



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

JUN 12 1997

Cox & Associates, CPA's, P.C.
Attn: Mr. DeLacy Cox
1730 "K" Street, N.W.
Washington, DC 20006

SUBJECT: CONTRACT NRC-09-94-202, TASK ORDER NO. 9

Dear Mr. Cox:

In accordance with Section G.5, Task Order Procedures, of the subject contract, this letter definitizes Task Order No. 9. This effort shall be performed in accordance with the enclosed Statement of Work.

Task Order No. 9 shall be in effect from June 16, 1997, through September 30, 1997. The total cost ceiling is \$105,747.44, in which the amount of \$97,016.00 represents the reimbursable costs, and the amount of \$8,731.44 represents the fixed fee.

The task order obligates funds in the amount of \$95,000, in which \$87,962.96 represents the reimbursable costs, and the amount of \$7,037.04 represents the fixed fee. This obligated amount may be unilaterally increased from time to time by the Contracting Officer by written modification to the task order. The obligated amount shall, at no time, exceed the task order ceiling. When and if the amount(s) paid and payable to the Contractor hereunder shall equal the obligated amount, the Contractor shall not be obligated to continue performance of the work unless and until the Contracting Officer shall increase the amount obligated with respect to this task order. Any work undertaken by the Contractor in excess of the obligated amount specified above is done so at the Contractor's sole risk. The Contractor shall comply with the provisions of 52.232-22 - Limitation of Funds for this incrementally funded task order.

Accounting data for this Task Order is as follows:

B&R No.: 77N-15-321-015
FIN No.: E-7046
APPN No.: 31X0200.77N
BOC No.: 252A
OBLIGATED AMOUNT: \$95,000

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

* - Task Order Manager/Senior Lead Analyst
Richard H. Nieman - Senior Financial/Management Analyst
Warrent I. Hilman - Senior Financial/Management Analyst
George W. Conrad - Senior Financial/Management Analyst

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PDR CONTR
NRC-09-94-202 PDR



*Selection shall be made after the entrance conference with NRC key staff (selection will come from one of the Senior Analysts listed above)

Please indicate your acceptance of Task Order No. 9 by having an official, who is authorized to bind your organization, execute three copies of this document in the space provided and return two copies to the Contract Specialist. You should retain the third copy for your records.

The Contractor agrees that such personnel shall not be removed from the effort under the task order without compliance with Contract Clause H.1, Key Personnel.

Your contacts during the course of this task are:

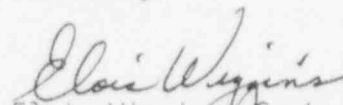
Technical Matters: Carl Dolinka
Technical Monitor
(301) 415-7143

Contractual Matters: Carolyn A. Cooper
Contract Specialist
(301) 415-6737

The issuance of this task order does not amend any terms or conditions of the subject contract.

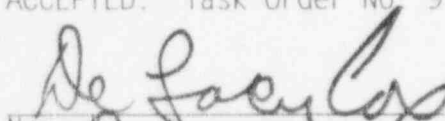
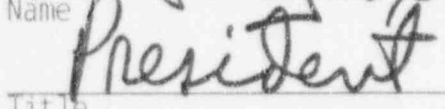
Please indicate your acceptance of Task Order No. 9 by having an official, who is authorized to bind your organization, execute three copies of this document in the space provided and return two copies to the Contract Specialist. You should retain the third copy for your records.

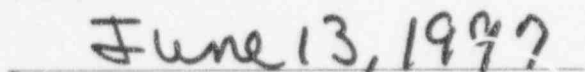
Sincerely,


Elois Wiggins, Contracting Officer
Contract Management Branch No. 2
Division of Contracts and
Property Management
Office of Administration

Enclosure:
As stated.

ACCEPTED: Task Order No. 9


Name _____

Title _____


Date _____

EVALUATING OFFICE TECHNIQUES USED TO TRACK AND CONTROL THE ALLOCATION AND USE OF RESOURCES

TASK ORDER NO. 9

BACKGROUND

The U.S. Nuclear Regulatory Commission (NRC) needs to have confidence that office submissions for the FY 1999 budget request can be relied upon as an accurate estimate of resources needed for the agency to accomplish its mission. It is critical that offices accurately project resource needs, optimize the allocation and use of resources they receive, and establish adequate controls and methods for evaluating whether or not planned accomplishments have been attained.

NRC's internal budget is divided into major activities which are subdivided into subactivities. Planned accomplishments for each subactivity and tasks describing actions that will be taken to achieve planned accomplishments are established as a basis for estimating resource needs at the lowest level. Each office is responsible for developing effective methods for tracking and controlling their resource utilization and for ensuring allocated resources are used for the purposes identified in their budget submissions or in line with revised plans resulting from priority shifts subsequent to budget submission.

SCOPE OF WORK

The contractor shall assist NRC in evaluating office techniques used to track and control the allocation and use of resources for the activities listed below. Within each activity, the contractor will perform an analysis of the planned accomplishments as noted for each subactivity listed.

<u>OFFICE</u>	<u>ACTIVITY</u>	<u>SUB-ACTIVITY</u>	<u>PLANNED ACCOMPLISHMENTS</u>
NRR	Reactor Licensing	Licensing Actions	All
		Regulatory Licensing Planned Improvements	Accomplishments Related to Generic Issues and Rulemaking
	Reactor Performance Assessment	Reactor Performance Evaluation	All
NMSS	High Level Waste Licensing	High Level Waste Repository	All

For each of the activities reviewed, the contractor shall assess the ability of NRR and NMSS to optimize the allocation and use of resources they receive for the subactivities listed above. This will be accomplished by evaluating the adequacy of the processes used for planning, scheduling, tracking and controlling work activities, and responding to emergent work that requires changes in priorities.

In performing this evaluation, the contractor shall:

Develop appropriate survey documents such as questionnaires or interview guides that will be used for employee interviews. The questionnaires or interview guides shall be provided to the task manager for review and comment prior to use during the interviews. The contractor shall incorporate NRC's comments and resubmit revised survey documents to the task manager prior to conducting any interviews. The contractor shall conduct interviews of managers and supervisors from the section chief level up, as needed, in NRR, NMSS, and the Offices of the Chief Financial Officer (OCFO) and Chief Information Officer (OCIO) to obtain information concerning the allocation and use of resources, including data and data systems used to track, monitor and control the allocation and use of resources. NRC staff may accompany the contractor and assist in the interviews. The contractor shall provide a list of persons to be interviewed to the Task Manager for approval prior to scheduling interviews.

Identify and accumulate historical information from Fiscal Years 1996 and 1997 needed for this evaluation which includes organizational projections of Full Time Equivalents (FTEs) and dollars to accomplish specific planned accomplishments, actual results at the planned accomplishment level, and actual FTEs and dollars used. This information will be collected from NRR, NMSS, and OCFO.

Identify and provide a list to the task manager for approval of the documents and data that will be tested in each planned accomplishment prior to the testing phase.

Verify the accuracy of the data used by NRR and NMSS to support completion of planned accomplishments.

Determine if data collected and systems used permit effective and timely monitoring of the allocation and use of resources.

Document all deviations from documented planned accomplishments and determine if related justifications are adequate to support the deviations.

Document whether the use of resources is consistent with budgeted purposes and the amount budgeted.

Examine the crosswalk of the planning and control of work to the budget structure to determine if resources used to complete planned accomplishments are clearly traceable to, and accurately portrayed in, the budget.

Provide conclusions as to the adequacy of each offices' success in achievement of planned accomplishments.

DESCRIPTION AND SCHEDULE OF DELIVERABLES (The contractor shall provide all deliverables, other than periodic status reports, on a 3 1/2 inch disk):

1. Status reports of progress made against an established project plan that include accomplishments, planned activities, and issues/concerns. Weekly
2. A report that includes:
 - a) An executive summary that condenses the entire report to no more than 5 pages.
 - b) A description of the scope and methodology used to conduct the review;
 - c) An evaluation of the guidance, methods, assumptions, data and information management tools used for controlling and tracking resource utilization in NRR and NMSS; and
 - d) Conclusions and recommendations for improving existing practices.

The contractor shall deliver 3 bound copies and 1 camera ready copy of the draft report to the NRC Task Manager 85 calendar days from the start of the project. NRC will complete its review of the draft report and provide written comments to the contractor 15 calendar days from receipt of the draft report. The contractor shall incorporate NRC's comments into the report and deliver a final report within 5 days after receipt of NRC's comments.

Five bound copies and one camera ready copy of the final report will be delivered to the NRC Task Manager 105 calendar days from the start of the project.

REPORTING REQUIREMENTS:

The NRC Task Manager and NRC Project Manager expect to have ad hoc access to key contractor personnel and have verbal (telephone) contact with key contractor personnel on an as needed basis. The focal point between NRC and the contractor will be the NRC Task Manager.

PLACE OF PERFORMANCE:

On-site space will be provided to the contractor staff as needed. Interviews of NRC staff and meetings with the Task Manager will take place at the NRC Headquarters in Rockville, Maryland.

NRC PROVIDED MATERIALS:

The NRC will provide copies of procedures, memoranda, and instructions used in the budget process.

TECHNICAL SKILLS REQUIRED:

Contractor staff must have sufficient analytical ability to conceptualize the NRC and Federal government's annual budget process and evaluate managerial effectiveness in the areas of control and accountability.

TRAVEL REQUIREMENTS:

Contractor staff shall be required to meet with NRC management and staff at NRC headquarters only. NRC will reimburse the contractor for local travel.