

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE

PAGE 1 OF 12
PAGES2. AMENDMENT/MODIFICATION NO.
00723. EFFECTIVE DATE
See Block 16C4. REQUISITION/PURCHASE
REQ. NO.

5. PROJECT NO. (If applicable)

6. ISSUED BY
**U.S. Department of Energy
National Nuclear Security Administration
Sandia Field Office
P.O. Box 5400, MS 0184
Albuquerque, NM 87185-5400**CODE **05005**

7. ADMINISTERED BY (If other than Item 6) CODE

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, state, ZIP Code)

**National Technology & Engineering Solutions of Sandia, LLC
Attn: Rachel Richmond
1515 Eubank Blvd SE
Albuquerque, New Mexico 87123-3453**CODE **007113228**

FACILITY CODE

9A. AMENDMENT OF SOLICITATION NO.

9B. DATED (SEE ITEM 11)

10A. MODIFICATION OF CONTRACT/ORDER NO.

DE-NA0003525

10B. DATED (SEE ITEM 13)

12/16/2016**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 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 ACKNOWLEDGMENT 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 APPLIES ONLY TO MODIFICATIONS 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).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: DOE Organization Act, 42 USC §7101 et seq.; NNSA Act, 50 USC § 2401 et seq.; and DEAR 970.5204-2 Laws, Regulations and DOE Directives (Dec 2000) (Deviation)
	D. OTHER (Specify type of modification and authority):

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

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

The purpose of this modification is to: 1) update the *Responsible Corporate Official* in G-6; 2) update several FAR clauses in Section I and revise H-23 to align with a FAR update; and 3) replace Appendix B with Attachment 1. See the following pages for details. All other terms and conditions remain unchanged.

15A. NAME AND TITLE OF SIGNER (Type or print)

Rachel Richmond - Senior Manager Prime Contract

16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)

**Lindsey VanNess, Contracting Officer
Sandia Field Office, NNSA**

15B. CONTRACTOR/OFFEROR

BY 
(Signature of person authorized to sign)15C. DATE
SIGNED**8/15/19**

16B. UNITED STATES OF AMERICA

16C. DATE

BY 
(Contracting Officer)

1- Update Section G, clause G-6, *Responsible Corporate Official*.

From:

Name: Mike Madsen
 Position: Vice-President, Integrated Supply Chain and Chair, National Technology & Engineering Solutions of Sandia, LLC Board of Managers
 Company: Honeywell Aerospace
 Address: 1944 E. Sky Harbor Circle N, Mail stop 2102-4 (Executive Suite) Phoenix, AZ 85034
 Phone: (602) 365-1330
 E-mail: Michael.Madsen@Honeywell.com

To:

Name: Stevan Slijepcevic
 Position: President, Mechanical Systems & Components and Chair, National Technology & Engineering Solutions of Sandia, LLC. Board of Managers
 Company: Honeywell Aerospace
 Address: 1944 E. Sky Harbor Circle N, Mail stop 2102-4 (Executive Suite) Phoenix, AZ 85034
 Phone: (602) 365-3780
 E-mail: Stevan.Slijepcevic@Honeywell.com

2- Revise Section H, clause H-23 *Indirect Cost Management*, paragraph (2)(c) to remove “JUN 2013” to align with the Section I clause update for FAR 52.216-7.

From:

(c) The Contractor shall submit final annual indirect rate submission in accordance with FAR 52.216-7 “Allowable Cost and Payment JUN 2013” as modified by DEAR 952.216-7.

To:

(c) The Contractor shall submit final annual indirect rate submission in accordance with FAR 52.216-7 “Allowable Cost and Payment” as modified by DEAR 952.216-7.

3- Update the “Date of Clause” column of the table in Section I, A. FAR CLAUSES INCORPORATED BY REFERENCE for the following FAR clauses:

FAR Number	Clause Title <i>(Any insertions appear below in the title in italics)</i>	From	To
		Date of Clause	Date of Clause
52.204-7	System for Award Management	Jul 2013	Oct 2018
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards	Oct 2016	Oct 2018
52.204-13	System for Award Management Maintenance	Jul 2013	Oct 2018

FAR Number	Clause Title <i>(Any insertions appear below in the title in italics)</i>	From	To
		Date of Clause	Date of Clause
52.209-9	Updates of Publicly Available Information Regarding Responsibility Matters	Jul 2013	Oct 2018
52.219-8	Utilization of Small Business Concerns	Nov 2016	Oct 2018
52.219-9	Small Business Subcontracting Plan <i>*(d)(11)(iii) Records on each subcontract solicitation resulting in an award of more than [\$250,000], indicating—</i>	Jan 2017 (NNSA Class Deviation March 2018*)	Aug 2018 (NNSA Class Deviation March 2018*)
52.222-4	Contract Work Hours and Safety Standards Act – Overtime Compensation	May 2014	May 2018
52.223-17	Affirmative Procurement of EPA-Designated Items in Service and Construction Contracts	May 2008	Aug 2018

- 4- Replace I-2 FAR 52.208-8 REQUIRED SOURCES FOR HELIUM AND HELIUM USAGE DATA (APR 2014) in Section I, subsection C. *FAR and DEAR Clauses Incorporated in Full Text*, in its entirety with the following:

I-2 FAR 52.208-8 52.208-8 REQUIRED SOURCES FOR HELIUM AND HELIUM USAGE DATA (AUG 2018)

(a) Definitions.

“Bureau of Land Management,” as used in this clause, means the Department of the Interior, Bureau of Land Management, Amarillo Field Office, Helium Operations, located at 801 South Fillmore Street, Suite 500, Amarillo, TX 79101-3545.

“Federal helium supplier” means a private helium vendor that has an in-kind crude helium sales contract with the Bureau of Land Management (BLM) and that is on the BLM Amarillo Field Office’s Authorized List of Federal Helium Suppliers available via the Internet at <https://www.blm.gov/programs/energy-and-minerals/helium/partners>.

“Major helium requirement” means an estimated refined helium requirement greater than 200,000 standard cubic feet (scf) (measured at 14.7 pounds per square inch absolute pressure and 70 degrees Fahrenheit temperature) of gaseous helium or 7510 liters of liquid helium delivered to a helium use location per year.

(b) Requirements --

- (1) Contractors must purchase major helium requirements from Federal helium suppliers, to the extent that supplies are available.

(2) The Contractor shall provide to the Contracting Officer the following data within 10 days after the Contractor or subcontractor receives a delivery of helium from a Federal helium supplier --

- (i) The name of the supplier;
- (ii) The amount of helium purchased;
- (iii) The delivery date(s); and
- (iv) The location where the helium was used.

(c) *Subcontracts* --The Contractor shall insert this clause, including this paragraph (c), in any subcontract or order that involves a major helium requirement.

(End of Clause)

5- Replace I-3 FAR 52.216-7 ALLOWABLE COST AND PAYMENT (JUN 2013) (AS MODIFIED BY DEAR 952.216-7) in Section I, subsection C. *FAR and DEAR Clauses Incorporated in Full Text*, in its entirety with the following:

I-3 FAR 52.216-7 ALLOWABLE COST AND PAYMENT (AUG 2018) (AS MODIFIED BY DEAR 952.216-7)

(a) *Invoicing.*

(1) The Government will make payments to the Contractor when requested as work progresses, but (except for small business concerns) not more often than once every 2 weeks, in amounts determined to be allowable by the Contracting Officer in accordance with Federal Acquisition Regulation (FAR) Subpart 31.2 as supplemented by subpart 931.2 of the Department of Energy Acquisition Regulations (DEAR) in effect on the date of this contract and the terms of this contract. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this contract.

(2) Contract financing payments are not subject to the interest penalty provisions of the Prompt Payment Act. Interim payments made prior to the final payment under the contract are contract financing payments, except interim payments if this contract contains Alternate I to the clause at 52.232-25.

(3) The designated payment office will make interim payments for contract financing on the 30th day after the designated billing office receives a proper payment request.

In the event that the Government requires an audit or other review of a specific payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the specified due date.

(b) *Reimbursing costs.*

(1) For the purpose of reimbursing allowable costs (except as provided in subparagraph (b)(2) of this clause, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term "costs" includes only --

(i) Those recorded costs that, at the time of the request for reimbursement, the Contractor has paid by cash, check, or other form of actual payment for items or services purchased directly for the contract;

(ii) When the Contractor is not delinquent in paying costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for --

(A) Supplies and services purchased directly for the contract and associated financing payments to subcontractors, provided payments determined due will be made—

(1) In accordance with the terms and conditions of a subcontract or invoice; and

(2) Ordinarily within 30 days of the submission of the Contractor's payment request to the Government;

(B) Materials issued from the Contractor's inventory and placed in the production process for use on the contract;

(C) Direct labor;

(D) Direct travel;

(E) Other direct in-house costs; and

(F) Properly allocable and allowable indirect costs, as shown in the records maintained by the Contractor for purposes of obtaining reimbursement under Government contracts; and

(iii) The amount of financing payments that have been paid by cash, check or other form of payment to subcontractors.

(2) Accrued costs of Contractor contributions under employee pension plans shall be excluded until actually paid unless—

(i) The Contractor's practice is to make contributions to the retirement fund quarterly or more frequently; and

(ii) The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any contribution remaining unpaid shall be excluded from the Contractor's indirect costs for payment purposes).

(3) Notwithstanding the audit and adjustment of invoices or vouchers under paragraph (g) of this clause, allowable indirect costs under this contract shall be obtained by applying indirect cost rates established in accordance with paragraph (d) of this clause.

(4) Any statements in specifications or other documents incorporated in this contract by reference designating performance of services or furnishing of materials at the Contractor's expense or at no cost to the Government shall be disregarded for purposes of cost-reimbursement under this clause.

(c) *Small business concerns.* A small business concern may receive more frequent payments than every 2 weeks

(d) *Final indirect cost rates.*

(1) Final annual indirect cost rates and the appropriate bases shall be established in accordance with Subpart 42.7 of the Federal Acquisition Regulation (FAR) in effect for the period covered by the indirect cost rate proposal.

(2)

(i) The Contractor shall submit an adequate final indirect cost rate proposal to the Contracting Officer (or cognizant Federal agency official) and auditor within the 6-month period following the expiration of each of its fiscal years. Reasonable extensions, for exceptional circumstances only, may be requested in writing by the Contractor and granted in writing by the Contracting Officer. The Contractor shall support its proposal with adequate supporting data.

(ii) The proposed rates shall be based on the Contractor's actual cost experience for that period. The appropriate Government representative and the Contractor shall establish the final indirect cost rates as promptly as practical after receipt of the Contractor's proposal.

(iii) An adequate indirect cost rate proposal shall include the following data unless otherwise specified by the cognizant Federal agency official:

(A) Summary of all claimed indirect expense rates, including pool, base, and calculated indirect rate.

(B) *General and Administrative expenses (final indirect cost pool)*. Schedule of claimed expenses by element of cost as identified in accounting records (Chart of Accounts).

(C) *Overhead expenses (final indirect cost pool)*. Schedule of claimed expenses by element of cost as identified in accounting records (Chart of Accounts) for each final indirect cost pool.

(D) *Occupancy expenses (intermediate indirect cost pool)*. Schedule of claimed expenses by element of cost as identified in accounting records (Chart of Accounts) and expense reallocation to final indirect cost pools.

(E) Claimed allocation bases, by element of cost, used to distribute indirect costs.

(F) Facilities capital cost of money factors computation.

(G) Reconciliation of books of account (*i.e.*, General Ledger) and claimed direct costs by major cost element.

(H) Schedule of direct costs by contract and subcontract and indirect expense applied at claimed rates, as well as a subsidiary schedule of Government participation percentages in each of the allocation base amounts.

(I) Schedule of cumulative direct and indirect costs claimed and billed by contract and subcontract.

(J) *Subcontract information*. Listing of subcontracts awarded to companies for which the contractor is the prime or upper-tier contractor (include prime and subcontract numbers; subcontract value and award type; amount claimed during the fiscal year; and the subcontractor name, address, and point of contact information).

(K) Summary of each time-and-materials and labor-hour contract information, including labor categories, labor rates, hours, and amounts; direct materials; other direct costs; and, indirect expense applied at claimed rates.

(L) Reconciliation of total payroll per IRS form 941 to total labor costs distribution.

(M) Listing of decisions/agreements/approvals and description of accounting/organizational changes.

(N) Certificate of final indirect costs (see 52.242-4, Certification of Final Indirect Costs).

(O) Contract closing information for contracts physically completed in this fiscal year (include contract number, period of performance, contract ceiling amounts, contract fee computations, level of effort, and indicate if the contract is ready to close).

(iv) The following supplemental information is not required to determine if a proposal is adequate, but may be required during the audit process:

(A) Comparative analysis of indirect expense pools detailed by account to prior fiscal year and budgetary data.

(B) General organizational information and limitation on allowability of compensation for certain contractor personnel. See 31.205-6(p). Additional salary reference information is available at <https://www.whitehouse.gov/wp-content/uploads/2017/11/ContractorCompensationCapContractsAwardedBeforeJune24.pdf> and <https://www.whitehouse.gov/wp-content/uploads/2017/11/ContractorCompensationCapContractsAwardedAfterJune24.pdf>.

(C) Identification of prime contracts under which the contractor performs as a subcontractor.

(D) Description of accounting system (excludes contractors required to submit a CAS Disclosure Statement or contractors where the description of the accounting system has not changed from the previous year's submission).

(E) Procedures for identifying and excluding unallowable costs from the costs claimed and billed (excludes contractors where the procedures have not changed from the previous year's submission).

(F) Certified financial statements and other financial data (e.g., trial balance, compilation, review, etc).

(G) Management letter from outside CPAs concerning any internal control weaknesses.

(H) Actions that have been and/or will be implemented to correct the weaknesses described in the management letter from subparagraph (G) of this section.

(I) List of all internal audit reports issued since the last disclosure of internal audit reports to the Government.

(J) Annual internal audit plan of scheduled audits to be performed in the fiscal year when the final indirect cost rate submission is made.

(K) Federal and State income tax returns.

(L) Securities and Exchange Commission 10-K annual report.

(M) Minutes from board of directors meetings.

(N) Listing of delay claims and termination claims submitted which contain costs relating to the subject fiscal year.

(O) Contract briefings, which generally include a synopsis of all pertinent contract provisions, such as: Contract type, contract amount, product or service(s) to be provided, contract performance period, rate ceilings, advance approval requirements, pre-contract cost allowability limitations, and billing limitations.

(v) The Contractor shall update the billings on all contracts to reflect the final settled rates and update the schedule of cumulative direct and indirect costs claimed and billed, as required in paragraph (d)(2)(iii)(I) of this sections, within 60 days after settlement of final indirect cost rates.

(3) The Contractor and the appropriate Government representative shall execute a written understanding setting forth the final indirect cost rates. The understanding shall specify

(i) the agreed-upon final annual indirect cost rates,

(ii) the bases to which the rates apply,

(iii) the periods for which the rates apply,

(iv) any specific indirect cost items treated as direct costs in the settlement, and

(v) the affected contract and/or subcontract, identifying any with advance agreements or special terms and the applicable rates.

The understanding shall not change any monetary ceiling, contract obligation, or specific cost allowance or disallowance provided for in this contract. The understanding is incorporated into this contract upon execution.

(4) Failure by the parties to agree on a final annual indirect cost rate shall be a dispute within the meaning of the Disputes clause.

(5) Within 120 days (or longer period if approved in writing by the Contracting Officer) after settlement of the final annual indirect cost rates for all years of a physically complete contract, Contractor shall submit a completion invoice or voucher to reflect the settled amounts and rates. The completion invoice or voucher shall include settled subcontract amounts and rates. The prime contractor is responsible for settling subcontractor amounts and rates included in the completion invoice or voucher and providing status of subcontractor audits to the contracting officer upon request.

(6)

(i) If the Contractor fails to submit a completion invoice or voucher within the time specified in paragraph (d)(5) of this clause, the Contracting Officer may--

(A) Determine the amounts due to the Contractor under the contract;
and

(B) Record this determination in a unilateral modification to the contract.

(ii) This determination constitutes the final decision of the Contracting Officer in accordance with the Disputes clause.

(e) *Billing rates.* Until final annual indirect cost rates are established for any period, the Government shall reimburse the Contractor at billing rates established by the Contracting Officer or by an authorized representative (the cognizant auditor), subject to adjustment when the final rates are established. These billing rates --

(1) Shall be the anticipated final rates; and

(2) May be prospectively or retroactively revised by mutual agreement, at either party's request, to prevent substantial overpayment or underpayment.

(f) *Quick-closeout procedures.* Quick-closeout procedures are applicable when the conditions in FAR 42.708(a) are satisfied.

(g) *Audit.* At any time or times before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of cost audited. Any payment may be --

(1) Reduced by amounts found by the Contracting Officer not to constitute allowable costs; or

(2) Adjusted for prior overpayments or underpayments.

(h) *Final payment.*

(1) Upon approval of a completion invoice or voucher submitted by the Contractor in accordance with paragraph (d)(5) of this clause, and upon the Contractor's compliance with all terms of this contract, the Government shall promptly pay any balance of allowable costs and that part of the fee (if any) not previously paid.

(2) The Contractor shall pay to the Government any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to costs for which the Contractor has been reimbursed by the Government. Reasonable expenses incurred by the Contractor for securing refunds, rebates, credits, or other amounts shall be allowable costs if approved by the Contracting Officer. Before final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment shall execute and deliver --

(i) An assignment to the Government, in form and substance satisfactory to the Contracting Officer, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract; and

(ii) A release discharging the Government, its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, except --

(A) Specified claims stated in exact amounts, or in estimated amounts when the exact amounts are not known;

(B) Claims (including reasonable incidental expenses) based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that the claims are not known to the Contractor on the date of the execution of the release, and that the Contractor gives notice of the claims in writing to the Contracting Officer within 6 years following the release date or notice of final payment date, whichever is earlier; and

(C) Claims for reimbursement of costs, including reasonable incidental expenses, incurred by the Contractor under the patent clauses of this contract, excluding, however, any expenses arising from the Contractor's indemnification of the Government against patent liability.

(End of Clause)

- 6- Replace Appendix B, *List of Applicable Directives and NNSA Policy Letters*, in its entirety with attachment 1.
- 7- Add Appendix L, *Performance Evaluation Management Plan* to Section J, *List of Appendices*.
- 8- Incorporate the FY2019 Performance Evaluation Management Plan (Attachment 2) to Appendix L.

End of Modification

Part III - Section J
APPENDIX B
List of Applicable Directives and NNSA Policy Letters

In addition to the list of applicable directives referenced below, the contractor shall also comply with supplementary directives (e.g., manuals), which are invoked by a Contractor Requirements Document (CRD) attached to a directive referenced below. The Contractor shall comply with the Operating Requirements identified in Appendix B.

Number	Date	Title	Mod #
APPH Chapter X Revision 10	9/08/98	Accounting Practices & Procedures Handbook (APPH) Chapter X – Product Cost Accounting	Award
DOE O 130.1	9/29/95	Budget Formulations	Award
DOE O 140.1	05/14/18	Interface with the Defense Nuclear Facilities Safety Board	Award M0050
DOE O 142.2A, Admin Chg. 1	6/27/13	Voluntary Offer Safeguards Agreement and Additional Protocol with the International Atomic Energy Agency	Award
DOE M 142.2-1, Admin Chg. 1	6/27/13	Manual for the Implementation of the Voluntary Offer Safeguards Agreement and Additional Protocol with the International Atomic Energy Agency	Award
DOE O 142.3A, Chg 1	1/18/17	Unclassified Foreign Visits and Assignments Program	M0018
DOE O 144.1 Admin Chg. 1	11/6/09	Department of Energy American Indian Tribal Government Interactions and Policy	Award
DOE O 150.1A	3/31/14	Continuity Programs	Award
DOE O 151.1D	8/11/16	Comprehensive Emergency Management System ¹	Award
DOE O 153.1	6/27/07	Departmental Radiological Emergency Response Assets	Award
DOE O 200.1A	12/23/08	Information Technology Management	Award
DOE O 205.1C	5/15/19	Department of Energy Cybersecurity Program ²	M0072
NA SD 205.1	7/6/17	Baseline Cybersecurity Program	M0032
DOE M 205.1-3, Admin Chg. 1	12/20/12	Telecommunications Security Manual ³	Award
DOE O 206.1, Chg 1	11/01/18	Department of Energy Privacy Program	Award M0063
NA SD 206.1	06/22/18	Privacy Program	M0050
DOE O 206.2	2/19/13	Identity, Credential, and Access Management (ICAM)	Award

¹ Full implementation will be achieved by July 24, 2020, in accordance with the approved implementation plan.

² SNL will evaluate NNSA Cyber Security Program Plan releases to ensure referenced requirements are adequately addressed.

³ Refer to memorandum from NNSA/HQ/NA-IM-10, Subject: *Cable-confined Testing and Transmitter Review Forms (TRF)*, dated 4/25/12, for clarification to TRF completion Requirements.

Number	Date	Title	Mod #
NA SD 206.2	4/14/18	Implementation of Personal Identity Verification for Uncleared Contractors ⁴	M0063
DOE O 210.2A	4/08/11	DOE Corporate Operating Experience Program	Award
NAP 220.1	06/19/18	Internal Affairs Program	M0050
DOE O 221.1B	9/27/16	Reporting Fraud, Waste, and Abuse to the Office of Inspector General	Award
DOE O 221.2A	2/25/08	Cooperation With the Office of Inspector General	Award
DOE O 225.1B	3/04/11	Accident Investigations	Award
DOE O 226.1B	4/25/11	Implementation of Department of Energy Oversight Policy	Award
NNSA SD 226.1B	8/12/16	NNSA Site Governance	M008
DOE O 227.1A	12/21/15	Independent Oversight Program	Award
DOE O 231.1B, Admin Chg. 1	11/28/12	Environment, Safety and Health Reporting	Award
DOE O 232.2A	1/17/17	Occurrence Reporting and Processing of Operations Information	Award M0026
DOE O 241.1B Chg. 1	4/26/16	Scientific and Technical Information Management	Award
DOE O 243.1B, Admin Chg. 1	7/8/13	Records Management Program	Award
NA SD 251.1A	01/17/18	Directives Management	M0050
DOE O 252.1A, Admin Chg. 1	3/12/13	Technical Standards Program	Award
DOE O 313.1	11/19/09	Management and Funding of the Department's Overseas Presence	Award
NA SD O 350.1	2/5/09	Management and Operating Contractor Service Credit Recognition	Award
DOE O 410.2, Admin Chg. 1	4/10/14	Management of Nuclear Materials	Award
DOE O 411.2	1/4/17	Scientific Integrity	M0018
DOE O 412.1A, Admin Chg. 1	5/21/14	Work Authorization System	Award
DOE O 413.1B	10/28/08	Internal Control Program	Award
DOE O 413.2C, Change 1	8/2/18	Laboratory Directed Research and Development	Award M0050
DOE O 413.3B, Chg. 5	4/12/18	Program and Project Management for the Acquisition of Capital Assets ⁵	M0018 M0032 M0050
DOE O 414.1D, Admin Chg.1	5/8/13	Quality Assurance	Award
DOE O 415.1, Chg 2	1/13/17	Information Technology Project Management	M0018

⁴ Full implementation will be achieved in accordance with an NNSA-approved implementation plan.

⁵ The annual Value Management/Engineering progress report required by paragraph 10. of the CRD shall be submitted to Program Offices through the SFO.

Number	Date	Title	Mod #
NA SD 415.1	9/3/14	Project Oversight for Information Technology	Award
DOE O 420.1C, Chg. 2	7/26/18	Facility Safety ⁶	Award M0063
DOE O 420.2C	7/21/11	Safety of Accelerator Facilities	Award
DOE O 422.1, Admin Chg. 2	12/3/14	Conduct of Operations	Award
DOE O 425.1D, Admin Chg. 1	4/2/13	Verification of Readiness to Start up or Restart Nuclear Facilities	Award
DOE O 426.2 Admin Chg. 1	7/29/13	Personnel Selection, Training, Qualification, and Certification Requirements for DOE Nuclear Facilities	Award
NNSA SD 430.1	1/18/17	Real Property Asset Management	M0018
DOE O 433.1B, Admin Chg. 1	3/12/13	Maintenance Management Program for DOE Nuclear Facilities	Award
DOE N 435.1	8/9/11	Contact-Handled and Remote-Handled Transuranic Waste Packaging	Award
DOE O 435.1, Chg. 1	8/28/01	Radioactive Waste Management	Award
DOE O 436.1	5/2/11	Departmental Sustainability ⁷	Award
DOE O 440.2C, Admin Chg. 1	6/22/11	Aviation Management and Safety	Award
DOE M 441.1-1 Admin Chg. 1	2/24/16	Nuclear Material Packaging ⁸	Award
DOE O 442.1B	1/31/19	Department of Energy Employee Concerns Program	M0072
DOE O 442.2, Chg 1 (Pg Chg)	10/5/16	Differing Professional Opinions for Technical Issues Involving Environment, Safety, and Health	Award
DOE N 443.1	1/21/16	Protection of Human Research Subjects in Classified Research	Award
DOE O 443.1B, Chg 1	4/21/16	Protection of Human Research Subjects	Award
DOE O 452.1E	1/26/15	Nuclear Explosive and Weapon Surety Program ⁹	Award
DOE O 452.2E	1/26/15	Nuclear Explosive Safety	Award
NA SD 452.2A	10/20/17	Nuclear Explosive Safety Evaluation Process	Award M0032
DOE O 452.3	6/8/05	Management of the Department of Energy Nuclear Weapons Complex	Award
NNSA SD 452.3-1A	2/25/16	Defense Programs Business Process System ¹⁰	Award
NNSA SD 452.3-2	1/19/17	Phase 6.X Process	M0018

⁶ Full implementation will be achieved by 09/30/19 in accordance with an approved implementation plan.

⁷ All references to "14001:2004" shall be replaced with "14001:2015".

⁸ Material acquired subject to DOE M 441.1-1 must have an approved container for storage, or must have a NNSA-approved plan to develop a container to comply with the requirements, when it comes on site.

⁹ Clarification to CRD, Item 7c: Concepts for features are to be developed for consideration.

¹⁰ Changes will be processed as described in Section H, clause H-14(c). CRD Item 6 is achieved through the M&O Contractor Working Group.

Number	Date	Title	Mod #
DOE O 452.4C	8/28/15	Security and Use Control of Nuclear Explosives and Nuclear Weapons	Award
DOE O 452.6A	4/14/09	Nuclear Weapon Surety Interface with the Department of Defense	Award
DOE O 452.7	5/14/10	Protection of Use Control Vulnerabilities and Designs	Award
DOE O 452.8	7/21/11	Control of Nuclear Weapons Data	Award
DOE O 456.1A	7/15/16	The Safe Handling of Unbound Engineered Nanoparticles	Award
DOE O 457.1A	8/26/13	Nuclear Counterterrorism	Award
DOE O 458.1, Admin Chg. 3	1/15/13	Radiation Protection of the Public and the Environment	Award
DOE O 460.1D	12/20/16	Hazardous Materials Packaging and Transportation Safety	M0018
DOE O 460.2A	12/22/04	Departmental Materials Transportation & Packaging Management	Award
DOE M 460.2-1A	6/04/08	Radioactive Material Transportation Practices Manual	Award
DOE O 461.1C	7/20/16	Packaging and Transportation for Offsite Shipment of Materials of National Security Interest	Award
DOE O 461.2	11/1/10	Onsite Packaging and Transfer of Materials of National Security Interest	Award
DOE O 462.1, Admin Chg. 1	7/10/13	Import and Export of Category 1 and 2 Radioactive Sources and Aggregated Quantities	Award
DOE O 470.3C	11/23/16	Design Basis Threat (DBT) ¹¹	Award M0043
DOE O 470.4B, Admin Chg. 2	1/17/17	Safeguards and Security Program ¹²	M0018
DOE O 470.6, Chg 1	1/11/17	Technical Security Program ¹³	Award M0032
NA SD 470.4-2	06/23/18	Enterprise Safeguards and Security Planning and Analysis Program ¹⁴	M0050
DOE M 470.4-4A	10/12/10	Information Security Manual ¹⁵	Award
DOE O 471.1B	3/1/10	Identification and Protection of Unclassified Controlled Nuclear Information	Award

¹¹ Will be implemented IAW the NNSA enterprise implementation plan. NTESS will coordinate with NNSA when requirements cannot be implemented within existing resources.

¹² Full implementation will be achieved in accordance with an approved implementation plan. DD254 or DOE F 470.1 shall be provided to SFO for new classified SPP activity. Notification to update the form shall also be provided through the lifecycle of the activity.

¹³ Full implementation will be achieved in accordance with an approved implementation plan.

¹⁴ Will be implemented IAW the NNSA enterprise implementation plan. NTESS will coordinate with NNSA when requirements cannot be implemented within existing resources.

¹⁵ DOE O 471.6, Admin Chg. 1, dated 06/20/2011, replaced DOE M 470.4-4A, except Section D and the classified Technical Surveillance Countermeasures Annex.

Number	Date	Title	Mod #
DOE O 471.3, Admin Chg. 1	1/13/11	Identifying and Protecting Official Use Only Information	Award
DOE M 471.3-1, Admin Chg.1	1/13/11	Manual for Identifying and Protecting Official Use Only Information	Award
DOE O 471.5	3/29/11	Special Access Program	Award
DOE O 471.6, Admin Chg 2	5/15/15	Information Security ¹⁶	Award
DOE O 472.2, Chg. 1	7/9/14	Personnel Security	Award
DOE O 473.3A, Chg. 1	1/2/18	Protection Program Operations	Award M0043
NNSA SD 473.3	9/10/14	Enterprise Mission Essential Task List-Based Protective Force Training Program	M008
DOE O 474.2, Admin Chg. 4	9/13/16	Nuclear Material Control and Accountability	Award
DOE O 475.1	12/10/04	Counterintelligence Program	Award
DOE O 475.2B	10/3/14	Identifying Classified Information ¹⁷	Award
DOE O 483.1B, Chg. 1	2/08/19	DOE Cooperative Research and Development Agreements	M0072
DOE O 484.1 Admin Chg. 2	6/30/14	Reimbursable Work for the Department of Homeland Security	Award
DOE O 486.1	6/7/19	Department of Energy Foreign Government Talent Recruitment Programs ¹⁸	M0072
DOE O 522.1A	8/2/18	Pricing of Departmental Materials and Services	Award M0050
DOE O 534.1B	1/6/03	Accounting	Award
DOE O 551.1D, Chg. 2	8/9/16	Official Foreign Travel	Award
DOE O 5480.30, Chg. 1	3/14/01	Nuclear Reactor Safety Design Criteria	Award
DOE O 5639.8A	7/23/93	Security of Foreign Intelligence Information and Sensitive Compartmented Information Facilities	Award
NAP 23, Admin Chg. 1	2/9/15	Atomic Energy Act Control of Import and Export Activities	Award
NAP 24A	11/24/15	Weapon Quality Policy	Award
NAP 31	11/22/16	NNSA M&O Off-Site Extended Duty Assignments	M0008
NAP-412.1	2/11/19	Financial Integration	M0072

¹⁶ Implementation of the “marking of documents in electronic environment requirements” listed in the CRD will be achieved in accordance with an approved implementation plan.

¹⁷ Full implementation will be achieved in accordance with the February 4, 2015 JORRB.

¹⁸ Full implementation will be achieved in accordance with an approved implementation plan.

Number	Date	Title	Mod #
QP 100-1	3/1/13	Quality Requirements to UK and US Procurement Contracts and Loan Authorizations for Research, Design, and Development	Award
NA SD 56XB, Rev. 2	5/10/04	Nuclear Weapon Development and Production ¹⁹	M0008
Nevada Field Office (NSO) Order 410.X1	10/9/13	Nevada National Security Site and North Las Vegas Facilities General Use and Operations Requirements	M0018
NFO O 412.X1	6/27/16	Real Estate Operations Permit	M0018
NFO O 421.X1, Revision 1	4/18/17	Nuclear Facility Safety Management	M0018
NSO M 450.X2-1	5/30/07	Underground Nuclear Testing, Test Readiness, and Threshold Test Ban Treaty, Verification	M0018
NSO O 450.X5B	9/20/12	Subcritical Experiments	M0018

¹⁹ Changes will be processed as described in Section H, clause H-14(c).

Part III - Section J
APPENDIX L
Performance Evaluation and Management Plan

Fiscal Year 2019
DOE/NNSA Strategic Performance Evaluation and Measurement Plan (PEMP)

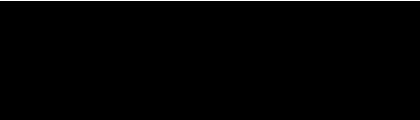
National Technology & Engineering Solutions of Sandia, LLC (NTESS)

MANAGEMENT AND OPERATION OF THE

Sandia National Laboratories


Contract Number: DE-NA0003525

Performance Evaluation Period: October 1, 2018 through September 30, 2019


7/31/19
Date
Dr. Stephen Younger
Laboratories Director
NTESS


7/17/19
Date
Jeffrey P. Harrell
Field Office Manager
Sandia Field Office
National Nuclear Security Administration


7/18/19
Date
Rachel Richmond
Acting Senior Manager
Prime Contract & Export Control
NTESS


7-16-19
Date
Geraldine Duran
Contracting Officer
Sandia Field Office
National Nuclear Security Administration

FY 2019 PERFORMANCE EVALUATION AND MEASUREMENT PLAN

DOCUMENT REVISION HISTORY

Revision No.	Date	Change Description
01	July 22, 2019	Update FEE ALIGNMENT AND "AT-RISK" AWARD FEE ALLOCATION table in accordance with modification 0071.

INTRODUCTION

Sandia National Laboratories is a Federally Funded Research and Development Center owned by the United States Government, under the custody of the Department of Energy (DOE), National Nuclear Security Administration (NNSA), herein referenced as "Laboratories" and is managed and operated by National Technology Engineering Solutions of Sandia, LLC (NTESS). Pursuant to the terms and conditions of Contract Number DE-NA0003525 (the Contract), this NNSA Performance Evaluation and Measurement Plan (PEMP) sets forth the criteria by which NNSA will evaluate NTESS performance and upon which NNSA shall determine of the amount of award fee earned. The available award fee amounts for FY 2019 are specified in Section B, Supplies or Services and Prices/Costs, of the Contract. This PEMP promotes a strategic Governance and Oversight framework based on prudent management of risk, accountability, transparency, and renewed trust. It implements the collective governance and oversight reform principles as expressed by the DOE/NNSA.

PERFORMANCE BASED APPROACH

The performance-based approach evaluates the NTESS performance through a set of Goals. Each Goal, and its associated Objectives, will be measured against authorized work in terms of cost, schedule, and technical performance, and the respective outcomes, demonstrated performance, and impact to the DOE/NNSA mission.

MISSION

NTESS shall manage, operate, protect, sustain, and enhance the Laboratories' multi-mission capabilities, while assuring accomplishment of the Laboratories' primary mission work in nuclear weapons and nuclear non-proliferation research, development, and engineering. NTESS shall facilitate the Laboratories' capability to project its efforts to participate with the scientific, engineering, and technical communities on both the national and international levels with a high degree of vision, quality, integrity, and technical excellence. NTESS shall engage in the strategic and institutional planning necessary to assure that the Laboratories maintain a posture aimed at anticipating the national technical and scientific needs and dedicated to providing practical solutions. NTESS shall study and explore innovative concepts to minimize or mitigate possible current and future national security threats.

MISSION PERFORMANCE

NTESS is accountable for and will be evaluated on successfully executing program work in accordance with applicable DOE/NNSA safety and security requirements consistent with the terms and conditions of the Contract. Protection of worker and public safety, the environment, and security are essential and implicit elements of successful mission performance. Accordingly, NTESS shall plan safety and security improvements and accomplishments as an integral component of mission performance contributing to meeting the affected programmatic Goals. The model for this PEMP is to rely on NTESS leadership to use appropriate DOE contractual requirements and recognized industrial standards based on consideration of assurance systems, and the related measures, metrics, and evidence. **NTESS is expected to manage in a safe, secure, efficient, effective, results-driven manner, with appropriate risk management and transparency to the government, while taking appropriate measures to minimize costs that do not compromise core objectives and mission performance.** Products and services are expected to be delivered on-schedule and within budget.

CONSIDERATION OF CONTEXT IN PERFORMANCE EVALUATION

The evaluation of performance will consider "context" such as unanticipated barriers (e.g., budget restrictions, rule changes, circumstances outside NTESS control), degree of difficulty, significant accomplishments, and other events that may occur during the performance period. A significant safety or security event may result in an overall limitation to adjectival ratings. Such impacts may be balanced by the response to the incident, and by other initiatives to improve overall safety or security performance. NTESS is encouraged to note significant safety and security continuous improvements.

PERFORMANCE RATING PROCESS

DOE/NNSA will review performance throughout the performance evaluation period, and provide tri-annual feedback to NTESS highlighting accomplishments and issues. At the end of the performance evaluation period, an evaluation of NTESS performance will be completed. This evaluation will be documented in a Performance Evaluation Report (PER), and will include the performance ratings and award fee earned for the subject performance evaluation period. Objectives will be assessed in the aggregate to determine an adjectival performance rating for each Goal. DOE/NNSA will consider NTESS' end of year self-assessment report in the performance evaluation. The performance ratings will be determined in accordance with FAR 16.401(e) (3) yielding ratings of Excellent, Very Good, Good, Satisfactory or Unsatisfactory. The Goals will then be considered in the aggregate to provide an overall rating and percentage of award fee earned for the contract. Notwithstanding the overall strategic framework, any significant failure in any goal may impact the overall rating and award fee earned. Dollar values contained in the PEMP are provided as guidelines for developing a recommendation of fee allocation to the Fee Determining Official (FDO). The final determination as to the amount of fee earned is a unilateral determination made by the FDO.

NTESS may request a face-to-face meeting with the FDO to highlight its strategic performance at the end of the performance evaluation period. This meeting should occur within the first two weeks after the end of the period.

PEMP CHANGE CONTROL

It is essential that a baseline of performance expectations be established at the beginning of the performance period to equitably measure performance, and that changes to that baseline are carefully managed. Any change to the PEMP requires concurrence by the appropriate program office and the NNSA Senior Procurement Executive prior to the Field Office Manager and Contracting Officer signatures. While recognizing the unilateral rights of DOE/NNSA as expressed in the contract terms and conditions, bilateral changes are the preferred method of change whenever possible.

FEE ALIGNMENT AND “AT-RISK” AWARD FEE ALLOCATION

This table is provided for information only and does not change the terms and conditions of the contract. At-Risk” Award Fee (AF) is applied to goals 1, 2, 5, 6 and Fixed Fee (FF) is applied to goals 3 and 4. Goal 3 displays total estimated fee attributable to DOE work. The sum of dollars available for goals 1, 2, 5, & 6 equals total AF for both DOE and NNSA work. The dollars available for goal 4 is the total FF for both DOE and NNSA work. All goals, including those with FF, will receive an adjectival assessment as a part of the Corporate Performance Evaluation Process (CPEP).

Goal	Fee Amount	Fee Type
Goal-1: Mission Execution: Nuclear Weapons	\$3.07M	Award Fee (At-Risk)
Goal-2: Mission Execution: Global Nuclear Security	\$0.77M	Award Fee (At-Risk)
Goal-3: DOE and Strategic Partnership Projects (SPP)	*DOE – \$1.20M SPP - \$10.43M	*DOE – (FF + AF) SPP – Fixed Fee
Goal-4: Mission Execution: Science, Technology, and Engineering (ST&E)	\$19.19M	Fixed Fee
Goal-5: Mission Enablement	\$2.30M	Award Fee (At-Risk)
Goal-6: Mission Leadership	\$1.54M	Award Fee (At-Risk)

**Display of total estimated fee attributable to DOE work.*

UNEARNED FEE

DOE/NNSA reserves the right to withdraw and redistribute DOE/NNSA unearned fees.

INNOVATIVE SOLUTIONS

NTESS will recommend innovative, technology/science-based, systems-engineering solutions to the most challenging problems that face the nation and the globe. NTESS will also provide evidence to support programmatic needs and operational goals tempered by risk. DOE/NNSA will take into consideration all major functions including safety and security contributing to mission success. In addition, DOE/NNSA expects NTESS to recommend and implement innovative business and management improvement solutions that enhance efficiencies.

Goal-1: Mission Execution: Nuclear Weapons

Successfully execute Nuclear Stockpile mission work for Defense Programs work in a safe and secure manner in accordance with DOE/NNSA priorities, Work Authorizations, and Execution/Implementation Plans.

Objectives:

- Objective-1.1 Accomplish work as negotiated with program sponsors and partners. Integrate quality requirements into an effective quality assurance program at their sites and through their suppliers that results in the design, production, and delivery of safe, secure, and reliable weapon products meeting performance standards, transportation requirements, and cost effective management.
- Objective-1.2 Execute stockpile system maintenance, production, limited-life component exchanges, weapon containers, surveillance, and dismantlement programs and maintain knowledge of the state of the stockpile through successful execution of the stockpile surveillance program and a robust scientific and engineering understanding for the delivery of the annual stockpile assessment.
- Objective-1.3 Apply innovative strategies and technologies to sustain strategic materials and improve science and engineering capabilities, facilities and essential skills to support existing and future nuclear security enterprise requirements.
- Objective-1.4 Execute Phase 6.X, product realization processes, and activities in support of nuclear weapon life extension programs, modifications, and alterations in accordance with NNSA requirements, Nuclear Weapons Council guidance, and NNSA project control processes to 1) integrate schedules; 2) lower risks; 3) control costs; and, 4) control change.

Goal-2: Mission Execution: Global Nuclear Security

Successfully execute authorized global nuclear security mission work in a safe and secure manner to include the Defense Nuclear Nonproliferation, Nuclear Counterterrorism, and Counter Proliferation and Incident Response missions in accordance with DOE/NNSA priorities, Work Authorizations, and Execution/Implementation Plans,

Objectives:

- Objective-2.1 Support efforts to secure, account for, and interdict the illicit movement of nuclear weapons, weapons-useable nuclear materials and radiological materials.
- Objective-2.2 Support U.S. national and nuclear security objectives in reducing global nuclear security threats through the innovation of unilateral and multi-lateral technical capabilities to detect, identify, and characterize: 1) foreign nuclear weapons programs, 2) illicit diversion of special nuclear materials, and 3) global nuclear detonations.
- Objective-2.3 Support efforts to achieve permanent threat reduction by managing and minimizing excess weapons-useable nuclear materials and providing nuclear materials for peaceful uses.
- Objective-2.4 Support efforts to prevent proliferation, ensure peaceful nuclear uses, and enable verifiable nuclear reductions in order to strengthen the nonproliferation and arms control regimes.
- Objective-2.5 Sustain and improve nuclear counterterrorism and counterproliferation science, technology, and expertise; execute unique emergency response missions, implement policy in support of incident response and nuclear forensics missions, and assist international partners/ organizations.

Goal-3: DOE and Strategic Partnership Projects Mission Objectives

Successfully execute high-impact work for DOE and Strategic Partnership Project Mission Objectives safely and securely. Demonstrate the value of the work in addressing the strategic national security needs of the U.S. Government.

Objectives:

- Objective-3.1 Pursue and perform high-impact work for DOE that strategically integrates with the DOE/NNSA mission, and leverages, sustains and strengthens unique science and engineering capabilities, facilities and essential skills.
- Objective-3.2 Pursue and perform high-impact Strategic Partnership Projects that strategically integrate with the DOE/NNSA mission, and leverages, sustains and strengthens unique science and engineering capabilities, facilities and essential skills in support of national security mission requirements.

Goal-4: Mission Execution: Science, Technology, and Engineering (ST&E)

Successfully advance national security missions and advance the frontiers of ST&E. Effectively manage Laboratory Directed Research and Development (LDRD) and Technology Transfer, etc. in a safe and secure manner in accordance with DOE/NNSA priorities, Work Authorizations, and Execution/Implementation Plans.

Objectives:

- Objective-4.1 Execute a research strategy that is clear and aligns discretionary investments (e.g., LDRD with Laboratories' strategy and supports DOE/NNSA priorities.)
- Objective-4.2 Ensure that research is relevant, enables the national security missions, and benefits DOE/NNSA and the nation.
- Objective-4.3 Ensure that research is transformative, innovative, leading edge, high quality, and advances the frontiers of science and engineering.
- Objective-4.4 Maintain a healthy and vibrant research environment that enhances technical workforce competencies and research capabilities.
- Objective-4.5 Research and develop high-impact technologies through effective partnerships and technology transfer mechanisms that support the Sandia National Laboratories strategy, DOE/NNSA priorities and impact the public good; ensure that reporting and publishing (via DOE's Public Access Plan) requirements for broad availability of federally funded scientific research are implemented.

Goal 5: Mission Enablement

Effectively and efficiently manage the safe and secure operations of the Sandia National Laboratories while maintaining an NNSA enterprise-wide focus; demonstrating accountability for mission performance and management controls; successfully executing cyber and physical security requirements, and assure mission commitments are met with high-quality products and services while partnering to improve the site infrastructure. Performance will be measured by the contractor's assurance system, NNSA metrics, cost control, business and financial operations, project baselines, implementation plans, assessment and audit results, etc., with a focus on mission enablement.

Objectives:

- Objective-5.1 Deliver effective, efficient, and responsive environment, safety, health and quality (ESH&Q) management and processes.
- Objective-5.2 Accomplish capital projects in accordance with scope, cost, and schedule baselines.
- Objective-5.3 Deliver effective, efficient, and responsive safeguards and security. Deliver effective site emergency management programs in support of the DOE/NNSA Emergency Management Enterprise.
- Objective-5.4 Manage NNSA infrastructure to maintain, operate and modernize DOE/NNSA facilities, infrastructure, and equipment in an effective, energy efficient manner that minimizes operational, security, and safety risks. Improve site conditions via: 1) disposition of unneeded infrastructure and excess hazardous materials, 2) increasing the viable use of facilities and equipment, and 3) delivering cost efficient improvements. Demonstrate progress to advance the Department of Energy's crosscut initiative to halt the growth of deferred maintenance and support arresting the declining state of infrastructure while working collaboratively with NNSA to implement management improvements (e.g., G2, MDI, BUILDER, and AMPs). Support NNSA's corporate sustainability and energy conservation goals including use of Energy Savings Performance Contracts and Utility Energy Service Contracts.
- Objective-5.5 Deliver efficient, effective, and responsible business operations, systems and financial management, including financial transparency; budget formulation and execution; and, internal controls.
- Objective-5.6 Deliver efficient and effective management of legal risk and incorporation of best legal practices.
- Objective-5.7 Deliver effective, efficient, and responsive information technology systems and cyber security.

Goal-6: Mission Leadership

Successfully demonstrate leadership in supporting the direction of the overall DOE/NNSA mission, cultivating a Performance Excellence Culture that encompasses all aspects of operations and continues to emphasize safety and security, improving the responsiveness of NTESS leadership team to issues and opportunities for continuous improvement internally and across the Enterprise, and parent company involvement/commitment to the overall success of the Sandia National Laboratories and the Enterprise.

Objectives:

- Objective-6.1 Define and implement a realistic strategic vision for the Laboratories, in alignment with the NNSA Strategic Vision, which demonstrates enterprise leadership and effective collaborations across the NNSA enterprise to ensure DOE/NNSA success.
- Objective-6.2 Demonstrate performance results through the institutional utilization of a Contractor Assurance System and promoting a culture of critical self-assessment, transparency, and accountability through the entire organization, while also leveraging parent company resources and expertise.
- Objective-6.3 Demonstrate leadership within the DOE/NNSA complex to develop, integrate, and implement enterprise solutions that maximize program outputs at best value to the government; identify innovative business and management solutions that greatly improve enterprise-wide efficiencies.
- Objective-6.4 Exhibit professional excellence in performing roles/responsibilities while pursuing opportunities for continuous learning.

FAR 16.401 (e) (3) AWARD FEE ADJECTIVAL RATINGS AND SUPPLEMENTAL DEFINITIONS

Excellent	91%-100%	<p>Contractor has exceeded almost all of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.</p> <p><i>This performance level is evidenced by at least one significant accomplishment, or a combination of accomplishments that significantly outweigh very minor issues, if any. No significant issues in performance exist.</i></p>
Very Good	76% - 90%	<p>Contractor has exceeded many of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.</p> <p><i>This performance level is evidenced by accomplishments that greatly outweigh issues. No significant issues in performance exist.</i></p>
Good	51% - 75%	<p>Contractor has exceeded some of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.</p> <p><i>This performance level is evidenced by accomplishments that slightly outweigh issues. No significant issues in performance exist.</i></p>
Satisfactory	No greater than 50%	<p>Contractor has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.</p> <p><i>This performance level is evidenced by issues that slightly outweigh accomplishments.</i></p>

Unsatisfactory	0%	<p>Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.</p> <p><i>This performance level is evidenced by issues that significantly outweigh accomplishments, if any.</i></p>
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Definitions:

An **Accomplishment** is an achievement or success in the performance of contract requirements that exceeds standards or expectations. Examples might be performing full contract requirements under budget while meeting or beating schedule baselines or performing additional scope within the initial cost targets with no negative effect on requirements or other programs, indicating continued performance improvement.

An **Issue** is a point in question or a matter that raises concerns regarding successful performance of contract requirements within scope, cost (budget), and schedule baselines or concern of negative effect on requirements or other programs, indicating a decline in performance that needs attention and improvement.