

**SECTION IV - MANAGEMENT (L-2.3 E.4)**

FMP’s has four key management areas:

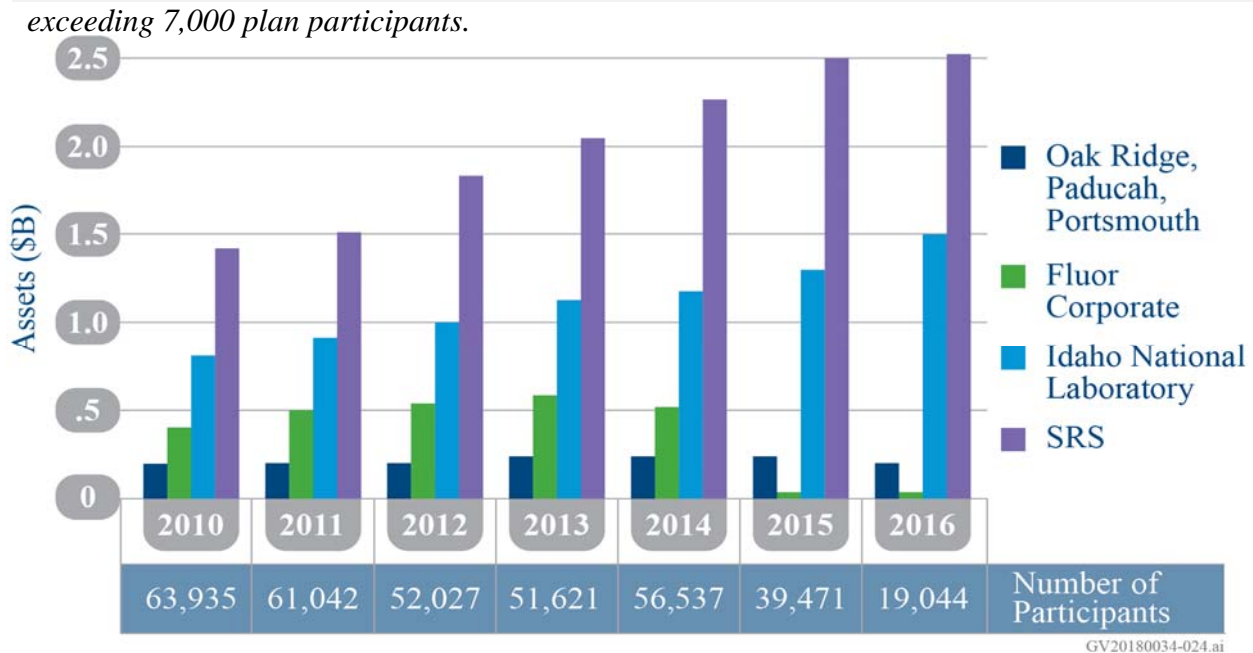
- ▶ Pension management and optimization (post-award Pension Management Plan)
- ▶ Top-quality resource recruitment consistent with NNL’s needs
- ▶ Unfettered access to Fluor corporate resources upon NNL request
- ▶ SB subcontracting strategies to ensure meaningful scopes of work for SBs.

**E.4.(a) Corporate Resources.** Fluor commits to provide NNL unrestricted access to our corporate resources, comprising 56,000 personnel worldwide, with more than 11,000 at DOE sites and 18,000 in the nuclear industry. Additionally, Fluor brings proven corporate program and project- management capabilities, systems, and tools to support NNL upon GM/NRFLO request. Fluor commits to maintaining NNL’s independence *via* a “hands off” approach, providing corporate resources, systems, and tools only on NNL’s request, with NR approval. Fluor acknowledges that NNL’s established internal business systems continue to be used after award. Fluor aligns with these systems during transition to facilitate receiving documents for FMP’s fiduciary reporting (see Volume II, Section I – Independent Technical Judgment, Figure 1-4).

**E.4.(a)(1) Pension Management.** FMP adopts and maintains NNL’s existing pension and Pension Management Plan. If requested by NRLFO, we review the plan for potential optimization with a focus on avenues to free up mission-available funds. As a US Government prime contractor with more than 50 years of experience managing defined benefit retirement accounts, we have transitioned into and out of 11 pension plans and currently manage or have fiduciary responsibility for \$4.68B in pension assets covering 21,136 participants. Figure 4-1 highlights our capabilities in transitioning pension fund participants. Fluor has fiduciary responsibility for this portfolio of pension programs, managed in full compliance with CAS and ERISA standards. We use an independent (third party) oversight board, validation of our standards with the Pension Benefit Guarantee Corporation, and constant effectiveness measurement against national pension-performance standards to ensure compliance. Figure 4-2 demonstrates Fluor’s ability to oversee multi-billion dollar pension assets.

SITE	OBJECTIVE	KEY ACHIEVEMENTS
▶ Savannah River Nuclear Solutions, DOE SROO, Aiken, SC	Migration and improved governance of underfunded pension	Migrated and improved investment strategy for 16,824 participants with \$2.8B in assets while saving \$1.1M/year in costs
▶ Portsmouth/Paducah, DOE PPPO, Lexington, KY	New pension plan	At the request of Union CBA, established a new pension for 300 participants
▶ Hanford, DOE ROO, Richland, WA	Migration of an existing pension	Migrated 15,000 participants and assets of \$1.1B with 12% annualized returns

**Figure 4-1. DOE Pension Transition Experience.** Fluor has extensive experience in transitioning and managing pension funds consistent with CAS and ERISA standards for groups



**Figure 4-2. Pension Management.** Based on the most recent reporting year, Fluor manages or has fiduciary responsibility for more than \$4.68B in pension assets.

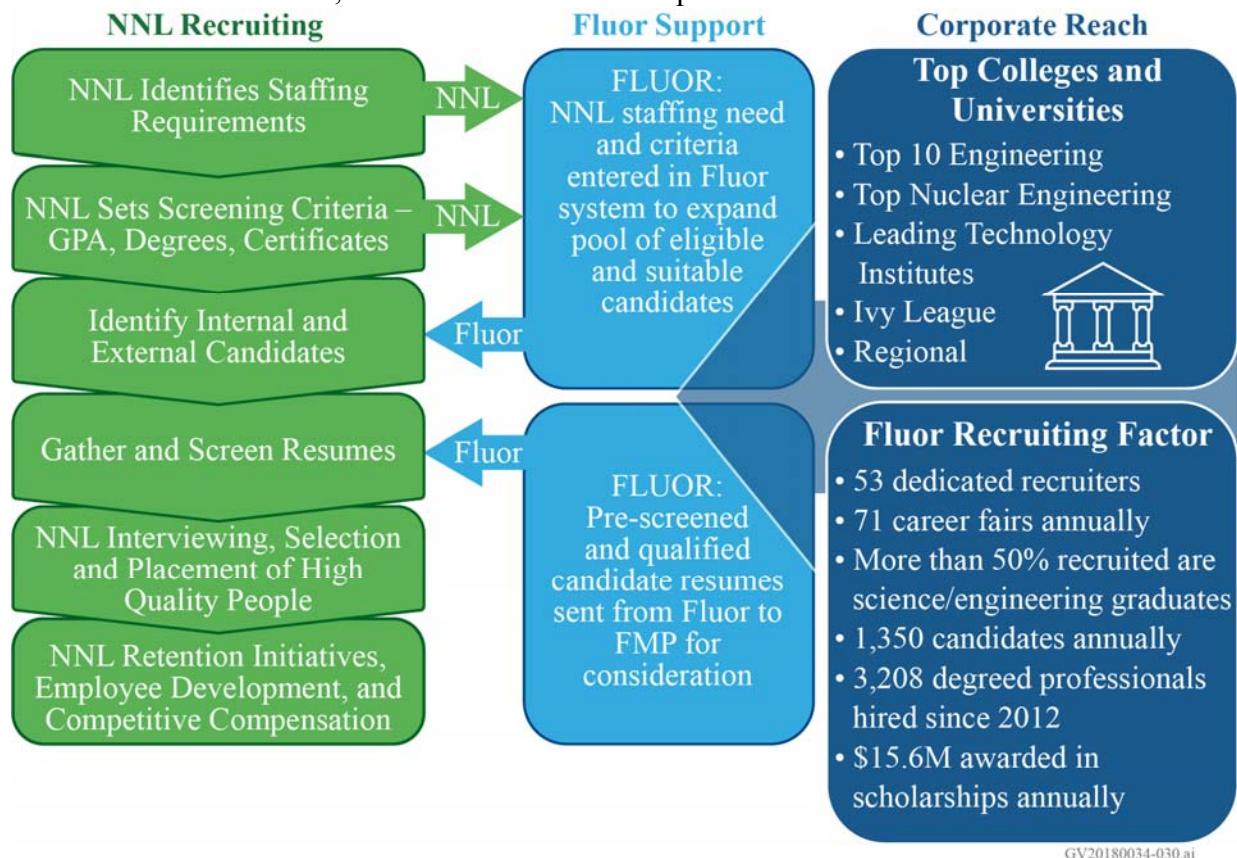
**E.4.(a)(2) Ability to Recruit High Quality People.** Fluor is recognized as one of the industry’s best employers; a leader in ethical workplace culture; an active STEM supporter; and a top 50 recruiter of minorities, veterans, and diversity candidates. In 2015, *Forbes* recognized Fluor as one of America’s Best Employers. Working with our in-house technical professionals, Fluor’s 53 recruiters have used our HCMP (overseen by FMP Board Member Ms. Jennifer Large) to attract and secure the highest quality candidates. Figure 4-3 highlights our success in creating and executing performance-driven plans to recruit high-quality employees during the past five years.

SITE	PLAN	OBJECTIVE	METRIC
▶ AECL CNL	10 Year Strategic Staffing Plan	Streamline and optimize AECL Lab recruiting	<ul style="list-style-type: none"> <li>Recruit to fill 680 positions overall (including 200 for S&amp;T by 2020) by enhancing pools through widening recruiting sources, including nontraditional areas</li> </ul>
▶ SRNS	Strategic Staffing Plan – SRNL recruiting	Address retirements, identify high GPA candidates, elevate recruiting effectiveness	<ul style="list-style-type: none"> <li>Increased intern retention by 50%</li> <li>Reduced average employee age from 54 to 48 through recruiting efforts</li> <li>Reduced time to hire by 50% through electronic onboarding</li> </ul>
▶ SRNS	ARRA Staffing Plan	Rapidly recruit skilled nuclear staff	<ul style="list-style-type: none"> <li>Completed a 60-day full onboard for 3,000 rad workers with zero deviations</li> </ul>
▶ NuScale Power	Staffing Plan for SMR	Recruit critical nuclear skill set talent	<ul style="list-style-type: none"> <li>Became industry employer of choice, created 17,000 applicant database with 24 specialty nuclear staffing recruiters</li> </ul>

**Figure 4-3. Measures of Recruiting Success.** Tailored recruiting objectives for nuclear programs focus on high-quality candidates with specific scientific and technical skill sets.

**Recruiting Plans.** FMP adopts NNL’s recruiting and staffing approach at transition. Upon GM request, Fluor’s corporate resources, systems, and tools are made available to NNL, creating a recruitment force-multiplier effect to give NNL access to a larger candidate pool and additional recruiting resources. Fluor commits to supporting FMP in recruiting, retaining, and developing the resources to sustain and enhance NNL’s technological excellence. During transition, we review NNL’s HR programs and collaborate with NNL to develop a recruiting plan that supports the existing NNL recruiting program. Post-transition, we consult with NNL to define specific recruiting objectives that leverage Fluor’s recruiting capabilities and existing relationships with top science and technology schools. For instance, Fluor’s monetary support at Clemson University established an Endowed Chair of Supply Chain and Logistics and the Masters of Engineering program in Capital Projects Supply Chain and Logistics. Additionally, Oregon State University is partnered with Fluor in NuScale (Volume II, Section II, PPIF #2 NuScale). NuScale’s co-founder and Chief Technology Officer Dr. Reyes, who led the Department of Nuclear Engineering and Radiation Health Physics at Oregon State, is still closely tied to the University. Figure 4-4 shows our recruiting approach and potential exponential value to NNL.

Our approach is similar to the one deployed by SRNS (including SRNL) in 2017, where SRNS was named “Workforce Innovator of the Year.” SRNL welcomed 546 high-quality new hires, including engineers and scientists, and hosted 147 summer interns to fill the pipeline with STEM candidates for future hire; 69 of our interns became permanent hires.



**Figure 4-4 Recruiting “the Best” for NNL.** Our force-multiplier approach optimizes the use of Fluor corporate resources, systems, and tools, when requested, while keeping all decision-

*making and control within NNL Human Resources and Leadership.*

The FMP recruiting focus for NNL is based on optimizing Fluor corporate recruiting initiatives to provide NNL with a steady stream of high-GPA science and technology candidates interested in long-term careers dedicated to the NR Program. The FMP recruiting plan for NNL creates a separate distinct path to NNL for candidates matching this profile. Following an agreed upon evaluation period, NNL will decide to either hire or release the candidate for consideration of other Fluor opportunities. Decision-making and control remain with NNL, while multiplying recruitment power and reach. Policy FMP 18-001, which is implemented during transition, reinforces Section H-41 and the zero-tolerance policy for poaching and noncompliant interactions with NNL personnel.

**E.4.(a)(3) Ability to Leverage Corporate Resources and Expertise.** With 56,000 global employees and more than 18,000 nuclear engineering, science, and technical staff, Fluor has a deep and experience-rich portfolio of corporate capabilities available to NNL. Upon request, FMP responds rapidly to leverage our resources to address NNL needs. The NNL GM's request for corporate resources and support is given the highest response and priority. As an example of our capabilities, the following expertise and resources have provided value to our customers in key areas of interest to NNL:

- ▶ Facilities and infrastructure sustainment and capital construction projects – Fluor provides year-round facility maintenance, repairs and infrastructure improvement for the Rock Island Arsenal, enabling DOD to focus on their core mission. Fluor also delivers facility O&M, logistics, and security at the Pensacola Naval Regional Complex, supporting critical facilities, including the Naval Air School Command and Air Technical Training.
- ▶ Major construction – Consistently ranked in the top 2 spots on ENR magazine's Top 400 Contractors list; nuclear construction experience at Hanford (SNF Canister Storage Building), SRS (WSB), Idaho (including the Advanced Test Reactor and numerous INTEC facilities)
- ▶ Logistics and Materials Management – Utah Data Center; support 384 computer rooms with N+1 system reliability to ensure uninterrupted critical sensitive data protection
- ▶ Supply Chain Management – \$6B in goods and services managed over last 10 years for DOE and other Federal Government nuclear and environmental projects

Our ability to leverage corporate resources is evident at DOE's Idaho Site, where Fluor inherited the challenged IWTU project. A dedicated group of multi-disciplinary Fluor subject matter experts and technical specialists from National Laboratories, academia, and industry helped resolve the issues. Additional details are provided in the Volume II, Section II, PPIF #3 ICP.

Leveraging corporate resources is a focus beginning in transition. Our Transition Manager and FMP Board Member Mr. J.D. Dowell will brief the NNL GM early to provide a solid working understanding of Fluor's unique capabilities and expertise available to support NNL's mission (e.g., HR recruiting, D&D reach back, infrastructure planning, construction management). In addition, Mr. Dowell and the GM collaborate post-transition on dissemination methods for ensuring NNL senior managers understand the availability of and ready access to Fluor corporate support when needed.



**E.4.(b) Small Business.** Fluor demonstrates SB commitment through our award of \$1.8 billion (65% of subcontracted dollars) to SBs at our projects during the last three years alone and our numerous awards at the regional and national level for SB performance. We acknowledge that NNL’s existing SB contractors continue to execute after award and commit to promote SB participation into the future. As evidence of Fluor’s competency and record of achievement, we have met or exceeded our overall SB program targets on DOE prime contracts for the past 15 years. As the GM and staff identify and request SB support, FMP provides contract management in accordance with requested scopes and terms.

**E.4.(b)(1) Tasks, Types, and Volumes of Work for Meaningful Small Business**

**Participation.** FMP commits to subcontracting 40%, estimated at \$306 million per year, of the total procurement base for the DOE contract and 34%, estimated at \$83.6 million per year, of the total procurement base for the Navy contract. Understanding actual funding and cost for each contract varies by year, dollar values are recalculated annually during the performance period. Figure 4-4 identifies a preliminary, non-exhaustive list of goods and services to be obtained through SBs and individual SB-categories.

SERVICES AND SUPPLIES	SB	SDB	WOSB	HUBZ	VOSB	SDVOSB
Analytical Laboratory, Electronic, and Precision Equipment	✓	✓				
Remediation Services	✓					
Industrial, Commercial, and Institutional Building Construction	✓	✓	✓	✓	✓	
Industrial Machinery/Equipment Purchase, Lease, Maintenance	✓					
Computers, Peripherals & Software, Systems Programming	✓	✓	✓	✓	✓	✓
Building Leasing/Renovations	✓		✓			
Administrative and Support Services, Specialty Contractors	✓		✓			✓
Maintenance Repair Operations for Equipment & Supplies	✓					

**Figure 4-4. SB Subcontracting.** *Services and Supplies to be Obtained from Small Businesses*

**E.4.(b)(2) Small Business Level of Commitment – DOE.** FMP commits to comply with RFP stated goals of 40% of total procurement base for total SB, 5% SDB, 5% WOSB, 3% HUBZone, and 3% SDVOSB. Fluor has executed more than 28 DOE mentor-protégé agreements. Under our preferred approach, FMP honors existing mentor protégé arrangements or ongoing development efforts. Alternatively, FMP develops two new mentor-protégé agreements in collaboration with NR to identify the most suitable and desirable SBs.

**E.4.(b)(3) Small Business Level of Commitment – Navy.** FMP fully commits to comply with the RFP stated goals of 34% of total procurement base for total SB, 5% SDB, 5% WOSB, 3% HUBZone, and 3% SDVOSB. Fluor is not a participant in the test program for DOD Comprehensive Subcontracting Plan requirements.

**E.4.(b)(4) Extent of SB, VOSB, SDVOSB, WOSB, HUBZone SB, and SDB.** We monitor progress in executing our plans and provide guidance to meet the threshold of FAR 52.219-(9). Our Navy and DOE SB subcontracting plans are included in Volume I, Section L-8.