs associated with salary premiums that exceed 10% of base salary.
 - Contracting Officers are prohibited from entering into advance agreements that are inconsistent with this AL.

The policy is inapplicable in the following three circumstances:

- Assignments pursuant to the Intergovernmental Personnel Act
- Assignments in support of Continuity of Operations (COOP) and contingency operations
- A waiver has been granted in writing by the cognizant HCA and Assistant Secretary (or for NNSA, the HCA in individual cases and the Senior Procurement Executive with Principal Deputy Administrator concurrence for blanket waivers)

In addition to ensuring compliance with the above policy, Contracting Officer's should consider the following questions when reviewing contractor policies or proposals for domestic extended personnel assignments for reasonableness:

- *Would it be more economical to relocate the employee?* Contractors should be reimbursed the lesser of relocation costs or reduced per diem. Accordingly, programs should conduct a cost comparison prior to commencing the assignment in order to ascertain which allowance to pay. In order to make an accurate choice, it will be necessary to have an idea of the length of the proposed assignment.
- *Has the contractor considered whether it would be more economical to secure longer term accommodations, rather than to stay in a hotel on a daily rate?* It is almost always possible to secure long-term lodging at a cost well below per-diem. Contractors will be reimbursed at the lesser of actual cost or 55% of per diem (if using the Extended Travel Duty option).
- *Is any field salary premium justified and reasonable?* As with any other cost, the field salary premium must be reasonable in both nature and amount. A salary premium should not be an automatic allowance provided to employees on domestic extended assignments. It should be provided only on an as needed basis with proper justification. If a salary premium is intended to offset a higher cost of living at the assignment location, Contracting Officers should consider whether that additional cost is already being offset by payment of

per diem. Contracting Officers should keep in mind the prudent person test outlined in FAR 31.201-3. Salary premiums shall not exceed 10%, and must be discontinued after 3 years.

- *Is the overall reimbursement justified and reasonable?* Keep in mind that the purpose of long term per diem allowance under the Extended Travel Duty option is to reimburse contractor employees for the additional expenses associated with maintaining a separate residence away from home. Contracting Officers should remember the prudent person test outlined in FAR 31.201-3.

Questions and Answers regarding interpretation of the new policy

- The new policy states “DOE/NNSA will not reimburse costs associated with salary premiums, per diem, or lodging/other subsidies for contractor employees on domestic extended personnel assignments after 3 years.”
 - *Please clarify: Does this apply to all contractor personnel, including those funded by non-DOE/NNSA entities under a Work for Others project?* Yes.
- *Is there a waiver process for exceptional circumstances?* In exceptional cases, this policy (or portions thereof) may be waived with the written approval of the cognizant HCA and Assistant Secretary. Within NNSA, this policy or portions thereof may be waived with the written approval of the HCA for individual actions, and by the Senior Procurement Executive with Principal Deputy Administrator concurrence for blanket waivers.
- *Some contractor employees travel intermittently to the same location in support of project type tasks but are not in any meaningful sense considered "assigned" to that location even though some periods of travel may exceed 30 days. Does the AL apply in this circumstance?* If a contractor employee travels intermittently to the same location with some periods in excess of 30 days but it is not practical or cost effective to obtain long term lodging, the program office may consider pursuing a waiver from the restrictions in this Acquisition Letter.
- *How does the three year rule limiting the reimbursement of per diem apply to those contractor employees who have a series of temporary assignments to the same location, all for short periods but that together cover three years?* If an assignment has breaks within a three year period, the calculation of the total length of the assignment will be as follows: If the break between assignments is less than 12 months, the Department will consider the assignment continuous for purposes of the three year clock. For instance, if an employee completes a 2 year assignment at location A and returns to his permanent duty station for 12 months, a subsequent new 2 year assignment back to location A will restart the 3 year clock. The assignments will be considered two separate 2 year assignments. On the other hand, if in the previous example the employee's return to his permanent duty station was 6 months, the Department would consider the second assignment to be a continuation of the first and it would run afoul of the three year rule.
- *What if our contract contains an advance agreement governing treatment of these costs that is inconsistent with the new policy?* The advance agreement should be modified to be

consistent with the new policy. Keep in mind the FAR requirements for a valid advance agreement which are described at 31.109(b). If your agreement does not meet these requirements (for instance if it lacks a “statement of its applicability and duration”) it may not even be binding.

- *Is HCA approval required for each individual assignment?* The policy does not require HCA approval of individual extended assignments (unless a waiver is requested). HCA approval is also required before finalizing any advance agreements (such as Personnel Appendix changes) or approving any contractor domestic extended personnel assignment policies which differ from the requirements of this Acquisition Letter.
- *Is this policy applicable only to prime contractors, or does it flow down to subcontractors?* The policy should be considered a cost standard that flows down to all subcontractors.

2. *What’s new for Other Officials Involved in the Acquisition Process?*

This AL requires nothing new from other officials involved in the acquisition process.

3. *Who has what responsibility for implementing this AL’s guidance?*

The Contracting Officer has the responsibility of implementing this AL.

4. *What changes implemented by this AL’s guidance affect current contracts, future contracts, or both?*

This AL’s guidance affects both current and future contracts.

SUBCONTRACTING PLAN TEMPLATE

This plan follows the format for addressing the fifteen elements as shown at Federal Acquisition Regulation (FAR) 52.219-9(d) (JAN 2017). Failure to provide an acceptable plan as prescribed by contracting officer will render the offeror ineligible for contract award (FAR 19.702(a)(1)).

SOLICITATION or CONTRACT NUMBER: DE-NA0003624

Contractor Name and address: Mission Support and Test Services

Approximate Value of Contract: \$4,575,949,613.00 (includes all priced options)

Contract Period of Performance (if applicable):

(X) Individual Subcontracting Plan () Master Subcontracting Plan () Commercial Plan

(1) GOALS

State goals as a percentage of total planned subcontracting dollars (required) and as a percentage of total contract dollars (optional, per the contracting officer) that will go to all Small Business (SB) concerns, Historically Underutilized Business Zone (HUBZone) SB concerns, Small Disadvantaged Business (SDB) concerns, Woman-Owned SB (WOSB) concerns, Veteran-Owned SB (VOSB) concerns, and Service-Disabled Veteran-Owned SB (SDVOSB) concerns.

Total Base Contract for all Periods: 01-DEC-2017 THROUGH 30-NOV-2022

Approximate Contract Period Value: \$2,361,422,812.00

Total Value of all planned subcontracting: \$825,000,000.00

Base Contract Period	(%) Total Planned Subcontracting dollars	(%) Total Contract Dollars <i>(If required by CO)</i>	Notes
a. SB:	70%	24%	(Includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB, ANCs, and Indian tribes when applicable.)
b. VOSB:	12%	4%	
c. SDVOSB:	3%	1%	
d. HUBZone:	3%	1%	
e. SDB:	8%	3%	(Includes ANCs and Indian tribes)
f. WOSB:	8%	3%	

Base Contract Term YEAR 1: 01-DEC-2017 THROUGH 30-SEPT-2018

Approximate Contract Period Value: \$599,408,140.00

Total Value of all planned subcontracting: \$138,500,000.00

Base Contract Period	(%) Total Planned Subcontracting dollars	(%) Total Contract Dollars <i>(If required by CO)</i>	Notes
g. SB:	70%	16%	(Includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB, ANCs, and Indian tribes when applicable.)
h. VOSB:	12%	3%	
i. SDVOSB:	3%	1%	
j. HUBZone:	3%	1%	
k. SDB:	8%	2%	(Includes ANCs and Indian tribes)
l. WOSB:	8%	2%	

Base Contract Term YEAR 2: 01-OCT-2018 THROUGH 30-SEPT-2019

Approximate Contract Period Value: \$418,241,000.00

Total Value of all planned subcontracting: \$165,000,000.00

Base Contract Period	(%) Total Planned Subcontracting dollars	(%) Total Contract Dollars <i>(If required by CO)</i>	Notes
m. SB:	70%	28%	(Includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB, ANCs, and Indian tribes when applicable.)
n. VOSB:	12%	5%	
o. SDVOSB:	3%	1%	
p. HUBZone:	3%	1%	
q. SDB:	8%	3%	(Includes ANCs and Indian tribes)
r. WOSB:	8%	3%	

Base Contract Term YEAR 3: 01-OCT-2019 THROUGH 30-SEPT-2020

Approximate Contract Period Value: \$422,423,410.00

Total Value of all planned subcontracting: \$165,000,000.00

Base Contract Period	(%) Total Planned Subcontracting dollars	(%) Total Contract Dollars <i>(If required by CO)</i>	Notes
s. SB:	70%	27%	(Includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB, ANCs, and Indian tribes when applicable.)
t. VOSB:	12%	5%	
u. SDVOSB:	3%	1%	
v. HUBZone:	3%	1%	
w. SDB:	8%	3%	(Includes ANCs and Indian tribes)
x. WOSB:	8%	3%	

Base Contract Term YEAR 4: 01-OCT-2020 THROUGH 30-SEPT-2021

Approximate Contract Period Value: \$426,647,644.00

Total Value of all planned subcontracting: \$165,000,000.00

Base Contract Period	(%) Total Planned Subcontracting dollars	(%) Total Contract Dollars <i>(If required by CO)</i>	Notes
y. SB:	70%	27%	(Includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB, ANCs, and Indian tribes when applicable.)
z. VOSB:	12%	5%	
aa. SDVOSB:	3%	1%	
bb. HUBZone:	3%	1%	
cc.SDB:	8%	3%	(Includes ANCs and Indian tribes)
dd. WOSB:	8%	3%	

Base Contract Term YEAR 5: 01-OCT-2021 THROUGH 30-SEPT-2022

Approximate Contract Period Value: \$425,685,951.00

Total Value of all planned subcontracting: \$165,000,000.00

Base Contract Period	(%) Total Planned Subcontracting dollars	(%) Total Contract Dollars <i>(If required by CO)</i>	Notes
ee. SB:	70%	27%	(Includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB, ANCs, and Indian tribes when applicable.)
ff. VOSB:	12%	5%	
gg. SDVOSB:	3%	1%	
hh. HUBZone:	3%	1%	
ii. SDB:	8%	3%	(Includes ANCs and Indian tribes)
jj. WOSB:	8%	3%	

Base Contract Term YEAR 5+: 01-OCT-2022 THROUGH 30-NOV-2022

(Term is only 2 months to complete the 5 Year agreement. Contract started in December 2017)

Approximate Contract Period Value: \$69,016,667.00

Total Value of all planned subcontracting: \$26,500,000.00

Base Contract Period	(%) Total Planned Subcontracting dollars	(%) Total Contract Dollars <i>(If required by CO)</i>	Notes
kk. SB:	70%	27%	(Includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB, ANCs, and Indian tribes when applicable.)
ll. VOSB:	12%	5%	
mm. SDVOSB:	3%	1%	
nn. HUBZone:	3%	1%	
oo. SDB:	8%	3%	(Includes ANCs and Indian tribes)
pp. WOSB:	8%	3%	

Option Year 1: 01-DEC-2022 THROUGH 30-SEPT-2023

Approximate Contract Period Value: \$362,686,051.00

Total Value of all planned subcontracting: \$165,000,000.00

Option Year 1	(%) Total Planned Subcontracting dollars	(%) Total Contract Dollars <i>(If required by CO)</i>	Notes
a. SB:	70%	32%	(Includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB, ANCs, and Indian tribes when applicable.)
b. VOSB:	12%	5%	
c. SDVOSB:	3%	1%	
d. HUBZone:	3%	1%	
e. SDB:	8%	4%	(Includes ANCs and Indian tribes)
f. WOSB:	8%	4%	

Option Year 2 - 01-OCT-2023 THROUGH 30-SEPT-2024

Approximate Contract Period Value: \$439,575,494.00

Total Value of all planned subcontracting: \$165,000,000.00

Option Year 2	(%) Total Planned Subcontracting dollars	(%) Total Contract Dollars <i>(If required by CO)</i>	Notes
a. SB:	70%	26%	(Includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB, ANCs, and Indian tribes when applicable.)
b. VOSB:	12%	5%	
c. SDVOSB:	3%	1%	
d. HUBZone:	3%	1%	
e. SDB:	8%	3%	(Includes ANCs and Indian tribes)
f. WOSB:	8%	3%	

Option Year 3 - 01-OCT-2024 THROUGH 30-SEPT-2025

Approximate Contract Period Value: \$443,917,249.00

Total Value of all planned subcontracting: \$165,000,000.00

Option Year 3	(%) Total Planned Subcontracting dollars	(%) Total Contract Dollars <i>(If required by CO)</i>	Notes
a. SB:	70%	26%	(Includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB, ANCs, and Indian tribes when applicable.)
b. VOSB:	12%	4%	
c. SDVOSB:	3%	1%	
d. HUBZone:	3%	1%	
e. SDB:	8%	3%	(Includes ANCs and Indian tribes)
f. WOSB:	8%	3%	

Option Year 4 - 01-OCT-2025 THROUGH 30-SEPT-2026

Approximate Contract Period Value: \$448,410,962.00

Total Value of all planned subcontracting: \$165,000,000.00

Option Year 4	(%) Total Planned Subcontracting dollars	(%) Total Contract Dollars <i>(If required by CO)</i>	Notes
a. SB:	70%	26%	(Includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB, ANCs, and Indian tribes when applicable.)
b. VOSB:	12%	4%	
c. SDVOSB:	3%	1%	
d. HUBZone:	3%	1%	
e. SDB:	8%	3%	(Includes ANCs and Indian tribes)
f. WOSB:	8%	3%	

Option Year 5 - 01-OCT-2026 THROUGH 30-NOV-2027

Approximate Contract Period Value: \$519,937,045.00

Total Value of all planned subcontracting: \$165,000,000.00

Option Year 5	(%) Total Planned Subcontracting dollars	(%) Total Contract Dollars <i>(If required by CO)</i>	Notes
g. SB:	70%	22%	(Includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB, ANCs, and Indian tribes when applicable.)
h. VOSB:	12%	4%	
i. SDVOSB:	3%	1%	
j. HUBZone:	3%	1%	
k. SDB:	8%	3%	(Includes ANCs and Indian tribes)
l. WOSB:	8%	3%	

(2) STATEMENT OF DOLLARS

The following dollar values correspond to the percentage goals in (1).

Total Base Contract for all Periods: 01-DEC-2017 THROUGH 30-NOV-2022

Total planned subcontracting dollars:	\$ 825,000,000.00
a. Dollars planned to be subcontracted to SB (includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB,):	\$ 577,500,000.00
b. Dollars planned to be subcontracted to VOSB:	\$ 99,000,000.00
c. Dollars planned to be subcontracted to SDVOSB:	\$ 24,750,000.00
d. Dollars planned to be subcontracted to HUBZone SB:	\$ 24,750,000.00
e. Dollars planned to be subcontracted to SDB (includes ANCs and Indian tribes):	\$ 66,000,000.00
f. Dollars planned to be subcontracted to WOSB:	\$ 66,000,000.00

Base Contract Term YEAR 1: 01-DEC-2017 THROUGH 30-SEPT-2018

Total planned subcontracting dollars:	\$ 138,500,000.00
a. Dollars planned to be subcontracted to SB (includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB,):	\$ 96,950,000.00
b. Dollars planned to be subcontracted to VOSB:	\$ 16,620,000.00
c. Dollars planned to be subcontracted to SDVOSB:	\$ 4,155,000.00
d. Dollars planned to be subcontracted to HUBZone SB:	\$ 4,155,000.00
e. Dollars planned to be subcontracted to SDB (includes ANCs and Indian tribes):	\$ 11,080,000.00
f. Dollars planned to be subcontracted to WOSB:	\$ 11,080,000.00

Base Contract Term YEAR 2: 01-OCT-2018 THROUGH 30-SEPT-2019

Total planned subcontracting dollars:	\$ 165,000,000.00
a. Dollars planned to be subcontracted to SB (includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB,):	\$ 115,500,000.00
b. Dollars planned to be subcontracted to VOSB:	\$ 19,800,000.00
c. Dollars planned to be subcontracted to SDVOSB:	\$ 4,950,000.00
d. Dollars planned to be subcontracted to HUBZone SB:	\$ 4,950,000.00
e. Dollars planned to be subcontracted to SDB (includes ANCs and Indian tribes):	\$ 13,200,000.00
f. Dollars planned to be subcontracted to WOSB:	\$ 13,200,000.00

Base Contract Term YEAR 3: 01-OCT-2019 THROUGH 30-SEPT-2020

Total planned subcontracting dollars:	\$ 165,000,000.00
a. Dollars planned to be subcontracted to SB (includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB,):	\$ 115,500,000.00
b. Dollars planned to be subcontracted to VOSB:	\$ 19,800,000.00
c. Dollars planned to be subcontracted to SDVOSB:	\$ 4,950,000.00
d. Dollars planned to be subcontracted to HUBZone SB:	\$ 4,950,000.00
e. Dollars planned to be subcontracted to SDB (includes ANCs and Indian tribes):	\$ 13,200,000.00
f. Dollars planned to be subcontracted to WOSB:	\$ 13,200,000.00

Base Contract Term YEAR 4: 01-OCT-2020 THROUGH 30-SEPT-2021

Total planned subcontracting dollars:	\$ 165,000,000.00
a. Dollars planned to be subcontracted to SB (includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB,):	\$ 115,500,000.00
b. Dollars planned to be subcontracted to VOSB:	\$ 19,800,000.00
c. Dollars planned to be subcontracted to SDVOSB:	\$ 4,950,000.00
d. Dollars planned to be subcontracted to HUBZone SB:	\$ 4,950,000.00
e. Dollars planned to be subcontracted to SDB (includes ANCs and Indian tribes):	\$ 13,200,000.00
f. Dollars planned to be subcontracted to WOSB:	\$ 13,200,000.00

Base Contract Term YEAR 5: 01-OCT-2021 THROUGH 30-SEPT-2022

Total planned subcontracting dollars:	\$ 165,000,000.00
a. Dollars planned to be subcontracted to SB (includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB,):	\$ 115,500,000.00
b. Dollars planned to be subcontracted to VOSB:	\$ 19,800,000.00
c. Dollars planned to be subcontracted to SDVOSB:	\$ 4,950,000.00
d. Dollars planned to be subcontracted to HUBZone SB:	\$ 4,950,000.00
e. Dollars planned to be subcontracted to SDB (includes ANCs and Indian tribes):	\$ 13,200,000.00
f. Dollars planned to be subcontracted to WOSB:	\$ 13,200,000.00

Base Contract Term YEAR 5: 01-OCT-2022 THROUGH 30-NOV-2022

Total planned subcontracting dollars:	\$ 26,500,000.00
a. Dollars planned to be subcontracted to SB (includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB,):	\$ 18,550,000.00
b. Dollars planned to be subcontracted to VOSB:	\$ 3,180,000.00
c. Dollars planned to be subcontracted to SDVOSB:	\$ 795,000.00
d. Dollars planned to be subcontracted to HUBZone SB:	\$ 795,000.00
e. Dollars planned to be subcontracted to SDB (includes ANCs and Indian tribes):	\$ 2,120,000.00
f. Dollars planned to be subcontracted to WOSB:	\$ 2,120,000.00

Option Year 1: 01-DEC-2022 THROUGH 30-SEPT-2023

Total planned subcontracting dollars:	\$ 165,000,000.00
a. Dollars planned to be subcontracted to SB (includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB,):	\$ 115,500,000.00
b. Dollars planned to be subcontracted to VOSB:	\$ 19,800,000.00
c. Dollars planned to be subcontracted to SDVOSB:	\$ 4,950,000.00
d. Dollars planned to be subcontracted to HUBZone SB:	\$ 4,950,000.00
e. Dollars planned to be subcontracted to SDB (includes ANCs and Indian tribes):	\$ 13,200,000.00
f. Dollars planned to be subcontracted to WOSB:	\$ 13,200,000.00

Option Year 2 - 01-OCT-2023 THROUGH 30-SEPT-2024

Total planned subcontracting dollars:	\$ 165,000,000.00
a. Dollars planned to be subcontracted to SB (includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB,):	\$ 115,500,000.00
b. Dollars planned to be subcontracted to VOSB:	\$ 19,800,000.00
c. Dollars planned to be subcontracted to SDVOSB:	\$ 4,950,000.00
d. Dollars planned to be subcontracted to HUBZone SB:	\$ 4,950,000.00
e. Dollars planned to be subcontracted to SDB (includes ANCs and Indian tribes):	\$ 13,200,000.00
f. Dollars planned to be subcontracted to WOSB:	\$ 13,200,000.00

Option Year 3 - 01-OCT-2024 THROUGH 30-SEPT-2025

Total planned subcontracting dollars:	\$ 165,000,000.00
a. Dollars planned to be subcontracted to SB (includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB,):	\$ 115,500,000.00
b. Dollars planned to be subcontracted to VOSB:	\$ 19,800,000.00
c. Dollars planned to be subcontracted to SDVOSB:	\$ 4,950,000.00
d. Dollars planned to be subcontracted to HUBZone SB:	\$ 4,950,000.00
e. Dollars planned to be subcontracted to SDB (includes ANCs and Indian tribes):	\$ 13,200,000.00
f. Dollars planned to be subcontracted to WOSB:	\$ 13,200,000.00

Option Year 4 - 01-OCT-2025 THROUGH 30-SEPT-2026

Total planned subcontracting dollars:	\$ 165,000,000.00
a. Dollars planned to be subcontracted to SB (includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB,):	\$ 115,500,000.00
b. Dollars planned to be subcontracted to VOSB:	\$ 19,800,000.00
c. Dollars planned to be subcontracted to SDVOSB:	\$ 4,950,000.00
d. Dollars planned to be subcontracted to HUBZone SB:	\$ 4,950,000.00
e. Dollars planned to be subcontracted to SDB (includes ANCs and Indian tribes):	\$ 13,200,000.00
f. Dollars planned to be subcontracted to WOSB:	\$ 13,200,000.00

Option Year 5 - 01-OCT-2026 THROUGH 30-NOV-2027

Total planned subcontracting dollars:	\$ 165,000,000.00
a. Dollars planned to be subcontracted to SB (includes HUBZone SB, SDB, WOSB, VOSB, SDVOSB,):	\$ 115,500,000.00
b. Dollars planned to be subcontracted to VOSB:	\$ 19,800,000.00
c. Dollars planned to be subcontracted to SDVOSB:	\$ 4,950,000.00
d. Dollars planned to be subcontracted to HUBZone SB:	\$ 4,950,000.00
e. Dollars planned to be subcontracted to SDB (includes ANCs and Indian tribes):	\$ 13,200,000.00
f. Dollars planned to be subcontracted to WOSB:	\$ 13,200,000.00

(3) DESCRIPTION OF PRINCIPAL TYPES OF SUPPLIES AND SERVICES TO BE SUBCONTRACTED AND TYPES OF BUSINESSES SUPPLYING THEM

Work Area	Description	SB	SDB	WOSB	HUBZone	VOSB	SDVOSB
Engineering and Construction	Standard engineering, design, and construction activities	X	X	X	X	X	X
Engineering and Technology	Specialty engineers, scientists, and advanced instrumentation and diagnostics experts	X	X	X		X	X
Project Management	Project management support services and project controls	X	X	X	X	X	X
Nuclear Operations and Safety	Nuclear operations support, nuclear and criticality safety support, and independent reviews	X	X			X	X
Security	Personnel security activities and vulnerability assessments	X	X	X		X	X
Environmental Services	Environmental restoration, waste management, and studies	X	X	X		X	X
ES&H Services	Compliance monitoring and assessment; training	X	X	X	X	X	X
Business Services	IT, financial, and HR support; training; supplies and services	X	X	X	X	X	X
Support Services	Food services, housing, transportation, maintenance, logistics and warehousing operations, and other site services	X	X	X		X	
Commodities and Products	Aircraft parts, chemicals, advanced instrumentation, test diagnostic equipment, and computer hardware /software	X	X	X		X	X

(4) METHOD USED TO DEVELOP GOALS

MSTS will submit proposed individual subcontracting plan goals 60 days prior to the beginning of each fiscal year during the term of this contract, or by such other date authorized in writing by the Contracting Officer. The goals will be negotiated once each fiscal year and the agreement between MSTS and the Contracting Officer will be communicated in writing. This submittal will include subcontracting goals for SB, Small Disadvantaged Business (SDB), Women-owned Small Business (WOSB), HUBZone Small Business (HUBZ), Veteran-owned Small Business (VOSB), and Service-disabled Veteran-owned Small Business (SDVOSB); all are collectively referred to as "small business concerns". Goals are based on separate dollars and percentages for each small business concern category as specified in FAR 19.704. Subcontracting dollars with Alaskan Native Corporations (ANC) and Indian Tribes are counted towards achievement of subcontracting goals for small business and small disadvantaged business concerns, regardless of the size or Small Business Administration certification status of the ANC or Indian Tribe.

In order to establish realistic and meaningful goals for this plan, we considered the site's historical performance in each category, upcoming FY projects forecast, market research for SB in performance categories, review of SB outreach opportunities, our parent companies' lists of qualified subcontractors, and our ability to quickly expand our SB supplier list by qualifying more SBs.

MSTS' goal is to subcontract with all SB concerns in all potential categories to the maximum extent possible. The proposed goals outlined in section 1 are based on the estimated budget and forecast of procurement requirements, including those for Large Business (LB) concerns.

(5) METHOD USED TO IDENTIFY POTENTIAL SUBCONTRACTING SOURCES (Check all that apply)

- Company Source Lists
- System for Award Management (SAM) database
- Veteran Service Organizations
- National Minority Purchasing Council Vendor Information Service
- U.S. Department of Commerce Minority Business Development Agency's Research and Information Division
- SB, HUBZone SB, SDB, and WOSB Trade Associations
- SBA's Lists of Certified SDB and HSB Concerns
- SB and Minority Business trade fairs or conferences
- Other: Explain –

Sources to be utilized to locate small business concerns by MSTS will include:

- Federal Business Opportunities
- Las Vegas Latin Chamber of Commerce
- North Las Vegas Latin Chamber of Commerce
- Las Vegas Asian Chamber of Commerce
- Las Vegas Women's Chamber of Commerce
- Las Vegas Metro Chamber of Commerce
- Las Vegas Urban Chamber of Commerce
- DOE Office of Small Disadvantaged Business Utilization (OSDBU)
- Clark County Business Development Division
- Nevada Minority Supplier Development Council
- Nevada Procurement Technical Assistance Center (PTAC)
- Nevada Development Authority
- Henderson Chamber of Commerce
- Clark County Chamber of Commerce
- Pahrump Chamber of Commerce
- Nevada Governor's Office of Economic Development

(6) INDIRECT COSTS (Check which applies.)

 X Indirect costs *have not* been included in establishing subcontracting goals.

 Indirect costs *have* been included in establishing subcontracting goals.

If included, describe how you determine the proportionate share of indirect costs incurred with:

SB (Including ANCs and Indian tribes):

VOSB:

SDVOSB:

HUBZone SB:

SDB (Including ANCs and Indian tribes):

WOSB:

(7) ADMINISTRATION OF SUBCONTRACTING PROGRAM

The following individual employed by the offeror will administer this subcontracting plan:
 Primary Point of Contact:

Name:	Sharon R. Nanez
Address:	PO Box 98521 M/S NLV018 Las Vegas, NV 89193
Email Address:	NanezSR@nv.doe.gov
Telephone:	(702) 295-2649
Title:	Procurement/Small Business Program Manager
Description of Duties:	<ul style="list-style-type: none"> • Works with contracts, purchasing, and marketing personnel to search for and develop qualified small business concerns as sources of supply. • Works with and provides input to the Director, as deemed necessary, to properly administer this plan. • Coordinates with the small business community, industry associations, and government. • Assists small business concerns in meeting requirements of contracting in MSTs's business marketplace. • Acts as an intermediary between customers, the Small Business Administration, and the MSTs management.

Secondary Point of Contact:

Name:	Lori Buff
Address:	PO Box 98521 M/S NLV018 Las Vegas, NV 89193
Email Address:	BuffLL@nv.doe.gov
Telephone:	(702) 295-1152
Title:	Small Business Liaison/Sr. Procurement Specialist
Description of Duties:	<ul style="list-style-type: none"> • Develop and promote company/division policy statements that demonstrate MSTs support for awarding contracts and subcontracts to SB, SDB, WOSB, HUB, VOSB, SDVOSB. • Ensuring that procurement procedures are designed to permit the maximum possible participation of SB, SDB, WOSB, HUB, VOSB, SDVOSB. • Buyer socioeconomic training. • Review of internal processes governing supplier source selection. • Review of internal processes for compliance with Small Business reporting and subcontracting.

(8) EQUITABLE OPPORTUNITY TO COMPETE

MSTS assures that small business concerns will have an equitable opportunity to compete for subcontracts. MSTS solicitations will be arranged to allow for timely preparations of bids, quantities, specifications, and delivery schedules so as to facilitate the participation of SB.

MSTS personnel are encouraged to seek the use of approved small business sources and encouraged to develop new qualified sources on new business opportunities.

Outreach Efforts to Obtain Sources:

MSTS will publicize subcontract opportunities when possible through participation in small business publications, trade fairs, federal procurement conferences, industry conferences and local affiliations.

MSTS will collaborate with the following organizations:

- Las Vegas Latin Chamber of Commerce
- Las Vegas Urban Chamber of Commerce
- North Las Vegas Latin Chamber of Commerce
- Las Vegas Asian Chamber of Commerce
- Las Vegas Women's Chamber of Commerce
- Clark County Business Development Matchmaking Events
- Nevada Procurement Technical Assistance Center
- Nevada Minority Supplier Development Council
- DOE Matchmaking Events
- MSTS will use the SAM.GOV database to research sources and use the information as representation of a small business concern's size for the purpose of maintaining a small business source list. If the SAM.GOV information is to be referenced, then the subcontractor must provide a written statement certifying that the information in SAM.GOV is complete and accurate as of the date of proposal for the subcontract.

In addition to participation in various outreach programs, MSTS will provide assistance to develop small business concerns in the following areas as appropriate:

- Provide assistance through Mentor Protégé agreements utilizing the DOE Mentor Protégé Program
- Bidders conferences to discuss and advise on specifications, statements of work and interpretation of requirements
- Site quality surveys to evaluate system and provide assistance to meet quality assurance requirements
- Post-award assistance to ensure requirements are fully understood and to assist in purchase order performance
- Financial assistance in the form of progress payments, where appropriate.
- In-house small business symposia attended by procurement, projects, engineering, and facilities, to discuss and advise on new programs and upcoming requirements.

Internal Efforts to Guide and Encourage Purchasing Personnel:

- Buyer goal performance and achievement.
- Organizational commitment and accountability at all levels.
- Presenting workshops, seminars and training programs to staff.
- Implementing a Small Business Strategy Team to identify issues and solutions pertaining to small business performance within procurement and among site customers.
- Establishing, maintaining and using small business source lists, guides, and other data for soliciting subcontractors.
- Contacting minority and small business development organizations
- Partnering with applicable community organizations to host small business outreach events.

(9) INCLUSION OF FAR CLAUSE 52.219-8, "UTILIZATION OF SMALL BUSINESS CONCERNS," IN SUBCONTRACTS

Place a check by each statement as assurance that the following will be done (Proposed subcontracting plans with unchecked boxes are considered unacceptable):

- X I agree to include clause at FAR 52.219-8, "Utilization of Small Business Concerns," in all subcontracts that offer further subcontracting opportunities.
- X I will require all subcontractors (except SB concerns) that receive subcontracts in excess of \$700,000 (\$1.5 million for construction) to adopt a subcontracting plan that complies with the clause at FAR 52.219-9, Small Business Subcontracting Plan.

(10) REQUIREMENT TO COOPERATE IN STUDIES AND SUBMISSION OF REPORTS

Place a check by each statement as assurance that the following will be done (Proposed subcontracting plans with unchecked boxes are considered unacceptable):

- X (i) I agree to cooperate in any studies or surveys as may be required.
- X (ii) I agree to submit periodic reports so the government can determine the extent of compliance with the subcontracting plan.
- X (iii) I agree, after November 30, 2017, to include subcontracting data for each order when reporting subcontracting achievements for indefinite-delivery, indefinite-quantity contracts intended for use by multiple agencies.
- X (iv) I agree to:
- a. Submit the Individual Subcontract Report (ISR) and/or the Summary Subcontract Report (SSR), in accordance with paragraph I of the clause at FAR 52.219-9 using the Electronic Subcontracting Reporting System (eSRS) at <http://www.esrs.gov>.

The reports shall provide information on subcontract awards to SB concerns (including ANCs and Indian tribes that are not SBs), VOSB concerns, SDVOSB concerns, HUBZone SB concerns, SDB concerns (including ANCs and Indian tribes that have not been certified by SBA as SDBs), WOSB concerns, HICUs, and MIs. Reporting will be in accordance with the clause at FAR 52.219-9, or as provided in agency regulations.

- b. Submit the ISR semi-annually during contract performance for the periods ending March 31 and September 30, and to submit a report within 30 days of contract completion. I shall submit the reports within 30 days after the close of each reporting period, unless otherwise directed by the contracting officer. Reports are required when due, regardless of whether there has been any subcontracting activity since the inception of the contract or the previous reporting period. When the contracting officer rejects an ISR, I agree to submit a revised ISR within 30 days of receiving the notice of the ISR rejection.
 - c. Submit the SSR annually by October 30 for the twelve-month period ending September 30. When an SSR is rejected, I agree to submit a revised SSR within 30 days of receiving the notice of SSR rejection.
- X (v) I agree to ensure that my subcontractors with subcontracting plans agree to submit the ISR and/or the SSR using eSRS.
- X (vi) I agree to provide this prime contract number, its DUNS number, and the email address of our company official responsible for acknowledging receipt of or rejecting the ISRs, to all first-tier subcontractors with subcontracting plans so they can enter this information into the eSRS when submitting their ISRs.
- X (vii) I agree to require that each subcontractor with a subcontracting plan provide the prime contract number, its own DUNS number, and the email address of the subcontractor's official responsible for acknowledging receipt of or rejecting the ISRs, to its subcontractors with subcontracting plans.

(11) DESCRIPTION OF TYPES OF RECORDS TO BE MAINTAINED (Check if in agreement. (Proposed subcontracting plans with unchecked boxes are considered unacceptable):

- X I agree to maintain the following records to show compliance with this subcontracting plan:
- a. Source lists, guides, and other data that identify SB, VOSB, SDVOSB, HUBZone SB, SDB, and WOSB concerns.
 - b. Records on organizations contacted to locate SB, VOSB, SDVOSB, HUBZone SB, SDB, and WOSB sources.
 - c. Records on each subcontract solicitation resulting in an award of more than \$150,000, indicating:
 - (1) Whether SB concerns were solicited and, if not, why not
 - (2) Whether VOSB concerns were solicited and, if not, why not
 - (3) Whether SDVOSB concerns were solicited and, if not, why not

- (4) Whether HUBZone SB concerns were solicited and, if not, why not
- (5) Whether SDB concerns were solicited and, if not, why not
- (6) Whether WOSB concerns were solicited and, if not, why not
- (7) If applicable, the reason award was not made to a SB, SDVOSB, VOSB, HUBZone SB, SDB, or WOSB concern
- d. Records of outreach efforts to contact:
 - (1) Trade associations
 - (2) Business development organizations
 - (3) Conferences and trade fairs to locate SB, HUBZone SB, SDB, SDVOSB, and WOSB sources
- e. Records of internal guidance and encouragement provided to buyers through:
 - (1) Workshops, seminars, training, etc.
 - (2) Monitoring performance to evaluate compliance with the program's requirements.
- f. On a contract-by-contract basis, records to support award data submitted to the government, including the name, address, and business size of each subcontractor (does not apply to commercial plans).

Describe other types of records that will be maintained as part of the subcontracting program/plan requirements and goals, if applicable:

(12-15) Other Assurances

- X (12) I agree to make a good faith effort to acquire articles, equipment, supplies, services, or materials, or obtain the performance of construction work from the small business concerns that I used in preparing the bid or proposal, in the same or greater scope, amount, and quality used in preparing and submitting the bid or proposal. The small business concerns used in preparing the bid or proposal include —
 - a. Any small business concern identified as a subcontractor in the bid or proposal or associated small business subcontracting plan, to furnish certain supplies or perform a portion of the contract; or
 - b. Any small business concern whose pricing or cost information or technical expertise was used in preparing the bid or proposal, where there is written evidence of an intent or understanding that the small business concern will be awarded a subcontract for the related work if I am awarded the contract.
- X (13) I agree to provide the contracting officer with a written explanation if I fail to acquire articles, equipment, supplies, services or materials or obtain the performance of construction work as described in the preceding statement of this section. I will submit this explanation to the contracting officer within 30 days of contract completion.
- X (14) I agree to not prohibit a subcontractor from discussing with the contracting officer any material matter pertaining to payment to or utilization of a subcontractor.
- X (15) I agree to pay my small business subcontractors on time and in accordance with

the terms and conditions of the subcontract, and to notify the contracting officer if I pay a reduced or an untimely payment to a small business subcontractor

This subcontracting plan was prepared by:

Signature: Sharon R. Nanez

Printed name: Sharon R. Nanez

Title: Procurement Manager

Phone number: (702) 295-2649

Date prepared: June 7, 2018