

# ORDER FOR SUPPLIES OR SERVICES

PAGE OF PAGES

1 4

IMPORTANT: Mark all packages and papers with contract and/or order numbers.

1. DATE OF ORDER 06-17-2003		2. CONTRACT NO. (If any) GS-00F-0001N		6. SHIP TO:	
3. ORDER NO. DR-36-03-346		4. REQUISITION/REFERENCE NO. OIG-03-346		a. NAME OF CONSIGNEE U.S. Nuclear Regulatory Commission Attn. Ms. Beth Serepca	
5. ISSUING OFFICE (Address correspondence to) U.S. Nuclear Regulatory Commission Div of Contracts, Two White Flint North - MS T-7-I-2 Washington, DC 20555				b. STREET ADDRESS Mail Stop T5-D28	
				c. CITY Washington	d. STATE DC
				e. ZIP CODE 20555	
7. TO:				f. SHIP VIA	
a. NAME OF CONTRACTOR Richard S. Carson and Associates, Inc.				8. TYPE OF ORDER	
b. COMPANY NAME Attn. Mr. Robert F. Schildwachter				<input type="checkbox"/> a. PURCHASE ORDER <input checked="" type="checkbox"/> b. DELIVERY/TASK ORDER	
c. STREET ADDRESS 4720 Montgomery Lane, Suite 800				Reference your Please furnish the following on the terms and conditions specified on both sides of this order and on the attached sheet, if any, including delivery as indicated.	
d. CITY Bethesda		e. STATE MD	f. ZIP CODE 20814-3444	Except for billing instructions on the reverse, this delivery/task order is subject to instructions contained on this side only of this form and is issued subject to the terms and conditions of the above-numbered contract.	
9. ACCOUNTING AND APPROPRIATION DATA Approp. No. 31X0300, BOC: 252A Job Code: L3011, B&R No. 330-15-601-390				10. REQUISITIONING OFFICE OIG	
11. BUSINESS CLASSIFICATION (Check appropriate box(es))					
<input type="checkbox"/> a. SMALL <input checked="" type="checkbox"/> b. OTHER THAN SMALL <input type="checkbox"/> c. DISADVANTAGED <input type="checkbox"/> d. WOMEN-OWNED					
12. F.O.B. POINT Origin		14. GOVERNMENT B/L NO.		15. DELIVER TO F.O.B. POINT ON OR BEFORE N/A	
				16. DISCOUNT TERMS Net 30	
13. PLACE OF		FOR INFORMATION CALL: (No collect calls)			
a. INSPECTION	b. ACCEPTANCE	Mr. Michael Mills 301-415-6550			

## 17. SCHEDULE (See reverse for Rejections)

ITEM NO. (A)	SUPPLIES OR SERVICES (B)	QUANTITY ORDERED (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)	QUANTITY ACCEPTED (G)
	<p>This Delivery Order is subject to the terms and conditions set forth under GSA Federal Supply Schedule GS-00F-0001N for auditing NRC's computer security program, policies, and practices in accordance with the attached Statement of Work (Attachment B). Period of performance: June 17, 2003 through December 31, 2003 with four (4) one-year options.</p> <p>Time and Material Delivery Order - Fixed Ceiling Price: \$764,939.00. Hours and labor rates are specified in Attachment C. Refer to Attachment A for additional terms and conditions, funding information, and base-year and option years estimates. Billing instructions are also attached.</p> <p>NRC Project Officer: Ms. Beth Serepca (301)415-5911 Alternate Project Officer: Ms. Vicki Foster (301) 415-5909 Amount Obligated: \$138,473.00</p>					

Accepted  
Robert F. Schildwachter,  
Chief Financial Officer

7/2/03  
Date

SEE BILLING INSTRUCTIONS ON REVERSE	18. SHIPPING POINT		19. GROSS SHIPPING WEIGHT		20. INVOICE NO.		SUBTOTAL
	21. MAIL INVOICE TO:						
	a. NAME U.S. Nuclear Regulatory Commission Division of Contracts						17(h) TOTAL (Cent. pages)
	b. STREET ADDRESS (or P.O. Box) Attn: Mail Stop T-7-I-2						17(h) GRAND TOTAL
c. CITY Washington		d. STATE DC	e. ZIP CODE 20555	Obligated \$138,473.00			
22. UNITED STATES OF AMERICA BY (Signature) 					23. NAME (Typed) Robert Webber		
TITLE: CONTRACTING/ORDERING OFFICER							

## TASK ORDER TERMS AND CONDITIONS

NOT SPECIFIED IN THE CONTRACT

### A.1 NRC ACQUISITION CLAUSES - (NRCAR) 48 CFR CH. 20

### A.2 OTHER APPLICABLE CLAUSES

☐ See Addendum for the following in full text (if checked)

☐ 52.216-18, Ordering

☐ 52.216-19, Order Limitations

☐ 52.216-22, Indefinite Quantity

☐ 52.217-6, Option for Increased Quantity

☐ 52.217-7, Option for Increased Quantity Separately Priced Line Item

☐ 52.217-8, Option to Extend Services

☒ 52.217-9, Option to Extend the Term of the Contract

### A.3 ELECTRONIC PAYMENT

The Debt Collection Improvement Act of 1996 requires that all payments except IRS tax refunds be made by Electronic Funds Transfer. It is the policy of the Nuclear Regulatory Commission to pay vendors by the Automated Clearing House (ACH) electronic funds transfer payment system. The electronic system is known as Vendor Express. Payment shall be made in accordance with FAR 52.232-33, entitled "Mandatory Information for Electronic Funds Transfer Payment".

To receive payment, the contractor shall complete the "Company Information" portion of the Standard Form 3881, entitled "ACH Vendor/Miscellaneous Payment Enrollment Form" found as an attachment to this document. The contractor shall take the form to the ACH Coordinator at the financial institution that maintains its company's bank account. The contractor shall discuss with the ACH Coordinator how the payment identification information (addendum record) will be passed to them once the payment is received by the financial institution. Further information concerning the addendum is provided at Attachment . The ACN Coordinator should fill out the "Financial Institution Information" portion of the form and return it to the Office of the Controller at the following address: Nuclear Regulatory Commission, Division of Accounting and Finance, Financial Operations Section, Mail Stop T-9-H-4, Washington, DC 20555, ATTN: ACH/Vendor Express. It is the responsibility of the contractor to ensure that the financial institution returns the completed form to the above cited NRC address. If the contractor can provide the financial information, signature of the financial institutions ACH Coordinator is

not required. The NRC is under no obligation to send reminders. Only after the Office of the Controller has processed the contractor's sign-up form will the contractor be eligible to receive payments.

Once electronic funds transfer is established for payments authorized by NRC, the contractor needs to submit an additional SF 3881 only to report changes to the information supplied.

Questions concerning ACH/Vendor Express should be directed to the Financial Operations staff at (301) 415-7520."

#### **A.4 SEAT BELTS**

Contractors, subcontractors, and grantees, are encouraged to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented, or personally owned vehicles.

#### **A.5 COMPLIANCE WITH U.S. IMMIGRATION LAWS AND REGULATIONS**

NRC contractors are responsible to ensure that their alien personnel are not in violation of United States Immigration and Naturalization (INS) laws and regulations, including employment authorization documents and visa requirements. Each alien employee of the Contractor must be lawfully admitted for permanent residence as evidenced by Alien Registration Receipt Card Form I-151 or must present other evidence from the Immigration and Naturalization Services that employment will not affect his/her immigration status. The INS Office of Business Liaison (OBL) provides information to contractors to help them understand the employment eligibility verification process for non-US citizens. This information can be found on the INS website, <http://www.ins.usdoj.gov/graphics/services/employerinfo/index.htm#obl>.

The NRC reserves the right to deny or withdraw Contractor use or access to NRC facilities or its equipment/services, and/or take any number of contract administrative actions (e.g., disallow costs, terminate for cause) should the Contractor violate the Contractor's responsibility under this clause.

(End of Clause)

## Attachment A

### Additional Terms and Conditions:

52.217-9

#### Option to Extend the Term of the Contract (Mar 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor within 30 days of the expiration on this contract; provided, that the Government shall give the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option provision.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed December 31, 2007.

(End of Clause)

NRCAR-2052.215-70

#### Key Personnel (Jan 1993)

(a) The following individuals are considered to be essential to the successful performance of the work hereunder:

Jane Laroussi

The contractor agrees that personnel may not be removed from the contract work or replaced without compliance with paragraphs (b) and (c) of this section.

(b) If one or more of the key personnel, for whatever reason, becomes, or is expected to become, unavailable for work under this contract for a continuous period exceeding 30 work days, or is expected to devote substantially less effort to the work than indicated in the proposal or initially anticipated, the contractor shall immediately notify the contracting officer and shall, subject to the concurrence of the contracting officer, promptly replace the personnel with personnel of at least substantially equal ability and qualifications.

(c) Each request for approval of substitutions must be in writing and contain a detailed explanation of the circumstances necessitating the proposed substitutions. The request must also contain a complete resume for the proposed substitute and other information requested or needed by the contracting officer to evaluate the proposed substitution. The contracting officer and the project officer shall evaluate the contractor's request and the contracting officer shall promptly notify the contractor of his or her decision in writing.

(d) If the contracting officer determines that suitable and timely replacement of key personnel who have been reassigned, terminated, or have otherwise become unavailable for the contract work is not reasonably forthcoming, or that the resultant reduction of productive effort would be so substantial as to impair the successful completion of the contract or the service order, the contract may be terminated by the contracting officer for default or for the convenience of the Government, as appropriate. If the contracting officer finds the contractor at fault for the condition, the contract price or fixed fee may be equitably adjusted downward to compensate the Government for any resultant delay, loss, or damage.

(End of Clause)

**Funding:**

This delivery order is fully funded in the amount of \$138,473.00 which is estimated to cover the base year period. The delivery order may be modified at a future date to add additional funds contingent upon their availability. No legal liability on the part of the NRC may arise for performance beyond the amount of this funding. Also, the Contractor shall not be obligated to continue performance beyond the amount of this partial funding unless and until the Contracting Officer increases the amount obligated with respect to this order. The estimated aggregate total of this order for the four-year period is \$764,939.00.

The estimated total of this order for the base year and option years 1 through 4 is \$764,939.00.

Total Aggregate Amount (estimated) for the Base Year Period .....	\$138,473.00 (ceiling)
Total Aggregate Amount (estimated) for Option Year 1.....	\$145,376.00 (ceiling)
Total Aggregate Amount (estimated) for Option Year 2.....	\$152,625.00 (ceiling)
Total Aggregate Amount (estimated) for Option Year 3.....	\$160,236.00 (ceiling)
Total Aggregate Amount (estimated) for Option Year 4.....	\$168,228.00 (ceiling)

Total Estimated Aggregate Amount .....\$764,939.00

## Attachment B

### STATEMENT OF WORK

#### REVIEW OF the FEDERAL INFORMATION SECURITY MANAGEMENT ACT OF 2002

##### A. BACKGROUND

The Federal Information Security Management Act of 2002 (FISMA) (1) provides a comprehensive framework for ensuring the effectiveness of information security controls over information resources that support Federal operations and assets; (2) recognizes the highly networked nature of the current Federal computing environment and provides effective government wide management and oversight of the related information security risks; (3) provides for development and maintenance controls required to protect Federal information and information systems; and (4) provides a mechanism for improved oversight of Federal information security programs.

FISMA requires an independent evaluation of an agency's information security program and practices to determine the effectiveness of such program and practices. The evaluation shall also include (A) testing the effectiveness of information security policies, procedures and practices of a representative subset of the agency's systems; (B) an assessment made on the basis of the results of the testing) of compliance with related information security policies, procedures, standards and guidelines.

The FISMA also requires an assessment of compliance with requirements and related information security policies, procedures, standards, and guidelines. The assessments, performed annually, shall provide an agency's senior management and others with the needed information to determine the effectiveness of overall security programs and to develop strategies/best practices for improving information security.

In addition, OMB Circular A-130, *Management of Federal Information Resources*, Appendix III requires agencies to implement and maintain an automated information systems security program, including the preparation of policies, standards, and procedures. An effective computer security program is an important managerial responsibility. Management establishes a positive climate by making computer security a part of the information resources management process and by providing support for a viable computer security program.

Once the computer security program is in place, an organization should periodically reassess the computer security program goals, policies, and objectives. Reassessment is also done as significant changes occur in its technological, managerial, economic, political environment, or in external federal requirements. If there has been significant change, the computer security program should be modified accordingly.

Under this requirement, the Office of the Inspector General (OIG) is seeking contractor services for performance audits, as defined by the General Accounting Office's *Government Auditing Standards*, assessing the computer security program of the U.S. Nuclear Regulatory Commission (NRC), including assessments of selected component computer security programs. The contractor shall identify problems that exist and make recommendations for

corrective actions. A security program assessment is a high-level, qualitative review of the information security program. This shall include evaluating the degree of compliance with the applicable criteria for a security program and effectiveness of its automated and manual controls. The assessment shall also focus on the operating environment, general management practices, and the degree of managerial support for the computer security program.

## **B. SCOPE OF WORK**

The contractor shall prepare an overall audit of NRC's computer security program, policies and practices which shall include:

- (a) preparing a Final Project Plan/Audit Program which shall reflect the approach/methodology to be employed and the processes to be undertaken by the contractor in support of this requirement (Task 1)
- (b) performing an independent evaluation of NRC's FY 2003 information security program and practices (Task 2(a)) and testing for the effectiveness of information security control techniques for seven systems (Task 2(b)) which will be determined by the contractor in conjunction with the Project Officer.
- (c) evaluating the agency's progress toward completing weaknesses addressed within the 2003 Plan of Action and Milestones (POA&Ms) - Refer to OMB Instructions at <http://www.whitehouse.gov/omb/>.
- (d) preparing a review of NRC's 2003 POA&Ms (Task 3).

All tasks in this Statement of Work shall be completed with respect to NRC identified major systems. These systems are characterized by the NRC as sensitive but unclassified systems. No national security systems will be included in this Statement of Work

The contractor shall perform the work in accordance with generally accepted Government auditing standards, as specified in the General Accounting Office's *Government Auditing Standards*, 1994 revision and additional reporting requirements of the Office of Management and Budget (OMB). Specifically, the work shall focus on evaluating the adequacy of the NRC's computer security program and practices for NRC major systems of record for Fiscal Year 2003. The NRC's Office of the Chief Information Officer is responsible for providing guidance on security issues related to major applications and general support systems which includes monitoring compliance with the provisions of applicable Federal statutes, policies, and regulations as they apply.

### **Task 1: Final Project Plan/Audit Program**

The contractor shall provide the Project Officer with a Final Project Plan/Audit Program. At a minimum, the Final Project Plan/Audit Program shall detail:

The approach/methodology to be employed and the processes (i.e., tasks, subtasks, etc.) to be undertaken by the contractor. A schedule of milestones for completing each phase of the audit, to include, the level of effort and delivery date for each phase. A listing of staff that will be assigned to the audit and their security clearance level. If additional staff are required to work on this effort at a later date, those individuals will not be allowed to work on this project until the required NRC security requirements and approvals have been obtained. In addition, a schedule of budgeted hours by skill level for each section of the audit shall be provided. The audit program specific to this requirement, shall, at a minimum, require the evaluation of general controls.

*Task 1 Deliverable: Final Project Plan/Audit Program*

**Task 2: Reporting on the Government Information Security Reform Act (GISRA)**

The contractor shall respond to all OMB Instructions as reflected at <http://www.whitehouse.gov/omb/> and the OIG Audit Instructions given to the action office (i.e., Office of the Chief Information Officer (OCIO)) as a result of GISRA report recommendations. A copy of the OIG Audit Instructions provided to the OCIO is reflected at Attachment 1. The contractor shall: perform an independent evaluation of NRC's information security program and practices and prepare a Draft and Final Independent Evaluation Report for FY 03. The work shall include the review and evaluation of the management controls and testing of information security control techniques for major application systems. The Draft and Final Independent Evaluation Reports shall be provided to the Project Officer by the established date reflected under Schedule of Deliverables. In addition, the contractor shall prepare and submit to the Project Officer a Draft and Final Executive Summary which shall be provided to the Project Officer by the established date reflected under Schedule of Deliverables.

(a) OMB Instructions

The contractor shall use the most current OMB GISRA reporting guidance which can be located at the following website: [http:// www.whitehouse.gov/omb/](http://www.whitehouse.gov/omb/).

(b) OIG Specifications

**Verification/Tests of Information Security Controls**

The contractor shall evaluate management controls, and test the effectiveness of information security control techniques for major application systems. The management control review shall include the organization, policies, and procedures used to reasonably ensure that:

- a. programs achieve their intended results;
- b. resources are used consistent with agency mission;
- c. programs and resources are protected from waste, fraud, and mismanagement;
- d. laws and regulations are followed; and
- e. reliable and timely information is obtained, maintained, reported and used for decision making.



The tests of information security controls on seven NRC systems, shall consist of :

- a. Identification, Authentication, and Password Management (for example: password dictionary attacks, password maximum age, password minimum age, password length, password expiration, password uniqueness, accounts lacking passwords, and accounts with passwords that cannot be changed).
- b. Login Management (for example: excessive dormant accounts, account lockout, account lockout duration, warning banners, identification of primary access control software and files and procedures for ensuring that all software runs under its control, review of access authorizations for appropriateness and completeness, and review of interfaces with the access control package for integrity).
- c. Account Integrity (for example: inappropriate user rights, advanced user rights and privileges; accounts missing user's full name; administrator accounts not renamed; guest accounts not disabled; and login time restrictions).
- d. System Auditing (for example: system auditing improperly disabled, event logs too small, event logs improperly overwritten, and handling and availability of system logs).
- e. Remote Access Service (RAS) Procedures (for example: RAS properly disabled, RAS encrypted passwords, authentication retry limits, authentication time limits, RAS auditing, and RAS data encryption).
- f. Procedures which ensure that Software and Operating System Patches are kept current.
- g. Physical Controls (for example: physical access controls and their effectiveness, locks and entry procedures, protection against hardware and software theft, other human and machine-related threats, procedures for off-site storage of data and software, and access authorization procedures and monitoring devices).
- h. Personnel Controls (for example: personnel security policies).
- i. Environmental Controls (for example: uninterrupted power supply, HVAC controls, raised floors in server room, alarms).
- j. System and Network Backup and Restoration Controls.
- k. Data Communication Network Safeguards connections with external entities and

**Task 2 Deliverables:**

*Draft and Final Independent Evaluation Report*  
*Draft Revisions*  
*Draft and Final Executive Summary*

**TASK 3: REVIEW OF NRC'S 2003 PLAN OF ACTION AND MILESTONES**

The contractor shall prepare a review of NRC's 2003 Plan of Action and Milestones (POA&Ms) to determine whether the agency's actions will adequately address the weaknesses identified in the OIG's independent evaluation of NRC's FY2003 information security program and the OCIO's annual system and program reviews. This review shall provide a written analysis indicating the status of each action as "unresolved", "resolved", or "closed" based upon the OIG Audit Guidance provided to the OCIO (Attachment 1), OMB Instructions at <http://www.whitehouse.gov/omb>, and the contractor's expertise.

*Task 3 Deliverable: Report on NRC's 2003 Plan of Action and Milestones*

### **C. SCHEDULE OF DELIVERABLES**

The contractor shall submit deliverables in accordance with the established due date as reflected below:

<b>TASK</b>	<b>DELIVERABLE</b>	<b>DUE DATE</b>
Task 1	Final Project Plan/Audit Program	Five working days after award of delivery order.
Task 2	Draft Independent Evaluation Report	August 15, 2003
Task 2	Draft Executive Summary	August 15, 2003
Task 2	Draft Revisions	August 22, 2003
Task 2	Final Independent Evaluation Report	September 9, 2003
Task 2	Final Executive Summary	September 9, 2003
Task 3	Analysis of Review of NRC's 2003 POA&Ms)	October 15, 2003
Reports	Monthly Progress Report	Within 5 working days after the end of the month.
Meetings	Status Meetings	As required by the Project Officer.

The contractor shall provide the Project Officer with one hard copy original of all draft reports and one hard copy and one diskette for all final reports. The contractor shall ensure that the

diskette containing any final report is submitted in WordPerfect or compatible word processing format. In addition, all deliverables submitted under this contract shall be accompanied by a transmittal letter which shall identify the delivery order number and the services/products delivered.

All documents, either in electronic or printed form, and the media upon which they are contained shall be protected consistent with the overall sensitivity of the document. The contractor shall not maintain archived material relating to the computer information security conclusions of the project. The only authorized backup media are computer diskette or compact disk (CD), which in turn shall also be surrendered to the NRC OIG upon project completion. The contractor shall certify, in writing, to the Project Officer, that server backup media, whether tape or diskette, has been purged of related material pertinent to this project.

***Option Years Task 4,5,6,7: (FY 2004, FY 2005, FY 2006, FY 2007)***

Option Year 2004: The contractor shall perform the same work as reflected under Tasks 1-3 during Calendar Year 2004 should the Government exercise the optional period in accordance with Section J of this requirement. Should the Government exercise the optional requirement, the Schedule of Deliverables is as follows:

***Task 4 Deliverables:***

DELIVERABLE	DUE DATE
Project Plan	Five working days after award of the option period.
Draft Independent Evaluation Report	August 14, 2004
Draft Executive Summary	August 14, 2004
Draft Revisions	August 22, 2004
Final Independent Evaluation Report	September 9, 2004
Final Executive Summary	September 9, 2004
Analysis of NRC's 2003 POA&Ms	October 15, 2004
Monthly Progress Reports	Within 5 working days after the end of the month.
Status Meetings	As required by the Project Officer.

***Task 4 Deliverables:***

**Option Year 2005:** The contractor shall perform the same work as reflected under Tasks 1-3 during Calendar Year 2005 should the Government exercise the optional period in accordance with Section J of this requirement. Should the Government exercise the optional requirement, the Schedule of Deliverables is as follows:

***Task 4 Deliverables***

<b>DELIVERABLE</b>	<b>DUE DATE</b>
Project Plan	Five working days after award of the option period.
Draft Independent Evaluation Report	August 14, 2005
Draft Executive Summary	August 14, 2005
Draft Revisions	August 22, 2005
Final Independent Evaluation Report	September 9, 2005
Final Executive Summary	September 9, 2005
Analysis of NRC's 2003 POA&Ms	October 15, 2005
Monthly Progress Reports	Within 5 working days after the end of the month.
Status Meetings	As required by the Project Officer.

***Task 4 Deliverables***

**Option Year 2006:** The contractor shall perform the same work as reflected under Tasks 1-3 during Calendar Year 2006 should the Government exercise the optional period in accordance with Section J of this requirement. Should the Government exercise the optional requirement, the Schedule of Deliverables is as follows

<b>DELIVERABLE</b>	<b>DUE DATE</b>
Project Plan	Five working days after award of the option period.
Draft Independent Evaluation Report	August 14, 2006
Draft Executive Summary	August 14, 2006
Draft Revisions	August 22, 2006

Final Independent Evaluation Report	September 9, 2006
Final Executive Summary	September 9, 2006
Analysis of NRC's 2003 POA&Ms	October 15, 2006
Monthly Progress Reports	Within 5 working days after the end of the month.
Status Meetings	As required by the Project Officer.

Option Year 2007: The contractor shall perform the same work as reflected under Tasks 1-3 during Calendar Year 2007 should the Government exercise the optional period in accordance with Section J of this requirement. Should the Government exercise the optional requirement, the Schedule of Deliverables is as follows

DELIVERABLE	DUE DATE
Project Plan	Five working days after award of the option period.
Draft Independent Evaluation Report	August 14, 2007
Draft Executive Summary	August 14, 2007
Draft Revisions	August 22, 2007
Final Independent Evaluation Report	September 9, 2007
Final Executive Summary	September 9, 2007
Analysis of NRC's 2003 POA&Ms	October 15, 2007
Monthly Progress Reports	Within 5 working days after the end of the month.
Status Meetings	As required by the Project Officer.

#### **D. MONTHLY PROGRESS REPORTS AND STATUS MEETINGS**

The contractor shall prepare and submit to the Project Officer and Contracting Officer written progress reports which shall be delivered to the individuals reflects at Section E. Progress

reports shall be submitted to the Project Officer and Contracting Officer within 5 days after the end of the month. Progress reports shall discuss the status of all on-going work related to the specific tasks listed in the Statement of Work. At a minimum, each progress report shall contain a description of:

- a. Work performed during the reporting period just ended;
- b. Work to be performed during the next reporting period;
- c. Any problems encountered with corrective action proposed or taken and a statement about the potential impact of the problem; including any government action required;
- d. An estimate of the percentage of work completed for each task; and
- e. The hours expended to-date and for the preceding reporting period just ended.
- f. Costs incurred to date.

## 2. Status Meetings

Status meetings between the contractor, NRC personnel, and Project Officer shall be held on a bi-weekly basis or as mutually agreed to by the Project Officer. It is estimated that approximately 10 trips to NRC Headquarters located in Rockville, Maryland will be required by the contractor during the base period of this effort for performance of work under Tasks 1 through 3, which the NRC has stipulated a not to exceed amount of \$200.00 during the base period of this effort. It is estimated that 15 trips to NRC Headquarters will be required during the option period should the NRC exercise the optional requirement reflected under Task 4, which reflects a not to exceed amount of \$200.00 for each option period. The contractor is advised that the NRC may elect to have some meetings at the contractor's facility.

At a minimum, the following shall be discussed:

- a. Contact information for audit staff currently on site;
- b. The status of action items from the last meeting, including any corrective action undertaken;
- c. The results of audit work performed since the last status meeting;
- d. Outstanding documentation requests/potential delays;
- e. A listing of current findings/audit issues to date;
- f. Planned audit areas/work to be completed by the next status meeting;
- g. Upcoming deadlines; and

Other potential areas of discussion shall include access to records and documents, significant

accomplishments, and any other area(s) where the contractor, NRC component, and Project Officer may need clarification.

#### **E. PLACE OF DELIVERY-REPORTS**

The items to be furnished hereunder shall be delivered to the individuals reflected below, with all charges paid by the Contractor and shall be provided by the established delivery date:

a) Name: Project Officer: Beth Serepca (5 copies)  
Address: U.S. Nuclear Regulatory Commission  
Office of the Inspector General  
Mail Stop: T-5-D28  
Washington, DC 20555.

b) Name: Contracting Officer: Robert Webber  
Contract Specialist: Michael Mills  
Address: U.S. Nuclear Regulatory Commission  
Mail Stop: T-7-I-2  
Washington, DC 20555

#### **F. 52.215-71 PROJECT OFFICER AUTHORITY**

(a) The contracting officer's authorized representative, hereinafter referred to as the project officer, for this contract is:

Name: Beth Serepca  
Address: U.S. Nuclear Regulatory Commission  
Office of the Inspector General  
Mail Stop: T-5-D28  
Washington, DC 20555

Telephone Number: (301) 415-5911

Alternate Project Officer: Vicki Foster

Telephone Number: (301) 415-5909

(b) Performance of the work under this contract is subject to the technical direction of the NRC project officer. The term "technical direction" is defined to include the following:

(1) Technical direction to the contractor which shifts work emphasis between areas of work or tasks, fills in details, or otherwise serves to accomplish the contractual statement of work.

(2) Provide advice and guidance to the contractor in the preparation of drawings, specifications, or technical portions of the work description.

(3) Review and, where required by the contract, approval of technical reports, drawings, specifications, and technical information to be delivered by the contractor to the Government under the contract.

(c) Technical direction must be within the general statement of work stated in the contract. The project officer does not have the authority to and may not issue any technical direction which:

(1) Constitutes an assignment of work outside the general scope of the contract.

(2) Constitutes a change as defined in the "Changes" clause of this contract.

(3) In any way causes an increase or decrease in the total estimated contract cost, the fixed fee, if any, or the time required for contract performance.

(4) Changes any of the expressed terms, conditions, or specifications of the contract.

(5) Terminates the contract, settles any claim or dispute arising under the contract, or issues any unilateral directive whatever.

(d) All technical direction must be issued, in writing by the Project Officer, or must be confirmed by the Project Officer, in writing, within ten (10) working days after verbal issuance with a copy to the Contracting Officer.

(e) The contractor shall proceed promptly with the performance of technical directions duly issued by the project officer in the manner prescribed by this clause and within the project officer's authority under the provisions of this clause.

(f) If, in the opinion of the contractor, any instruction or direction issued by the project officer is within one of the categories as defined in paragraph (c) of this section, the contractor may not proceed but shall notify the contracting officer in writing within five (5) working days after the receipt of any instruction or direction and shall request the contracting officer to modify the contract accordingly. Upon receiving the notification from the contractor, the contracting officer shall issue an appropriate contract modification or advise the contractor in writing that, in the contracting officer's opinion, the technical direction is within the scope of this article and does not constitute a change under the "Changes" clause.

(g) Any unauthorized commitment or direction issued by the project officer may result in an unnecessary delay in the contractor's performance and may even result in the contractor expending funds for unallowable costs under the contract.

(h) A failure of the parties to agree upon the nature of the instruction or direction or upon the contract action to be taken with respect thereto is subject to 52.233-1 - Disputes.

(i) In addition to providing technical direction as defined in paragraph (b) of the section, the project officer shall:

(1) Monitor the contractor's technical progress, including surveillance and assessment of performance, and recommend to the contracting officer changes in requirements.



- (2) Assist the contractor in the resolution of technical problems encountered during performance.
- (3) Review all costs requested for reimbursement by the contractor and submit to the contracting officer recommendations for approval, disapproval, or suspension of payment for supplies and services required under this contract.
- (4) Assist the contractor in obtaining the badges for the contractor personnel.
- (5) Immediately notify the Personnel Security Branch, Division of Facilities and Security (PERSEC/DFS) (via e-mail) when a contractor employee no longer requires access authorization and return the individual's badge to PERSEC/DFS within three days after termination.

#### **G. PAYMENT**

The contractor shall submit itemized billings, by task, for work performed under this delivery order. Federal Acquisition Regulation Clause 52.2 52.243-3 - Changes - Time-and-Materials or Labor-Hours is applicable to this delivery order and is hereby incorporated by reference and made apart of this requirement.

#### **H. CONSIDERATION AND OBLIGATION**

- a. The total estimated cost to the Government for full performance of work under this delivery order is \$ (refer to Attachment 2).
- b. The amount obligated by the Government with respect to this delivery order is \$ The obligated amount shall, at no time, exceed the ceiling. The Contractor shall notify the Contracting Officer in writing whenever it has reason to believe that the costs it expects to incur under this contract in the next 30 days, when added to all costs previously incurred, will exceed 85 percent of the total amount obligated to the contract by the Government. The notice shall state the estimated amount of additional funds required to continue performance for the period specified in the Schedule. When and if the amount(s) paid and payable to the Contractor hereunder shall equal the obligated amount, the Contractor shall not be obligated to continue performance of the work unless and until the Contracting Officer shall increase the amount obligated with respect to this order. Any work undertaken by the Contractor in excess of the obligated amount specified above is done so at the Contractor's sole risk.

#### **I. PERIOD OF PERFORMANCE**

The estimated period of performance is from June 12, 2003 through December 31, 2003 with an additional four one-year option periods (refer to Paragraph J - Options to Extend the Term of Delivery Order). Option periods will be exercised by issuance of a modification at the fixed hourly rates reflected in the schedule

#### **J. OPTIONS TO EXTEND THE TERM OF THIS DELIVERY ORDER.**

(a) The Government may extend the term of this delivery order by written notice to the contractor within 60 days; provided that the Government gives the contractor a preliminary written notice of its intent to extend at least 60 days before the delivery order expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended delivery order shall be considered to include this option clause.

(c) The total duration of this delivery order, including the exercise of any option periods under this clause, shall not exceed 5 years.

#### **K. GOVERNMENT FURNISHED PROPERTY/EQUIPMENT**

The Government will not provide any property/equipment to the contractor for performance of work under this delivery order.

#### **L. CONFLICT OF INTEREST**

The contractor must provide an independent objective evaluation of systems in performance of this delivery order. An organizational conflict of interest will disqualify any offeror or bidder. The term "organizational conflict of interest" means a situation where a contractor has interests, either due to its other activities or its relationships with other organizations, which place it in a position that may be unsatisfactory or unfavorable (a) from the Government's standpoint in being able to secure impartial, technically sound, objective assistance and advice from the contractor, or in securing the advantages of adequate competition in its procurement; or (b) from industry's standpoint in that unfair competitive advantages may accrue to the contractor

#### **M. SECURITY**

(a) Security/Classification Requirements Form. The attached NRC Form 187 (Attachment 3), furnishes the basis for providing security and classification requirements to prime contractors, subcontractors, or others (e.g., bidders) who have or may have an NRC contractual relationship that requires access to classified information or matter, access on a continuing basis (in excess of 30 or more days) to NRC Headquarters controlled buildings, or otherwise requires NRC photo identification or card-key badges.

(b) It is the contractor's duty to safeguard National Security Information, Restricted Data, and Formerly Restricted Data. The contractor shall, in accordance with the Commission's security regulations and requirements, be responsible for safeguarding National Security Information, Restricted Data, and Formerly Restricted Data, and for protecting against sabotage,

espionage, loss, and theft, the classified documents and material in the contractor's possession in connection with the performance of work under this contract. Except as otherwise expressly provided in this contract, the contractor shall, upon completion or termination of this contract, transmit to the Commission any classified matter in the possession of the contractor or any person under the contractor's control in connection with performance of this contract. If retention by the contractor of any classified matter is required after the completion or termination of the delivery order and the retention is approved by the contracting officer, the contractor shall complete a certificate of possession to be furnished to the Commission specifying the classified matter to be retained. The certification must identify the items and types or categories of matter retained, the conditions governing the retention of the matter and their period of retention, if known. If the retention is approved by the contracting officer, the security provisions of the delivery order continue to be applicable to the matter retained.

(c) In connection with, the performance of the work under this contract, the contractor may be furnished, or may develop or acquire, proprietary data (trade secrets) or confidential or privileged technical, business, or financial information, including Commission plans, policies, reports, financial plans, internal data protected by the Privacy Act of 1974 (Pub. L. 93-579), or other information which has not been released to the public or has been determined by the Commission to be otherwise exempt from disclosure to the public. The contractor agrees to hold the information in confidence and not to directly or indirectly duplicate, disseminate, or disclose the information in whole or in part to any other person or organization except as may be necessary to perform the work under this contract. The contractor agrees to return the information to the Commission or otherwise dispose of it at the direction of the contracting officer. Failure to comply with this clause is grounds for termination of this contract.

(d) Regulations. The contractor agrees to conform to all security regulations and requirements of the Commission which are subject to change as directed by the NRC Division of Facilities and Security and the Contracting Officer. These changes will be under the authority of the FAR Changes clause referenced in this document.

(e) Definition of National Security Information. The term National Security Information, as used in this clause, means information that has been determined pursuant to Executive Order 12958 or any predecessor order to require protection against unauthorized disclosure and that is so designated.

(f) Definition of Restricted Data. The term Restricted Data, as used in this clause, means all data concerning design, manufacture, or utilization of atomic weapons; the production of special nuclear material; or the use of special nuclear material in the production of energy, but does not include data declassified or removed from the Restricted Data category pursuant to Section 142 of the Atomic Energy Act of 1954, as amended.

(g) Definition of Formerly Restricted Data. The term Formerly Restricted Data, as used in this clause, means all data removed from the Restricted Data category under Section 142-d of the Atomic Energy Act of 1954, as amended.

(h) Security Clearance Personnel. The contractor may not permit any individual to have access to Restricted Data, Formerly Restricted Data, or other classified information, except in

accordance with the Atomic Energy Act of 1954, as amended, and the Commission's regulations or requirements applicable to the particular type or category of classified information to which access is required. The contractor shall also execute a Standard Form 312, Classified Information Non-disclosure Agreement, when access to classified information is required.

(i) **Criminal Liabilities.** It is understood that disclosure of National Security Information, Restricted Data, and Formerly Restricted Data relating to the work or services ordered hereunder to any person not entitled to receive it, or failure to safeguard any Restricted Data, Formerly Restricted Data, or any other classified matter that may come to the contractor or any person under the contractor's control in connection with work under this contract, may subject the contractor, its agents, employees, or subcontractors to criminal liability under the laws of the United States. (See the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq.; 18 U.S.C. 793 and 794; and Executive Order 12958.)

(j) **Subcontracts and Purchase Orders.** Except as otherwise authorized in writing by the contracting officer, the contractor shall insert provisions similar to the foregoing in all subcontracts and purchase orders under this contract.

(k) In performing the delivery order work, the contractor shall classify all documents, material, and equipment originated or generated by the contractor in accordance with guidance issued by the Commission. Every subcontract and purchase order issued hereunder involving the origination or generation of classified documents, material, and equipment must provide that the subcontractor or supplier assign classification to all documents, material, and equipment in accordance with guidance furnished by the contractor.

#### **SITE ACCESS BADGE REQUIREMENTS**

During the life of this contract, the rights of ingress and egress for contractor personnel must be made available, as required, provided that a badge is issued after favorable adjudication from the Personnel Security Branch, Division of Facilities and Security (PERSEC/DFS). In this regard, all contractor personnel whose duties under this delivery order require their presence on-site shall be clearly identifiable by a distinctive badge furnished by the Government. The Project Officer shall assist the contractor in obtaining the badges for the contractor personnel. It is the sole responsibility of the contractor to ensure that each employee has a proper Government-issued identification/badge at all times. All prescribed identification must be immediately (no later than three days) delivered to PERSEC/DFS for cancellation or disposition upon the termination of employment of any contractor personnel. Contractor personnel must have this identification in their possession during on-site performance under this contract. It is the contractor's duty to assure that contractor personnel enter only those work areas necessary for performance of delivery order work, and to assure the safeguarding of any Government records or data that contractor personnel may come into contact with.

#### **SECURITY REQUIREMENTS FOR INFORMATION TECHNOLOGY SERVICES**

The proposer/contractor must identify all individuals and propose the level of Information Technology (IT) approval for each, using the following guidance. The NRC sponsoring office shall make the final determination of the level, if any, of IT approval required for all individuals

working under this contract.

The Government shall have and exercise full and complete control over granting, denying, withholding, or terminating building access approvals for individuals performing work under this contract.

#### **CONTRACTOR SECURITY REQUIREMENTS FOR LEVEL I**

Performance under this delivery order will involve prime contractor personnel, subcontractors or others who perform services requiring direct access to or operate agency sensitive information technology systems or data (IT Level 1).

The IT Level I involves responsibility for the planning, direction, and implementation of a computer security program; major responsibility for the direction, planning, and design of a computer system, including hardware and software; or the capability to access a computer system during its operation or maintenance in such a way that could cause or that has a relatively high risk of causing grave damage; or the capability to realize a significant personal gain from computer access. Such contractor personnel shall be subject to the NRC contractor personnel security requirements of NRC Management Directive (MD) 12.3, Part I and will require a favorably adjudicated Limited Background Investigation (LBI).

A contractor employee shall not have access to NRC facilities, sensitive information technology systems or data until he/she is approved by Personnel Security Branch, Division of Facilities and Security (PERSEC/DFS) first for temporary access (based on a favorable adjudication of their security forms and checks) and final access (based on a favorably adjudicated LBI) in accordance with the procedures found in NRC MD 12.3, Part I. The individual will be subject to a reinvestigation every 10 years. Timely receipt of properly completed security applications is a delivery order requirement. Failure of the contractor to comply with this condition within the ten work-day period may be a basis to void the notice of selection. In that event, the Government may select another firm for award.

The contractor shall submit a completed security forms packet, including the SF-86, "Questionnaire for National Security Positions," and fingerprint charts, through the Project Officer to PERSEC/DFS for review and favorable adjudication, prior to the individual performing work under this contract. The contractor shall assure that all forms are accurate, complete, and legible (except for Part 2 of the questionnaire, which is required to be completed in private and submitted by the individual to the contractor in a sealed envelope), as set forth in MD 12.3 which is incorporated into this delivery order by reference as though fully set forth herein. Based on PERSEC review of the applicant's security forms and/or the receipt of adverse information by NRC, the individual may be denied access to NRC facilities, sensitive information technology systems or data until a final determination is made of his/her eligibility under the provisions of MD 12.3. Any questions regarding the individual's eligibility for IT Level I approval will be resolved in accordance with the due process procedures set forth in MID 12.3 Exhibit 1 and E. O. 12968.

In accordance with NRCAR 2052.204-70 "Security," IT Level I contractors shall be subject to the attached NRC Form 187 (See Section J for List of Attachments) which furnishes the basis for providing security requirements to prime contractors, subcontractors or others (e.g.,

bidders) who have or may have an NRC contractual relationship which requires access to or operation of agency sensitive information technology systems or remote development and/or analysis of sensitive information technology systems and data or other access to such systems and data; access on a continuing basis (in excess of 30 days) to NRC Headquarters controlled buildings; or otherwise requires NRC photo identification or card-key badges.

## **CONTRACTOR SECURITY REQUIREMENTS FOR LEVEL II**

Performance under this delivery order will involve contractor personnel that develop and/or analyze sensitive information technology systems or data or otherwise have access to such systems and data (IT Level II).

The IT Level 11 involves responsibility for the planning, design, operation, or maintenance of a computer system and all other computer or IT positions. Such contractor personnel shall be subject to the NRC contractor personnel requirements of MID 12.3, Part 1, which is hereby incorporated by reference and made a part of this delivery order as though fully set forth herein, and will require a favorably adjudicated Access National Agency Check with Inquiries (ANACI).

A contractor employee shall not have access to NRC facilities, sensitive information technology systems or data until he/she is approved by PERSEC/DFS first for temporary access (based on a favorable review of their security forms and checks) and final access (based on a favorably adjudicated ANACI) in accordance with the procedures found in MD 12.3, Part 1. The individual will be subject to a reinvestigation every 10 years. Timely receipt of properly completed security applications is a delivery order requirement. Failure of the contractor to comply with this condition within the ten work-day period may be a basis to void the notice of selection. In that event, the Government may select another firm for award.

The contractor shall submit a completed security forms packet (enclosed), including the SF-86, "Questionnaire for National Security Positions," and fingerprint charts, through the Project Officer to the NRC PERSEC/DFS for review and favorable adjudication, prior to the individual performing work under this contract. The contractor shall assure that all forms are accurate, complete, and legible (except for Part 2 of the questionnaire, which is required to be completed in private and submitted by the individual to the contractor in a sealed envelope), as set forth in MD 12.3. Based on PERSEC review of the applicant's security forms and/or the receipt of adverse information by NRC, the individual may be denied access to NRC facilities, sensitive information technology systems or data until a final determination is made of his/her eligibility under the provisions of MD 12.3. Any questions regarding the individual's eligibility for IT Level II approval will be resolved in accordance with the due process procedures set forth in MD 12.3 Exhibit 1 and E. O. 12968.

In accordance with NRCAR 2052.204-70 "Security," IT Level II contractors shall be subject to the attached NRC Form 187 (See Section J for List of Attachments) which furnishes the basis for providing security requirements to prime contractors, subcontractors or others (e.g. bidders) who have or may have an NRC contractual relationship which requires access to or operation of agency sensitive information technology systems or remote development and/or analysis of sensitive information technology systems and data or other access to such systems and data; access on a continuing basis (in excess of 30 days) to NRC Headquarters controlled buildings;

or otherwise requires NRC photo identification or card-key badges.

#### **CANCELLATION OR TERMINATION OF IT ACCESS/REQUEST**

When a request for investigation is to be withdrawn or canceled, the contractor shall immediately notify the Project Officer by telephone in order that he/she will contact the PERSEC/DFS so that the investigation may be promptly discontinued. The notification shall contain the full name of the individual, and the date of the request. Telephone notifications must be promptly confirmed in writing to the Project Officer who will forward the confirmation to the PERSEC/DFS. Additionally, PERSEC/DFS must be immediately notified when an individual no longer requires access to NRC sensitive automated information technology systems or data including the voluntary or involuntary separation of employment of an individual who has been approved for or is being processed for access under the NRC Personnel Security Program.

#### **N. DISCLOSURE**

Contractor team members will not disclose, share, or otherwise make public the results of the assessments beyond the requirements of the written results for inclusion as a deliverable report. The number of deliverable reports will be strictly accounted for, with a statement included of the number of reports copies produced. Contractor team members will not discuss their activities or findings with family members, co-workers, colleagues, or other contractor or Government personnel outside of a controlled venue requiring the presence of the Project Officer.

#### **O. SUBCONTRACTORS**

Except as specifically approved in writing, and in advance by the Contracting Officer, the contractor shall not subcontract any work procured hereunder.

**This document is for the contractor's information purposes only.**

**INSTRUCTIONS PROVIDED TO THE NRC ACTION OFFICES FOR  
RESPONDING TO OIG REPORT RECOMMENDATIONS**

**Instructions for Action Offices**

Action offices should provide a written response on each recommendation within 30 days of the date of the transmittal memorandum or letter accompanying the report. The concurrence or clearance of appropriate offices should be shown on the response. After the initial response, responses to subsequent OIG correspondence should be sent on a schedule agreed to with OIG.

Please ensure the response includes:

1. The report number and title, followed by each recommendation. List the recommendations by number, repeating its text verbatim.
2. A management decision for each recommendation indicating agreement or disagreement with the recommended action.
  - a. For agreement, include corrective actions taken or planned, and actual or target dates for completion.
  - b. For disagreement, include reasons for disagreement, and any alternative proposals for corrective action.
  - c. If questioned or unsupported costs are identified, state the amount that is determined to be disallowed and the plan to collect the disallowed funds.
  - d. If funds put to better use are identified, then state the amount that can be put to better use (if these amounts differ from OIG's, state the reasons).

**OIG Evaluation of Responses**

If OIG concurs with a response to a recommendation, it will (1) note that a management decision has been made, (2) identify the recommendation as resolved, and (3) track the action office's implementation measures until final action is accomplished and the recommendation is closed.

If OIG does not concur with the action office's proposed corrective action, or if the action office fails to respond to a recommendation or rejects it, OIG will identify the recommendation as unresolved (no management decision). OIG will attempt to resolve the disagreement at the action office level. However, if OIG determines that an impasse has been reached, it will refer the matter for adjudication to the Chairman.



**CONTRACT SECURITY AND/OR  
CLASSIFICATION REQUIREMENTS****COMPLETE CLASSIFIED ITEMS BY  
SEPARATE CORRESPONDENCE**

1. CONTRACTOR NAME AND ADDRESS

A. CONTRACT NUMBER FOR COMMERCIAL  
CONTRACTS OR JOB CODE FOR DOE  
PROJECTS (Prime contract number must be shown  
for all subcontracts.)

2. TYPE OF SUBMISSION



A. ORIGINAL

B. REVISED (Supersedes all  
previous submissions)

C. OTHER (Specify)

B. PROJECTED  
START DATEC. PROJECTED  
COMPLETION DATE

06/01/2003

12/31/2003

**3. FOR FOLLOW-ON CONTRACT, ENTER PRECEDING CONTRACT NUMBER AND PROJECTED COMPLETION DATE**

A. DOES NOT APPLY



B. CONTRACT NUMBER

DATE

4. PROJECT TITLE AND OTHER IDENTIFYING INFORMATION

**OIG Review of the Federal Information Security Management Act of 2002****5. PERFORMANCE WILL REQUIRE**

A. ACCESS TO CLASSIFIED MATTER OR CLASSIFIED INFORMATION



YES (If "YES," answer 1-7 below)



NO (If "NO," proceed to 5.C.)

NOT  
APPLICABLE

NATIONAL SECURITY

RESTRICTED DATA

SECRET

CONFIDENTIAL

SECRET

CONFIDENTIAL

1. ACCESS TO FOREIGN INTELLIGENCE INFORMATION

2. RECEIPT, STORAGE, OR OTHER SAFEGUARDING OF  
CLASSIFIED MATTER. (See 5.B.)

3. GENERATION OF CLASSIFIED MATTER.

4. ACCESS TO CRYPTOGRAPHIC MATERIAL OR OTHER  
CLASSIFIED COMSEC INFORMATION.5. ACCESS TO CLASSIFIED MATTER OR CLASSIFIED  
INFORMATION PROCESSED BY ANOTHER AGENCY.6. CLASSIFIED USE OF AN INFORMATION TECHNOLOGY  
PROCESSING SYSTEM.

7. OTHER (Specify)



B. IS FACILITY CLEARANCE REQUIRED?



YES



NO

C. ☐ UNESCORTED ACCESS IS REQUIRED TO PROTECTED AND VITAL AREAS OF NUCLEAR POWER PLANTS.D. ☐ ACCESS IS REQUIRED TO UNCLASSIFIED SAFEGUARDS INFORMATION.E. ☒ ACCESS IS REQUIRED TO SENSITIVE IT SYSTEMS AND DATA.F. ☒ UNESCORTED ACCESS TO NRC HEADQUARTERS BUILDING.

FOR PROCEDURES AND REQUIREMENTS ON PROVIDING TEMPORARY AND FINAL APPROVAL FOR UNESCORTED ACCESS, REFER TO NRCMD 12.

6. INFORMATION PERTAINING TO THESE REQUIREMENTS OR THIS PROJECT, EVEN THOUGH SUCH INFORMATION IS CONSIDERED UNCLASSIFIED, SHALL NOT BE RELEASED FOR DISSEMINATION EXCEPT AS APPROVED BY:

NAME AND TITLE

Stephen D. Dingbaum, Assistant Inspector General for  
Audits

SIGNATURE

DATE

#### 7. CLASSIFICATION GUIDANCE

NATURE OF CLASSIFIED GUIDANCE IDENTIFICATION OF CLASSIFICATION GUIDES

OIG does not expect the contractor to require access to classified information

#### 8. CLASSIFIED REVIEW OF CONTRACTOR / SUBCONTRACTOR REPORT(S) AND OTHER DOCUMENTS WILL BE CONDUCTED BY:

☐

AUTHORIZED CLASSIFIER (Name and Title)

☐

DIVISION OF FACILITIES AND SECURITY

#### 9. REQUIRED DISTRIBUTION OF NRC FORM 187 Check appropriate box(es)

☒

SPONSORING NRC OFFICE OR DIVISION (Item 10A)

☒

DIVISION OF CONTRACTS AND PROPERTY MANAGEMENT

☒

DIVISION OF FACILITIES AND SECURITY (Item 10B)

☐

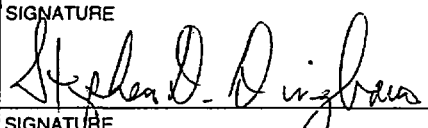
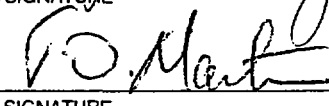
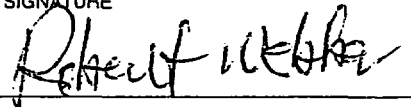
CONTRACTOR (Item 1)

☐

SECURITY/CLASSIFICATION REQUIREMENTS FOR SUBCONTRACTS RESULTING FROM THIS CONTRACT WILL BE APPROVED BY THE OFFICIALS NAMED IN ITEMS 10B AND 10C BELOW.

#### 10. APPROVALS

SECURITY/CLASSIFICATION REQUIREMENTS FOR SUBCONTRACTS RESULTING FROM THIS CONTRACT WILL BE APPROVED BY THE OFFICIALS NAMED IN ITEMS 10B AND 10C BELOW.

NAME (Print or type)	SIGNATURE	DATE
A. DIRECTOR, OFFICE OR DIVISION  Stephen D. Dingbaum	SIGNATURE 	DATE 2-6-03
B. DIRECTOR, DIVISION OF FACILITIES AND SECURITY  Thomas O. Martin	SIGNATURE 	DATE 3/18/03
C. DIRECTOR, DIVISION OF CONTRACTS AND PROPERTY MANAGEMENT (Not applicable to DOE agreements)  Kathryn O. Greene	SIGNATURE 	DATE 3/25/03

REMARKS

Attachment C

Summary of Costs for Base Period and All Option Periods:

	Labor	ODC's	Total
Base Year	[REDACTED]		\$ 138,473
Option Period 1	[REDACTED]		\$ 145,376
Option Period 2	[REDACTED]		\$ 152,625
Option Period 3	[REDACTED]		\$ 160,236
Option Period 4	[REDACTED]		\$ 168,228
Total Cost All Periods	[REDACTED]		\$ 764,939

Period of Performance: Date of Award through December 31,2003

Task 1

Labor Category from  
Carson GSA IT Schedule

	Rate	Hours	Dollars
Program Manager I			\$ 1,905
Primary Functional Specialist			\$ -
Program Manager II			\$ -
Supervisor			\$ 2,301
Technical Specialist I			\$ 1,374
Functional Specialist			\$ -
Analyst I			\$ 250
Total Estimated Cost Task 1			\$ 5,829

Task 2

Labor Category from  
Carson GSA IT Schedule

	Rate	Hours	Dollars
Program Manager I			\$ 22,620
Primary Functional Specialist			\$ -
Program Manager II			\$ 850
Supervisor			\$ 35,784
Technical Spec I			\$ 48,082
Functional Specialist			\$ 16,330
Analyst I			\$ 4,004
Total Estimated Cost Task 2			\$ 127,670

Task 3

Labor Category from  
Carson GSA IT Schedule

	Rate	Hours	Dollars
Program Manager I			\$ 952
Primary Functional Specialist			\$ -
Program Manager II			\$ -
Supervisor			\$ 2,684
Technical Spec I			\$ 687
Functional Specialist			\$ -
Analyst I			\$ 250

Total Estimated Cost Task 3			\$ 4,574
-----------------------------	--	--	----------

Total Estimated Costs All Tasks			\$ 138,073
---------------------------------	--	--	------------

OTHER DIRECT COSTS

Copying, Binders, etc.	NOT TO EXCEED	\$ 200
Travel to NRC Headquarters	NOT TO EXCEED	\$ 200

TOTAL ESTIMATED COSTS OF TASKS 1,2,3 AND OTHER DIRE		\$ 138,473
---	--	------------

Period of Performance: January 1, 2004 through December 31, 2004 - Task 4 (Optional Requirement)

Task 1

Labor Category from  
Carson GSA IT Schedule

Rate      Hours      Dollars

Program Manager I	[REDACTED]	\$ 2,000
Primary Functional Specialist	[REDACTED]	\$ -
Program Manager II	[REDACTED]	\$ -
Supervisor	[REDACTED]	\$ 2,416
Technical Specialist I	[REDACTED]	\$ 1,442
Functional Specialist	[REDACTED]	\$ -
Analyst I	[REDACTED]	\$ 263
Total Estimated Cost Task 1	[REDACTED]	\$ 6,121

Task 2

Labor Category from  
Carson GSA IT Schedule

Rate      Hours      Dollars

Program Manager I	[REDACTED]	\$ 23,750
Primary Functional Specialist	[REDACTED]	\$ -
Program Manager II	[REDACTED]	\$ 893
Supervisor	[REDACTED]	\$ 37,573
Technical Spec I	[REDACTED]	\$ 50,486
Functional Specialist	[REDACTED]	\$ 17,146
Analyst I	[REDACTED]	\$ 4,205
Total Estimated Cost Task 2	[REDACTED]	\$ 134,053

Task 3

Labor Category from  
Carson GSA IT Schedule

	Rate	Hours	Dollars
Program Manager I			\$ 1,000
Primary Functional Specialist			\$ -
Program Manager II			\$ -
Supervisor			\$ 2,818
Technical Spec I			\$ 721
Functional Specialist			\$ -
Analyst I			\$ 263
Total Estimated Cost Task 3			\$ 4,802

Total Estimated Costs All Tasks

\$ 144,976

OTHER DIRECT COSTS

Copying, Binders, etc.	NOT TO EXCEED	\$ 200
Travel to NRC Headquarters	NOT TO EXCEED	\$ 200

TOTAL ESTIMATED COSTS OF TASKS 1,2,3 AND OTHER DIRECT COSTS \$ 145,376

Period of Performance: January 1, 2005 through December 31, 2005 - Task 5 (Optional Requirement)

Task 1

Labor Category from  
Carson GSA IT Schedule

	Rate	Hours	Dollars
Program Manager I			\$ 2,100
Primary Functional Specialist			\$ -
Program Manager II			\$ -
Supervisor			\$ 2,536
Technical Specialist I			\$ 1,515
Functional Specialist			\$ -
Analyst I			\$ 276
Total Estimated Cost Task 1			\$ 6,427

Task 2

Labor Category from  
Carson GSA IT Schedule

	Hours	Dollars
Program Manager I		\$ 24,938
Primary Functional Specialist		\$ -
Program Manager II		\$ 937
Supervisor		\$ 39,452
Technical Spec I		\$ 53,010
Functional Specialist		\$ 18,003
Analyst I		\$ 4,415
Total Estimated Cost Task 2		\$ 140,756



Task 3

Labor Category from  
Carson GSA IT Schedule

Hours      Dollars

Program Manager I	[REDACTED]	\$ 1,050
Primary Functional Specialist	[REDACTED]	\$ -
Program Manager II	[REDACTED]	\$ -
Supervisor	[REDACTED]	\$ 2,959
Technical Spec I	[REDACTED]	\$ 757
Functional Specialist	[REDACTED]	\$ -
Analyst I	[REDACTED]	\$ 276

Total Estimated Cost Task 3	[REDACTED]	\$ 5,042
-----------------------------	------------	----------

Total Estimated Costs All Tasks	[REDACTED]	\$ 152,225
---------------------------------	------------	------------

OTHER DIRECT COSTS

Copying, Binders, etc.	NOT TO EXCEED	\$ 200
Travel to NRC Headquarters	NOT TO EXCEED	\$ 200

TOTAL ESTIMATED COSTS OF TASKS 1,2,3 AND OTHER DIRECT COSTS		\$ 152,625
---	--	------------

Period of Performance: January 1, 2006 through December 31, 2006 - Task 6 (Optional Requirement)

Task 1

Labor Category from  
Carson GSA IT Schedule

	Rate	Hours	Dollars
Program Manager I	[REDACTED]		\$ 2,205
Primary Functional Specialist	[REDACTED]		\$ -
Program Manager II	[REDACTED]		\$ -
Supervisor	[REDACTED]		\$ 2,663
Technical Specialist I	[REDACTED]		\$ 1,590
Functional Specialist	[REDACTED]		\$ -
Analyst I	[REDACTED]		\$ 290
Total Estimated Cost Task 1		[REDACTED]	\$ 6,748

Task 2

Labor Category from  
Carson GSA IT Schedule

	Rate	Hours	Dollars
Program Manager I	[REDACTED]		\$ 26,185
Primary Functional Specialist	[REDACTED]		\$ -
Program Manager II	[REDACTED]		\$ 984
Supervisor	[REDACTED]		\$ 41,425
Technical Spec I	[REDACTED]		\$ 55,660
Functional Specialist	[REDACTED]		\$ 18,904
Analyst I	[REDACTED]		\$ 4,636
Total Estimated Cost Task 2		[REDACTED]	\$ 147,793

Task 3

Labor Category from  
Carson GSA IT Schedule

	Rate	Hours	Dollars
Program Manager I	[REDACTED]		\$ 1,103
Primary Functional Specialist	[REDACTED]		\$ -
Program Manager II	[REDACTED]		\$ -
Supervisor	[REDACTED]		\$ 3,107
Technical Spec I	[REDACTED]		\$ 795
Functional Specialist	[REDACTED]		\$ -
Analyst I	[REDACTED]		\$ 290
Total Estimated Cost Task 3		[REDACTED]	\$ 5,295
Total Estimated Costs All Tasks		[REDACTED]	\$ 159,836
OTHER DIRECT COSTS			
Copying, Binders, etc.	NOT TO EXCEED		\$ 200
Travel to NRC Headquarters	NOT TO EXCEED		\$ 200
TOTAL ESTIMATED COSTS OF TASKS 1,2,3 AND OTHER DIRECT COSTS			\$ 160,236

Period of Performance: January 1, 2007 through December 31, 2007 - Task 7 (Optional Requirement)

Task 1

Labor Category from  
Carson GSA IT Schedule

	Rate	Hours	Dollars
Program Manager I			\$ 2,315
Primary Functional Specialist			\$ -
Program Manager II			\$ -
Supervisor			\$ 2,796
Technical Specialist I			\$ 1,670
Functional Specialist			\$ -
Analyst I			\$ 304
Total Estimated Cost Task 1			\$ 7,086

Task 2

Labor Category from  
Carson GSA IT Schedule

	Rate	Hours	Dollars
Program Manager I			\$ 27,494
Primary Functional Specialist			\$ -
Program Manager II			\$ 1,033
Supervisor			\$ 43,496
Technical Spec I			\$ 58,443
Functional Specialist			\$ 19,849
Analyst I			\$ 4,867
Total Estimated Cost Task 2			\$ 155,183

Task 3

Labor Category from  
Carson GSA IT Schedule

	Rate	Hours	Dollars
Program Manager I			\$ 1,158
Primary Functional Specialist			\$ -
Program Manager II			\$ -
Supervisor			\$ 3,263
Technical Spec I			\$ 835
Functional Specialist			\$ -
Analyst I			\$ 304
Total Estimated Cost Task 3			\$ 5,559
Total Estimated Costs All Tasks			\$ 167,828
OTHER DIRECT COSTS			
Copying, Binders, etc.	NOT TO EXCEED		\$ 200
Travel to NRC Headquarters	NOT TO EXCEED		\$ 200
TOTAL ESTIMATED COSTS OF TASKS 1,2,3 AND OTHER DIRECT COSTS			\$ 168,228

**BILLING INSTRUCTIONS FOR  
LABOR HOUR TYPE CONTRACTS**

**General:** The contractor shall prepare vouchers/invoices for reimbursement of costs in the manner and format described herein or a similar format. **FAILURE TO SUBMIT VOUCHERS/INVOICES IN ACCORDANCE WITH THESE INSTRUCTIONS WILL RESULT IN REJECTION OF THE VOUCHER/INVOICE AS IMPROPER.**

**Number of Copies:** An original and three copies, including supporting documentation shall be submitted. A copy of all supporting documents must be attached to each copy of your voucher/invoice. Failure to submit all the required copies will result in rejection of the voucher/invoice as improper.

**Designated Agency Billing Office:** Vouchers/invoices shall be submitted to the following address:

U.S. Nuclear Regulatory Commission  
Division of Contracts  
Mail Stop T-7-I-2  
Washington, D.C. 20555

**HAND DELIVERY OF VOUCHERS/INVOICES IS DISCOURAGED AND WILL NOT EXPEDITE PROCESSING BY NRC.** However, should you choose to deliver vouchers/invoices by hand, including delivery by any express mail services or special delivery services which use a courier or other person to deliver the voucher/invoice in person to the NRC, such vouchers/invoices must be addressed to the above Designated Agency Billing Office and will only be accepted at the following location:

U.S. Nuclear Regulatory Commission  
One White Flint North  
11555 Rockville Pike - Mail Room  
Rockville, MD 20852

**HAND-CARRIED SUBMISSIONS WILL NOT BE ACCEPTED AT OTHER THAN THE ABOVE ADDRESS.**

Note that the official receipt date for hand-delivered vouchers/invoices will be the date it is received by the official agency billing office in the Division of Contracts.

Billing Instructions  
Page 2 of 2

Agency Payment Office: Payment will be made by the following office:

U.S. Nuclear Regulatory Commission  
Division of Accounting and Finance GOV/COMM  
Mail Stop T-9-H4  
Washington, DC 20555

Frequency: The contractor shall submit claims for reimbursement once each month, unless otherwise authorized by the Contracting Officer.

Format: Claims should be submitted in the format depicted on the attached sample form entitled "Voucher/Invoice for Purchases and Services Other Than Personal" (see Attachment ) or a similar format. **THE SAMPLE FORMAT IS PROVIDED FOR GUIDANCE ONLY AND IS NOT REQUIRED FOR SUBMISSION OF A VOUCHER/INVOICE. ALTERNATE FORMATS ARE PERMISSIBLE PROVIDED ALL REQUIREMENTS OF THE BILLING INSTRUCTIONS ARE ADDRESSED.**

Billing of Costs After Expiration of Contract: If the costs are incurred during the contract period and claimed after the contract has expired, the period during which these costs were incurred must be cited. To be considered a proper voucher/invoice, the contractor shall clearly mark it 'EXPIRATION VOUCHER' OR "EXPIRATION INVOICE".

Currency: Billings may be expressed in the currency normally used by the contractor in maintaining his accounting records; payments will be made in that currency. However, the U.S. dollar equivalent for all vouchers/invoices paid under the contract may not exceed the total U.S. dollars authorized in the contract.

ATTACHMENT

**INVOICE/VOUCHER FOR PURCHASES  
AND  
SERVICES OTHER THAN PERSONAL**

**(SAMPLE FORMAT - COVER SHEET)**

Official Agency Billing Office  
U.S. Nuclear Regulatory Commission  
Division of Contracts  
Mail Stop: T-7-I2  
Washington, DC 20555-0001

(a) Contract No: \_\_\_\_\_  
(b) Voucher/Invoice No: \_\_\_\_\_  
(c) Date of Voucher/Invoice: \_\_\_\_\_

Payee's Name and Address

(d) Individual to Contact Regarding Voucher/Invoice  
Name: \_\_\_\_\_  
Telephone No: \_\_\_\_\_

(e) This voucher/invoice represents reimbursable costs for the billing period  
\_\_\_\_\_ to \_\_\_\_\_.

	<u>Amount Billed</u>	
	<u>Current Period</u>	<u>Cumulative</u>
(f) <u>Direct Costs:</u>		
(1) Direct Labor*	\$ _____	\$ _____
(2) Travel*	\$ _____	\$ _____
Total Direct Costs:	\$ _____	\$ _____

\* The contractor shall submit as an attachment to its invoice/voucher cover sheet a listing of labor categories, hours billed, fixed hourly rates, total dollars, and cumulative hours billed to date under each labor category, authorized under the contract. In addition, the contractor shall include travel costs incurred with the required supporting documentation, as well as, the cumulative total of travel costs billed to date by activity.