

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1 CONTRACT ID CODE	PAGE OF PAGES 1 2
2 AMENDMENT/MODIFICATION NO 0027	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	9B DATED (SEE ITEM 11)
CODE 080083514 FACILITY CODE		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) DEAR 970.5204-2 and Agreement of the Parties

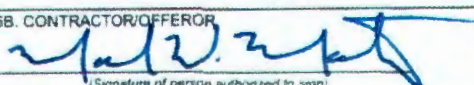
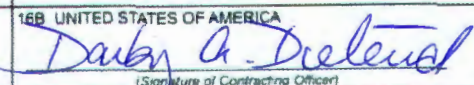
E. IMPORTANT: Contractor is not. is required to sign this document and return 1 copies to the issuing office.

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

See Attachment 1

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	15A NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Darby A. Dieterich
15B CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C DATE SIGNED 8/20/18
15B UNITED STATES OF AMERICA  (Signature of Contracting Officer)	15C DATE SIGNED 8/20/18

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED
DE-NA0003624/0027

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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				

The following changes are being made to Part III – List of Documents, Exhibits, and Other Attachments, Section J – List of Appendices:

I. Appendix F, *List of Applicable Directives*, is modified as set forth below:

A. Delete the following directive:

DIRECTIVE NUMBER			DATE	DIRECTIVE TITLE
DOE	M	140.1-1B	3/20/2001	Interface with the Defense Nuclear Facility Safety Board

B. Add the following directive:

DIRECTIVE NUMBER			DATE	DIRECTIVE TITLE	MOD #
DOE	O	140.1	5/14/2018	Interface with the Defense Nuclear Facilities Safety Board	0027

II. Appendix G, *Personnel Appendix*, is modified by deleting the existing content and substituting in lieu thereof the content set forth in Attachment 2 to this modification.

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

(END OF MODIFICATION)

**SECTION J
APPENDIX G
PERSONNEL APPENDIX**

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1.0 INTRODUCTION

The allowability of personnel and other related costs incurred pursuant to the NNSS Prime Contract is governed by the following:

- a. NNSS Prime Contract DE-NA0003624
- b. Federal Acquisition Regulation (FAR) Part 31, "Contract Cost Principles and Procedures"
- c. U.S. Department of Energy Acquisition Regulation (DEAR) Part 931, "Contract Cost Principles and Procedures"
- d. DEAR 970.30, "Cost Accounting Standards Administration"

Appendix G, "Personnel Appendix," (hereafter Personnel Appendix) sets forth personnel and other related policies that have cost implications under this Contract and are not covered explicitly in FAR or DEAR cost principles. This Personnel Appendix identifies those costs deemed reasonable and allowable for reimbursement when incurred in the performance of Contract work. MSTS shall seek approval of the U.S. Department of Energy, National Nuclear Security Administration (NNSA) Contracting Officer prior to incurring costs not specifically identified as allowable in this Contract. MSTS shall identify and treat all unallowable costs and directly associated unallowable costs in accordance with the criteria set forth in FAR 52.230-2, "Cost Accounting Standards," including but not limited to placing unallowable costs in appropriate allocation bases.

MSTS shall obtain prior Contracting Officer approval of changes within the scope of the Personnel Appendix when such changes are expected to increase costs to the government. In situations where changes may set a precedent among the NNSA Contractors, MSTS shall consult with the Contracting Officer regarding program cost reimbursement prior to implementation, even if there is no expected increase in cost. This requirement is not intended to prohibit MSTS from taking advantage of efficiency gains realized from new and innovative approaches in providing Human Resource services.

MSTS shall use effective management review procedures and internal controls to assure that the allowable costs set forth herein are not exceeded. In addition, MSTS shall ensure that cost items that require prior approval of the NNSA Contracting Officer are reviewed and approved prior to incurrence of costs.

Either party may request revisions to this Personnel Appendix. Both the parties agree to give consideration in good faith to any such request. When revisions to this Personnel Appendix are made, a contract modification shall be executed to effect the changes.

This Personnel Appendix is for the exclusive benefit and convenience of the parties hereto. Nothing contained herein shall be construed as granting, vesting, creating, or conferring any right of action or any other right or benefit upon past, present, or future employees of MSTS, or upon any other third party.

2.0 DEFINITIONS

1. Accredited Service

- a. Employees who transfer directly to MSTS from the predecessor contractor will retain the site service date and continuous service date recognized by the predecessor contractor. Employees who are hired by MSTS with predecessor contractor service will be given credit for Nevada National Security Site (NNSS) service for benefit purposes, if there has not been a break in service longer than 3 years. Vested and

credited service in the 401(k) Plan and Pension Plan are subject to Employee Retirement Income Security Act of 1974 (ERISA) service rules.

- b. Transfers from parent companies:
 - i. *Prior to January 1, 2013*, National Security Technologies, LLC (NSTec), employees transferring directly from Northrop Grumman, AECOM, CH2M Hill, or Nuclear Fuel Services will retain the continuous or credited service date recognized by the NSTec parent companies from which they transfer for the purpose of eligibility for benefits, including service awards, paid time off (PTO), and 401(k) and pension plan vesting.
 - ii. *After January 1, 2013 and prior to December 1, 2017*, NSTec employees who transferred directly from Northrop Grumman, AECOM, CH2M Hill, or Nuclear Fuel Services retained the continuous or credited service date recognized by the NSTec parent companies from which they transferred for the following purposes:
 - a. Service with a parent organization not under DOE or NNSA Management and Operating (M&O) or Site Management contract: PTO eligibility and accrual only.
 - b. Service with a parent organization under DOE or NNSA M&O or Site Management Contract:
 - PTO eligibility and accrual
 - Eligibility for leaves of absence
 - Eligibility for vesting and employer contributions to market-based retirement plans (but not for determination of benefit)
 - Eligibility for retiree medical, dental, and life insurance benefits (when the individual worked at least the 5 years prior to retirement under DOE or NNSA M&O or facilities management cost reimbursement contracts)
 - Eligibility and/or determination of benefit for long- and short-term disability
 - Determination of severance benefits (for service for which severance has not already been paid)
 - iii. Employees transferring directly from The Babcock & Wilcox Company without prior Nuclear Fuel Services service will be credited with continuous service as of January 5, 2009 (the date The Babcock & Wilcox Company acquired Nuclear Fuel Services), or their actual service date as established by Babcock & Wilcox, whichever is later. Eligibility for benefits based on that credited service date will be in accordance with paragraph ii above.
 - iv. After November 30, 2017, MSTs employees who transferred directly from Honeywell International Inc., Jacobs Engineering Group, Inc., or Stoller Newport News Nuclear, Inc., retain the continuous or credited service date

recognized by the MSTS parent companies from which they transferred for the following purposes:

- a. Service with parent organization not under DOE or NNSA M&O or Site Management contract: PTO eligibility and accrual only.
- b. Service with the parent organization under DOE or NNSA M&O or Site Management contract:
 - PTO eligibility and accrual
 - Eligibility for leaves of absence
 - Eligibility for vesting and employer contributions to market- based retirement plans (but not for determination of benefit)
 - Eligibility for retiree medical, dental, and life insurance benefits (when the individual worked at least the 5 years prior to retirement under DOE or NNSA M&O or facilities management cost reimbursement contracts)
 - Eligibility and/or determination of benefit for long- and short-term disability; and determination of severance benefits (for service for which severance has not already been paid)

2. Bargaining Unit Employees (Union Employees)

Employees whose wages, hours of work, and working conditions have been negotiated into labor contracts.

3. Base Pay

The compensation of an exempt or nonexempt employee, exclusive of premium pay or other type of compensation. The base pay is expressed as an hourly, weekly, or annual rate.

4. Basic Workweek

Non-bargaining employees: A 40-hour workweek consisting of five consecutive basic workdays of 8 hours each.

5. Casual Employee

Employment status of an employee hired to provide manpower when temporary employees are needed for a specific project or to respond to an immediate need. Casual employees have a variable work schedule are called to work when needed and work as many hours per week as necessary. All hours worked will be compensated as nonexempt, non-bargaining employees. Casual employees may work for MSTS a maximum of 900 hours per calendar year. Any casual employee who works less than 40 hours in a 9-month period may be administratively terminated. Casual employees are covered by legally required benefits, but do not receive or participate in any other type of employee benefit program, group insurance plans, or paid absences. Casual employees will not be eligible to receive benefits provided under the Defense Authorization Act, Section 3161, upon termination.

6. Casual Overtime

Work in excess of the basic workweek that cannot be scheduled in advance.

7. CFR

Code of Federal Regulations

8. Compensation Increase Plan (CIP)

A plan for establishing need and specifying distribution of maximum dollar amounts and/or percentage of base payroll on an annualized basis, to be allocated to employee groups for base pay increases or lump sum payments during a pay year. The amounts approved are for granting merit, promotion, adjustment, and reclassification increases.

9. Compressed Workweek

A work period designed to allow employees to fulfill work requirements in fewer days by increasing the number of hours worked in a single workday. A compressed workweek is expressed as 4/10 (four consecutive work days of 10 hours each to total 40 hours worked in a 1-week period resulting in 3 consecutive days off during each workweek), or 9/80 (9 work days totaling 80 hours worked in a 2-week period resulting in 2 consecutive days off the first week and 3 consecutive days off the second week).

10. Contractor

Refers to MSTS. The responsibilities and authorities specified in this Personnel Appendix for the "Contractor" shall be exercised by the President and Site Manager of MSTS or their authorized representative.

11. Exempt Employee

Employees who are exempt from the overtime provisions of the Fair Labor Standards Act (FLSA) and state wage and hour laws.

12. Full-Time

Employment status of an employee regularly scheduled to work 40 or more hours per workweek.

13. Furlough

The period of time in which an employee is placed in non-pay status because of lack of work, lack of funds, or other non-disciplinary reasons. Furloughs must be more than 40 consecutive work hours and cannot exceed 60 calendar days in a rolling 12-month period.

14. Incentive

A reward, financial or otherwise, that compensates the worker(s) for high and/or continued performance above standards. An incentive also is a motivating influence to induce accomplishment or performance above normal.

15. Job Worth Hierarchy

A ranking of jobs within an organization by relative value to the organization for pay purposes.

16. Merit Increase

An adjustment to individual salary based on performance ranking.

17. Nonexempt Non-bargaining Employees

Employees who are subject to minimum wage and overtime pay provisions of the FLSA and state wage and hour laws, and who are not covered by a collective bargaining agreement.

18. Overtime Pay

Total amount of pay including base pay portion for work beyond 40 hours in a workweek.

19. Part-Time

Employment status of an employee regularly scheduled to work less than 40 hours per workweek. Employees in this status are considered nonexempt for overtime purposes.

20. Promotion

The assignment of an employee to a job of greater value to the organization. This assignment is sometimes recognized by a higher job classification or pay grade.

21. Salary Range

The range of pay rates, from minimum to maximum, set for a pay grade or job classification.

22. Special Adjustment

An increase to an employee's base pay due to internal or external equity considerations.

23. Termination

When an employee quits, retires, dies, or is discharged, affected by a reduction-in-force, or removed from the payroll because of disability (as distinguished from disability absence where the employee is not removed from the payroll).

24. Variable Pay

A lump-sum, cash payment separate from base salary.

3.0 COMPENSATION

The Compensation System program costs directly attributable to compensation provided to Contractor employees will be allowable under this Personnel Appendix G. Section 3.0, Compensation, does not apply to bargaining unit employees. Section 4.0 sets forth allowable costs associated with bargaining unit employees.

3.1 Variable Pay

Variable pay is reimbursable as outlined in the annual CIP and allows the Company to maintain a competitive position in the external market to attract, retain, and motivate top talent.

Non-base payments determined concurrently with salary increases and certain non-base awards may be granted throughout the year. These awards are funded from the total non-base budget. The amount of the recurring MSTS Recruitment Plan pool each calendar year is .1% of MSTS’s base payroll on December 31. The amount of the recurring MSTS Retention Plan pool each calendar year is .2% of MSTS’s base payroll on December 31. The amount of the recurring, MSTS Variable Pay Performance Bonus Plan pool each Calendar Year is .7% of MSTS’s base payroll on December 31.

3.2 Overtime

1. *Annual Budget for Overtime:* The Contractor shall maintain adequate internal controls to ensure that employee overtime is authorized only if cost effective and necessary to ensure performance of work under this Contract. The Contractor shall submit to the Contracting Officer overtime utilization reports no later than 1 month after the end of each quarter (end of quarter =March 31, June 30, September 30, and December 31). If the report indicates that overtime comprised 4% or more of the overall payroll, the Contracting Officer may request that the Contractor submit a plan to lower the overall usage overtime rate as a percentage of payroll for the quarter following the quarter in which overtime exceeded 4% of total payroll.
2. *General:* All overtime hours worked are subject to federal, state, or local labor laws. In some states, such as California, the wage and hour laws on overtime are more stringent than the federal regulations. In such cases, the state laws take precedence over federal laws. Authorized paid absences (PTO, Sick Leave Savings, Holidays, etc.) taken during a workweek will not be counted as time worked for purposes of computing overtime pay for the scheduled work day or workweek.
3. *Exempt Employees:* Employees in the job groups and levels depicted in the table below may be paid overtime at their base pay rate when a significant amount of overtime in excess of the regularly scheduled 40 hour workweek is scheduled, properly documented, and approved by the employee's Senior Director (Director in organizations which do not have a Senior Director). Significant is defined as at least 5 hours more than the 40 hour workweek. If eligible and approved, the employee will receive pay for hours worked in excess of 45 hours in a workweek (e.g., the employee works 48 hours in a workweek, then the employee will receive 3 hours of straight time pay). Overtime will not be approved for casual overtime required to fulfill their regular duties and responsibilities. The work must be high priority or have a critical deadline.

JOB GROUP	LEVEL(S)	JOB GROUP	LEVEL(S)
Management	I, II	Project & Business Management	I
Scientists & Engineers	II, III, IV	Technical Support	VI
Technical Professionals	II, III, IV	IT Professionals	III, IV
Business Professionals	II, III, IV		

In addition, exempt employees regardless of level who are members of one of the emergency response teams listed in Section 3.5, item 8.b. are eligible for straight-

time overtime beginning with the first hour over 40 when the additional time worked is during a team's deployment for exercises or real-world events, or when responding to a nuclear facility.

Employees in the job groups and levels depicted above who are required to work on a scheduled holiday will be paid at their base pay rate for all hours actually worked, in addition to the base pay for the holiday. Time worked on a holiday will be counted in the computation of the 40-hour workweek

4. *Non-exempt Employees:* Non-exempt employees will be paid one-and-one half times their base hourly rate for any hours worked in excess of 40 hours in a workweek. Any non-exempt employee who is required to work on a paid holiday will be paid one-and-one half times their base hourly rate, in addition to the base pay for the holiday. Time worked on a holiday will be counted in the computation of the 40-hour workweek.
5. *Overtime Pay for Non-exempt Employees in Training Programs:* Attendance at lectures, meetings, training programs and similar activities outside the employee's scheduled working hours should not be counted as time worked for overtime purposes if all of the following criteria are met:
 - a. Attendance is voluntary
 - b. The course, lecture, or meeting is not directly related to the employee's job
 - c. The employee does not perform any productive work during attendance

If any one of these criteria is not met, overtime must be paid.

When employees, on their own initiative, attend an independent school or college course after their scheduled work hours, the time is not hours worked for overtime purposes even if the course is job-related and the Contractor refunds the tuition and/or program cost.

6. *Overtime Pay for Casual Employees:* Casual employees will be paid one-and-one-half times their base hourly rate for any hours worked in excess of 40 in the workweek. Those who are required to work on holidays will be paid base pay only.
7. *Overtime Pay for Bargaining Employees:* Overtime pay for bargaining unit employees is specified in the labor agreements.

3.3 Shift Differential

Shift differentials may be paid to eligible employees. Shift differential rates shall be based on surveys of shift differential practices, and shall be approved by the Contracting Officer prior to implementation.

Non-exempt employees, including part-time and casual employees, and exempt employees eligible to receive straight-time overtime will be paid shift differential payments of 10% of their base salaries when they are assigned to one of the following for at least 3 consecutive workdays:

1. A scheduled work shift that begins 3 or more hours before the start of the established daytime work shift.
2. A scheduled work shift that begins 3 or more hours after the start of the established daytime work shift.
 - a. Eligible employees will be paid the shift differential payment only for the days worked on other than an established daytime shift. The shift differential is not included in payment for paid absences such as PTO and holidays. Pay for such absences will be calculated on the base salary rate.
 - b. Overtime pay for workdays and/or basic workweeks when employees receive shift differential pay will be calculated using base salary plus shift differential.
 - c. Shift differentials and Leader pay are allowable as specified by the Collective Bargaining Agreements.
 - d. Non-exempt employees who are assigned to a shift without being given 48 hours' notice of assignment or shift change are paid one and one-half times their base pay hourly rate for that portion of the newly scheduled shift which does not coincide with the hours of the employee's former shift during the first 48 hours of the new shift.
 - e. Non-exempt employees working at the National Ignition Facility at Lawrence Livermore National Laboratory will be paid 7.5% for working the swing shift and 15% for the owl shift. During all leaves with pay and holidays, eligible employees are paid at the shift differential rate applicable to the shifts they would otherwise have been scheduled to work. Overtime hours are paid at the applicable shift differential rates times one and one-half, unless otherwise required by applicable law. When programmatic requirements necessitate a regular shift assignment for an extended period, exempt employees may be paid the same shift differentials if approved in advance by the MSTS President.

3.4 Call-In Pay

Non-exempt employees who are called in to work after having left their job site at the end of their regular shift to perform work before, but not continuous with, their regular shift, are provided at least 4 hours of base pay. Non-exempt employees who are assigned to a compressed workweek are paid a minimum of 5 hours' base pay. If no work is performed, then the hours paid but not worked are at straight time, except on holidays when the applicable premium rate is paid. Only time worked counts towards computing overtime.

3.5 Special Allowances

Special salary allowances may be paid to employees for certifications and/or qualifications and in specific work environments, and reimbursed in accordance with the Special Allowance Plan approved by the Contracting Officer.

1. Flight Pay Premium

- a. Air crew members assigned to perform duties for a minimum of 30 minutes aboard diagnostic aircraft are paid a flight pay differential of 25% of their base pay for actual hours flown in the aircraft to the nearest hour. Flight crew members (pilots and mechanics) are not eligible for flight pay differential.
- b. Crew rest time for flight crew members is paid time if the required rest time would cause the individual to receive less than their normal base salary for that week.

2. Hazard Premium

- a. When non-bargaining employees are assigned to and perform work on wooden poles or towers at a height of more than 40 feet, they shall be paid time and one-half their base pay for the actual time worked at such heights.
- b. When non-bargaining employees are assigned to and perform work in steel-cased drill holes at a depth in excess of 1,000 feet, they shall be paid at time and one-half their base pay rate for the actual time worked at such depths.
- c. The premium set forth above shall be computed and paid in increments of 1 hour.

3. Re-Entry Premium (Tunnel/Underground)

- a. Non-bargaining employees, while engaged in re-entry work and required by the Company to wear both full protective clothing (coveralls, booties, gloves, caps, etc.) and a full-face respirator, shall receive a premium of one dollar (\$1.00) per hour above their base pay.
- b. If a non-bargaining employee engages in re-entry work during any portion of the workday, the employee shall receive the premium for the entire shift.

4. Reporting Pay and Partial Shift Work

Nonexempt employees are paid 4 hours of base pay (or 5 hours of base pay, if they work a compressed workweek) when they report for work on their assigned shift and are not put to work, except if no work is available by reason of inclement weather or other conditions beyond the control of the Contractor, or if the employee is discharged for cause or voluntarily terminates.

If put to work for a portion of their assigned shift, nonexempt employees are paid a minimum of 8 hours or a maximum of their basic work day at their base pay rate, except if no work is available by reason of inclement weather or other conditions beyond the control of the Contractor, or if the employee is discharged for cause or voluntarily terminates.

5. Subsistence Allowances

- a. Employees assigned to report at Mercury will be paid at the rate of \$5.00 subsistence per day worked.
- b. Employees assigned to reporting points beyond Mercury will be paid at the rate of \$7.50 subsistence per day worked.
- c. Employees assigned to Tonopah Test Range (TTR) will receive \$7.50 subsistence per day for travel to NNSS or Las Vegas when required to return to TTR the same day. If required to stay overnight at NNSS, the employee will receive \$7.50 subsistence instead of \$5.00.
- d. Employees assigned to Las Vegas will receive \$5.00 subsistence for each day worked in Mercury; and \$7.50 subsistence for each day worked at NNSS areas beyond Mercury, at TTR, and Nevada Research and Development (NRDA). To be eligible for this subsistence payment, employees must either report to or return from work at NNSS, NRDA, or TTR on their own time or using other than government furnished transportation unless required to stay overnight.
- e. Employees assigned to Las Vegas will receive \$5.00 subsistence for each day worked in Mercury; and \$7.50 for each day worked at NNSS areas beyond Mercury, at TTR, and NRDA in accordance with the following table:

When travel occurs	What vehicle is used	Subsistence?
Before start of normal workday	Any vehicle	Yes
During workday (both directions)	Government vehicle	No
During workday (both directions)	Personal vehicle (no government vehicle available)	Yes
During workday (both directions)	Personal vehicle by choice (government vehicle is available)	No
After end of normal workday	Any vehicle	Yes
Anytime and required to spend the night at the site	Any vehicle	Yes

- f. TTR employees required to stay overnight in Las Vegas will be in official travel status.
- g. Non-bargaining employees who are required to work without a 12-hour break during a 24 hour period and who spend the night at the NNSS will receive \$10.00 per occasion meal allowance in addition to the daily subsistence allowances.

6. Evacuation Pay

- a. An employee (except a nonexempt 24-hour shift Fire Department employee) evacuated temporarily from the employee's assigned work site and for whom no work is provided, but whose services are further required in support of continuing operations, will be paid at his/her base hourly rate up to a

maximum of 10 hours per day for all hours not worked and which the employee would have normally worked had he/she not been evacuated.

- b. If a nonexempt employee (except a nonexempt 24-hour shift Fire Department employee) is in an evacuation status and a work status on the same day, the employee will be paid their base hourly rate for a combination of the two statuses up to the hours in their basic scheduled workweek, or for the actual hours worked, whichever is longer.
- c. Nonexempt 24-hour shift Fire Department employees are paid at their regular scheduled rate of pay for all time that corresponds to their basic scheduled workday while in evacuation status. Should the employee work on a scheduled non-workday while in evacuation status, the employee will be compensated for all hours worked at the applicable rate of pay for the type of work performed.
- d. If no work is performed on the employee's scheduled non-workday while in evacuation status, no payment will be made for that day.

7. Death Benefit

- a. In the event of the death of a non-bargaining full-time employee, the Contractor will pay the surviving spouse or other designated beneficiary, or if there is no surviving spouse or other designated beneficiary, will pay the estate of the deceased, a lump sum amount not to exceed 4 weeks at the employee's then-current base or equivalent hourly rate as well as any earned and accrued PTO due.
- b. Upon the death of an employee while in travel status or on temporary duty assignment, the cost of preparation and transportation is allowable for the deceased employee, dependents of the deceased employee, and the personal effects of the deceased employee. This allowable cost will be from the place of travel assignment or temporary duty assignment to the place of the employee's permanent duty station or equivalent distance. The above is applicable providing the Contractor gave authorization for family members to accompany the employee on temporary duty assignment.

8. Emergency Response Duty Pay

- a. Employees who are specifically authorized and scheduled to be available within a set number of hours for emergency response work outside their normal work hours are eligible to receive a flat-rate incentive payment of \$40 for each 24-hour period of coverage.
- b. Payment is limited to members of the following teams:

TEAM NAME (LOCATION)	TEAM MISSION
AMS Response Team (Andrews and Nellis)	Aerial emergency response for nuclear or radiological incidents
Consequence Management Home Team (CMHT)	Home team support for Remote Sensing Lab (RSL) and NNSA response team

Consequence Management Response Team (CMRT)	Emergency response team for nuclear or radiological incidents
Consequence Management Advance Command	Command team for nuclear or radiological incidents
Emergency Communications Network (ECN) Team (Forrestal DC and Nellis)	Supports ECN for NNSA, Render Safe, and RSL personnel and applications
Search Management Center (SMC) Rapid Deployment Team (RDT)	Rapid response team for searches and providing support to field operations.
Nuclear/Radiological Advisory Team (NRAT) (Andrews and Nellis)	Pre-crisis team that supports NNSA operations
Disposition Forensics Evidence Analysis Team (DFEAT)	Dedicated to safely disassembling an improvised nuclear device
Radiological Assistance Program – Region 0 (RAP0)	RAP regional response team assigned to the National Capital Region
Nuclear Facilities Duty Officers and Operators	Required to respond to nuclear facilities within two hours
Render Safe Support Team	Supports the JTOT and ARG missions based in Albuquerque, NM; on duty as needed
RSL Home Team	Supports RSL and Render Safe Emergency Operations
Wildland Fire Support Team	Supports MSTs Fire & Rescue in fighting wildland fires during the fire season (could be from June through September will vary by year)

- c. If a team is deployed for an exercise or real-world event, the flat-rate incentive payment will continue to be paid during the deployment.
- d. The flat-rate incentive payment will be taxable income and appropriate deductions, including voluntary 401(k) contributions will be taken. It will not be included in overtime rate calculations.

9. Pay during Deployment

- a. Employees who are eligible for duty pay receive pay for the time spent in transportation to and from deployment as a member of one of the teams listed

in Section 3.5, item 8.b. for exercises or real-world responses. This provision does NOT apply to routine business travel.

- b. Pay status begins from the time the employee arrives at RSL-Nellis or RSL-Andrews and ends when the employee is released from duty for the day at the destination. The reverse applies for the return trip.
- c. Straight time or time-and-a-half is paid depending on the employee's FLSA status and the hours worked during the current workweek.

10. Nuclear Facility Duty Officers, Operators and Radiation Control Technicians (RCTs)

- a. Nuclear Facility Duty Managers, Officers, RCTs or Operators who are required to be on call and able to report within 2 hours are eligible to receive a flat-rate incentive payment of \$40 for each 24-hour period of coverage.
- b. The flat-rate incentive payment is taxable income and deductions, including voluntary 401 (k) contributions are taken. It is not included in overtime rate calculations.
- c. Pay status begins from the time the employee arrives at the NNSA and ends when the employee is released from duty for the day at the destination. The reverse applies for the return trip.
- d. Straight time or time-and-a-half is paid depending on the employee's FLSA status and the hours worked during the current workweek.

11. Physician Assistant and Nurse Practitioner On-Call Pay

- a. Physician Assistants or Nurse Practitioners who are required to be on-call and able to report within 2 hours are eligible to receive a flat-rate incentive payment of \$70 for each 24-hour period of coverage.
- b. This flat-rate incentive payment is taxable income and deductions, including voluntary 401 (k) contributions are taken. It is not included in overtime rate calculations unless otherwise required by applicable law.

12. Certification Pay

Certification pay will require prior NNSA Contracting Officer or designee approval.

13. Site Allowance

Site allowances will be established with approval of the NNSA Contracting Officer or designee.

14. Location Pay for Temporary Assignments

Location pay for temporary assignments will be established, including amount of pay and the circumstances under which it is provided with approval of the Contracting Officer or designee.

3.6 Approval of individual compensation actions in excess of salary range

MSTS shall obtain DOE NNSA approval for any proposed salary amount paid an employee in excess of the salary range prior to payment.

3.7 Pay in lieu of notice

In the event MSTS allows an exempt employee to resign because the services of such employee cannot be productively utilized during the period of notice or if his/her presence at the work site during the notice period is not desired, the Contractor may pay the employee at his/her base pay for 2 weeks in lieu of continuing the employee's employment for 2 weeks. However, such payment shall be approved in advance by the Contracting Officer.

3.8 Severance pay

Severance pay for non-bargaining employees is governed by the document entitled "Severance Pay Plan" approved by the Contracting Officer. The benefit for eligible employees is 1 week of base pay for each year of credited service up to a maximum of 26 weeks. An eligible employee with less than 1 year of service is eligible for 1 week of base pay.

4.0 LABOR RELATIONS – COLLECTIVE BARGAINING AGREEMENTS

Costs of wages and fringe benefits to employees represented by collective bargaining units and all other costs and expenses incurred pursuant to the provisions of collective bargaining agreements and revisions thereto are allowable costs provided MSTS adheres to requirements provided in Section J Appendix A, Statement of Work, Chapter III Section 5.0, Labor Relations.

MSTS is a party to the Project Labor Agreement and collective bargaining agreements with the following titles: A Project Labor Agreement for the NNSS between MSTS and the Southern Nevada Building and Construction Trades Council and Other Signatory Unions.

1. Collective Bargaining Agreements (CBA) with the International Union of Operating Engineers, Local 501 for the maintenance engineers at the facility at 2621 Losee Road.
2. CBA with the Teamsters, Local 631 for fire and rescue.
3. CBA with Laborers' International Union of North America (LIUNA), Local 872 for the miners, tunnelers, welders, etc.
4. CBA with Culinary Workers, Local 226 and Bartenders Union, Local 165 for the food workers and custodians at the food services facilities at NNSS, RSL, U.S. Department of Energy, National Nuclear Security Administration Nevada Field Office (NNSA/NFO), and TTR.
5. CBA with the International Association of EMTs and Paramedics, Local R14-98 for all of the paramedics.

Expenses associated with employee representation activities that are not prohibited by Section 302 of the Labor Management Relations Act of 1947 (Title 29 United States Code (USC) § 186, Restrictions on Financial Transactions"), or any other applicable law or regulation, are allowable costs.

5.0 GROUP INSURANCE AND LEGALLY REQUIRED PAYMENTS

5.1 General Provisions

1. Administrative costs

Costs incurred in implementing, administering, and funding comprehensive DOE NNSA-approved group insurance plans are allowable. Administrative costs associated with the effective administration of the plans include such items as publicizing, enrolling, maintaining records, and providing employees with assistance in understanding and collecting their benefits.

2. Insurance

Annual renewal of the group insurance policies, certificates and accounts, cost-sharing arrangements, renewal of group services agreements, establishing new premium rates, and the implementation of changes of minor significance do not require Contracting Officer approval.

The health and welfare plans for the non-bargaining active Employees and retirees are summarized below. If MSTS pays fully or partially, costs will be listed here:

1. Medical care

The following medical plans are available:

- a. ***Preferred Provider Organization (PPO) Plan:*** The PPO Plan gives access to a network of doctors and health care facilities, as well as a pharmacy benefit program. MSTS pays 80% of the premiums.
- b. ***High Deductible Health Plan (HDHP):*** The HDHP uses the same in-network group of doctors and facilities as the PPO Plan, as well as a pharmacy benefits program. After annual out-of-pocket expenses are incurred, the Company will pay 100% of in-network costs. The HDHP is tied to a Health Savings Account (HSA). MSTS pays 80% of the premiums.
- c. ***Health Savings Account (HSA):*** MSTS will contribute \$750 for employee only HDHP coverage or \$1,500 for family HDHP coverage.
- d. ***Health Maintenance Organization (HMO):*** Most eligible medical and prescription drug expenses are payable at 100% after a co-payment. HMO plans are available for New Mexico; Las Vegas, NV; and Livermore, CA. MSTS pays 80% of the premiums.

2. Vision care

MSTS pays 40% of the premiums.

3. Dental care

The dental plan provides two maximum levels of coverage for eligible expenses up to a \$1,500 or \$2,000 calendar year maximum per person. MSTS pays 75% of the premiums.

4. Life and accident insurance

The Company provides a basic life insurance benefit equal to 1.5 times annual base

pay. MSTS pays 100% of the premiums.

5. Business travel insurance

MSTS provides Business Travel Insurance The benefit, equivalent to 2 times annual base pay, is in addition to Basic Life Insurance and any Voluntary Personal Accident Insurance. MSTS pays 100% of the premiums.

6. Disability insurance

MSTS provides Basic Short-Term Disability (STD) and Basic Long-Term Disability (LTD) Insurance coverage. These plans help provide income protection as the result of a non-occupational injury or illness preventing work. MSTS pays 100% of the premiums for the two basic coverages below:

Basic STD: This plan provides 50% of weekly base pay, up to \$1,200 a week for the first 26 weeks of disability starting on the eighth consecutive calendar day absent from work due to illness or injury, or the first day hospitalization or surgery.

Because this coverage is Company-paid, the benefit is taxable.

Basic LTD: This benefit is for disability of more than 180 days, and pays 50% of monthly base pay, up to \$5,200 per month.

7. Retiree medical program

MSTS provides a Health Reimbursement account stipend to Medicare eligible retirees who elect medical coverage under the Medicare exchange program. Currently, the annual contribution is \$1,695 per participant. Non-Medicare eligible retirees continue to receive access to MSTS-sponsored medical plans until Medicare eligible.

Eligible Bechtel Petroleum Operations, Inc. (BPOI), retirees are eligible for coverage under the MSTS Medical Program or MSTS Retiree Medical Program in accordance with the Memorandum of Agreement (MOA) between NNSA/NFO and DOE Headquarters Office of Fossil Energy on file with NNSA/NFO. The current premium cost share, with the non-Medicare eligible retiree/surviving spouse paying approximately 25% of the established premium, will continue during the effective period of the MOA. Eligible BPOI retirees will receive an annual Health Reimbursement Account (HRA) stipend amount of \$3,100 and \$3,100 for the spouse. Medicare eligible former BPOI employees and their spouses who were not enrolled in any health insurance plan offered by NSTec in 2012, but, who instead received dental insurance coverage only in 2012 through NSTec, will receive an annual stipend of \$750 in an HRA so that they may purchase dental insurance coverage or pay for eligible qualified expenses.

Note: No later than September 1 of each year, MSTS will provide to the NNSA/NFO Manager an estimate of the costs associated with providing the benefits to the former BPOI employees for the following calendar year. The benefits include the HRA stipend for former BPOI employees and their spouses who have reached age 65, and other medical benefits for those former BPOI employees and their spouses who have not yet reached age 65. All reasonable costs incurred by MSTS to administer the benefits for former BPOI employees must be incorporated, and may include but are not limited to actuarial and consulting costs. Any time spent

performing work associated with BPOI retirees will be included. MSTS will document their charges.

5.2 Displaced Workers Medical Benefits Program (DWMBP)

MSTS will provide Displaced Workers Medical Benefits to displaced workers if provision of such benefit is set forth in a workforce restructuring plan that is approved by DOE NNSA (see Section J, Appendix A, Statement of Work, Chapter III Section 6.0 Workforce Planning; and Section 6.2).

Benefits under the DWMBP are available to displaced workers who are not eligible for health insurance coverage under another plan, e.g., another employer's health plan, the MSTS retiree medical plan, a spouse's medical plan, or Medicare. Generally, DWMBP benefits are as follows (note: NNSA may approve workforce restructuring plans that include less years of coverage):

- For the first 12-month period after the termination date, the MSTS shall continue to pay the employer portion of the medical premium and the separated employee will pay a premium equal to the monthly premium paid by active employees for the type and level of coverage the separated Employee has at the termination date.
- Beginning in the second year after the termination date, the separated employee will be responsible for one-half of the full Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) rate for this coverage, and MSTS shall pay the remainder. Beginning in the third and final year of the DWMBP, the separated employee will be responsible for paying the full COBRA. At the end of the third year the employee's coverage eligibility ends.

6.0 RETIREMENT PLANS

MSTS shall administer the following plans with the following titles:

- a. ***Mission Support and Test Services LLC Employee Retirement Plan*** - This is a pension plan with 5-year cliff vesting. Employees hired after June 30, 2009 will receive a pension benefit based on a variable annuity formula. Employees hired before July 1, 2009 will receive a defined annuity for pension credits earned through December 31, 2013. The pension benefit earned after this date will be based on a variable annuity formula.
- b. ***Mission Support and Test Services LLC Employee 401(k) Plan*** - This is a defined contribution plan in which MSTS matches 50% of the first 6% of compensation the employee contributes to the Plan. The employer matching component has 3-year cliff vesting.

6.1 General Provisions

Reasonable costs involved in implementing, administering, and funding DOE NNSA-approved pension plans are allowable. Reasonable administrative costs associated with the effective administration of the plans include such items as publicizing, enrolling, maintaining records, and providing employees with assistance in

understanding and collecting their benefits. In addition, only compensation reimbursed by DOE NNSA under the Contract is authorized to be considered as pensionable earnings for purposes of the qualified plans.

Contractor funds contributed on behalf of participating employees who cancel their participation in the plan or whose employment is terminated, which are not vested pursuant to the provisions of the plan, shall be used to offset the Contractor's contributions obligated to be made on behalf of other participants in the plan or to offset reasonable plan expenses if permitted by the plan. In the event this Contract with the Contractor is terminated, funds not committed to participants pursuant to provisions of the plans in effect at the NNSA shall be returned to DOE NNSA.

7.0 PAID TIME OFF

a. Paid Time Off (PTO).

PTO is provided to eligible employees to be used as they wish, i.e., for vacation, sick leave, personal reasons, or religious observances. With the exception of illness or other unforeseen reasons covered by any applicable sick time/leave law or ordinance, PTO is to be scheduled in advance and mutually agreed upon by the supervisor and the employee after taking work requirements into consideration.

1. Eligibility - Salaried employees are eligible to use PTO as it accrues. No minimum length of service is required. Employees in casual status do not accrue PTO.

Accredited Service Requirement	Annual Accrual	Max Accrual*
From Accredited Service Date Until 5th anniversary of that date	120 Hours	480 Hours
From 5th anniversary date Until 20th anniversary date	160 Hours	640 Hours
From 20th anniversary date forward	200 Hours	800 Hours

* When an employee reaches the maximum accrual, no more PTO is accrued until time is charged to PTO and the hours go below the maximum. Employees deployed on an emergency response team (as listed in Section 3.5 item 8.b) will be allowed to continue accruing PTO over the maximum for up to 4 months after their return from deployment.

2. The PTO Program allows Employees to accrue and use PTO under equivalent or more favorable terms and conditions provided for under applicable federal, state and/or local law. To that end, to the extent any applicable paid sick time/leave law or ordinance provides any greater rights than set forth in this program, such provisions are incorporated by reference for covered employees. To the extent an employee uses PTO for reasons other than sick time/leave, they will not be provided

with additional paid time off for sick time/leave purposes irrespective of any applicable sick time/leave law or ordinance, unless otherwise required by law.

3. Part-time employees accrue PTO on a prorated basis.
4. Employees will continue to accrue PTO during all paid absences (except when using donated PTO).
5. Employees will not accrue PTO while in any unpaid employment status for more than half of their normal workweek, unless they are using PTO, VPP, or Sick Leave Savings or working to supplement Short-Term or Long-Term Disability payments.
6. Use of PTO must be approved by supervisors authorized to sign time records. PTO is used by employees in increments of one-quarter hour or more.
7. Approved holidays occurring during PTO will not be counted against PTO accounts.
8. Group insurance coverage will remain in force and premium payments will continue to be apportioned between employer and employee on the same basis as during active work time. Participation in the retirement savings plan will continue and contributions will be based on actual eligible earnings while on PTO.
9. PTO can be used to supplement Workers' Compensation and short-term disability benefits, up to 100% of base pay.
10. Upon termination or transfer to an MSTs affiliate, the employee's accrued, unused PTO funds are transferred to that entity or paid off. The funds associated with this transfer or cash out are reimbursable under this Contract.
11. Employees can donate accrued PTO to fellow employees who have exhausted all accrued PTO and are undergoing either a family medical or personal medical crisis, including other special emergencies, as approved by the Director of Human Resources.

b. Sick Leave Savings Account

1. Sick leave savings account balances effective July 1, 2006 will remain.
2. For rehires with a break in service of 3-years or less, unused sick leave that was accrued at termination will be credited to the employee's sick leave savings account.
3. The sick leave savings account is supplemental to other benefits. It is not a vested benefit to which employees are entitled upon termination or reclassification from salaried to casual status. Consequently, the sick leave savings account will not be paid off upon termination.

c. Holidays

1. Eligible employees will be granted 80 hours of holiday pay each calendar year for the following holidays:

New Year's Day	Labor Day
Martin Luther King Day	Veterans Day
Presidents' Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving Day
Independence Day	Christmas Day

2. When recognized holidays fall on a Saturday, the preceding Friday will be recognized as the holiday. When recognized holidays fall on a Sunday, they will be observed the following Monday.
3. For those employees working alternate work schedules/hours, a specific schedule will be established each calendar year.
4. At least 30 days prior to the end of each calendar year, the Contractor will notify the NNSA Contracting Officer of the holidays to be observed.
5. To be eligible for holiday pay, the employee must be in paid status on the workday either preceding or following the holiday. No pay will be granted for a holiday that falls on the day preceding the first date of employment, nor for a holiday that falls after the last day worked.
6. If a scheduled holiday occurs when an employee is on an approved paid absence (e.g., PTO, jury duty, etc.), the employee is entitled to holiday pay and no charge is made against their PTO.

d. Bereavement Leave

1. In connection with a death in the immediate family, a bereavement leave of up to 3 days with pay is granted to eligible employees with time record signature approval. No minimum length of service is required.
2. The paid leave can be used at the time of the death or within a reasonable period following the death.
3. "Immediate family" is defined to include the following:
 - a. Spouse or registered domestic partner
 - b. Mother or father, mother-in-law or father-in-law, stepmother or stepfather, or foster mother or foster father
 - c. Son or daughter, son-in-law or daughter-in-law, stepson or stepdaughter, or foster son or foster daughter
 - d. Brother or sister, brother-in-law or sister-in-law, stepbrother or stepsister, or foster brother or foster sister
 - e. Grandparents or spouse's or registered domestic partner's grandparents
 - f. Grandchildren or spouse's or registered domestic partner's grandchildren
 - g. For bereavement leave, this definition is not limited to an Employee's natural or legal immediate family, and in the absence of a natural or legal relationship includes those persons considered by family, friends, and the community to bear such a relationship to the Employee, including a legal guardian.
4. Bereavement leave is paid at the employee's base rate of pay at the time of absence for the number of hours the employee otherwise would have worked that day.

Bereavement leave is not counted as hours worked for purposes of calculating overtime.

e. Jury/Witness Duty

1. Eligible employees who have been called to be selected or to serve on a jury impaneled by a civil authority, or who have been called to testify as witnesses in legal proceedings to which the employee is not a party either voluntarily or under subpoena, will be granted time off with pay. Time off with pay will not exceed the number of hours in their scheduled workday. Verification of an employee's attendance at court is required.
2. Compensation of any type received by the employee for the performance of court duty, excluding subsistence or travel allowances, shall be remitted to the Contractor by the employee.

f. Paid Absences Due to Emergency Conditions

1. MSTS senior officer or manager assigned at a location has the responsibility to decide whether a natural or civil emergency condition exists to the extent it prevents employees from reporting to work, or requires that they leave the work location during scheduled work hours.
2. When normal attendance requirements are waived or modified due to emergency situations, employees will be paid for the hours of excused absence at their base pay rate not to exceed the number of hours in their standard workday.
3. Natural emergency conditions include, but are not limited to, extreme weather conditions, utility failures, and life-threatening accidents. Civil emergencies include riots, demonstrations, and bomb threats. This policy is to be used in short-term situations and would not necessarily apply in the event of major catastrophes which might cause the disruption of operations for an extended period of time.

g. Time Off for Voting

MSTS can grant an eligible employee time off with pay for purposes of voting in a duly constituted election in accordance with applicable state laws.

h. Grievances and Arbitration Leave

A union steward will be allowed time off with pay to perform the functions required of him/her in any grievance or arbitration proceeding. An employee called by the Contractor in such proceedings shall be paid for time lost.

i. Workers Compensation

1. MSTS will pay an employee "injury time" for absences from work as the result of a job-incurred injury or illness at 100% of base pay; unless/until the employee receives statutory workers compensation benefits. When the employee receives statutory workers compensation benefits, the Contractor supplements these benefits with "injury time" up to 75% of base pay, not to exceed 6 months or 26 weeks from the date of injury. Once an employee qualifies for statutory workers' compensation

benefits, injury time paid at 100% will be adjusted retroactively to the 75% level as a supplement to the statutory benefit.

2. Employees may choose to supplement statutory workers' compensation benefits, including "injury time," up to 100% of base pay with their sick leave savings or PTO. The sick leave savings account can be used on the first day of absence if the absence is the result of a work-related injury (as defined by applicable Workers Compensation regulations). In such cases, payments to the employee from the sick leave savings account will be reduced by the amount of Workers Compensation benefits for which the employee is eligible, even if the employee fails to file a Workers Compensation claim.

j. Military Leave

1. Employees who are members of the armed forces of the United States or National Guard, and who have short-term military obligations for training purposes or civil emergencies will be granted 15 working days of leave per fiscal year to satisfy their obligations. The amount of pay received from MSTS during such leave is the difference, if any, between the employee's base pay at MSTS and the employee's military base pay.
2. Employees called to active military duty under presidential or congressional order will receive up to one-half of their base rate of pay for at least 180 days after their call to active duty. Employees may use earned and/or accrued PTO to extend this 180-day period. In no instance will Contractor payments of salaries or wages and pay received for active military duty exceed employee's base pay rate earned prior to the call to active duty. For these purposes, active duty pay includes base pay, all specialty pay, and all allowances except housing, subsistence, travel, and uniform allowances. Employees will receive enrolled benefits for dependents for a period of 180 days that can be extended by earned and or accrued PTO. Employees will continue to accrue credited service for pension during the 180-day period.

k. Defense of Employees Involved in Work-Related Claims and Legal Actions

1. If a claim or legal action is brought against an employee as the result of the employee's conduct while performing duties under this contract and within the employee's scope of employment, MSTS is allowed the cost of defending the employee, including appeals and cost of any judgment; provided, however, that the prior approval of the NNSA Contracting Officer or designee and the consent of the employee to be defended shall be obtained before any such defense is undertaken.
2. The provisions of the contract clause entitled "Litigation and Claims" shall have the same application to claims and legal actions against employees under this section as it has to those claims and legal actions that are brought directly against MSTS. Before costs of any retained legal counsel is allowed, the selection of such counsel must have the concurrence of the NNSA Contracting Officer or designee.
3. When involved in any claim or legal action covered by this section, an employee is, with the prior approval of the NNSA Contracting Officer or designee, allowed time off with base pay on scheduled work days for consultation with counsel, trial

attendance, and such other matters as are reasonably incident to the claim or legal action.

l. Administrative Investigative Leave

Employees removed from an MSTS work site while pending investigation are placed on administrative investigative leave until the investigation has been completed, subject to approval by the Director of Human Resources or designee.

m. Service Credit and Leave Balances

MSTS carried over the length of service credit and leave balances for Incumbent Employees accrued as of the date of the Base Term.

7.1 Military Leave of Absence

MSTS shall submit a plan for a Military Leave of Absence for training that is consistent with the provisions established in 5 USC 6323, "Military Leave; Reserves and National Guardsmen." The Contractor shall submit a plan for active duty military leave that, at minimum, complies with all applicable provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA). Such plan shall be subject to Contracting Officer approval if it provides more benefits than are required by law.

7.2 Security Leave (Suspension of Access Authorization)

If the access authorization of an employee is suspended by direction of the Contracting Officer, MSTS shall transfer the employee to work not requiring access authorization if such work is available, without reducing the employee's base compensation. If MSTS determines that no work is available in an un-cleared area to which the employee may be transferred, the MSTS will prepare a written report, for the review and concurrence of the Contracting Officer that sets forth the reasons for the determination.

1. Subject to the Contracting Officer's concurrence that no such work is available, MSTS may place the employee on leave with pay at his//her base compensation. If an employee who is continuing to receive compensation files a timely request for hearing pursuant to Title 10 Code of Federal Regulations (CFR) Part 710, "Criteria and Procedures for Determining Eligibility for Access to Classified Matter or Special Nuclear Material," such base compensation shall be continued until MSTS receives notification in writing from the Contracting Officer of the Hearing Officer's recommendation.
 - a. If the recommendation of the Hearing Officer is for revocation of access authorization, MSTS may compensate the employee as set forth herein.
 1. In the event the employee was transferred to another position where such access authorization is not required, compensation may, thereafter, be the base compensation applicable to the new position, and such compensation shall continue until final disposition of the case under DOE procedures as set forth in 10 CFR 710.
 2. In the event a job transfer was not arranged (i.e., the employee was placed on a leave with pay), the employee shall be placed on leave without pay effective the date MSTS received written notification of the Hearing

Officer's recommendation. The employee shall remain on leave without pay until final disposition of the matter.

3. If at any stage of the access authorization procedure following a suspension, or at the conclusion of the administrative review process provided under 10 CFR 710, the employee's access authorization is reinstated by the Contracting Officer, MSTS will offer the employee reinstatement in the same or a comparable position to the one held prior to suspension, if available. The employee may be reimbursed for the difference between the employee's base wage or salary and actual earnings, including earnings from other employment, during the period of suspension.
4. If the recommendation of the Hearing Officer is to continue the administrative review process for revocation of access authorization, the employee's base compensation may be continued until a final decision is rendered by the Assistant Secretary for Defense Programs.

8.0 TRAINING AND EDUCATION

Training and education shall be directly related to the employee's current position or to another position to which the employee may reasonably be moved.

MSTS has established written procedures outlining a system of approval for all requests for training and education. The system provides an approval structure for in-house and outside training programs and educational assistance. Local colleges and universities are utilized as primary sources.

8.1 Training

1. Internal Training Programs - Internal training programs may include, but are not limited to, orientation, job training, supervisory training, and executive development. Such training programs may be conducted during employee's workday or after hours. Reasonable costs of in-house training including necessary equipment, materials, and instructor personnel are allowable.
2. External Training Programs - Employees may be selected by MSTS to participate in job related training courses, technical meetings, professional society meetings, seminars, conferences, and other specialized training courses away from the site(s) facilities. Allowable costs for such training courses may include employee's regular pay, travel and subsistence expenses, and the cost of tuition, fees, and course

materials. Business travel and conference management shall be managed in accordance with the DOE NNSA conference management requirements.

8.2 Education Program

Employee Education Training Assistance Program (EETAP)

1. Non-bargaining employees who are scheduled for at least 30 hours per week and who are active or on medical/family leave on the course start date and through the completion of the course, are eligible.
2. Courses must be part of a program of study related to the employee's current position or to a probable future assignment in the Contractor's organization. In addition, these courses must be offered by an accredited institution of higher learning and approved before the employee enrolls in the course. The employee's supervisor will review the requested program of study, and if endorsed, provide a statement to the Staff Development and Training Office accompanying the employee's request. The endorsement should indicate how the program of study is related to the employee's current or probable future position and the NNSA mission.
3. The Contractor will pay or reimburse for eligible costs, less financial assistance from other sources (grants, assistantships, fellowships, scholarships, VA assistance, etc.), when the employee achieves a grade of C- or better, or "Pass" in a pass-fail course. The Contractor will provide a maximum of \$5,250 per employee each fiscal year, unless written approval of the NNSA Contracting Officer or designee is obtained in advance. The employee must furnish records of course completion and eligible costs incurred, including the amount of any rebate on tuition or fees received from the institution, which will be deducted from the reimbursement or repaid to the Contractor by the employee.
4. Eligible costs include tuition, required textbooks, applicable state and local taxes, and required direct charges billed by the institution for instruction, such as laboratory fees, initial registration fees, and health fees.
5. Ineligible costs include late charges, equipment, tools, general supplies, supplemental non-required textbooks, medical insurance, tuition for courses that are audited, and parking fees.
6. Employees must reimburse the Contractor if they do not successfully complete the course with a grade of C- or better (or "Pass" in a pass-fail course). If the employee voluntarily terminates employment, participates in a self-select voluntary separation program, or is terminated for cause, the employee must repay 100% of EETAP funds received within the 12 months prior to the termination date or 24 months if a degree program was completed with EETAP funds.

9.0 TRAVEL, RELOCATION, AND SUBSISTENCE

MSTS may pay transportation, lodging, meals, and incidental expenses for employees required to travel in conjunction with the performance of work under this Contract. Travel costs shall be allowable to the extent they are incurred in accordance with the FAR, DEAR, and Federal Travel Regulations (FTR) and do not exceed the maximum per diem rates in effect at the time of travel set forth in the FTR, prescribed by the General Services Administration.

MSTS may deviate from this Personnel Appendix in specific instances where it is determined and approved by the Contracting Officer to be economically advantageous to DOE NNSA and to the extent such deviations conform to regulations and law.

Relocation expenses shall be incurred in accordance with the provisions, limitations and exclusions of the FAR and the policy provisions in Section 9.2 below. Relocation provisions are applicable to Exempt Employees and are allowable and will be reimbursed in accordance with the FTR.

9.1 Travel

Travel costs shall be allowable to the extent that they are incurred in accordance with DEAR 970.3102-05-46, "Travel Costs," and FAR 31.205-46, "Travel Costs." Travel-related costs shall be reasonable and allowable to the extent they comply with the rules for per diem rates set forth in the Federal Travel Regulations in effect at the time of travel.

9.2 Relocation

Relocation expenses for en route travel, transportation of household goods, house hunting trips, temporary living, residence-related payments (home sale, home purchase, mortgage interest differential payments, rental differential payments, and costs of canceling an unexpired lease), and tax assistance shall be incurred in accordance with the provisions, limitations, and exclusions of FAR 31.205-35, "Relocation Costs," except as noted below. Current FTR rates and methods of calculation will be used for those expenses left undefined in the FAR

- a. Relocation expenses are authorized when the new work location is more than 75 miles from the current work location, except changes in work location between the Las Vegas area and the NNSA.
- b. Shipment of Autos, House Trailers and Mobile Homes
 1. Costs for shipment by freight forwarder of one auto for new hires, college hires, or transferring employees will be reimbursed with the following limitations:
 - a. The shipment is advantageous and cost effective to the government, and the General Manager or designee approves shipment.
 - b. Vehicles must be in operating condition. Shipment of antique autos is not authorized regardless of operating condition.
 - c. Assignment location must be more than 500 miles from point of origin.
 - d. No reimbursement will be made for storage charges at point of origin or destination.
 - e. Transportation is limited to vehicles having a gross size for shipping purposes of not more than 20 measurement tons (800 cubic feet).

All necessary and customary expenses directly related to the transportation of a privately owned vehicle may be allowed, including crating and packing expenses,

shipping charges, and port charges for readying the vehicle for shipment at port of embarkation and for use at port of debarkation.

When it is in the best interests of the government, transferring employees who travel by plane to their new location may ship two vehicles with the approval of the General Manager or designee.

2. Costs for the shipment of a single-unit house trailer or mobile home, moved by the employee or commercial carrier and used as the principal residence, will be reimbursed. The employee is responsible for the cost of insurance for valuation of the mobile home above the carriers' maximum liability, or charges designated in the tariffs as "Special Service."
- c. Allowance for Miscellaneous Expenses
Miscellaneous residence relocation expenses (eligibility limited to Employees buying, selling, or leasing a permanent residence) up to \$1,000 are paid as a lump sum, in lieu of actual costs, to cover other necessary and reasonable expenses incurred during the relocation. Disconnecting and connecting household appliances; automobile registration; driver's license and use taxes; cutting and fitting rugs, draperies, and curtains; forfeited utility fees or deposits, up to a total of \$5,000 (including the \$1,000 lump sum) may be reimbursed with receipts for all miscellaneous expenses.
 - d. Labor costs incurred during the relocation of transferring employees during any work day travel period, based on an average of 400 miles per day, are allowable.

9.3 Temporary Assignments

Employees on an assignment at least 75 miles away from their normal work location that lasts longer than 6 months and less than 12 months are eligible for a Temporary Change of Station in accordance with the FTR.

9.4 Personnel Borrowed

It is recognized that the technical and staffing requirements of the Contractor will vary during the performance of this Contract. The technical and staff support capabilities of the Contract and its affiliates were proposed and recognized in the competitive selection process. Therefore, the Contractor may obtain direct support from affiliates to meet technical and staffing requirements on an as-needed basis. The process and procedure for utilizing support from affiliates shall be approved by the Contracting Officer.

Services from approved Contractor affiliates will be at cost without additional fee or profit. Allowable cost will include direct costs and all allocable affiliate indirect costs in accordance with applicable Defense Contract Audit Agency (DCAA) cost principles and cost accounting standards. Temporary assignments of Contractor affiliate personnel to the NNSS Site or other sites identified in this Contract shall bear indirect costs based upon a DCAA recommended/approved offsite rate that excludes home office facilities-related costs. However, in the event a DCAA recommendation/approved offsite rate does not exist for a specific Contractor affiliate, the Contractor affiliate shall not be required to develop an offsite rate unless the temporary assignment exceeds 6 months.

Contractor affiliates providing such services and personnel shall perform the work in accordance with applicable terms and conditions of this Contract.

9.5 MSTS Personnel Loaned

MSTS may loan, at no cost to the Government, individuals working under this Contract to other operations of the parent companies (Honeywell International, Inc., Jacobs Engineering Group, Inc., and Stroller Newport News Nuclear, Inc.) or their affiliates on a non-interference basis as determined by MSTS. Loans longer than 6 months require Contracting Officer or designee approval.

The receiving organization will reimburse MSTS for full costs plus NNSA adds as appropriate. Travel costs of such loaned personnel will be the responsibility of the requesting company.

9.6 MSTS Personnel Loaned to Outside Organizations

With the prior approval of the NNSA Contracting Officer or designee, MSTS can temporarily assign MSTS employees to locations and organizations other than their assigned organization. Such assignments could be to federal, state, and Local government, non-profit organizations, private sector partners, or other customers. Such assignments must be in the best interest of the NNSA and the Contractor.

The term of these assignments will be determined to best meet the needs and obligations of the specific request, but normally will be 2 years or less. Up to 100% of the cost of the assignment to the Contractor will be reimbursed, as provided in the approval letter.

Employees on temporary assignment will remain employees of MSTS.

10.0 RECRUITING

The costs of recruitment of personnel including cooperative education programs, summer internship programs, nominal costs for promotional items for recruitment purposes, employment advertising, services of staffing sourcing vendors, services of employment agencies at rates not in excess of standard commercial rates, participation in corporate recruiting activities, campus recruiting, career fairs, and operation of recruiting stations are allowable.

Applicants who are requested by the Contractor to report for a pre-employment interview shall be allowed transportation expenses. Reasonable actual costs of lodging not to exceed per diem and meals and incidental expenses (M&IE) shall be allowed.

a. Recruiting Costs

The reasonable and necessary costs incurred for the recruitment of personnel will be allowed. Costs include, but are not necessarily limited to, advertising in newspapers and technical journals, preparation of recruiting materials, and travel for recruiting personnel and technical representative.

b. State and Nonprofit (No-fee) Minority Agencies

MSTS will, to the maximum extent feasible, utilize the services of the local State and nonprofit (no-fee) Minority Agencies in the recruiting of personnel, and will provide those agencies with current listings of job openings for which outside recruiting is being conducted.

c. Other Recruiting Methods

MSTS can utilize employment agencies or employment consultants in the recruiting of personnel and can travel to educational institutions, attend job fairs, or sponsor "Open Houses" in special recruitment areas and invite prospective employees whose skills are in short supply to the point of hire and/or permanent duty station for a pre-employment interview.

d. Physical Examinations

The reasonable costs of employment physical examinations for new hires, rehires, and employees returning to work after an absence of more than 5 days due to illness or injury, including substance abuse testing, are allowable.

e. Pre-employment Verification Standards

The reasonable costs of pre-employment personnel investigations are allowable. All costs associated with the processing of a security clearance where the contract requires the employee to have such clearance, are allowable.

f. Special Employment Programs

MSTS implements special employment programs for students at the undergraduate, graduate, and postgraduate levels. These programs enhance and support normal recruitment by providing a broader base for support of NNSA programs, enable the development of long-term relationships with students to create a pipeline of qualified employees, and facilitate educational cooperation between institutions. A description and summary of MSTS's special employment programs to include number of participants, schools recruited, and conversion rates shall be provided to the Contracting Officer by October 30 of each year for the prior fiscal year.

1. Undergraduate Student (UGS) Program

The UGS Program provides students with relevant work experience related to their chosen field of study in disciplines relevant for the NNSS. These internships give them exposure to our mission and opportunities to support development of a pipeline of qualified employees.

a. Duration

Students are offered 90-day internships with an option to continue working part-time during the academic year if feasible. The employment relationship remains "at-will" and can be terminated at any time by either party.

b. Eligibility

1. Students must be enrolled in a minimum of 12 undergraduate credit hours per semester towards a Bachelor of Science (BS)/Bachelor of Art (BA) or Associate of Science (AS)/Associate of Art (AA).
2. Students must have completed the first year of a Bachelor's (if pursuing BS/BA or Associate's degree program (if pursuing AS/AA).
3. For engineering and scientific disciplines, students must have completed the first year of a Bachelor's degree program in a calculus-based Science, Technology, Engineering and Mathematics (STEM) field.

4. In addition, for engineering disciplines, the engineering program must be accredited by the Accreditation Board for Engineering and Technology.
5. Students must have and maintain a cumulative grade point average (GPA) of 3.0 on a 4.0 scale.

c. Benefits

1. Students are employed as Casual employees and are provided with legally required benefits, Business Travel Accident Insurance, and Special Activity Accident Insurance, the Employee Assistance Program, and Subsistence if applicable.
2. Students are not eligible for EETAP and severance pay when the employment relationship ends.
3. Students are provided limited relocation benefits as follows:
 - a. Public transportation or automobile mileage for the most direct route if work location is more than 100 miles from school.
 - b. Up to 5 days lodging and M&IE at the standard Continental United States (CONUS) rate for settling in.

2. Post-Baccalaureate Program

The Post-Baccalaureate Program is an additional program to strengthen the early acquisition of talent and provide a bridge from undergraduate to post-graduate levels of study.

a. Duration

Individuals are offered meaningful and value-added employment for NNSS for up to 12 months while determining whether to enroll in a graduate program. The employment relationship remains “at-will”, and can be terminated at any time by either party.

b. Eligibility

1. Prior participation in MSTS UGS Program.
2. Completion of Bachelor’s degree in technical or scientific discipline within the last 12 months.
3. Must not have been accepted or be enrolled in a graduate program.

c. Benefits

1. Participants are employed as Limited-Term employees and are provided with legally required benefits.
2. Participants will be eligible for Limited-Term MSTS Employee benefits.

3. Participants are not eligible for EETAP or severance pay when the employment relationship ends.
4. Participants are provided limited relocation benefits as follows:
 - a. Public transportation or automobile mileage for the most direct route if work location is more than 100 miles from school.
 - b. Up to 5 days lodging and M&IE at the standard CONUS rate for settling in.

3. Graduate Research Assistant (GRA) Program

The GRA Program provides technical and scientific students with relevant work experience related to their chosen field of study in disciplines relevant for the NNSS. These appointments give them exposure to our mission and opportunities to support development of a pipeline of qualified employees.

- a. Duration
 1. Up to 90-day appointments (generally during the summer) with option for renewal based upon program requirements. The employment relationship remains “at-will”, and can be terminated at any time by either party.
 2. One year appointment with option for renewal based upon program requirements. The employment relationship remains “at-will”, and can be terminated at any time by either party.
- b. Eligibility
 1. Students must be enrolled in and successfully complete a minimum of 6 graduate credit hours per semester towards a technical or scientific discipline.
 2. Students must have and maintain a cumulative GPA of 3.2 on a 4.0 scale.
- c. Benefits
 1. Students with up to 90-day appointments are employed as Casual employees and are provided with legally required benefits, Business Travel Accident Insurance, Special Activity Accident Insurance (NEST), the Employee Assistance Program, and Subsistence if applicable.
 2. In addition to legally required benefits, students with 1-year appointments are employed as Limited-Term employees and will be eligible for Limited Term MSTS Employee benefits.
 3. Students are not eligible for EETAP and severance pay when the employment relationship ends.
 4. Students are provided limited relocation benefits as follows:
 - a. Public transportation or automobile mileage for the most direct route if work location is more than 100 miles from school.
 - b. Up to 5 days lodging and M&IE at the standard CONUS rate for settling in.

4. Cooperative Education (Co-Op) Program

The Co-Op Program enhances other student programs by providing students with the opportunity to earn academic credit during a structured job experience as follows:

a. Duration

Up to 6 months. The employment relationship remains “at-will”, and can be terminated at any time by either party.

b. Eligibility

1. Enrolled in a formal cooperative education program as an undergraduate or graduate master’s program through an accredited college or university.
2. Satisfactorily completed at least 1 year of study.

c. Benefits

1. Students are employed as Casual employees and provided with legally required benefits, Business Travel Accident Insurance, Special Activity Accident Insurance, the Employee Assistance Program, and Subsistence if applicable.
2. Students are not eligible for EETAP or severance pay when the employment relationship ends.
3. Students are provided limited relocation benefits as follows:
 - a. Public transportation or automobile mileage for the most direct route if work location is more than 100 miles from school.
 - b. Up to 5 days lodging and M&IE at the standard CONUS rate for settling in.

5. Post-Doctoral (Postdoc) Program

The Postdoc Program offers the opportunity for appointees to perform research, present and publish research, advance knowledge in basic and applied science, and strengthen national scientific and technical capabilities.

a. Duration

Participants can be employed for up to 2 years, with the possibility of 1 additional year, based on the organization’s needs. The employment relationship remains “at-will,” and can be terminated at any time by either party.

b. Eligibility

In order to be considered for a Postdoc appointment, the candidate must be nominated and sponsored by an MSTs Senior Principal or Distinguished

Scientist or Engineer, Director, or Senior Director. Candidates may be considered for a Postdoc position within 3 years of receiving the PhD.

c. **Benefits**

1. Participants are employed as Limited-Term employees and are provided with legally required benefits.
2. Participants will be eligible for MSTS employee benefits.
3. Participants are not eligible for EETAP or severance pay when the employment relationship ends.
4. Participants are eligible for limited relocation benefits as follows:
 - a. House hunting trip
 - b. En route expenses
 - c. Shipment and temporary storage of household goods
 - d. Shipment of one vehicle
 - e. Settling-in allowances
 - f. Residence relocation allowance

11.0 SPECIAL EMPLOYEE ACTIVITIES

11.1 Recreation and Morale Building Benefits

A recreation and morale building program may be proposed by the Contractor for Contracting Officer approval.

11.2 Employee Recognition Programs

An employee recognition program may be proposed by the Contractor for Contracting Officer approval.

12.0 COMMUNITY OUTREACH

The Contractor may authorize employees to participate in educational and community outreach in accordance with their Community Outreach Plan approved by the Contracting Officer. The salaries, wages, and fringe benefits of employees while engaged in such approved activities will be treated as allowable costs. Educational and community outreach does not include activities conducted by elected and officially appointed officials that take place during an employee's regularly scheduled work day. Hours associated with educational and community outreach outside of the employee's normal work schedule shall not be compensated by the Contractor. The Contractor shall submit a report annually, no later than November 1, to the Contracting Officer on the types of usage and number of hours authorized. Some examples of permissible educational and community outreach include, but are not limited to:

- Promotion of STEM in the educational setting (elementary school through higher education institutions)
- Science Bowl and Science Fairs
- Blood bank drives
- Charity drives
- United Way campaigns