

THE 2008 LOS ALAMOS NATIONAL SECURITY, LLC COMMUNITY COMMITMENT PLAN

The LANS Community Commitment Plan invests fee and parent organization resources into the community over the first seven years of the contract period.

LANS remains committed to benefiting the Northern New Mexico community. We want to optimize the support we provide; therefore, our plan of grant and service investments will complement community activities while ensuring that those investments are allowable under the contract.

In June 2006, we began a seven-year community commitment plan implementation that invests in Northern New Mexico with funds from fee and parent organization resources. Annually, the LANS Board of Governors reviews, enhances, and approves the community commitment plan, subject to NNSA concurrence. With implementation led by the LANL Community Programs Office, the plan builds upon the 63-year investment by DOE/NNSA and the University of California (UC) in the Northern New Mexico community. The Community Commitment Plan is structured to provide the greatest possible benefit to the region in three critical areas—education, economic development, and charitable giving.

Regional Community Philosophy. A consistent, responsive relationship with our neighbors is mutually beneficial. Given the regional impact of the Laboratory, a strong, vibrant local economy is vital to long-term Laboratory operations and to the morale of LANL's workforce. Based on this philosophy, our community commitments are aligned to support the Laboratory's national mission and strategic objectives, providing mutual benefit and sustainability to both the Laboratory and to its surrounding communities. In addition, because we believe that local leaders and organizations best know the needs of the community, our plan recognizes the need for ongoing dialogue with our regional stakeholders so that we understand those needs and, as appropriate, align them with the Laboratory's mission and strategic objectives.

Regional Community Approach. LANS key personnel are relationship owners, building partnerships with multiple constituencies based on a dynamic balance of listening and action. While working with the community and NNSA, we are establishing formal metrics for performance, including annual surveys and formal feedback loops, to verify alignment with regional community needs and priorities.

I.1 COMMUNITY COMMITMENT PLAN

The Community Commitment Plan was designed in conjunction with government-allowable regional initiatives, the regional purchasing plan, and the technology commercialization plan, to create an overall community investment strategy. Our plan continues to leverage (1) direct community investments in education, economic development, and community giving; (2) additional community investments from earned incentive fee; and (3) in-kind assistance that addresses community needs.

I.1.1 DIRECT COMMUNITY INVESTMENTS

Direct community investments will remain targeted toward the critical areas of education, economic development, and community giving. We will also continue to use existing local organizations as the conduit for our direct investments.

I.1.1.1 Education

We invest in education for the people of Northern New Mexico. This commitment includes student scholarships, community grants, student learning and master teachers' support, and professional development in quality processes.

LANS will continue to contribute significant funds to the community-directed, DOE created and authorized, LANL Foundation for education programs. Programs include:

- ***Matching Funds for the Los Alamos Employees' Scholarship Fund.*** LANS will contribute up to \$250,000 per year to match employee contributions for scholarships for Northern New Mexico students who pursue undergraduate degrees in fields needed within LANL.
- ***Education Outreach Grants.*** LANS will contribute up to \$250,000 per year in grants to support Northern New Mexico organizations providing education and literacy advocacy; quality and cost-effective teacher training and support; as well as science, technology, engineering, and math (STEM) training.
- ***Northern New Mexico Math and Science Academy (MSA).*** LANS will strive to sustain the successful efforts of the LANL MSA by investing \$100,000 per year (in addition to the \$150,000 government allowable contribution) in this very successful teacher professional development program. This commitment complements state appropriations to support MSA's efforts to increase student achievement by improving teacher performance.
- ***Regional Quality Center.*** LANS commits \$100,000 to the Regional Quality Center in Northern New Mexico that will be led by the Espanola School District. This funding will accelerate implementation of the New Mexico Public Education Department's statewide effort to improve the quality of regional schools. Quality schools will improve the recruitment and retention of the high-caliber workforce that LANL and the region needs.
- ***UC Non-resident Fee Scholarships.*** Competitive scholarships administered by the LANL Foundation will be provided to Northern New Mexico students who attend a University of California undergraduate program. LANS is committing \$204,000 per year to offset out-of-state tuition costs. This scholarship currently represents a \$19,068 savings per year, per student.

In addition, LANS will contribute to programs and causes directly related to workforce development necessary to address LANL's pipeline needs. These include:

- ***New Mexico Highlands University Endowed Chair.*** LANS will invest \$100,000 in an endowed chair for the Computer Science Department at the University.
- ***University of New Mexico-Los Alamos.*** LANS will invest \$100,000 to support the development of the Associates of Applied Science technician training programs in manufacturing and nanotechnology and revitalization of the electro-mechanical technology program at UNM-Los Alamos. These programs are structured to meet the needs of the Laboratory and the region. In addition to the academic courses required, the programs will include service-learning components to enable students to develop relevant work experience to match regional needs.
- ***Northern New Mexico College's Nursing and Teaching Programs.*** LANS commits \$100,000 per year to assist the college's efforts to further its four-year degree programs in nursing and teaching. These are two critical professional areas for the state of New Mexico and for the region in particular. This investment will provide valuable education

infrastructure that will directly benefit the health and education of our community well into the future.

I.1.1.2 Economic Development

In CY07, we began a program for economic development in Northern New Mexico. The commitment included resources for economic development support, enterprise development, technology maturation, and other infrastructure enhancements that should stimulate entrepreneurialism, business creation, and economic growth in our communities. Based on past experience in the region, investments have been structured to address the unique economic development challenges of Northern New Mexico.

To support regional economic development, LANS commits investments to be administered by a DOE designated community re-use and regional economic development organization, the Regional Development Corporation (RDC). This will include the following discretionary and program investments:

- ***Economic Development.*** LANS commits \$250,000 per year to support the RDC's economic development objectives on behalf of Northern New Mexico communities and industry and to provide staff support for LANS's economic development investments. This investment will build upon LANL's current relationship with the RDC, which includes staff support for the Major Subcontractor Consortium.
- ***Northern New Mexico Connect (NNM Connect).*** LANS commits \$150,000 per year to further implement the NNM Connect program. This program is based on the UC San Diego Connect effort that is widely recognized as the most successful program of its kind. It links entrepreneurs to investment funds and provides startup support. This program will help address the current lack of seasoned entrepreneurial business talent in Northern New Mexico.
- ***Enterprise Development, a component of NNM Connect.*** LANS is investing \$250,000 per year to create NNM Connect supporting activities to accelerate enterprise development. This system will assist communities seeking to grow their economies from within. LANS will help establish this place-based program that works in concert with existing economic development efforts to assist entrepreneurs. Efforts are underway to align these efforts with LANL's technology transfer initiatives and scientific expertise.
- ***Technology Maturation.*** LANS commits \$350,000 per year for technology maturation. The fund builds on the success of LANL's internally focused Technology Maturation Fund by serving as an externally focused fund that supports regional businesses with a LANL affiliation.

I.1.1.3 Community Giving

LANS will continue to invest in Northern New Mexico's United Way campaigns by matching the contributions of LANL employees, dollar for dollar, up to \$1 million per year. By matching employee contributions, we offer the real potential for contributing \$2 million, or more, per year to numerous Northern New Mexico charitable organizations.

I.1.2 ADDITIONAL COMMUNITY INVESTMENTS

The community will share in our success—LANS will invest in the education, economic, and community development of Northern New Mexico communities in correlation to our earned incentive fee. If LANS earns an incentive fee at or above 81%, we will make additional community investments that are incrementally based on incentive fee achievement.

I.1.3 IN-KIND AND OTHER COMMUNITY INVESTMENTS

LANS’s parent organizations’ resources will be leveraged to provide additional support in education and economic development to Northern New Mexico communities.

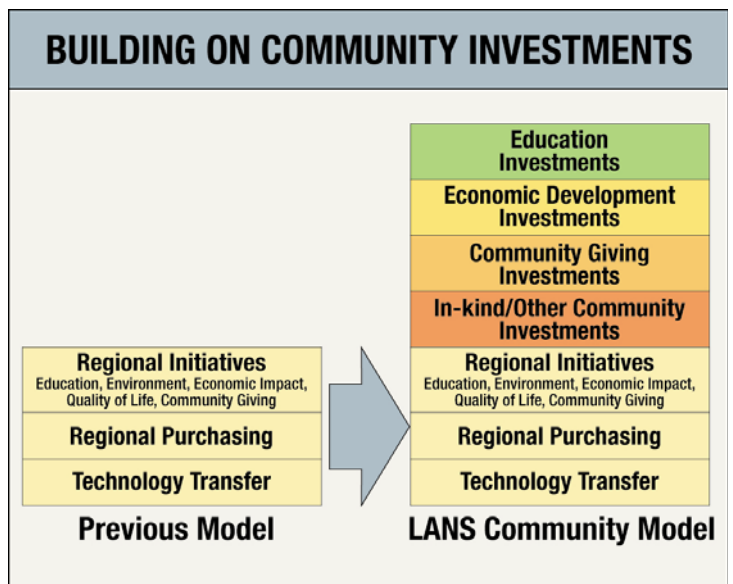
Community and Volunteer Services. We have entered into a relationship with VolunteerMatch for a Web-based system that employees can use to identify community volunteer opportunities as well as track service hours. In addition, our affiliation with VolunteerMatch allows for New Mexico non-profits to use the program free of charge. LANL employees may also receive up to 32 hours Community Service Time off with pay per fiscal year for STEM-related activities. We anticipate that LANS employees will continue to contribute community service and volunteer time to support a wide variety of programs that provide services throughout the region.

New Mexico Small Business Assistance (NMSBA) Program with State Gross Receipt Tax (GRT) Credit. New Mexico Law provides for a \$2.4 million per year tax credit to laboratories paying state gross receipts tax to provide technical services assistance to New Mexico small business. LANS has implemented this program and has entered into partnership with its sister laboratory (Sandia National Laboratories) to ensure transparency to the small-business community. The purpose of the NMSBA is to bring the technology and expertise of the national laboratories to New Mexico small businesses to promote economic development in the state, particularly in rural areas.

I.2 BENEFITING THE COMMUNITY – INTEGRATION OF COMMUNITY INITIATIVES

The Community Commitment Plan activities are structured to work in conjunction with existing, federally funded (allowable) regional initiatives to support an overall community investment strategy, including a regional purchasing program and technology commercialization. The figures to the right and on the next page illustrate how LANS investments and allowable initiatives work in the overall community investment strategy. Highlights of this strategy include:

- **Partnering With our Tribal Communities.** We will demonstrate a continuing commitment to partner with, and understand the needs of our tribal communities. In addition, our grant and fee investments with the RDC for economic development and to the LANL Foundation for education will benefit tribal communities as well.
- **Education Outreach.** Our fee investment will continue to augment the existing allowable funding to the LANL Foundation for education and community outreach programs.
- **Strengthening and Providing Leadership to Small Business and Subcontractor Councils.** Grant, fee investment, and technical support will continue to augment annual allowable support to the Major Subcontractor Consortium, further leveraging economic development investments in the community and providing greater integration with the Northern New Mexico business community. This will also provide a feedback loop from our



small business enterprise suppliers back into the Laboratory for further refinement of the programs.

- Support Economic Impact Data Repository.** LANS will develop an annual summary and evaluation of LANL’s economic impact related to education, economic development, and community giving activities. Through this effort, LANS will ensure that the Laboratory’s economic impacts on the community are strategic by design—not by accident. In addition, LANL’s need to respond to requests for economic data regarding the Laboratory’s national, state, and local economic impact will also be incorporated into voice of the customer surveys to ensure community review and feedback on an ongoing basis.

Conclusion

LANS crafted this integrated Community Commitment Plan based on our parent organizations’ solid track record of partnering and contributing to the communities in which we work and live.

LANS’s partners—Bechtel, University of California, Babcock & Wilcox, and URS Washington Division—have found that investing in local communities is good business. Partnering with the community facilitates program and project implementation; provides a skilled, local, and knowledgeable resource base; and promotes economic stability in the area. By committing funds and technical and management resources, these firms seek to benefit educational and economic development in communities worldwide.

