

ORDER FOR SUPPLIES OR SERVICES

PAGE OF PAGES

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

BPA NO.

1

1. DATE OF ORDER SEP 18 2007		2. CONTRACT NO. (If any) GS35F4524G		6. SHIP TO:	
3. ORDER NO. DR-33-07-358		4. REQUISITION/REFERENCE NO. OIS-07-358		a. NAME OF CONSIGNEE U.S. Nuclear Regulatory Commission	
5. ISSUING OFFICE (Address correspondence to) U.S. Nuclear Regulatory Commission Div. of Contracts - CMB3 Attn: Richard Bright Mail Stop T-7-I-2 Washington, DC 20555				b. STREET ADDRESS Harry Kromer 11555 Rockville Pike Mailstop 06D3M	
7. TO:		c. CITY Rockville		d. STATE MD	e. ZIP CODE 20852
a. NAME OF CONTRACTOR OAO CORPORATION				f. SHIP VIA	
b. COMPANY NAME				8. TYPE OF ORDER	
c. STREET ADDRESS 2277 Research Boulevard				<input type="checkbox"/> a. PURCHASE <input checked="" type="checkbox"/> b. DELIVERY	
d. CITY Rockville		e. STATE MD	f. ZIP CODE 20850	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.	
9. ACCOUNTING AND APPROPRIATION DATA				10. REQUISITIONING OFFICE CIO Office of Information Services	

11. BUSINESS CLASSIFICATION (Check appropriate box(es))				12. F.O.B. POINT N/A	
<input type="checkbox"/> a. SMALL	<input checked="" type="checkbox"/> b. OTHER THAN SMALL	<input type="checkbox"/> c. DISADVANTAGED	<input type="checkbox"/> g. SERVICE-DISABLED VETERAN-OWNED		
<input type="checkbox"/> d. WOMEN-OWNED	<input type="checkbox"/> e. HUBZone	<input type="checkbox"/> f. EMERGING SMALL BUSINESS			
13. PLACE OF		14. GOVERNMENT B/L NO.	15. DELIVER TO F.O.B. POINT ON OR BEFORE (Date) As Stated	16. DISCOUNT TERMS	
a. INSPECTION	b. ACCEPTANCE				

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>The NRC hereby accepts OAO Corporation's (OAO) offer to provide maintenance and operational support for NRC's application systems and environment in accordance with GSA Contract No. GS35F4524G and the attached Statement of Work while adhering to OAO's initial offer dated May 21, 2007 as amended on August 17, 2007, at the prices contained in the Schedules (Attachment II).</p> <p>This order shall be effective September 26, 2007 through September 25, 2008 for the total estimated amount (ceiling) of \$15,176,738.26. There are two Option Periods. The total estimated amount (ceiling) for Option Period 1, \$15,532,411.37; Option Period 2, \$16,390,201.03. The total estimated amount (ceiling), including Option Periods is \$47,099,350.66. Individual task orders will be issued under this order. Funding will be obligated under the individual task orders. See Section C of the Statement of Work (Attachment I) for additional terms and conditions specific to this order.</p>			See CONTINUATION Page		

18. SHIPPING POINT		19. GROSS SHIPPING WEIGHT		20. INVOICE NO.		\$15,176,738.26	17(h) TOTAL (Cont. pages)
21. MAIL INVOICE TO:							
a. NAME U.S. Nuclear Regulatory Commission Payment Team, Mail Stop T-9-H-4		b. STREET ADDRESS (or P.O. Box) Attn: (DR-33-07-358)		c. CITY Washington		d. STATE DC	e. ZIP CODE 20555
SEE BILLING INSTRUCTIONS ON REVERSE						15,176,738.26	17(i) GRAND TOTAL

22. UNITED STATES OF AMERICA
BY (Signature)

[Signature]

23. NAME (Typed)
Robert B. Webber
Contracting Officer

TITLE: CONTRACTING/ORDERING OFFICER

ADMO02

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OPTIONAL FORM 347 (REV. 4/2006)
PRESCRIBED BY GSA FPMR (41 CFR) 101-11.6

Information in this record was deleted in
accordance with the Freedom of Information Act.
Exemptions
FOI/WPA 2010-0063

A/1

ORDER FOR SUPPLIES OR SERVICES SCHEDULE - CONTINUATION

PAGE NO.
2

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

DATE OF ORDER

CONTRACT NO

GE35FA5240

ORDER NO

DF-33-C7-358

ITEM NO. (A)	SUPPLIES OR SERVICES (B)	QUANTITY ORDERED (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)	QUANTITY ACCEPTED (G)
	<p>ACCEPTED:</p> <p><u>KEITH L. SPENCER CONTRACTS DIRECTOR</u></p> <p>PRINT NAME AND TITLE</p> <p><u><i>Keith L. Spencer</i> 9/18/2007</u></p> <p>SIGNATURE AND DATE</p>					

TOTAL CARRIED FORWARD TO 1ST PAGE (ITEM 17(H))

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OPTIONAL FORM 348 REV.(4/2006)
Prescribed by GSA
FAR (48 CFR) 53.213(f)

FUNDING MEMOS							
MEMO NO.	APPN. NO.	ACCOUNTING ID NO.	BOC NO.	B&R NO.	JOB CODE	OBLIGATION	COMMIT. NO.
1	31X0200.710	DR-33-07-358-02	2574	710-15-5F1-340	J1275	\$ 60,000.00	10770712C
2	31X0200.710	DR-33-07-358-02	2574	710-15-5F1-340	J1271	\$ 60,000.00	10770803C
3	31X0200.710	DR-33-07-358-02	2574	710-15-5F1-340	J1275	\$ 50,000.00	10770802C
4	31X0200.710	DR-33-07-358-02	2574	710-15-5F1-340	J1270	\$ 80,000.00	10770869C
5	31X0200.710	DR-33-07-358-02	2574	710-15-5F1-340	J2170	\$ 52,000.00	10770902C
6	31X0200.720	DR-33-07-358-03	2574	720-15-111-160	J3224	\$ 200,000.00	200765052
7	31X0200.720	DR-33-07-358-03	2574	720-15-171-160	J3247	\$ 75,000.00	200765053
8	31X0200.720	DR-33-07-358-03	2574	730-15-111-160	J3223	\$ 250,000.00	200765052
9	31X0200.720	DR-33-07-358-03	2574	720-15-111-160	J4084	\$ 90,000.00	2007650058
10	31X0200.710	DR-33-07-358-04	252A	710-15-300-329	J1226	\$ 230,000.00	10770822C
11	31X0200.710	DR-33-07-358-04	252A	710-15-5F1-342	J1280	\$ 205,067.98	10770876C
11	31X0200.710	DR-33-07-358-04	252A	710-15-5G1-344	D1879	\$ 280,000.00	10770876
12	31X0200.710	DR-33-07-358-04	252A	710-15-5FE-212	J1284	\$ 339,000.00	10770811C
12	31X0200.710	DR-33-07-358-04	252A	710-15-5GE-326	J1286	\$ 350,000.00	10770811
13	31X0200.77N	DR-33-07-358-05	2574	77N-15-5H-1367	J7014	\$ 130,000.00	RQ700700045
14	31X0200.741	DR-33-07-358-06	2574	755-15-344-232	F1048	\$ 120,000.00	AA8550012
15	31X0300.730	DR-33-07-358-07	2574	730-15-6ZZ-160	L3044	\$ 9,373.75	RQ3007MAINT01
16	31X0200.77N	DR-33-07-358-08	2574	77N-15-5H1-352	N7114	\$ 10,000.00	RQ700700061
17	31X0200.725	DR-33-07-358-09	2574	725-15-171-107	Q4137	\$ 320,000.00	NRO-07-478
18	31X0200	DR-33-07-358-10	2574	77R-15-111-160	N7325	\$ 15,000.00	RQ70070039
19	31X0200	DR-33-07-358-10	2574	77R-15-111-160	N7325	\$ 20,000.00	RQ700700059
20	31X0200.710	DR-33-07-358-11	2574	710-15-5F1-340	J1272	\$ 238,677.00	10770799C
21	31X0200.710	DR-33-07-358-12	2574	755-15-344-162	F1044	\$ 110,000.00	AA8550008
22	31X0200.710	DR-33-07-358-13	2574	710-15-FG1-348	J1017	\$ 180,000.00	10770688C
23	31X0200.710	DR-33-07-358-13	252A	710-15-5G1-348	J1017	\$ 210,000.00	10770760C
24	31X0200.710	DR-33-07-358-13	252A	710-15-5G1-348	J1250	\$ 250,000.00	10770897C
25	31X0200	DR-33-07-358-14	252A	740-15-5B1-160	B1458	\$ 39,000.00	ADM0760114
26	31X0200.77L	DR-33-07-358-15	2574	77L-15-516-160	J7034	\$ 35,000.00	RQ700700042
27	31X0200.77L	DR-33-07-358-16	2574	77L-15-516-160	J7034	\$ 15,000.00	RQ700700040
28	31X0200.720	DR-33-07-358-16	2574	77K15-511-160	J7033	\$ 10,000.00	RQ700700047
29	31X0200	DR-33-07-358-16	252A	750-15-333-220	J5607	\$ 1,000.00	AA8500208
30	31X0200.760	DR-33-07-358-16	253A	710-15-111-160	N6454	\$ 25,000.00	RES-C07-188
31	31X0200.741	DR-33-07-358-16	2574	755-15-344-160	F1014	\$ 8,000.00	AA8550006
32	31X0200.741	DR-33-07-358-16	2574	755-15-344-160	F1043	\$ 8,000.00	AA8550007
33	31X0200.711	DR-33-07-358-16	252A	711-15-11C-160	R1143	\$ 15,000.00	11070130
34	31X0200.710	DR-33-07-358-17	2574	710-15-5G1-344	J2413	\$ 160,000.00	10770885C
35	31X0200.710	DR-33-07-358-18	252A	710-15-5G1-344	D2413	\$ 75,000.00	10770687C
36	31X0200.710	DR-33-07-358-19	2547	710-15-5E1-332	J1145	\$ 264,000.00	10770783C
37	31X0200.710	DR-33-07-358-19	2574	710-15-5G1-348	J1096	\$ 15,000.00	10770825C
37	31X0200.710	DR-33-07-358-19	2572	710-15-5F1-340	J1272	\$ 85,000.00	10770865C
37	31X0200.710	DR-33-07-358-19	2572	710-15-5F1-340	J1273	\$ 190,000.00	10770865C
38	31X0200.710	DR-33-07-358-19	2572	710-15-5F1-340	J1273	\$ 210,000.00	10770865C
39	31X0200.710	DR-33-07-358-19	2572	710-15-5F1-342	J1278	\$ 205,000.00	10770867C
40	31X0200.710	DR-33-07-358-19	2574	77B-15-122-160	J70027	\$ 10,000.00	700700082
41	31X0200.711	DR-33-07-358-20	2574	711-15-11C-398	R1151	\$ 20,000.00	NSR-07-521
42	31X0200.710	DR-33-07-358-21	2574	710-15-5G1-344	J1089	\$ 15,000.00	10770788C
43	31X0200.77N	DR-33-07-358-22	2574	77N-15-5H1-367	N7053	\$ 50,000.00	RQ700700046
44	31X0200.784	DR-33-07-358-23	2574	710-15-5C1-160	G8414	\$ 24,000.00	N0334200523
45	31X0200.710	DR-33-07-358-24	2574	710-15-5FE-212	J1284	\$ 300,000.00	10770694C
46	31X0200.77L	DR-33-07-358-24	2574	77L-15-511-160	J7034	\$ 100,000.00	RQ700700063
47	31X0200.710	DR-33-07-358-24	2574	710-15-300-329	J1226	\$ 400,000.00	10770823C
48	31X0200.710	DR-33-07-358-24	2574	710-15-5FE-212	J1284	\$ 142,980.00	10770920C
48	31X0200.710	DR-33-07-358-24	2574	710-15-5GE-348	J1290	\$ 111,562.00	10770917C
49	31X0200.710	DR-33-07-358-24	2574	710-15-5DE-326	J1286	\$ 3,000.00	10770917C
49	31X0200.710	DR-33-07-358-24	2574	710-15-171-345	J1291	\$ 450,000.00	10770916C
50	31X0200.710	DR-33-07-358-24	2574	710-15-5FE-212	J1284	\$ 4,110.00	10770916C
51	31X0200	DR-33-07-358-25	2574	710-15-5H1-365	N7154	\$ 10,000.00	RQ700700041
52	31X0200.760	DR-33-07-358-26	2630	760-15-111-160	N6498	\$ 50,000.00	RES-C07-211
53	31X0200.760	DR-33-07-358-27	2574	720-15-111-160	J3207	\$ 100,000.00	200765057
54	31X0200.710	DR-33-07-358-28	2574	710-15-5F1-342	J1278	\$ 3,393.80	10770875C
55	31X0200.710	DR-33-07-358-28	2574	710-15-5F1-340	J1270	\$ 106,000.00	10770901C
56	31X0200	DR-33-07-358-29	252A	740-15-5B1-160	B1458	\$ 50,000.00	ADM0760129

STATEMENT OF WORK
Maintenance and Operational Support of NRC Application Systems and Environment

C.1 BACKGROUND

The U.S. Nuclear Regulatory Commission (NRC) has approximately 95 computer-based application systems in operation that require maintenance and operational (M&O) support services. These systems are, for the most part, grouped into task orders by the NRC organizations responsible for their functional use and operation. An additional 25 new application systems are estimated to require M&O support over the next three years.

Maintenance may take the form of corrective, adaptive, or perfective actions or any combination of these actions. Corrective maintenance actions are changes in the software to repair faults; adaptive maintenance actions involve changes to software necessitated by modifications in the software's operational environment. Perfective maintenance actions are changes made in response to user requests to improve the efficiency or documentation of the program. Configuration management activities are considered to be inherent in the corrective, adaptive, or perfective actions described above.

Agency application system maintenance is defined as modification and/or correction of application system code and/or data to make the application system perform as intended in support of a business process/area for which the code was written or the data was input. These modifications/corrections may include those made to programs, scripts, job control languages, and data. Maintenance also includes, but is not limited to, analysis of conditions and outputs to identify root causes of problems and define methods for correction, troubleshooting, and establishment and execution of backups, restores, archives, and housekeeping. Configuration management activities, including updating all system documentation, are considered to be inherent in the corrective, adaptive, or perfective actions described above.

The NRC has a Project Management Methodology (PMM) that provides guidance for developing and maintaining software application systems. NRC Management Directive (MD) 2.8, "Project Management Methodology," and its associated handbook, is based on the Rational Unified Process (RUP). This single MD includes both the policy and a configurable process with guidance, tools, and templates to support the implementation of that process. The PMM provides an integrated solution for information technology (IT) system development.

C.2 OBJECTIVE

The objective of this delivery order is to provide for maintenance and operational (M&O) support utilizing Rational ReqPro, Rational TestManager, Rational ClearCase, and Rational ClearQuest for all current and future NRC automated computer systems.

The Contractor shall provide staff with experience in the secure operations and maintenance of standalone and networked thin and thick client server, multi-tier web based, and enterprise composite applications consistent with all applicable federal laws and regulations including but not limited to National Institute of Standards and Technology (NIST) Guidance, Special Publications, and Federal Information Processing Standards governing Federal Information

STATEMENT OF WORK
Maintenance and Operational Support of NRC Application Systems and Environment

Systems (FIPS) Federal Information Systems development including but not limited to FIPS-140-2, FIPS-199, and FIPS-200.

The contractor shall support the Nuclear Regulatory Commission (NRC) in its information systems security certification and accreditation (C&A) process implementation. The NRC has a separate contractor who has primary responsibility for developing systems security C&A documentation to obtain an Authorization to Operate for the agency's application systems.

As part of the M&O support on this contract, the Contractor shall support the NRC in the update of security related documentation and any systems analyses required to obtain and maintain an Authorization to Operate (ATO) for national security, intelligence, and general information systems that will ensure cradle to grave compliance including: Federal Information Security Management Act (FISMA), Clinger-Cohen Act, Privacy Act of 1974, Financial Management Integrity Act, Financial Management Improvement Act, Federal Enterprise Architecture (FEA), Office of Management and Budget (OMB) M-04-04, OMB Circular A-123, Homeland Security Presidential Directive 7, Homeland Security Presidential Directive 12, OMB Circular A-130, OMB Circular A-11, National Security Directive 42, Executive Order 13356, Intelligence Reform and Terrorism Prevention Act, Director of Central Intelligence Directive 6-1, Director of Central Intelligence Directive 6-3, Director of Central Intelligence Directive 6-5, Director of Central Intelligence Directive 8-1, Federal Information Processing Standard (FIPS) 199, Federal Information Processing Standard 201, Federal Information Processing Standard 200, NIST 800 Series, National Strategy for Secure Cyberspace, OMB Information System Security Line of Business, and other applicable OMB and National Institute of Standards and Technology (NIST) series security certification and accreditation requirements for classified and unclassified information systems.

In conjunction with system maintenance releases, the Contractor, at no direct cost to the Government, shall provide all personnel, materials, hardware, software, labor, supplies, equipment, travel and other direct costs necessary to support the NRC in the update of all requisite systems C&A documentation, as well as supporting business and application design, test, operation and maintenance documentation, such that all information systems and information systems development, testing, and processing facilities maintain an Authorization to Operate (ATO) consistent with the NRC Information Systems Security Program C&A, NIST and FISMA Guidance, and NRC Management Directive 12.5.

As part of the applicable systems applications C&A efforts the Contractor shall support the NRC, at a minimum, in the update of the following information system security certification documentation in conjunction with system maintenance releases: a security categorization, a risk assessment, a systems security plan, a security test and evaluation plan and associated report, a contingency test plan and report, and a plan of action and milestones to correct any identified deficiencies.

Applicable Documents to be used as reference when creating documentation to validate compliancy can be located at the following: <http://csrc.nist.gov/publications/index.html> and <http://www.internal.nrc.gov/pmm/Publish-PMM-Security-C&A/index.htm>.

STATEMENT OF WORK
Maintenance and Operational Support of NRC Application Systems and Environment

The Contractor shall also maintain and update all system documentation required by the PMM, in conjunction with system maintenance releases, at no direct cost to the Government. The NRC intends for the Contractor to provide staff for all configuration management activities, system documentation updates, and C&A documentation updates, as part of the Contractor's overhead costs included in the fully-loaded labor rates for direct system maintenance support. These C&A, system documentation and configuration management activities should not be a direct labor cost to this contract. This pertains to all C&A, system documentation, and configuration management requirements in Sections C.1 and C.3 (subsections 3.1, 3.2.2, 3.2.3, 3.2.4, 3.4), and C.9 (subsection 9.1.2.1).

The contractor shall implement these tasks consistent with the Capability Maturity Model® Integration (CMMI) Level III, as defined by the Carnegie Mellon Software Engineering Institute, and the Rational Unified Process (RUP).

C.3 CONTRACT TASKS

3.1 Maintenance

The Contractor shall maintain all agency application systems listed by task order under this contract and future application systems that are promoted into production, as determined by the NRC. The NRC uses the Rational Suite Enterprise tools as the standard tools to maintain application systems and ensure that users have access to application functions as needed. New projects use ClearCase for version control and ClearQuest for change management. The Contractor shall utilize baselines contained in Rational ClearCase as the source for obtaining a current copy of the production application systems that require maintenance. The Contractor shall adhere to the Agency's PMM and perform configuration management in accordance with the Master NRC Configuration Management Plan (MCMP) for all projects defined within the task orders awarded under this contract. Configuration management activities will use the RUP, Rational ReqPro, Rational TestManager, Rational ClearCase, and Rational ClearQuest. The Rational servers will be maintained by an independent contractor selected by the NRC.

The Contractor shall implement software configuration management processes and procedures that are assessed at Capability Maturity Model® Integration (CMMI) Level III, as defined by the Carnegie Mellon Software Engineering Institute. Information about CMMI can be found at www.sei.cmu.edu/cmmi/general/general.html. The Contractor shall provide a plan for attaining CMMI Level III certification within 18 months or earlier of contract award. Configuration management activities are considered an integral part of software development and maintenance. Configuration management activities as described herein shall be incorporated into each task order under this delivery order.

The Contractor shall perform maintenance actions using the current production version of the application system source code which is housed in Rational ClearCase Versioned Object Base (VOBs). In accordance with the MCMP, all application system source code changes will be appropriately updated in the system documentation, including any changes that affect the security controls within the application system, prior to system deployment. Changes to application system source code shall be made utilizing only those vendor products defined in the application system baseline, unless authorization has been received in writing from the NRC.

STATEMENT OF WORK
Maintenance and Operational Support of NRC Application Systems and Environment

Task Order Manager (TOM) (i.e., if the application is coded in Visual Basic 5.x, only Visual Basic 5.x will be utilized in the changes). It is the responsibility of both the NRC TOM and the Contractor to ensure that introduction of any new product to the application system is consistent with the authorized list of vendor products (i.e., the toolkit) approved by the NRC Environmental Change Control Board (ECCB). Adherence to policies and procedures contained in the NRC PMM, MCMP, and associated guides, is required for each work effort. The Contractor shall remain available to assist the deployment contractor and answer any questions associated with deployment of the application and/or data.

3.2 Maintenance Change Request Process

The Contractor shall follow the procedures contained in the NRC document entitled, "OIS Application Change Request System Guide using Rational ClearQuest," to document all maintenance work performed and completed. The use of Rational ClearQuest is part of configuration management activities and, therefore, an inherent component of maintenance activities. The basic CR process is outlined below, based on the PMM phases:

3.2.1 Inception Phase

The NRC TOM shall notify the Contractor of system maintenance requests using the Rational ClearQuest change request (CR) system for each system release. The Contractor may also identify individual application system failures or other reasons or problems that necessitate a maintenance action using ClearQuest.

Inception Phase Deliverable: The Contractor shall provide a preliminary project plan (initial cost estimate and schedule for the release) to determine the feasibility of incorporating the CRs in the next release. The preliminary schedule shall identify major milestones and include scheduled completion dates for major project phases, including dates for completion of the elaboration phase and delivery of the release to user acceptance testing (UAT). The preliminary cost estimate and schedule shall be due at a date agreed upon by the NRC TOM and Contractor. The NRC TOM shall document the due date for the preliminary project plan deliverable in the ClearQuest release record at the beginning of the inception phase.

3.2.2 Elaboration Phase

Based on the preliminary estimate, the NRC TOM shall begin the elaboration phase by authorizing which CRs will be implemented in the next release by changing the CR state in ClearQuest from "submitted" to "analysis." Also, at the beginning of the elaboration phase, the NRC TOM shall record the due date for the end of elaboration phase in the ClearQuest release record.

Elaboration Phase Deliverables: The contractor shall provide the final release project plan (including cost estimate and schedule), initial test plans, and a technical approach/design (if requested by the NRC TOM) at completion of the elaboration phase.

1. Project Plan: The Contractor shall:

- Perform detailed analysis to identify what needs to be accomplished to complete the approved CRs in the next release.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment.

- Develop and maintain a Microsoft Project schedule consistent with the RUP phases by system on a per release basis.
- Store this Microsoft Project plan in ClearCase and attach a copy of the plan to the release record in ClearQuest. The Microsoft Project schedule shall include preliminary estimates and shall reflect the final development estimates (hours and cost) for each change request as approved by the NRC TOM before development. The development estimates shall include the cost of all Configuration Management activities, including updating all applicable documentation and artifacts.
- Include in their project schedule a time period for the NRC to accomplish user acceptance testing (UAT) as determined by the NRC TOM.
- Baseline the Microsoft Project schedule after entry of the final development estimates (hours and cost) for each CR, once approved by the NRC TOM, and attach the final technical approach to each CR record in ClearQuest.

2. Technical approach/design: The contractor shall ensure that the technical approach and/or design, as prepared by the Contractor during elaboration, shall be an integral component of each CR. All system modifications shall undergo a security engineering review commensurate with the Security Categorization of the system and the NRC Senior Information Security Technology Officer/Designated Approving Authority (SITSO/DAA)-approved Federal Information Processing Standard (FIPS) 199 security baseline for the system. The contractor shall utilize Rational RequisitePro and ClearQuest to ensure that all system modifications address the security controls as specified in FIPS 200, and National Institute of Standards (NIST) Special Publications 800-53 and 800-53A.

3. Test Plans and User Acceptance Testing: The Contractor shall create test plans in the Rational Test Manager that include test cases covering all new requirements for the release, as specified in the CR records in ClearQuest. Additionally, all changes shall be reviewed to ensure that any change to existing security controls or requirements for new security controls are implemented and tested. The criteria for testing and acceptance shall be based on the original content of the CR together with the technical approach/design, as approved by the NRC TOM. The NRC TOM shall validate that valid test cases are provided for all of the release's requirements. A "valid test case" is one that will fully exercise and verify the CR's requirements. These test cases shall be executed on the build that is delivered to NRC for UAT. The NRC TOM may request additional test coverage (such as regression testing) through ClearQuest CRs that provide the details for the additional testing requirements.

The test plans shall also exercise the systems security controls and security requirements and associated technical resolutions, risk mitigation, and implementations so as to confirm that the system and associated controls are operating as intended, and in accordance with FIPS 200, and National Institute of

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

Standards (NIST) Special Publications 800-53 and 800-53A, NIST SP 800-37 Guide for the Security Certification and Accreditation of Federal Information Systems, and the NRC System Security Test and Evaluation (STE) Plan Template. The Contractor shall update the test plan after completion of the system security test and evaluation plan test report to reflect validated information. The NRC SITSO/DAA must approve the final system STE test report to enable system release deployment.

The NRC TOM and the Contractor will reach agreement on the test cases or general technical approach/design that must pass for the NRC to accept the system, before the Contractor creates the final Microsoft Project Plan baseline for the release. At the option of the NRC TOM, the detailed test scripts/procedures to execute the test cases may be due at an alternative date after the end of elaboration, but must be delivered and accepted by the NRC TOM prior to the UAT target date.

3.2.3 Construction Phase

The NRC TOM shall authorize the Contractor to begin the Construction phase of the release by approving the Contractor's final cost and schedule and changing the CR state from "analysis" to "authorize to implement." The Contractor shall not proceed working on a release without the NRC TOM approval.

Construction Phase Deliverable: The Contractor shall ensure that all software changes made in each release are completed no later than the UAT target date specified in the schedule. The release must include updates to all documentation which was affected by those changes, including all security documentation. This may also require updating the system Certification and Accreditation security documentation, as applicable. Contractor performance on all software maintenance releases shall be evaluated for timeliness, quality, and cost, in accordance with Section 8.1.

The NRC TOM must add all of the CRs to the release record in ClearQuest no later than the release's cutoff date for accepting new functionality, so that the Contractor has sufficient information and time for scheduling and planning the release. If the TOM submits any new CRs after a new release is approved and baselined for inclusion in that new release, then the Contractor must provide a statement regarding the impact of the CRs on the cost and schedule of that release. If the TOM approves the new CR for inclusion in the current release based on the Contractor's revised estimated cost and schedule, then the Contractor shall rebaseline the Microsoft Project Plan, accordingly.

3.2.4 Transition Phase

The Contractor shall update all system security Certification and Accreditation documentation, as necessary, for all system releases prior to deployment of the release to the production environment.

3.2.5 Emergency Releases

Occasionally a system failure may require the Contractor to begin work on identifying and fixing a problem immediately. If directed by the TOM to perform an emergency

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

release, the Contractor may begin work on identifying and fixing the problem without following the maintenance phases required in Sections 3.2.1 through 3.2.4. The TOM or Contractor shall document the emergency maintenance request as a CR, with an estimated completion date. If the effort required exceeds 24 work hours, the Contractor must then follow the maintenance phases as required in the above sections.

3.3 Operational Support

The Contractor shall provide operational support as identified in specific task orders. Operational support may take various forms, including the following:

- Data Support
 - data interpretation
 - OCR, scanning
 - verification
 - entry
- Report Generation
 - producing reports on paper and in electronic form (MS Office, Corel Office, or ASCII format) from agency systems either on a scheduled or ad hoc basis of (1) standard reports or (2) quick query or new reports using newly defined criteria
- Production Support:
 - initiating program sequences on a prescribed schedule
 - data transfers between systems either through kickoff of electronic processes (programs) or inputs of tapes or other physical media
 - system monitoring, troubleshooting, and applying immediate corrective measures to agency production application systems (in some cases, on a 24-hour, on-call basis).
- Testing Support
 - applications testing using the Rational Test tools (i.e., TestManager or Robot), in accordance with the procedures for testing contained in the PMM, MCMP, and TestManager Guide

3.4 Information Systems Security Certification and Accreditation (C&A)

The facility C&A effort is composed of both physical security and information system security activities. The information systems security part of the facility certification follows the standard C&A process, as defined in NIST SP 800-37, "Guide for the Security Certification and Accreditation of Federal Information Systems", but has a

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

limited scope that addresses only the facility and those aspects of the facility such as telecommunications interfaces that impact the information processes at the Contractor location.

The purpose of the certification is to:

- Protect any NRC systems at the sites in which they are used;
- Address local configurations for those systems;
- Provide full security by integrating the different aspects of security. Includes but is not limited to personnel, systems, physical security, telecommunication and network controls.
- Meet the requirements of the Federal Information Security Management Act (FISMA) and NRC MDs 12.1, 12.3, 12.4, 12.5, 12.6 and 12.8).

Additionally, the Contractor shall:

- Perform C&A of the facilities on a regular basis as mandated by federal regulations in accordance with the highest level of information sensitivity processed or stored by information systems located at the facility.
- Perform an initial facility C&A within 60 calendar days after contract award, and submit all C&A artifacts to the NRC. Artifacts related to the information systems part of the facility C&A can be located at <http://www.internal.nrc.gov/pmm/Publish-PMM-Security-C&A/index.htm>. (If access to the site is not available, we will provide hard copy.) The Government shall furnish available information (e.g. Standard Operational Procedures, regulations, manuals, texts, briefs and the other materials associated with this project), as well as access to the Rational Suite Enterprise Tools located and maintained on the NRC network infrastructure. All information, regardless of media, provided by the Government and/or generated for the Government in the performance of this contract are Government property and shall be maintained and disposed by the Government. At the time of disposition, the Contractor shall box, label contents, and deliver as directed by the Contracting Officer. Additionally, any major findings from the C&A shall be corrected within 45 calendar days of the report at no cost to the government.
- The Contractor shall provide a secure data communication solution that terminates at a secure location within NRC Headquarters that meets TIA/EIA-568-1 Commercial Building Telecommunications Cabling Standard Part 1: General Requirements (February 2003), TIA/EIA-568-2 Commercial Building Telecommunications Cabling Standard Part 2: Balanced Twisted-Pair Cabling Components (January 2003), and TIA/EIA-569 Commercial Building Standard for Telecommunications Pathways and Spaces (December 2001).

The Contractor shall provide secure data communications (encryption, authentication, data integrity checking, key exchange, and data compression) commensurate with the risks inherent with communicating over public networks from the applications server located at the application service providers facility to the client computers located NRC Headquarters in Rockville, MD.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

The Contractor proposed solution shall be constructed from components and technologies that meet or exceed National Institute of Standards and Technologies (NIST) Federal Information Processing Standards (FIPS) 140-2 "Security requirements for Cryptographic Modules" validation certification requirements.

The Contractor shall provide a secure proven Layer-2 Encryption (Layer -2 of the OSI model) data communications solution that integrates transparently into any ethernet network and supports frame authentication, dynamic per session keys, and AES 256 encryption algorithms, and has been validated certified as National Institute of Standards (NIST) Federal Information Processing Standard (FIPS) 140-2 compliant. Additionally, the Contractor secure data communications solution shall be configured and operated in NIST FIPS 140-2 certified mode and meet or exceed the Department of Defense Security-Proof-of-Concept-Keystone (SPOCK) performance objectives.

The Contractor shall provide a secure client solution that support AES 256 encryption algorithms and be National Institute of Standards (NIST) Federal Information Processing Standard (FIPS) 140-2 validated certified and shall be configured and operated in NIST FIPS 140-2 certified mode.

The Contractor at no cost to the government shall provide connectivity between NRC and Contractor facilities and the Internet. This connectivity shall only be accomplished via the NRC gateway; no other Internet connectivity is authorized. All telecommunications shall be consistent with NRC MD 12.4, "NRC Telecommunications Systems Security Program"

The Government shall provide for these gateway services. The gateway is part of the NRC wide area network (WAN) and connection to the NRC LAN shall provide these accesses. The Government shall not be responsible for payment for ODCs associated with wiring when the wiring is necessitated by a move that is for the convenience of the Contractor or for purposes other than to support GLTS data entry efforts.

- The Contractor shall perform an annual self-assessment of the facilities, networks, and computers in accordance with NIST SP 800-26, "Security Self-Assessment Guide for Information Technology Systems".

3.5 Assumptions

The following are assumptions assumed by the contractor:

1. The contractor is responsible for the updating of PMM and C&A documentation in conjunction with system maintenance releases at no direct cost to the Government. The creation of PMM and C&A documentation that does not exist will be included in task order project plans and will be directly charged to the task order. Review and approval of any documentation costs shall first be reviewed and approved by the NRC Project Officer.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

2. Since the NRC TOM is responsible for the update to Change Request states that result in entry of key dates into the ClearQuest system to demonstrate the completion of key milestones, such as approval of the Test Plan, it is assumed that ClearQuest will not be the only basis for determining if key milestones are met if LM can demonstrate through e-mail or other means that the milestone has been met. It is recognized that the contractor must notify the NRC Project Officer and the NRC TOM in writing when such an occasion occurs.
3. Integrated Project Plans are developed reflecting both LM and NRC milestones. It is assumed that when the NRC misses key milestone dates, the UAT dates will be adjusted accordingly. It is recognized that the contractor must notify the NRC Project Officer and the NRC TOM in writing when such an occasion occurs.

C.4 QUALITY ASSURANCE PLAN

The Contractor shall maintain a formal quality assurance program (QAP) that assures the accuracy and completeness of the required deliverables. The QAP shall include minimal effort requirements and escalating stages as needed to identify and correct deficiencies and errors. The NRC Project Officer will review and accept the QAP as applied to this contract.

C.5 DELIVERABLES

The specific deliverables for the operations and maintenance of NRC application systems and environment will be established through individual task orders issued under this delivery order. For system maintenance requests, the NRC Task Order Manager shall notify the Contractor of maintenance requests using the Rational ClearQuest CR system and approve the CRs that will be included in each system release. The Contractor shall follow the procedures and deliverables specified in Section C.3.2, "Maintenance Change Request Process."

C.6 NRC INFORMATION TECHNOLOGY SECURITY TRAINING

NRC contractors shall ensure that their employees, consultants, and subcontractors with access to the agency's information technology (IT) equipment and/or IT services complete NRC's online initial and refresher IT security training requirements to ensure that their knowledge of IT threats, vulnerabilities, and associated countermeasures remains current. Both the initial and refresher IT security training courses generally last an hour or less and can be taken during the employee's regularly scheduled work day. Contractor employees, consultants, and subcontractors shall complete the NRC's online, "Computer Security Awareness" course on the same day that they receive access to the agency's IT equipment and/or services, as their first action using the equipment/service. For those contractor employees, consultants, and subcontractors who are already working under this contract, the on-line training must be completed in accordance with agency Network Announcements issued throughout the year 2003 within three weeks of issuance of this modification. Contractor employees, consultants, and subcontractors who have been granted access to NRC information technology equipment and/or IT services must continue to take IT security refresher training offered online by the NRC throughout the term of the contract. Contractor employees will receive notice of NRC's online IT

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

security refresher training requirements through agency wide notices. The NRC reserves the right to deny or withdraw Contractor use or access to NRC IT equipment and/or services, and/or take other appropriate contract administrative actions (e.g., disallow costs, terminate for cause) should the Contractor violate the Contractor's responsibility under this clause.

C.7 GOVERNMENT AND CONTRACTOR-FURNISHED EQUIPMENT & SOFTWARE

The NRC will provide equipment and administrative software necessary for the contractor to work effectively in NRC's network environment. In addition, all applications software necessary to maintain NRC application systems contained in each task order will be provided. The NRC will also provide routers and hubs necessary to connect to our network. For security reasons, the contractor shall ensure that NRC-provided equipment remains separated from the Contractor's own network environment.

The Contractor shall provide the NRC with a 10/100 Fast Ethernet RJ-45 connection to their procured 100 Mbps LAN connection. The Contractor shall provide the ethernet cable that is capable and fully functional with the above 10/100 Fast Ethernet RJ-45 connector on the Government router at both the contractor location and the NRC Headquarters hub location.

7.1 Current and Future Standard Operations and Development Platforms

The NRC has developed a three-tier Web architecture based on the following products. The standard Web browser is Internet Explorer 6. To extend the functionality of the NRC desktop in the Web environment, the NRC has adopted Macromedia Studio MX 6.1, which includes DreamWeaver, Flash, and Fireworks. The NRC standard external Web server is Iplanet, version 6.0, running on a Solaris 8 platform. The external Web server will transition to Iplanet, version 6.1 soon. The standard internal Web server is Iplanet, version 6.1, running on a Solaris 8 platform. The NRC will transition to Studio 8 and Solaris 10 in the near future.

The NRC Lightweight Directory Access Protocol (LDAP) implements both Novell E-directory services and Microsoft Active Directory services. The NRC standard middleware server is Cold Fusion MX, version 7.0, running on the Solaris 8 platform. The standard backend database for the NRC is Sybase ASE, version 12.0 and version 12.5. A second standard backend database for the NRC is MS SQL Server 2000, which is the preferred database for Web applications.

Enterprise Application maintenance and operations for integrated and composite applications is required for Microsoft Windows Sever 2003, Internet Information Server 6, Project Server 2003/2007, SharePoint Portal Server 2007, SQL Server 2005 Enterprise, BizTalk Server, ISA Server, Active Directory, Exchange, Crystal Enterprise X/XI Server, and supporting technologies.

7.2 Equipment

The NRC may request the Contractor to replace equipment under certain task orders of this delivery order. The Contractor shall provide their GSA Schedule rates for this equipment as part of their proposal. Refer to the equipment listed in Task Order 2 "Environment Administration." In addition, other types of equipment that the Contractor may be requested to

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

replace include:

Dell PowerVault Tape Library system
Dell Windows 2000 server and Power Edge 2850 server
Dell rack with monitor and KVM switch
Uninterruptible Power Supply
Cisco routers (Mfg. Part# CON-SNT-2811ACIP) and annual support
Sage Brick II Web server and Feature Update Service (annual subscription)
Red Hat Enterprise Linux 4.3
Tectia SSH Server (A) and annual support
Tectia SSH Client and annual support
Blade Frame EP Base System,
30 AMP Fiber.
Pair of Control Blades and Pair of Switch Blades
Blade Frame EP Base Software, Documentation, and Licenses
VMWare Media Kit
Windows VMWare GSX for
4-way pblades
SW License for 4 socket 4-way Processing Blade
Processing Blade 4 socket,
4-way AMD Opteron 2.2GHz, 32 GB RAM
Installation
One Year of Normal Business Hours Support Services
INSERV E200 BASE CONFIGURATION
2-PORT FIBRE CHANNEL ADAPTER FOR E200
1-PORT GB ETHERNET ADAPTER FOR E200
2048MB DATA CACHE (2 X 1024 DIMMS) FOR E200
DRIVE CHASSIS (16-DISK, 2 GIGABIT)
4 X 147GB SINGLE-DRIVE MAGAZINES (10k, 2 GIGABIT)
2M FIBRE CABLE 62.5/125 (LC-LC)
50M FIBER CABLE 62.5/125 (LC-LC)
REGIONAL KIT, NORTH AMERICA
2M CABINET FOR E200
SERVICE PROCESSOR
INFORM SUITE (E200) - 4 X 147GB MAGAZINES LTU
VIRTUAL COPY (E200) - 4 X 147GB MAGAZINES LTU
INSTALLATION AND SET-UP FOR E200, CABINET
3PAR WARRANTY NBD EXTENSION FOR E200 (YR3)
3PAR ADVANTAGE FOR E200, BASE PRICE
3PAR ADVANTAGE FOR E200, BASE PRICE (RENEWAL)
VIRTUAL COPY SW MAINT FOR E200, BASE PRICE
VIRTUAL COPY SW MAINT FOR E200, BASE PRICE (RENEWAL)
CISCO/Airespace (AS-4012-POE) Wireless LAN Switch with 12 10/100
Power-Over-Ethernet Interfaces
CISCO/Airespace (AS-1200-ABG-EXT) 802.11A, 802.11B, and 802.11G External Wireless
Access Point
Fortress Technologies (AF7500) Wireless Security Gateway

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

CISCO/Airespace Site Survey Tool
Onsite CISCO/Airespace and Fortress Technologies Support

7.3 Government Furnished Property

For Contractor personnel performing work at the NRC headquarters site, the NRC will provide a basic workstation and administrative software necessary for the contractor to work effectively in NRC's network environment. In addition, all applications software necessary to maintain NRC application systems contained in each task order will be provided.

NRC will also be providing routers, and hubs necessary to connect to our network. For security reasons, the contractor shall ensure that NRC-provided equipment remains separated from the Contractor's own network environment.

7.4 Government Furnished Equipment (GFE) Property Requirements

Some items delivered to the Contractor for their use in support of this delivery order will remain at the Contractor's facility. Such items are defined as GFE. Once delivered, the Contractor shall control the property and administer a program to protect and preserve it. The Contractor shall also maintain a suitable inventory control system.

The Contractor shall appoint one person as the receipt point of all GFE items provided for their use under each task order. The Contractor shall provide monthly reports and periodic queries from their GFE inventory systems as requested by the NRC. The monthly reports are cumulative to date from the start of the task order.

The minimum data to be provided in the monthly GFE report is -

- Delivery Order #
- NRC Property TAG #
- Serial #
- Location
- Person Assigned to
- Item Type Code (HW, SW, License, etc.)
- Item Name (i.e., PC, server, tape drive, modem, etc.)
- Comments/disposition

Changes in project needs may also require adjustments in GFE at contractor site. If additional hardware and software are needed, the contractor shall inform the NRC delivery order manager who will arrange for these items to be delivered either from NRC stock or via a procurement action.

The adding or removing of support tools per staff member or per project shall be controlled and reflected in the GFE inventory.

Movement of GFE into and/or out of contractor site space must be accomplished by using the "Government Furnished Property Transfer Notification " form. This form is to be completed by

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

the contractor delivery order property custodian and provided to the NRC delivery order manager or his designee within 5 working days.

C.8 CONTRACTOR PERSONNEL QUALIFICATIONS

The Contractor shall provide qualified, competent, and fully trained personnel to perform the support activities delineated in the task orders under this delivery order. The Contractor personnel shall be capable of obtaining IT Level I or II security access, as required. They shall be capable of developing, reviewing, and commenting on technical plans for full M&O support for the systems identified under this delivery order. Both hardware and software technical knowledge is necessary. The Contractor shall maintain qualified backup personnel so that continuity of service shall not be disrupted at any time.

- General qualifications:
 - Experience in software maintenance, analysis, design, and testing
 - Demonstrated competency in technical, oral and written communication, and analytical skills, as demonstrated through prior assignments
 - Ability to perform problem source identification and resolution.
 - Competency in writing user and technical documentation
 - Extensive knowledge and experience in using Rational Suite Enterprise (specifically, ClearQuest, ClearCase, and RequisitePro) and the RUP for application maintenance and enhancement activities
 - Contractor shall support all current or future releases of NRC-licensed software that support agency applications.
- For project managers, the Contractor staff shall have demonstrated experience in project management and technical support. It is preferred, but not mandatory that the proposed Project Managers be currently certified as Project Manager Professionals by the Project Management Institute
- For Contractor Site Local Area Network (LAN) support, the Contractor shall have staff with demonstrated experience in LAN environments and requirements for internal wiring, including the Novell LAN platform, Novell NetWare, NT Server, XP, Windows 2000 and 2003 servers, PC hardware, Unix and Unix scripts, RS/6000 AIX, TCP/IP, VBA, and ZYIMAGE. The Contractor shall have experience with E-directory, Active Directory, and LDAP configuration options.
- The Contractor shall have staff experienced with Web platforms, including:
 - Developing Web applications with the Iplanet, version 6.0 and 6.1 Web server platform, using HTML Version 4, Solaris 8 platform, Cold Fusion Markup Language (CFML) 6.1 or better, and Java
 - Web site design and technology using state-of-the-art Web design tools, such as DreamWeaver 8
 - Developing web applications that are Section 508 compliant
 - Secure Web sites and appliance hardware

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

- Demonstrated experience with database management systems technologies, including preferably, a Sybase Certified Professional on ASE 12.x, Sybase Replication Server, MS SQL Server Certified Professional on Microsoft 2000 and 2005, DB2 and RAMIS 7.4.
- Demonstrated experience programming in mainframe and client server environment. Experience in, PowerBuilder, COBOL, JCL and ASSEMBLY.
- Demonstrated experience with mainframes, including the NIH mainframe computer facility, Federal Financial System (FFS), or similar MVS mainframe to include batch and online processing.
- Knowledge of FileNET Content Services and associated software and Convera RetrievalWare Administration wizards.

8.1 Contractor Staffing Changes and/or Project Changes

Adding a new person to any of the task orders requires that NRC perform a background security check, arrange for badging, provide a LAN ID and/or mainframe access ID, and establish ADAMS access where needed. The Contractor shall assemble a package of information (forms provided by NRC) required to accomplish the above items and forward it to the NRC delivery order manager. A new staff member will not be allowed access to NRC's computer systems until NRC Personnel Security has granted access approval.

C.9 PERFORMANCE METRICS

Performance under each task order will be evaluated using software maintenance metrics and/or operational metrics. For all task orders with software maintenance, a standard performance metric will be evaluated as specified in Section 9.1 below. In addition, each NRC TOM may specify other performance metrics for software maintenance or operational support tasks, unique to their task orders.

9.1 Standard Performance Metrics for Software Maintenance

Contractor performance on all software maintenance releases shall be evaluated for timeliness, quality, and cost. The cost and schedule will be evaluated based on a mutually approved Microsoft Project Plan. Quality solution delivery will be evaluated based on approved test plans.

9.1.2 Evaluating Timely and Quality Solution Delivery for Software Releases

- 9.1.2.1 Performance Standard: The Contractor shall ensure that all software and documentation changes made in each release are completed no later than the UAT target date and correctly fix the identified problems identified or provide the specified enhancements, without introducing any new problems into the system. The Contractor shall complete and deliver all work products defined in the approved Microsoft Project Plan, including deployment of the new system to the NRC UAT environment, by the agreed upon UAT delivery date for the release. In

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

the case that multiple deliveries are made to UAT (i.e., to correct issues found in earlier iterations of UAT), the date of the *final* delivery will be used for this measurement. The "final delivery" is the build that is accepted by the TOM as fulfilling the release's requirements.

- 9.1.2.2 Measure: In the ClearQuest release record, the *User Acceptance Testing: Actual Date* is no later than the *User Acceptance Testing: Target Date*.
- 9.1.2.3 Procedure: The NRC TOM specifies the agreed upon UAT delivery date in the release's *User Acceptance Testing: Target Date* field in ClearQuest. Upon deployment of the system to UAT and delivery of the associated artifacts, the Contractor shall update the release record in ClearQuest through the "Deliver_uat" action. ClearQuest will record the date this occurs in the release's *User Acceptance Testing: Actual Date* field.

The NRC TOM validates that zero defects are found in the execution of the predefined test cases, agreed to by the NRC and the Contractor, as documented in the TestManager or a Test Plan in ClearCase.

If defects are found during NRC testing, the NRC shall use ClearQuest to reject the CR that failed. This will automatically reject the release in ClearQuest (or the TOM may reject the release manually). If rejected, the Contractor shall redeliver the release once the CR problems have been resolved. This will cause ClearQuest to override the release's *User Acceptance Testing: Actual Date* with the new date of delivery.

- 9.1.2.4 Disincentive for Software Releases that Fail User Acceptance Testing:

If a software release that the Contractor delivers to user acceptance testing fails UAT, according to the test plan agreed upon between the Contractor and the NRC TOM, then a revised date for acceptance will be negotiated and the Contractor shall make the necessary fixes to the release at no additional cost to the Government.

If the defects found are outside the scope of the release, through no fault of the Contractor, the NRC TOM shall create a new CR to add to a future release, rather than delay the delivery of the current release. Alternatively, the NRC TOM may grant the Contractor additional time for the new CR by extending the release's *User Acceptance Testing: Target Date* in ClearQuest.

If the software release fails UAT as of the revised date for acceptance, a disincentive of one percent (1%) of the total actual cost of the software release will be applied for every work day late beyond the revised date until a software release is delivered that passes UAT. The actual cost of the software release for calculating this disincentive will be based on the total costs as of the agreed upon date for delivery to UAT. The Contractor shall make the necessary fixes to the release at no additional cost to the Government.

- 9.1.3 Evaluating Cost Performance on Software Releases

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

- 9.1.3.1 *Performance Standard:* The Contractor shall ensure that the actual cost for work performed on the release does not exceed the estimated cost for the release.
- 9.1.3.2 *Measure:* The final cost for the tasks covered in the approved project plan do not exceed the release's total estimated cost by more than five percent (5%). The release's total estimated cost is specified in the approved, baselined Microsoft Project Plan in ClearCase.
- 9.1.3.3 *Procedure:* The Contractor shall provide its final estimate for each release in a Microsoft Project Plan. The Contractor shall store this Microsoft Project Plan in ClearCase and attach a copy to the release record in ClearQuest. The Contractor shall baseline the Microsoft Project Plan once the NRC TOM has approved the final development estimates (hours and cost). Any further modifications to the estimates approved by the NRC TOM will result in updating and rebaselining the Microsoft Project Plan for the release.
- 9.1.3.4 *Disincentive for Software Releases that Exceed Estimated Cost:*

If the Contractor's actual cost will exceed the NRC approved final development estimate by more than five percent (5%), the Contractor must notify the NRC TOM and provide a revised cost estimate for completing the work, with a satisfactory explanation for the higher cost. If the NRC TOM approves the revised cost estimate based on the Contractor's explanation, the Contractor shall rebaseline the Microsoft Project Plan. If the NRC TOM does not approve the revised estimate, the Contractor must complete the release not to exceed five percent of the original final estimates. If the Contractor fails to notify the NRC TOM and obtain approval for a higher revised cost prior to exceeding the cost estimate, the Contractor will complete the release at no additional cost to the Government.

9.2 Performance Evaluation Reports

- 9.2.3.1 *Performance Standard:* Level of customer satisfaction as measured by the monthly Performance Evaluation Reports. See attachment.
- 9.2.3.2 *Measure:* The NRC task order managers will rate contractor performance each month in the categories of: accuracy, thoroughness, responsiveness, timeliness, administration, resourcefulness, perceptiveness, cost and efficiency.
- 9.2.3.3 *Procedure:* The NRC task order managers will rate contractor performance each month using the Performance Evaluation Report. Any unsatisfactory ratings will require a written justification and be discussed with the Contractor.
- 9.2.3.4 *Disincentive:* No-cost corrective action to resolve task order manager concerns. If warranted, costs may be suspended pending satisfactory Contractor explanation, or disallowed.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

9.3 Deliverable Reviews

- 9.3.1.1 Performance Standard: The number of business days required to take corrective action on issues identified in a Delivery Order Discrepancy Report (DODR).
- 9.2.3.2 Measure: Contractor will resolve issues identified in the DODR within three (3) business days of the DODR issuance meeting. The 3 business day corrective action time will not include time in which the Contractor is waiting on the NRC for data necessary to perform the corrective action.
- 9.3.1.3 Procedure: Deliverable Reviews will be held, as necessary, to provide the Contractor with feedback related to improving the quality of deliverables, including feedback received from Customer Satisfaction Surveys. Such reviews will be coordinated by the NRC Project Officer as required to supplement written comments provided on deliverable submissions. The written minutes of all deliverable review meetings shall be prepared by the Government. Should the Contractor not concur with the minutes, the Contractor shall so state any areas of non-concurrence in writing to the Project Officer within ten calendar days of receipt of the minutes. Failure to correct and identify defects, and integrate the Project Officer's comments into the deliverable may result in the issuance of a Delivery Order Discrepancy Report (DODR). Upon issuance of a DODR, a meeting will be held.
- 9.3.1.4 Disincentive: No-cost corrective action to resolve task order manager concerns. If warranted, costs may be suspended pending satisfactory Contractor explanation, or disallowed.

C.10 SURVEILLANCE PLAN

The NRC Project Officer will evaluate the Contractor's performance by reviewing all deliverables to ensure quality, quantity, and timeliness. NRC personnel will record all surveillance observations, i.e., number of deliverables that have to be returned for correction/completion, costs, and timeliness of deliverables. Any action taken by the Contracting Officer as a result of deficiencies identified by NRC will be in accordance with Section C.9.

C.11 DELIVERABLE FORMATS

The Contractor shall provide all documentation to the NRC Project Officer electronically via e-mail in all the following formats, except as specifically stated herein: Microsoft Word (version 2003), Microsoft Excel (version 2003), Microsoft Project (version 2003), and Adobe PDF (version 7.0) formats

- 11.1 Standard for Grammar and Mechanics

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

All documentation submitted by the Contractor shall conform to the *Chicago Manual of Style*, as amended by any applicable NRC format templates and requirements.

11.2 Timeliness and Accuracy

Timeliness and accuracy are indicators of standard of performance.

11.3 Draft and Final Submission

All documentation shall be submitted in draft form to the NRC Task Manager for comment and reviewed in order to determine the Contractor's performance level.

The Contractor shall incorporate into the final deliverable documentation any NRC comments received on the draft documentation within 3 business days of receipt of comments from the NRC Task Manager.

The NRC Task Manager will review all draft documents submitted as part of task order deliverables for conformity to the standards referenced in this Statement of Work.

11.4 The following provisions also apply to all deliverables:

11.4.1 Reporting Requirements: In addition to meeting the delivery schedule in the timely submission of any draft and final reports, summaries, data and documents that are created in the performance of this delivery order, the Contractor shall comply with the directions of the NRC regarding the contents of the report, summaries, data and related documents to include correcting, deleting, editing, revising, modify, formatting, and supplementing any of the information contained therein at no additional cost to the NRC. Performance under the task order will not be deemed accepted or completed until the NRC's directions are complied with. The reports, summaries, data and related documents will be considered draft until approved by the NRC.

11.4.2 Publication of Results: Prior to any dissemination, display, publication or release of articles, reports, summaries, data or related documents developed under the delivery order, the Contractor shall submit for review and approval by the NRC the proposed articles, reports, summaries, data and related documents that the Contractor intends to release, disseminate or publish to other persons, the public or any other entities. The Contractor shall not release, disseminate, display or publish articles, reports, summaries, data, and related documents or the contents therein that have not been reviewed and approved by the NRC for release, display, dissemination or publication. The Contractor agrees to conspicuously place any disclaimers, markings or notices directed by the NRC on any articles, reports, summaries, data and related documents that the Contractor intends to release, display, disseminate or publish to other persons, the public or any other entities. The Contractor agrees and grants a royalty free, nonexclusive, irrevocable world-wide license to the government to use, reproduce, modify, distribute, prepare derivative works, release, display or disclose the articles, reports, summaries,

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

data and related documents developed under the contract, for any governmental purpose and to have or authorize others to do so.

11.4.3 Identification/ Marking of Sensitive Unclassified Non-Safeguards Information (SUNSI) and Safeguards Information (SGI): The decision, determination or direction by the NRC that information constitutes sensitive or safeguards information remains exclusively a matter within the authority of the NRC to make, unless that authority is delegated by the NRC Project Officer. The Contractor shall comply with all SGI access requirements as prescribed by NRC governing directives and applicable 10 Code of Federal Regulations Part 73. In performing the contract, the Contractor shall clearly mark SUNSI and SGI to include for example Official Use Only and SGI on any reports, documents, designs, data, materials and written information as directed by the NRC. In addition to marking the information as directed by the NRC, the Contractor shall use the applicable NRC cover sheet forms, when applicable, (e.g. NRC Form 461 - Safeguards Information; NRC Form 761- Warning Confidential Allegation Material; and NRC Form 762 - Warning Sensitive Allegation Material) in maintaining these records and documents. The Contractor will ensure that SUNSI and SGI s handled appropriately, maintained and protected from unauthorized disclosure. The Contractor shall comply with the requirements to mark, maintain and protect all information including documents, summaries, reports, data, designs, and materials in accordance with the provisions of Section 147 of the Atomic Energy Act of 1954, as amended, its implementing regulations (10 CFR 73.21), the Designation Guide for SGI, the NRC Management Directive and Handbook 12.6, subsequent guidance related to information security and in accordance with NRC Policy for Handling, Marking, and Protecting Sensitive Unclassified Non-Safeguards Information (ML052990146), Yellow Announcement 2005-077, "Policy Revision: NRC Policy for Handling, Marking, and Protecting Sensitive Unclassified Non-Safeguards Information (SUNSI), dated October 26, 2005; and SUNSI instructions contained on the NRC intranet Web site at www.internal.nrc.gov/sunsi.

11.4.4 Remedies: In addition to any civil, criminal and contractual remedies available under the applicable laws and regulations, failure to comply with the above provisions and or NRC directions may result in suspension, withholding or offsetting of any payments invoiced or claimed by the Contractor. If the Contractor intends to enter into any subcontracts or other agreements to perform this contract, the Contractor shall include all the above provisions in any subcontract or agreements.

C.12 PROJECT OFFICER AUTHORITY

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

Name: Harry Kromer
Address: 11545 Rockville Pike
Mailstop: O6-D3M
Rockville, MD 20852

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

Phone #: 301-415-6050

E-Mail: hjk@nrc.gov

(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, authorizes travel which was unanticipated in the Schedule (i.e., travel not contemplated in the Statement of Work (SOW) or changes to specific travel identified in the SOW), fills in details, or otherwise serves to accomplish the contractual SOW.

(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 directions 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. A copy of the written direction must be furnished to the contracting officer. A copy of NRC Form 445, Request for Approval of Official Foreign Travel, which has received final approval from the NRC must be furnished 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

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

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 Security Branch, Division of Facilities and Security (SB/DFS) (via e-mail) when a contractor employee no longer requires access authorization and return of any NRC issued badge to SB/DFS within three days after their termination.

(6) Ensure that all contractor employees that require access to classified Restricted Data or National Security Information or matter, access to sensitive unclassified information (Safeguards, Official Use Only, and Proprietary information) access to sensitive IT systems or data, unescorted access to NRC controlled buildings/space, or unescorted access to protected and vital areas of nuclear power plants receive approval of SB/DFS prior to access in accordance with Management Directive and Handbook 12.3.

C.13 2052.204.70 SECURITY

(a) Contract Security and/or Classification Requirements (NRC Form 187). The policies, procedures, and criteria of the NRC Security Program, NRC Management Directive (MD) 12 (including MD 12.1, "NRC Facility Security Program;" MD 12.2, "NRC Classified Information Security Program;" MD 12.3, "NRC Personnel Security Program;" MD 12.4, "NRC Telecommunications Systems Security Program;" MD 12.5, "NRC Automated Information Systems Security Program;" and MD 12.6, "NRC Sensitive Unclassified Information Security

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

Program"), apply to performance of this contract, subcontract or other activity. This MD is incorporated into this contract by reference as though fully set forth herein. The attached NRC Form 187 (Attachment 2) 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 Restricted Data or National Security Information or matter, access to sensitive unclassified information (Safeguards, Official Use Only, and Proprietary information), access to sensitive Information Technology (IT) systems or data, unescorted access to NRC controlled buildings/space, or unescorted access to protected and vital areas of nuclear power plants.

(b) It is the contractor's duty to protect 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 protecting 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 contract 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 contract 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, safeguards information, proprietary data (trade secrets) or confidential or privileged technical, business, or financial information, including Commission plans, policies, reports, financial plans, other (Official Use Only) internal data protected by the Privacy Act of 1974 (5 USC § 552a), 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 shall ensure that information protected from public disclosure is maintained as required by NRC regulations and policies, as cited in this contract or as otherwise provided by the NRC. The contractor will not 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 (DFS) and the Contracting Officer. These changes will be under the authority of the FAR Changes clause referenced in this document.

The contractor agrees to comply with the security requirements set forth in NRC Management

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

Directive 12.1, NRC Facility Security Program which is incorporated into this contract by reference as though fully set forth herein. Attention is directed specifically to the section titled "Infractions and Violations," including "Administrative Actions" and "Reporting Infractions."

(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) Definition of Safeguards Information. Sensitive unclassified information that specifically identifies the detailed security measures of a licensee or an applicant for the physical protection of special nuclear material; or security measures for the physical protection and location of certain plant equipment vital to the safety of production or utilization facilities. Protection of this information is required pursuant to Section 147 of the Atomic Energy Act of 1954, as amended.

(i) Security Clearance. 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 Nondisclosure Agreement, when access to classified information is required.

(j) 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.)

(k) 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.

(l) In performing the contract work, the contractor shall classify all documents, material, and equipment originated or generated by the contractor in accordance with guidance issued by the

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

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.

C.14 BADGE REQUIREMENTS FOR UNESCORTED BUILDING ACCESS TO NRC FACILITIES (FEB 2004)

During the life of this contract, the rights of ingress and egress for contractor personnel must be made available, as required, provided that the individual has been approved for unescorted access after a favorable adjudication from the Security Branch, Division of Facilities and Security (SB/DFS). In this regard, all contractor personnel whose duties under this contract require their presence on-site shall be clearly identifiable by a distinctive badge furnished by the NRC. The Project Officer shall assist the contractor in obtaining badges for the contractor personnel. All contractor personnel must present two forms of Identity Source Documents (I-9). One of the documents must be a valid picture ID issued by a state or by the Federal government. Original I-9 documents must be presented in person for certification. A list of acceptable documents is available at http://www.usdoj.gov/crt/recruit_employ/i9form.pdf. It is the sole responsibility of the contractor to ensure that each employee has a proper NRC-issued identification/badge at all times. All photo-identification badges must be immediately (no later than three days) delivered to PSB/DFS for cancellation or disposition upon the termination of employment of any contractor personnel. Contractor personnel must display any NRC issued badge in clear view at all times 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 contract work, and to assure the protection of any Government records or data that contractor personnel may come into contact with.

C.15 SECURITY REQUIREMENTS FOR INFORMATION TECHNOLOGY ACCESS APPROVAL

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.

1. Security Requirements for Level I

Performance under this contract 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 I).

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

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 MD 12.3, Part I, and shall require a favorably adjudicated Limited Background Investigation (LBI).

A contractor employee shall not have access to sensitive information technology systems or data until he/she is approved by Security Branch, Division of Facilities and Security (SB/DFS). Temporary access may be approved based on a favorable adjudication of their security forms and checks. Final access will be approved based on a favorably adjudicated LBI in accordance with the procedures found in NRC MD 12.3, Part I. However, temporary access authorization approval will be revoked and the employee may subsequently be removed from the contract in the event the employee's investigation cannot be favorably adjudicated. Such employee will not be authorized to work under any NRC contract without the approval of SB/DFS. Timely receipt of properly completed security applications is a contract 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. When an individual receives final access, that individual will be subject to a reinvestigation every 10 years.

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 SB/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 contract by reference as though fully set forth herein. Based on SB/DFS 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 MD 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 (Attachment 2) 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 or 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 issuance of an NRC badge.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

2. Security Requirements for Level II

Performance under this contract 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 II 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 MD 12.3, Part I, which is hereby incorporated by reference and made a part of this contract as though fully set forth herein, and shall require a favorably adjudicated Access National Agency Check with Inquiries (ANACI).

A contractor employee shall not have access to sensitive information technology systems or data until he/she is approved by SB/DFS. Temporary access may be approved based on a favorable review of their security forms and checks. Final access will be approved based on a favorably adjudicated ANACI in accordance with the procedures found in MD 12.3, Part I. However, temporary access authorization approval will be revoked and the employee may subsequently be removed from the contract in the event the employee's investigation cannot be favorably adjudicated. Such employee will not be authorized to work under any NRC contract without the approval of SB/DFS. Timely receipt of properly completed security applications is a contract 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. When an individual receives final access, that individual will be subject to a reinvestigation every 10 years.

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 SB/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 SB/DFS 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 (Attachment 2) 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 or data or other access to such systems or data;

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

access on a continuing basis (in excess of 30 days) to NRC Headquarters controlled buildings; or otherwise requires issuance of an NRC badge.

C.16 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 immediately contact the SB/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 via e-mail to the SB/DFS. Additionally, SB/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."

C.17 APPROPRIATE USE OF GOVERNMENT FURNISHED INFORMATION TECHNOLOGY (IT) EQUIPMENT AND/ OR IT SERVICES/ ACCESS

As part of contract performance the NRC may provide the contractor with information technology (IT) equipment and IT services or IT access as identified in the solicitation or subsequently as identified in the contract or delivery order. Government furnished IT equipment, or IT services, or IT access may include but is not limited to computers, copiers, facsimile machines, printers, pagers, software, phones, internet access and use, and email access and use. The contractor (including the contractor's employees, consultants and subcontractors) shall use the government furnished IT equipment, and / or IT provided services, and/ or IT access solely to perform the necessary efforts required under the contract. The contractor (including the contractor's employees, consultants and subcontractors) are prohibited from engaging or using the government IT equipment and government provided IT services or IT access for any personal use, misuse, abuses or any other unauthorized usage.

The contractor is responsible for monitoring its employees, consultants and subcontractors to ensure that government furnished IT equipment and/ or IT services, and/ or IT access are not being used for personal use, misused or abused. The government reserves the right to withdraw or suspend the use of its government furnished IT equipment, IT services and/ or IT access arising from contractor personal usage, or misuse or abuse; and/ or to disallow any payments associated with contractor (including the contractor's employees, consultants and subcontractors) personal usage, misuses or abuses of IT equipment, IT services and/ or IT access; and/ or to terminate for cause the contract or delivery order arising from violation of this provision.

C.18 SAFETY OF ON-SITE CONTRACTOR PERSONNEL

Ensuring the safety of occupants of Federal buildings is a responsibility shared by the professionals implementing our security and safety programs and the persons being protected. The NRC's Office of Administration (ADM) Division of Facilities and Security (DFS) has

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

coordinated an Occupant Emergency Plan (OEP) for NRC Headquarters buildings with local authorities. The OEP has been approved by the Montgomery County Fire and Rescue Service. It is designed to improve building occupants' chances of survival, minimize damage to property, and promptly account for building occupants when necessary.

The contractor's Project Director shall ensure that all personnel working full time on-site at NRC Headquarters read the NRC's OEP, provided electronically on the NRC Intranet at <http://www.internal.nrc.gov/ADM/OEP.pdf>. The contractor's Project Director also shall emphasize to each staff member that they are to be familiar with and guided by the OEP, as well as by instructions given by emergency response personnel in situations which pose an immediate health or safety threat to building occupants.

C.19 REPORTING REQUIREMENTS

The Contractor shall provide biweekly status reports to the NRC Project Officer and the Contracting Officer. The report must identify the delivery order number and the period covered by the report. Each report shall: (a) describe progress to date for each task order and sub-task order level; (b) include accomplishments during the current reporting period; (c) accomplishments planned for the next reporting period; and (d) any issues affecting progress or performance capability. The Contractor shall deliver the biweekly status report in both a hard copy and electronic format (Word file posted to a specified NRC file directory). Additionally, the Contractor shall deliver the cost information contained in the biweekly status reports in Excel spreadsheet or database format. The biweekly status reports shall address each of the following areas, as applicable to each reporting occasion:

- Costs: Staff hours and funds expended at the task order and sub-task order level (or job code level), as required by the NRC. This information shall be rolled up into monthly and cumulative totals by system release number. As each system release or sub-task is completed, the status reports should show a crosswalk of the total cumulative costs for each system release to the individual monthly invoices for verification of performance metrics (See Section 8.1.3).
- Schedule information.
- Identification of program personnel and all changes to these personnel.
- Status of each task order.
- Plans and recommendations for future priorities and activation of work items.
- Work initiation traceability.

C.20 PLACE OF DELIVERY--REPORTS

The items to be furnished hereunder shall be delivered, with all charges paid by the Contractor, to:

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

- (a) Name: Harry Kromer, Project Officer (5 copies)
Address: OIS/BPAID/BASB
Mail Stop: T-6-D-3M
Washington, DC 20555
- (b) Name: Robert Webber, Contracting Officer (1 copy)
Address: ADM/DC/CMB3TBD
Mail Stop: T-7-I-2
Washington, DC 20555

C.21 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT

- (a) The Government may extend the term of this contract by written notice to the Contractor within 30 days; provided that the Government gives 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 clause.
- (c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 3 years.

C.22 52.232-19 AVAILABILITY OF FUNDS FOR THE NEXT FISCAL YEAR

Funds are not presently available for performance under this contract beyond September 26, 2008. The Government's obligation for performance of this contract beyond that date is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise for performance under this contract beyond September 26, 2008, until funds are made available to the Contracting Officer for performance and until the Contractor receives notice of availability, to be confirmed in writing by the Contracting Officer.

C.23 52.216-18 ORDERING

- (a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from the date of award through the expiration date.
- (b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.
- (c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

C.24 52.216-19 ORDER LIMITATIONS (OCT 1995)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than \$10,000.00, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor--

(1) Any order for a single item in excess of the estimated quantities in Section B.1

(2) Any order for a combination of items in excess of the estimated quantities in Section B.1;

(3) A series of orders from the same ordering office within 2 days that together call for quantities exceeding the limitation in subparagraph (b)(1) or (2) above.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) above.

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within 2 days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

C.25 52.216-22 INDEFINITE QUANTITY

(a) This is an indefinite-quantity contract for the supplies or services specified and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period;

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

provided, that the Contractor shall not be required to make any deliveries under this contract after September 25, 2008.

C.26 2052.215-70 KEY PERSONNEL

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

- | | |
|---------------------------|------------------------|
| • James Austin | • Jonathan Stecker |
| • Michael Daley | • Wallace D. Watson |
| • Jose A. (Tony) Gonzalez | • Robert M. Weisenbeck |
| • Daniel Patrick Pomykala | • Eugene Y. Yan |
| • Derek R. Sharp | |

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.

- (a) If one or more of the key personnel, for whatever reason, becomes, or is expected to become, unavailable for work under the 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 modify the contractor office and shall, subject to the concurrence of the Contracting Officer, promptly replace the personnel with personnel of at least substantially equal ability and qualifications.
- (b) 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.
- (c) 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 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.

C.27 TASK ORDER PROCEDURES

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

Any operational and maintenance support services to be furnished under the resultant delivery order shall be ordered by the issuance of a task order. Such orders may be issued from the effective date of the delivery order award through the expiration date of the delivery order.

Each individual task order will specify the following:

- (1) Background;
- (2) Scope;
- (3) Statement of Work;
- (4) Place of Performance;
- (5) Schedule of Deliverables;
- (6) Expertise/Skills;
- (7) Task Order Manager;
- (8) Fixed Price Ceiling amount; and
- (9) Period of Performance.

(a) If the NRC determines a change in the statement of work, schedule of deliverables, level of effort, or period of performance, the Contracting Officer shall transmit to the contractor a Task Order Request for Proposal (TORFP) which may include the following, as appropriate:

- (1) Statement of Work/meetings/travel and deliverables;
- (2) Reporting requirements;
- (3) Period of performance--place of performance;
- (4) Applicable special provisions;
- (5) Technical skills required; and
- (6) Estimated level of effort.

(b) Task order technical proposal. By the date specified in the TORFP, the Contractor shall deliver to the Contracting Officer a written or verbal (as specified in the TORFP

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

technical proposal submittal instructions) technical proposal that provides the technical information required by the TORFP.

(c) Price proposal. The contractor's price proposal for each task order must be in accordance with the applicable GSA FSS contract for the resultant delivery order.

(d) Task order award. The Contractor shall perform all work described in definitized task orders and any modifications issued by the NRC Contracting Officer.

Definitized task orders include the following:

- (1) Statement of work/meetings/travel and deliverables;
- (2) Reporting requirements;
- (3) Period of performance;
- (4) Key personnel;
- (5) Applicable special provisions; and
- (6) Task order ceiling and obligated amounts.

C.28 2052.216-73 ACCELERATED TASK ORDER PROCEDURES

(a) The NRC may require the contractor to begin work before receiving a definitized task order from the Contracting Officer. Accordingly, when the Contracting Officer verbally authorizes the work, the Contractor shall proceed with performance of the task order subject to the monetary limitation established for the task order by the Contracting Officer.

(b) When this accelerated procedure is employed by the NRC, the Contractor agrees to submit a cost proposal with supporting documentation in accordance with the current pricing of the GSA FSS. If agreement on a definitized task order is not reached by the target date mutually agreed upon by the contractor and Contracting Officer, the Contracting Officer may determine a reasonable price in accordance with Subpart 15.8 and Part 31 of the FAR, subject to contractor appeal as provided in 52.233-1, Disputes. In any event, the Contractor shall proceed with completion of the task order subject only to the monetary limitation established by the Contracting Officer and the terms and conditions of the basic contract.

C.29 DURATION OF CONTRACT

The ordering period for this contract shall commence on September 26, 2007 and will expire September 26, 2008. Any orders issued during this period shall be completed within the time specified in the order, unless otherwise specified herein. (See 52.216.18 - Ordering). The term

of this contract may be extended at the option of the Government for an additional two one-year periods.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

C.30 SUBPART 2009.5 ORGANIZATIONAL CONFLICTS OF INTEREST

§2009.500 Scope of subpart.

In accordance with 42 U.S.C. 2210a., NRC acquisitions are processed in accordance with §2009.570, which takes precedence over FAR 9.5 with respect to organizational conflicts of interest. Where non-conflicting guidance appears in FAR 9.5, that guidance must be followed.

§2009.570 NRC organizational conflicts of interest.

§2009.570-1 Scope of policy.

(a) It is the policy of NRC to avoid, eliminate, or neutralize contractor organizational conflicts of interest. The NRC achieves this objective by requiring all prospective contractors to submit information describing relationships, if any, with organizations or persons (including those regulated by the NRC) which may give rise to actual or potential conflicts of interest in the event of contract award.

(b) Contractor conflict of interest determinations cannot be made automatically or routinely. The application of sound judgment on virtually a case-by-case basis is necessary if the policy is to be applied to satisfy the overall public interest. It is not possible to prescribe in advance a specific method or set of criteria which would serve to identify and resolve all of the contractor conflict of interest situations that might arise. However, examples are provided in these regulations to guide application of this policy guidance. The ultimate test is as follows: Might the contractor, if awarded the contract, be placed in a position where its judgment may be biased, or where it may have an unfair competitive advantage?

(c) The conflict of interest rule contained in this subpart applies to contractors and offerors only. Individuals or firms who have other relationships with the NRC (e.g., parties to a licensing proceeding) are not covered by this regulation. This rule does not apply to the acquisition of consulting services through the personnel appointment process, NRC agreements with other Government agencies, international organizations, or state, local, or foreign Governments. Separate procedures for avoiding conflicts of interest will be employed in these agreements, as appropriate.

§2009.570-2 Definitions.

Affiliates means business concerns which are affiliates of each other when either directly or indirectly one concern or individual controls or has the power to control another, or when a third party controls or has the power to control both.

Contract means any contractual agreement or other arrangement with the NRC except as provided in §2009.570-1(c).

Contractor means any person, firm, unincorporated association, joint venture, co-sponsor, partnership, corporation, affiliates thereof, or their successors in interest, including their chief executives, directors, key personnel (identified in the contract), proposed consultants or

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

subcontractors, which are a party to a contract with the NRC.

Evaluation activities means any effort involving the appraisal of a technology, process, product, or policy.

Offeror or prospective contractor means any person, firm, unincorporated association, joint venture, co-sponsor, partnership, corporation, or their affiliates or successors in interest, including their chief executives, directors, key personnel, proposed consultants, or subcontractors, submitting a bid or proposal, solicited or unsolicited, to the NRC to obtain a contract.

Organizational conflicts of interest means that a relationship exists whereby a contractor or prospective contractor has present or planned interests related to the work to be performed under an NRC contract which:

- (1) May diminish its capacity to give impartial, technically sound, objective assistance and advice, or may otherwise result in a biased work product; or
- (2) May result in its being given an unfair competitive advantage.

Potential conflict of interest means that a factual situation exists that suggests that an actual conflict of interest may arise from award of a proposed contract. The term potential conflict of interest is used to signify those situations that

- (1) Merit investigation before contract award to ascertain whether award would give rise to an actual conflict; or
- (2) Must be reported to the contracting officer for investigation if they arise during contract performance.

Research means any scientific or technical work involving theoretical analysis, exploration, or experimentation.

Subcontractor means any subcontractor of any tier who performs work under a contract with the NRC except subcontracts for supplies and subcontracts in amounts not exceeding \$10,000.

Technical consulting and management support services means internal assistance to a component of the NRC in the formulation or administration of its programs, projects, or policies which normally require that the contractor be given access to proprietary information or to information that has not been made available to the public. These services typically include assistance in the preparation of program plans, preliminary designs, specifications, or statements of work.

§2009.570-3 Criteria for recognizing contractor organizational conflicts of interest.

- (a) General.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

(1) Two questions will be asked in determining whether actual or potential organizational conflicts of interest exist:

(i) Are there conflicting roles which might bias an offeror's or contractor's judgment in relation to its work for the NRC?

(ii) May the offeror or contractor be given an unfair competitive advantage based on the performance of the contract?

(2) NRC's ultimate determination that organizational conflicts of interest exist will be made in light of common sense and good business judgment based upon the relevant facts. While it is difficult to identify and to prescribe in advance a specific method for avoiding all of the various situations or relationships that might involve potential organizational conflicts of interest, NRC personnel will pay particular attention to proposed contractual requirements that call for the rendering of advice, consultation or evaluation activities, or similar activities that directly lay the groundwork for the NRC's decisions on regulatory activities, future procurements, and research programs. Any work performed at an applicant or licensee site will also be closely scrutinized by the NRC staff.

(b) Situations or relationships. The following situations or relationships may give rise to organizational conflicts of interest:

(1) The offeror or contractor shall disclose information that may give rise to organizational conflicts of interest under the following circumstances. The information may include the scope of work or specification for the requirement being performed, the period of performance, and the name and telephone number for a point of contact at the organization knowledgeable about the commercial contract.

(i) Where the offeror or contractor provides advice and recommendations to the NRC in the same technical area where it is also providing consulting assistance to any organization regulated by the NRC.

(ii) Where the offeror or contractor provides advice to the NRC on the same or similar matter on which it is also providing assistance to any organization regulated by the NRC.

(iii) Where the offeror or contractor evaluates its own products or services, or has been substantially involved in the development or marketing of the products or services of another entity.

(iv) Where the award of a contract would result in placing the offeror or contractor in a conflicting role in which its judgment may be biased in relation to its work for the NRC, or would result in an unfair competitive advantage for the offeror or contractor.

(v) Where the offeror or contractor solicits or performs work at an applicant or licensee site while performing work in the same technical area for the NRC at the same site.

(2) The contracting officer may request specific information from an offeror or contractor or may require special contract clauses such as provided in §2009.570-5(b) in the following

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

circumstances:

(i) Where the offeror or contractor prepares specifications that are to be used in competitive procurements of products or services covered by the specifications.

(ii) Where the offeror or contractor prepares plans for specific approaches or methodologies that are to be incorporated into competitive procurements using the approaches or methodologies.

(iii) Where the offeror or contractor is granted access to information not available to the public concerning NRC plans, policies, or programs that could form the basis for a later procurement action.

(iv) Where the offeror or contractor is granted access to proprietary information of its competitors.

(v) Where the award of a contract might result in placing the offeror or contractor in a conflicting role in which its judgment may be biased in relation to its work for the NRC or might result in an unfair competitive advantage for the offeror or contractor.

(c) Policy application guidance. The following examples are illustrative only and are not intended to identify and resolve all contractor organizational conflict of interest situations.

(1)(i) Example. The ABC Corp., in response to a Request For Proposal (RFP), proposes to undertake certain analyses of a reactor component as called for in the RFP. The ABC Corp. is one of several companies considered to be technically well qualified. In response to the inquiry in the RFP, the ABC Corp. advises that it is currently performing similar analyses for the reactor manufacturer.

(ii) Guidance. An NRC contract for that particular work normally would not be awarded to the ABC Corp. because the company would be placed in a position in which its judgment could be biased in relationship to its work for the NRC. Because there are other well-qualified companies available, there would be no reason for considering a waiver of the policy.

(2)(i) Example. The ABC Corp., in response to an RFP, proposes to perform certain analyses of a reactor component that is unique to one type of advanced reactor. As is the case with other technically qualified companies responding to the RFP, the ABC Corp. is performing various projects for several different utility clients. None of the ABC Corp. projects have any relationship to the work called for in the RFP. Based on the NRC evaluation, the ABC Corp. is considered to be the best qualified company to perform the work outlined in the RFP.

(ii) Guidance. An NRC contract normally could be awarded to the ABC Corp. because no conflict of interest exists which could motivate bias with respect to the work. An appropriate clause would be included in the contract to preclude the ABC Corp. from subsequently contracting for work with the private sector that could create a conflict during the performance of the NRC contract. For example, ABC Corp. would be precluded from the performance of similar work for the company developing the advanced reactor mentioned in the example.

(3)(i) Example. The ABC Corp., in response to a competitive RFP, submits a proposal to assist

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

the NRC in revising NRC's guidance documents on the respiratory protection requirements of 10 CFR Part 20. ABC Corp. is the only firm determined to be technically acceptable. ABC Corp. has performed substantial work for regulated utilities in the past and is expected to continue similar efforts in the future. The work has and will cover the writing, implementation, and administration of compliance respiratory protection programs for nuclear power plants.

(ii) Guidance. This situation would place the firm in a role where its judgment could be biased in relationship to its work for the NRC. Because the nature of the required work is vitally important in terms of the NRC's responsibilities and no reasonable alternative exists, a waiver of the policy, in accordance with §2009.570-9 may be warranted. Any waiver must be fully documented in accordance with the waiver provisions of this policy with particular attention to the establishment of protective mechanisms to guard against bias.

(4)(i) Example. The ABC Corp. submits a proposal for a new system to evaluate a specific reactor component's performance for the purpose of developing standards that are important to the NRC program. The ABC Corp. has advised the NRC that it intends to sell the new system to industry once its practicability has been demonstrated. Other companies in this business are using older systems for evaluation of the specific reactor component.

(ii) Guidance. A contract could be awarded to the ABC Corp. if the contract stipulates that no information produced under the contract will be used in the contractor's private activities unless this information has been reported to the NRC. Data on how the reactor component performs, which is reported to the NRC by contractors, will normally be disseminated by the NRC to others to preclude an unfair competitive advantage. When the NRC furnishes information about the reactor component to the contractor for the performance of contracted work, the information may not be used in the contractor's private activities unless the information is generally available to others. Further, the contract will stipulate that the contractor will inform the NRC contracting officer of all situations in which the information, developed about the performance of the reactor component under the contract, is proposed to be used.

(5)(i) Example. The ABC Corp., in response to a RFP, proposes to assemble a map showing certain seismological features of the Appalachian fold belt. In accordance with the representation in the RFP and §2009.570-3(b)(1)(i), ABC Corp. informs the NRC that it is presently doing seismological studies for several utilities in the eastern United States, but none of the sites are within the geographic area contemplated by the NRC study.

(ii) Guidance. The contracting officer would normally conclude that award of a contract would not place ABC Corp. in a conflicting role where its judgment might be biased. Section 2052.209-72(c) Work for Others, would preclude ABC Corp. from accepting work which could create a conflict of interest during the term of the NRC contract.

(6)(i) Example. AD Division of ABC Corp., in response to a RFP, submits a proposal to assist the NRC in the safety and environmental review of applications for licenses for the construction, operation, and decommissioning of fuel cycle facilities. ABC Corp. is divided into two separate and distinct divisions, AD and BC. The BC Division performs the same or similar services for industry. The BC Division is currently providing the same or similar services required under the NRC's contract for an applicant or licensee.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

(ii) Guidance. An NRC contract for that particular work would not be awarded to the ABC Corp. The AD Division could be placed in a position to pass judgment on work performed by the BC Division, which could bias its work for NRC. Further, the Conflict of Interest provisions apply to ABC Corp. and not to separate or distinct divisions within the company. If no reasonable alternative exists, a waiver of the policy could be sought in accordance with §2009.570-9.

(7)(i) Example. The ABC Corp. completes an analysis for NRC of steam generator tube leaks at one of a utility's six sites. Three months later, ABC Corp. is asked by this utility to perform the same analysis at another of its sites.

(ii) Guidance. Section 2052.290-72(c)(3) would prohibit the contractor from beginning this work for the utility until one year after completion of the NRC work at the first site.

(8)(i) Example. ABC Corp. is assisting NRC in a major on-site analysis of a utility's redesign of the common areas between its twin reactors. The contract is for two years with an estimated value of \$5 million. Near the completion of the NRC work, ABC Corp. requests authority to solicit for a \$100K contract with the same utility to transport spent fuel to a disposal site. ABC Corp. is performing no other work for the utility.

(ii) Guidance. The Contracting Officer would allow the contractor to proceed with the solicitation because it is not in the same technical area as the NRC work; and the potential for technical bias by the contractor because of financial ties to the utility is slight due to the relative value of the two contracts.

(9)(i) Example. The ABC Corp. is constructing a turbine building and installing new turbines at a reactor site. The contract with the utility is for five years and has a total value of \$100 million. ABC Corp. has responded to an NRC Request For Proposal requiring the contractor to participate in a major team inspection unrelated to the turbine work at the same site. The estimated value of the contract is \$75K.

(ii) Guidance. An NRC contract would not normally be awarded to ABC Corp. because these factors create the potential for financial loyalty to the utility that may bias the technical judgment of the contractor.

(d) Other considerations.

(1) The fact that the NRC can identify and later avoid, eliminate, or neutralize any potential organizational conflicts arising from the performance of a contract is not relevant to a determination of the existence of conflicts prior to the award of a contract.

(2) It is not relevant that the contractor has the professional reputation of being able to resist temptations which arise from organizational conflicts of interest, or that a follow-on procurement is not involved, or that a contract is awarded on a competitive or a sole source basis.

§2009.570-4 Representation.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

(a) The following procedures are designed to assist the NRC contracting officer in determining whether situations or relationships exist which may constitute organizational conflicts of interest with respect to a particular offeror or contractor. The procedures apply to small purchases meeting the criteria stated in the following paragraph (b) of this section.

(b) The organizational conflicts of interest representation provision at §2052.209-71 must be included in solicitations and contracts resulting from unsolicited proposals. The contracting officer must also include this provision for task orders and contract modifications for new work for:

(1) Evaluation services or activities;

(2) Technical consulting and management support services;

(3) Research; and

(4) Other contractual situations where special organizational conflicts of interest provisions are noted in the solicitation and would be included in the resulting contract. This representation requirement also applies to all modifications for additional effort under the contract except those issued under the "Changes" clause. Where, however, a statement of the type required by the organizational conflicts of interest representation provisions has previously been submitted with regard to the contract being modified, only an updating of the statement is required.

(c) The offeror may, because of actual or potential organizational conflicts of interest, propose to exclude specific kinds of work contained in a RFP unless the RFP specifically prohibits the exclusion. Any such proposed exclusion by an offeror will be considered by the NRC in the evaluation of proposals. If the NRC considers the proposed excluded work to be an essential or integral part of the required work and its exclusion would be to the detriment of the competitive posture of the other offerors, the NRC shall reject the proposal as unacceptable.

(d) The offeror's failure to execute the representation required by paragraph (b) of this section with respect to an invitation for bids is considered to be a minor informality. The offeror will be permitted to correct the omission.

§2009.570-5 Contract clauses.

(a) General contract clause. All contracts and simplified acquisitions of the types set forth in §2009.570-4(b) must include the clause entitled, "Contractor Organizational Conflicts of Interest," set forth in §2052.209-72.

(b) Other special contract clauses. If it is determined from the nature of the proposed contract that an organizational conflict of interest exists, the contracting officer may determine that the conflict can be avoided, or, after obtaining a waiver in accordance with §2009.570-9, neutralized through the use of an appropriate special contract clause. If appropriate, the offeror may negotiate the terms and conditions of these clauses, including the extent and time period of any restriction. These clauses include but are not limited to:

(1) Hardware exclusion clauses which prohibit the acceptance of production contracts following

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

a related non-production contract previously performed by the contractor;

(2) Software exclusion clauses;

(3) Clauses which require the contractor (and certain of its key personnel) to avoid certain organizational conflicts of interest; and

(4) Clauses which provide for protection of confidential data and guard against its unauthorized use.

§2009.570-6 Evaluation, findings, and contract award.

The contracting officer shall evaluate all relevant facts submitted by an offeror and other relevant information. After evaluating this information against the criteria of §2009.570-3, the contracting officer shall make a finding of whether organizational conflicts of interest exist with respect to a particular offeror. If it has been determined that real or potential conflicts of interest exist, the contracting officer shall:

(a) Disqualify the offeror from award;

(b) Avoid or eliminate such conflicts by appropriate measures; or

(c) Award the contract under the waiver provision of §2009.570-9.

§2009.570-7 Conflicts identified after award.

If potential organizational conflicts of interest are identified after award with respect to a particular contractor and the contracting officer determines that conflicts do exist and that it would not be in the best interest of the Government to terminate the contract, as provided in the clauses required by §2009.570-5, the contracting officer shall take every reasonable action to avoid, eliminate, or, after obtaining a waiver in accordance with §2009.570-9, neutralize the effects of the identified conflict.

C.31 MATERIAL AND HARDWARE PROCUREMENT

C.31.1 Materials and Hardware Identification

The Contractor shall procure materials and equipment at the most advantageous prices available with due regard to securing prompt delivery, cash and trade discounts, rebates, allowances, credits, salvage, commissions and other benefits

All items procured shall be the property of the NRC and shall be turned over to the NRC at the end of the contract or upon request. In addition, any items that are accountable property shall be coordinated through the NRC Property Management Office such that the item can be properly tagged and entered into the NRC real property inventory system within five business days of receipt by the Contractor on behalf of the NRC.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

C.31.2 Contractor Purchase Request Authorization

The NRC PO shall provide prior approval for all Contractor procurement actions for purchases and/or lease of materials and equipment in the amount of \$100.01 up to \$3,000.00.

The following procedures shall apply for procurement actions for purchases and/or lease of materials and equipment that exceed \$3,000.00. (1) The Contractor shall comply with the competition requirements by submitting price quotations from a minimum of three GSA firms to the Contracting Officer (CO). (2) The CO will review the quotes, and upon determination of price reasonableness, will provide approval to the NRC PO and Contractor for acquisition of the item. Any work performed by the Contractor prior to receipt of an applicable authorization from the CO shall be at the Contractor's own risk.

OTHER APPLICABLE TERMS AND CONDITIONS

C.32 52.232-7 PAYMENTS UNDER TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS

The Government will pay the Contractor as follows upon the submission of invoices or vouchers approved by the Contracting Officer:

(a) Hourly rate. (1) The amounts shall be computed by multiplying the appropriate hourly rates prescribed in the Schedule by the number of direct labor hours performed. The rates shall include wages, indirect costs, general and administrative expense, and profit. Fractional parts of an hour shall be payable on a prorated basis. Vouchers may be submitted once each month (or at more frequent intervals, if approved by the Contracting Officer), to the Contracting Officer or designee. The Contractor shall substantiate vouchers by evidence of actual payment and by individual daily job timecards, or other substantiation approved by the Contracting Officer. Promptly after receipt of each substantiated voucher, the Government shall, except as otherwise provided in this contract, and subject to the terms of (e) below, pay the voucher as approved by the Contracting Officer.

(2) Unless otherwise prescribed in the Schedule, the Contracting Officer may unilaterally issue a contract modification requiring the Contractor to withhold amounts from its billings until a reserve is set aside in an amount that the Contracting Officer considers necessary to protect the Government's interests. The Contracting Officer may require a withhold of 5 percent of the amounts due under paragraph (a); but the total amount withheld for the contract shall not exceed \$50,000. The amounts withheld shall be retained until the Contractor executes and delivers the release required by paragraph (f) of this clause.

(3) Unless the Schedule prescribes otherwise, the hourly rates in the Schedule shall not be varied by virtue of the Contractor having performed work on an overtime basis. If no overtime rates are provided in the Schedule and overtime work is approved in advance by the Contracting Officer, overtime rates shall be negotiated. Failure to agree upon these overtime rates shall be treated as a dispute under the Disputes clause of this contract. If the Schedule provides rates for overtime, the premium portion of those rates will be reimbursable only to the extent the overtime is approved by the Contracting Officer.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

(b) Materials and subcontracts. (1) The Contracting Officer will determine allowable costs of direct materials in accordance with Subpart 31.2 of the Federal Acquisition Regulation (FAR) in effect on the date of this contract. Direct materials, as used in this clause, are those materials that enter directly into the end product, or that are used or consumed directly in connection with the furnishing of the end product.

(2) The Contractor may include reasonable and allocable material handling costs in the charge for material to the extent they are clearly excluded from the hourly rate. Material handling costs are comprised of indirect costs, including, when appropriate, general and administrative expense allocated to direct materials in accordance with the Contractor's usual accounting practices consistent with Subpart 31.2 of the FAR.

(3) The Government will reimburse the Contractor for supplies and services purchased directly for the contract when the Contractor--

(i) Has made payments of cash, checks, or other forms of payment for these purchased supplies or services; or

(ii) Will make these payments determined due--

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

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

(4)(i) The Government will reimburse the Contractor for costs of subcontracts that are authorized under the subcontracts clause of this contract, provided that the costs are consistent with paragraph (b)(5) of this clause.

(ii) The Government will limit reimbursable costs in connection with subcontracts to the amounts paid for supplies and services purchased directly for the contract when the Contractor has made or will make payments determined due of cash, checks, or other forms of payment to the subcontractor--

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

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

(iii) The Government will not reimburse the Contractor for any costs arising from the letting, administration, or supervision of performance of the subcontract, if the costs are included in the hourly rates payable under paragraph (a)(1) of this clause.

(5) To the extent able, the Contractor shall--

(i) Obtain materials at the most advantageous prices available with due regard to securing prompt delivery of satisfactory materials; and

(ii) Take all cash and trade discounts, rebates, allowances, credits, salvage, commissions, and other benefits. When unable to take advantage of the benefits, the Contractor shall promptly notify the Contracting Officer and give the reasons. The Contractor shall give credit to the Government for cash and trade discounts, rebates, scrap, commissions, and other amounts

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

that have accrued to the benefit of the Contractor, or would have accrued except for the fault or neglect of the Contractor. The Contractor shall not deduct from gross costs the benefits lost without fault or neglect on the part of the Contractor, or lost through fault of the Government.

(c) Total cost. It is estimated that the total cost to the Government for the performance of this contract shall not exceed the ceiling price set forth in the Schedule and the Contractor agrees to use its best efforts to perform the work specified in the Schedule and all obligations under this contract within such ceiling price. If at any time the Contractor has reason to believe that the hourly rate payments and material costs that will accrue in performing this contract in the next succeeding 30 days, if added to all other payments and costs previously accrued, will exceed 85 percent of the ceiling price in the Schedule, the Contractor shall notify the Contracting Officer giving a revised estimate of the total price to the Government for performing this contract with supporting reasons and documentation. If at any time during performing this contract, the Contractor has reason to believe that the total price to the Government for performing this contract will be substantially greater or less than the then stated ceiling price, the Contractor shall so notify the Contracting Officer, giving a revised estimate of the total price for performing this contract, with supporting reasons and documentation. If at any time during performing this contract, the Government has reason to believe that the work to be required in performing this contract will be substantially greater or less than the stated ceiling price, the Contracting Officer will so advise the Contractor, giving the then revised estimate of the total amount of effort to be required under the contract.

(d) Ceiling price. The Government shall not be obligated to pay the Contractor any amount in excess of the ceiling price in the Schedule, and the Contractor shall not be obligated to continue performance if to do so would exceed the ceiling price set forth in the Schedule, unless and until the Contracting Officer shall have notified the Contractor in writing that the ceiling price has been increased and shall have specified in the notice a revised ceiling that shall constitute the ceiling price for performance under this contract. When and to the extent that the ceiling price set forth in the Schedule has been increased, any hours expended and material costs incurred by the Contractor in excess of the ceiling price before the increase shall be allowable to the same extent as if the hours expended and material costs had been incurred after the increase in the ceiling price.

(e) Audit. At any time before final payment under this contract the Contracting Officer may request audit of the invoices or vouchers and substantiating material. Each payment previously made shall be subject to reduction to the extent of amounts, on preceding invoices or vouchers, that are found by the Contracting Officer not to have been properly payable and shall also be subject to reduction for overpayments or to increase for underpayments. Upon receipt and approval of the voucher or invoice designated by the Contractor as the "completion voucher" or "completion invoice" and substantiating material, and upon compliance by the Contractor with all terms of this contract (including, without limitation, terms relating to patents and the terms of (f) and (g) below, the Government shall promptly pay any balance due the Contractor. The completion invoice or voucher, and substantiating material, shall be submitted by the Contractor as promptly as practicable following completion of the work under this contract, but in no event later than 1 year (or such longer period as the Contracting Officer may approve in writing) from the date of completion.

(f) Assignment. The Contractor, and each assignee under an assignment entered into under

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

this contract and in effect at the time of final payment under this contract, shall execute and deliver, at the time of and as a condition precedent to final payment under this contract, a release discharging the Government, its officers, agents, and employees of and from all liabilities, obligations, and claims arising out of or under this contract, subject only to the following exceptions:

(1) Specified claims in stated amounts, or in estimated amounts if the amounts are not susceptible of exact statement by the Contractor.

(2) Claims, together with reasonable incidental expenses, based upon the liabilities of the Contractor to third parties arising out of performing this contract, that are not known to the Contractor on the date of the execution of the release, and of which the Contractor gives notice in writing to the Contracting Officer not more than 6 years after the date of the release or the date of any notice to the Contractor that the Government is prepared to make final payment, whichever is earlier.

(3) Claims for reimbursement of costs (other than expenses of the Contractor by reason of its indemnification of the Government against patent liability), including reasonable incidental expenses, incurred by the Contractor under the terms of this contract relating to patents.

(g) Refunds. The Contractor agrees that any refunds, rebates, or credits (including any related interest) accruing to or received by the Contractor or any assignee, that arise under the materials portion of this contract and for which the Contractor has received reimbursement, shall be paid by the Contractor to the Government. The Contractor and each assignee, under an assignment entered into under this contract and in effect at the time of final payment under this contract, shall execute and deliver, at the time of and as a condition precedent to final payment under this contract, an assignment to the Government of such refunds, rebates, or credits (including any interest) in form and substance satisfactory to the Contracting Officer.

(h) Interim payments. (1) Interim payments made prior to the final payment under the contract are contract financing payments. Contract financing payments are not subject to the interest penalty provisions of the Prompt Payment Act.

(2) 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.

C.33 52.237-3 CONTINUITY OF SERVICES

(a) The Contractor recognizes that the services under this contract are vital to the Government and must be continued without interruption and that, upon contract expiration, a successor, either the Government or another contractor, may continue them. The Contractor agrees to—

(1) Furnish phase-in training; and

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

(2) Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

(b) The Contractor shall, upon the Contracting Officer's written notice, (1) furnish phase-in, phase-out services for up to 90 days after this contract expires and (2) negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required. The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the Contracting Officer's approval. The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this contract are maintained at the required level of proficiency.

(c) The Contractor shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this contract. The Contractor also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

(d) The Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this contract.

C.34 52.204-6 DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER

(a) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" or "DUNS+4" followed by the DUNS number or "DUNS+4" that identifies the offeror's name and address exactly as stated in the offer. The DUNS number is a nine-digit number assigned by Dun and Bradstreet, Inc. The DUNS+4 is the DUNS number plus a 4-character suffix that may be assigned at the discretion of the offeror to establish additional CCR records for identifying alternative Electronic Funds Transfer (EFT) accounts (see Subpart 32.11) for the same parent concern.

(b) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one.

(1) An offeror may obtain a DUNS number--

(i) If located within the United States, by calling Dun and Bradstreet at 1-866-705-5711 or via the Internet at <http://www.dnb.com>; or

(ii) If located outside the United States, by contacting the local Dun and Bradstreet office.

(2) The offeror should be prepared to provide the following information:

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

- (i) Company legal business name.
- (ii) Tradestyle, doing business, or other name by which your entity is commonly recognized.
- (iii) Company physical street address, city, state and Zip Code.
- (iv) Company mailing address, city, state and Zip Code (if separate from physical).
- (v) Company telephone number.
- (vi) Date the company was started.

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

- (vii) Number of employees at your location.
- (viii) Chief executive officer/key manager.
- (ix) Line of business (industry).
- (x) Company Headquarters name and address (reporting relationship within your entity).

C.35 52.204-7 CENTRAL CONTRACTOR REGISTRATION

(a) Definitions. As used in this clause—

Central Contractor Registration (CCR) database means the primary Government repository for Contractor information required for the conduct of business with the Government.

Data Universal Numbering System (DUNS) number means the 9-digit number assigned by Dun and Bradstreet, Inc. (D&B) to identify unique business entities.

Data Universal Numbering System +4 (DUNS+4) number means the DUNS number assigned by D&B plus a 4-character suffix that may be assigned by a business concern. (D&B has no affiliation with this 4-character suffix.) This 4-character suffix may be assigned at the discretion of the business concern to establish additional CCR records for identifying alternative Electronic Funds Transfer (EFT) accounts (see the FAR at Subpart 32.11) for the same parent concern.

Registered in the CCR database means that—

(1) The Contractor has entered all mandatory information, including the DUNS number or the DUNS+4 number, into the CCR database; and

(2) The Government has validated all mandatory data fields and has marked the record "Active".

(b)(1) By submission of an offer, the offeror acknowledges the requirement that a prospective awardee shall be registered in the CCR database prior to award, during performance, and through final payment of any contract, basic agreement, basic ordering agreement, or blanket purchasing agreement resulting from this solicitation.

(2) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" or "DUNS +4" followed by the DUNS or DUNS +4 number that identifies the offeror's name and address exactly as stated in the offer. The DUNS number will be used by the Contracting Officer to verify that the offeror is registered in the CCR database.

(c) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one.

(1) An offeror may obtain a DUNS number—

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

(i) If located within the United States, by calling Dun and Bradstreet at 1-866-705-5711 or via the Internet at <http://www.dnb.com>

; or

(ii) If located outside the United States, by contacting the local Dun and Bradstreet office.

(2) The offeror should be prepared to provide the following information:

(i) Company legal business.

(ii) Tradestyle, doing business, or other name by which your entity is commonly recognized.

(iii) Company Physical Street Address, City, State, and Zip Code.

(iv) Company Mailing Address, City, State and Zip Code (if separate from physical).

(v) Company Telephone Number.

(vi) Date the company was started.

(vii) Number of employees at your location.

(viii) Chief executive officer/key manager.

(ix) Line of business (industry).

(x) Company Headquarters name and address (reporting relationship within your entity).

(d) If the Offeror does not become registered in the CCR database in the time prescribed by the Contracting Officer, the Contracting Officer will proceed to award to the next otherwise successful registered Offeror.

(e) Processing time, which normally takes 48 hours, should be taken into consideration when registering. Offerors who are not registered should consider applying for registration immediately upon receipt of this solicitation.

(f) The Contractor is responsible for the accuracy and completeness of the data within the CCR database, and for any liability resulting from the Government's reliance on inaccurate or incomplete data. To remain registered in the CCR database after the initial registration, the Contractor is required to review and update on an annual basis from the date of initial registration or subsequent updates its information in the CCR database to ensure it is current, accurate and complete. Updating information in the CCR does not alter the terms and conditions of this contract and is not a substitute for a properly executed contractual document.

(g)(1)(i) If a Contractor has legally changed its business name, "doing business as" name, or division name (whichever is shown on the contract), or has transferred the assets used in performing the contract, but has not completed the necessary requirements regarding

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

novation and change-of-name agreements in Subpart 42.12, the Contractor shall provide the responsible Contracting Officer a minimum of one business day's written notification of its intention to (A) change the name in the CCR database; (B) comply with the requirements of Subpart 42.12 of the FAR; and (C) agree in writing to the timeline and procedures specified by the responsible Contracting Officer. The Contractor must provide with the notification sufficient documentation to support the legally changed name.

(ii) If the Contractor fails to comply with the requirements of paragraph (g)(1)(i) of this clause, or fails to perform the agreement at paragraph (g)(1)(i)(C) of this clause, and, in the absence of a properly executed novation or change-of-name agreement, the CCR information that shows the Contractor to be other than the Contractor indicated in the contract will be considered to be incorrect information within the meaning of the "Suspension of Payment" paragraph of the electronic funds transfer (EFT) clause of this contract.

(2) The Contractor shall not change the name or address for EFT payments or manual payments, as appropriate, in the CCR record to reflect an assignee for the purpose of assignment of claims (see FAR Subpart 32.8, Assignment of Claims). Assignees shall be separately registered in the CCR database. Information provided to the Contractor's CCR record that indicates payments, including those made by EFT, to an ultimate recipient other than that Contractor will be considered to be incorrect information within the meaning of the "Suspension of payment" paragraph of the EFT clause of this contract.

(h) Offerors and Contractors may obtain information on registration and annual confirmation requirements via the internet at <http://www.ccr.gov> or by calling 1-888-227-2423, or 269-961-5757.

C.36 52.224-1 PRIVACY ACT NOTIFICATION (Apr 1984)

The Contractor will be required to design, develop, or operate a system of records on individuals, to accomplish an agency function subject to the Privacy Act of 1974, Public Law 93-579, December 31, 1974 (5 U.S.C.552a) and applicable agency regulations. Violation of the Act may involve the imposition of criminal penalties.

C.37 52.224-2 PRIVACY ACT (Apr 1984)

(a) The Contractor agrees to –

(1) Comply with the Privacy Act of 1974 (the Act) and the agency rules and regulations issued under the Act in the design, development, or operation of any system of records on individuals to accomplish an agency function when the contract specifically identifies

(i) The systems of records; and

(ii) The design, development, or operation work that the contractor is to perform;

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

(2) Include the Privacy Act notification contained in this contract in every solicitation and resulting subcontract and in every subcontract awarded without a solicitation, when the work statement in the proposed subcontract requires the redesign, development, or operation of a system of records on individuals that is subject to the Act; and

(3) Include this clause, including this subparagraph (3), in all subcontracts awarded under this contract which requires the design, development, or operation of such a system of records.

(b) In the event of violations of the Act, a civil action may be brought against the agency involved when the violation concerns the design, development, or operation of a system of records on individuals to accomplish an agency function, and criminal penalties may be imposed upon the officers or employees of the agency when the violation concerns the operation of a system of records on individuals to accomplish an agency function. For purposes of the Act, when the contract is for the operation of a system of records on individuals to accomplish an agency function, the Contractor is considered to be an employee of the agency.

(c)

(1) "Operation of a system of records," as used in this clause, means performance of any of the activities associated with maintaining the system of records, including the collection, use, and dissemination of records.

(2) "Record," as used in this clause, means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, education, financial transactions, medical history, and criminal or employment history and that contains the person's name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a fingerprint or voiceprint or a photograph.

(3) "System of records on individuals," as used in this clause, means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual.

C.38 EVERGREEN CLAUSE

The Period of Performance (POP) for this requirement may extend beyond the Offeror's current POP on their GSA Schedule. Offerors may submit proposals for the entire POP as long as their current GSA Schedule covers the requested POP, or their GSA Schedule contains GSA's "Evergreen Clause" (Option to Extend the Term of the Contract), which covers the requested PoP if/when the option(s) are exercised. Offerors are encouraged to submit accurate/realistic pricing for the requirement's entire PoP even if the proposed GSA Schedule does not include pricing for the applicable option years, etc.

For proposal evaluation purposes, the NRC assumes that applicable Evergreen Clause Option(s) will be exercised and the NRC will apply price analysis, as applicable. It is in the best interest of the Offeror to explain major deviations in escalation, proposed in any Evergreen Clause option years. Resulting GSA task/delivery order option years subject to the Evergreen

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

Clause will be initially priced utilizing the same rates proposed under the last GSA-priced year of the subject GSA Schedule. Upon GSA's exercise of the GSA Schedule option year(s) applicable to the Evergreen Clause, the NRC will modify the awarded task/delivery order to incorporate either the proposed pricing for the option years or the GSA-approved pricing (whichever is lower).

C.39 BILLING INSTRUCTIONS FOR DELIVERY ORDER

General: The Contractor shall prepare vouchers or invoices as prescribed herein. FAILURE TO SUBMIT VOUCHERS/INVOICES IN ACCORDANCE WITH THESE INSTRUCTIONS WILL RESULT IN REJECTION OF THE VOUCHER/INVOICES AS IMPROPER.

Form: Claims shall be submitted on the payee's letterhead, voucher/invoices, or on the Government's Standard Form 1034, "Public Voucher for Purchases and Services Other than Personal," and Standard Form 1035, "Public Voucher for Purchases Other than Personal--Continuation Sheet." These forms are available from the U.S. Government Printing Office, 710 North Capitol Street, Washington, DC 20401.

Number of Copies: An original and three copies shall be submitted. 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 - T7-I2
Washington, DC 20555-0001

A copy of any invoice which includes a purchase of property valued at the time of purchase at \$5,000 or more, shall be sent to:

Chief, Property Management Branch
Division of Facilities and Security
Mail Stop - T-7-D-27
Washington, DC 20555-0001

HAND-DELIVERY OF VOUCHERS/INVOICES IS DISCOURAGED AND WILL NOT EXPEDITE PROCESSING BY THE NRC. However, should you choose to deliver vouchers/invoices by hand, including delivery by any express mail service or special delivery service which uses a courier or other person to deliver the vouchers/invoices 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 - Mail Room

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

11555 Rockville Pike
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.

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

Frequency: The Contractor shall submit a voucher or invoice monthly only after the NRC's acceptance of services rendered or products delivered in performance of the delivery order unless otherwise specified in the contract.

Preparation and Itemization of the Voucher/Invoice: To be considered a proper voucher/invoice, all of the following elements must be included:

1. BPA/Contract number, delivery order number, and task order number.
2. Sequential voucher/invoice number.
3. Date of voucher/invoice.
4. Payee's name and address. (Show the name of the contractor and its correct address. In addition, when an assignment of funds has been made by the contractor, or a different payee has been designated, include the name and address of the payee). Indicate the name and telephone number of the individual responsible for answering questions which the NRC may have regarding the voucher/invoice.
5. Description of articles or services, quantity, unit price, total amount, and cumulative amount.

The Contractor shall submit a consolidated invoice that contains separate pages for each task order. Each separate page shall list each application system maintained under the identified task order number and provide the labor hours, labor category, hours, fixed rate, current period dollars, and cumulative hours and dollars to date for each system release or activity. Furthermore, a consolidated summary (cover sheet) must accompany the invoice which will include the total amount billed inclusive of all task orders. Here is an example of the invoice for each task order:

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

Current monthly costs and cumulative costs shall be reported for each system release for each month the release is worked on. The prior monthly costs associated with each system release currently worked on also must be shown in cost reports and sum to the total cumulative cost for the system release.

Some task orders, as identified by the NRC project officer, may provide funding for multiple subtasks/change requests (CR's)/projects from separate funding sources (designated by job codes). For those applicable task orders, the Contractor must identify in the cost reports the total funds obligated, expended, and remaining available by job code for each subtask/change request/project. The Contractor is not authorized to continue work exceeding the task order ceiling or subtask/CR/project ceiling on these task orders.

Task Order 01

System:

Release Number:

<u>Current Category</u>	<u>Fixed Hours</u>	<u>Current Rate</u>	<u>Cumulative Total Billed</u>	<u>Hours</u>	<u>Total Billed</u>
Sr. Scientist	100	35.00	\$3,500	500	\$17,500
Engineer	100	25.00	2,500	100	2,500
TOTAL			\$6,000		\$20,000

6. For contractor-acquired GFE property list each item purchased costing \$50,000 or more and having a life expectancy of more than 1 year and provide: (1) an item description, (2) manufacturer, (3) model number, (4) serial number, (5) acquisition cost, (6) date of purchase, and (7) a copy of the purchasing document.
7. Weight and zone of shipment, if shipped by parcel post.
8. Charges for freight or express shipments. Attach prepaid bill if shipped by freight or express.
9. Instructions to consignee to notify the Contracting Officer of receipt of shipment.

Billing of Cost After Expiration of Order: If costs are incurred during the delivery order period and claimed after the order has expired, the period during which these costs were incurred must be cited. To be considered a proper expiration voucher/invoice, the

STATEMENT OF WORK Attachment I
Maintenance and Operational Support of NRC Application Systems and Environment

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 and payments will be made in that currency. However, the U.S. dollar equivalent for all vouchers/invoices paid under the order may not exceed the total U.S. dollars authorized under the order.

Supersession: These instructions supersede any previous billing instructions.

SUPPLIES AND SERVICES SCHEDULE

attachment II

B.1 SCHEDULE OF SUPPLIES OR SERVICES AND PRICE COSTS:

Orders will be issued for work required by the NRC in accordance with 52.215-18 - Ordering. Only Contracting Officers of the NRC or other individual specifically authorized under this contract may authorize the initiation of work under this contract. The provisions of this contract shall govern all orders issued hereunder.

The CLIN numbers listed in the tables below are not to be used for any reports or invoices, but only as a summary reference for award. In the attached tables below the contract bill rates for each contract period will govern this contract and will be utilized for invoices to the NRC. See C.39 for Billing Instructions.

		BASE YEAR	
CLIN	DESCRIPTION	ESTIMATED HOURS	COST
001	PLATFORM 1 - CLIENT/SERVER	(b)(4)	
002	PLATFORM 2 - MAINFRAME		
003	PLATFORM 3 - PC/LAN		
004	PLATFORM 4 - WEB		
005	PLATFORM 5 - ENTERPRISE		
006	OTHER DIRECT COSTS (MATERIAL, EQUIPMENT, ETC.) WHICH ARE NOT TO EXCEED		
TOTAL BASE YEAR COSTS			\$15,176,738.26

		OPTION YEAR 1	
CLIN	DESCRIPTION	ESTIMATED HOURS	COST
007	PLATFORM 1 - CLIENT/SERVER	(b)(4)	
008	PLATFORM 2 - MAINFRAME		
009	PLATFORM 3 - PC/LAN		
010	PLATFORM 4 - WEB		
011	PLATFORM 5 - ENTERPRISE		
012	OTHER DIRECT COSTS (MATERIAL, EQUIPMENT, ETC.) WHICH ARE NOT TO EXCEED		
TOTAL OPTION YEAR 1 COSTS			\$15,532,411.37

		OPTION YEAR 2	
CLIN	DESCRIPTION	ESTIMATED HOURS	COST
013	PLATFORM 1 - CLIENT/SERVER	(b)(4)	
014	PLATFORM 2 - MAINFRAME		
015	PLATFORM 3 - PC/LAN		
016	PLATFORM 4 - WEB		
017	PLATFORM 5 - ENTERPRISE		
018	OTHER DIRECT COSTS (MATERIAL, EQUIPMENT, ETC.) WHICH ARE NOT TO EXCEED		
TOTAL OPTION YEAR 2 COSTS			\$16,390,201.03

		TOTAL ALL YEARS	
DESCRIPTION		ESTIMATED HOURS	COST
PLATFORM 1 - CLIENT/SERVER	(b)(4)		
PLATFORM 2 - MAINFRAME			
PLATFORM 3 - PC/LAN			
PLATFORM 4 - WEB			
PLATFORM 5 - ENTERPRISE			
OTHER DIRECT COSTS (MATERIAL, EQUIPMENT, ETC.) WHICH ARE NOT TO EXCEED			
TOTAL ALL YEARS COSTS			\$47,099,350.66