



**NNSA Policy Letter: BOP-003.0507**  
**Date: September 15, 2005**

**TITLE: M & O Contract Administration Guides (CAGs)**

**I. OBJECTIVE:**

The objective of this Policy Letter is to implement the attached NNSA "Contract Administration Guides".

**II. APPLICABILITY:**

This Policy Letter applies to all NNSA Site Offices except Naval Reactors.

**III. REQUIREMENTS:**

- A. The Contract Administration Guides are issued to facilitate and standardize the administration functions of the NNSA Management and Operating (M&O) contracts.
- B. The "Official" listing of CAGs will be maintained within the NNSA, NA-63 Documents webpage. Recommended changes and approved updates will be highlighted as "Revised" and indicate the latest date.
- C. After initial implementation, CAGs updates must be approved by the HCA
  - i. Annually by January 1 of each year or
  - ii. Within 30 days of recommended and approved guide changes.

**IV. RESPONSIBILITY:**

NNSA Contracting Officers, Contract Specialists and all those who administer M&O contracts are responsible for adherence to the attached guides.

**V. POINT OF CONTACT FOR ADMINISTRATION OF POLICY LETTER:**

Scott E. Clemons, Office of Acquisition and Supply Management (NA-63)

**BY ORDER OF THE SENIOR PROCUREMENT EXECUTIVE:**

Attachment I

Robert C. Braden  
Senior Procurement Executive  
National Nuclear Security Administration

Attachment I                      NNSA Policy Letter: BOP-003.0507                      Date: Sep 15, 2005

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F – FAR; D – DEAR; N – NAP; B – BOP

**Process Description**

**National Nuclear Security Administration**

**PD Number:** CAG F-42.3  
**PD Title:** Contract Modifications for Funding Actions

**Process Owner**

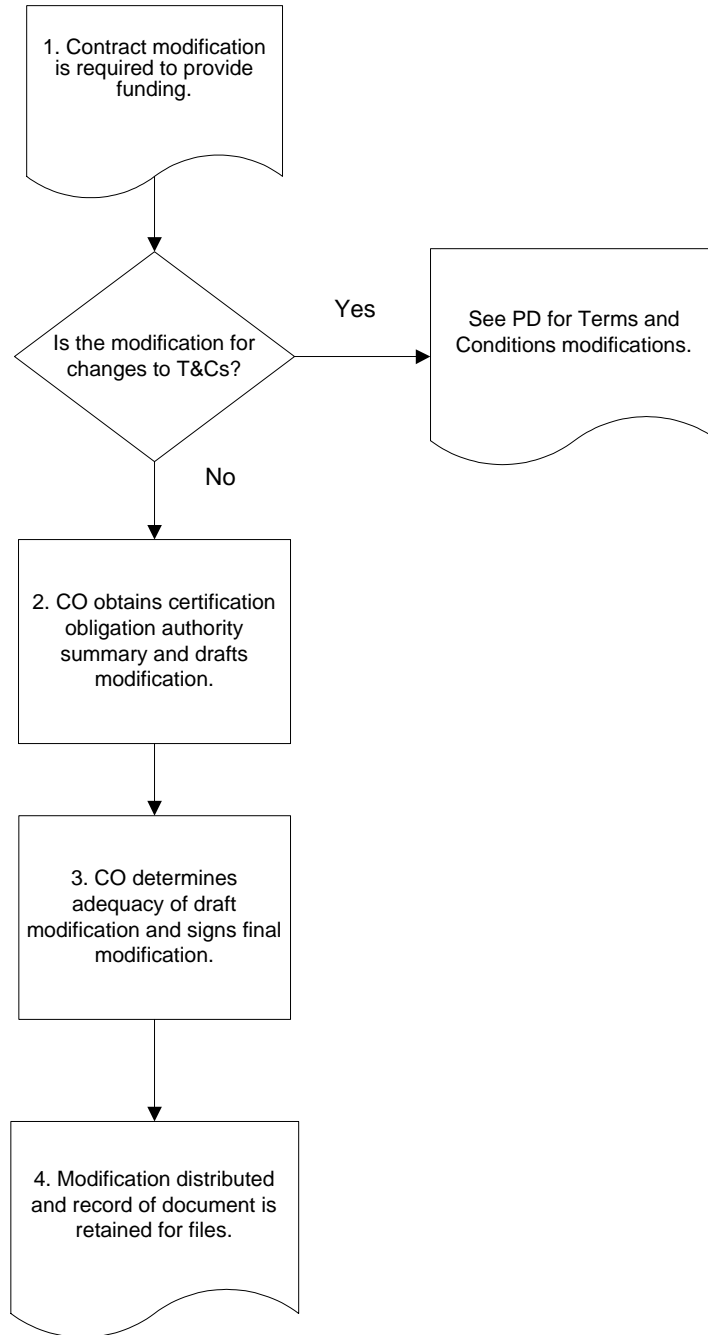
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**Overview**

<p><b>Description</b></p>	<p>This Process Description (PD) covers product (services) that are an essential output of the Site Office (SO) and must be monitored for nonconformities.</p> <p>This PD defines the process for issuing management and operating (M&amp;O) contract modifications for funding actions.</p> <p>The NNSA Functional Matrix specifies that the SO retain this function. However, the SO may delegate the responsibility, authority, and other process activities to the NNSA Service Center (SC), M&amp;O Support Department. Written delegations should be maintained at the SO and SC.</p> <p>PD CAG F-43, Contract Modifications for Terms and Conditions Changes, defines the process for issuing M&amp;O contract modifications for changes to terms and conditions (T&amp;C).</p>
<p><b>Applicable NNSA Office</b></p>	<p>Site Offices except Naval Reactors.</p>
<p><b>Metrics</b></p>	<p>The timeliness of processing contract modifications.</p>

## Process Block Diagram

The diagram below presents an overview of the process



**Stage Table**

The table below describes the stages of the process.		
Stage	Who Does It	What Happens
1	SO Contracting Officer (CO)	<ul style="list-style-type: none"> <li>Contract modification to fund the contract is required. Refer to the SO/SC Service Level Agreement procedures or use this process if authority for funding modifications is retained at the SO.</li> <li>If the modification involves changes to T&amp;C, see T&amp;C PD.</li> </ul>
2	SO CO	<ul style="list-style-type: none"> <li>Obtain the certification obligation summary from the SC Office of Field Financial Management (OFFM) and the Approved Funding Plan (AFP).</li> <li>Solicit assistance from the SO budget analyst as needed.</li> <li>A unilateral funding contract modification is the normal practice; however, refer to the contract to confirm this practice.</li> </ul>
3	SO CO	<ul style="list-style-type: none"> <li>Review adequacy of draft modification and all relevant supporting documentation and determine if the contract modification meets SO, SC, and HQ requirements.</li> <li>Prepare and sign the final modification (SF30). If a de-obligation in funds is required, refer to the contract to determine if a bilateral modification is required.</li> </ul>
4	SO CO	<ul style="list-style-type: none"> <li>Modification distributed and record of document is retained for files in accordance with SO procedures.</li> </ul>

**Requirements and Supporting Information**

<b>Requirements</b>	Federal Acquisition Regulation (FAR) Part 43 – Contract Modifications DOE Accounting Handbook NSNA Functional Matrix, revised February 2005 BOP-003.0304, as revised CSG 4.2 and 4.8
<b>Related Process Descriptions &amp; Work Instructions</b>	CAG F-43, Contract Modifications for Terms and Conditions Changes Site Office Procedures.
<b>Forms</b>	Standard Form (SF) 30 Amendment of Solicitation/ Modification of Contract.
<b>Records</b>	Completed SF 30 Amendment of Solicitation/ Modification of Contract. SO Delegation of Authority to the SC.
<b>Other</b>	None

**Author and Revisions**

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<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
0	9/14/2005	Initial release

**End of Document**

**Process Description**

**National Nuclear Security Administration**

**PD Number:** CAG F-42.8  
**PD Title:** Issuing a Notice of Intent to Disallow Costs

**Process Owner**

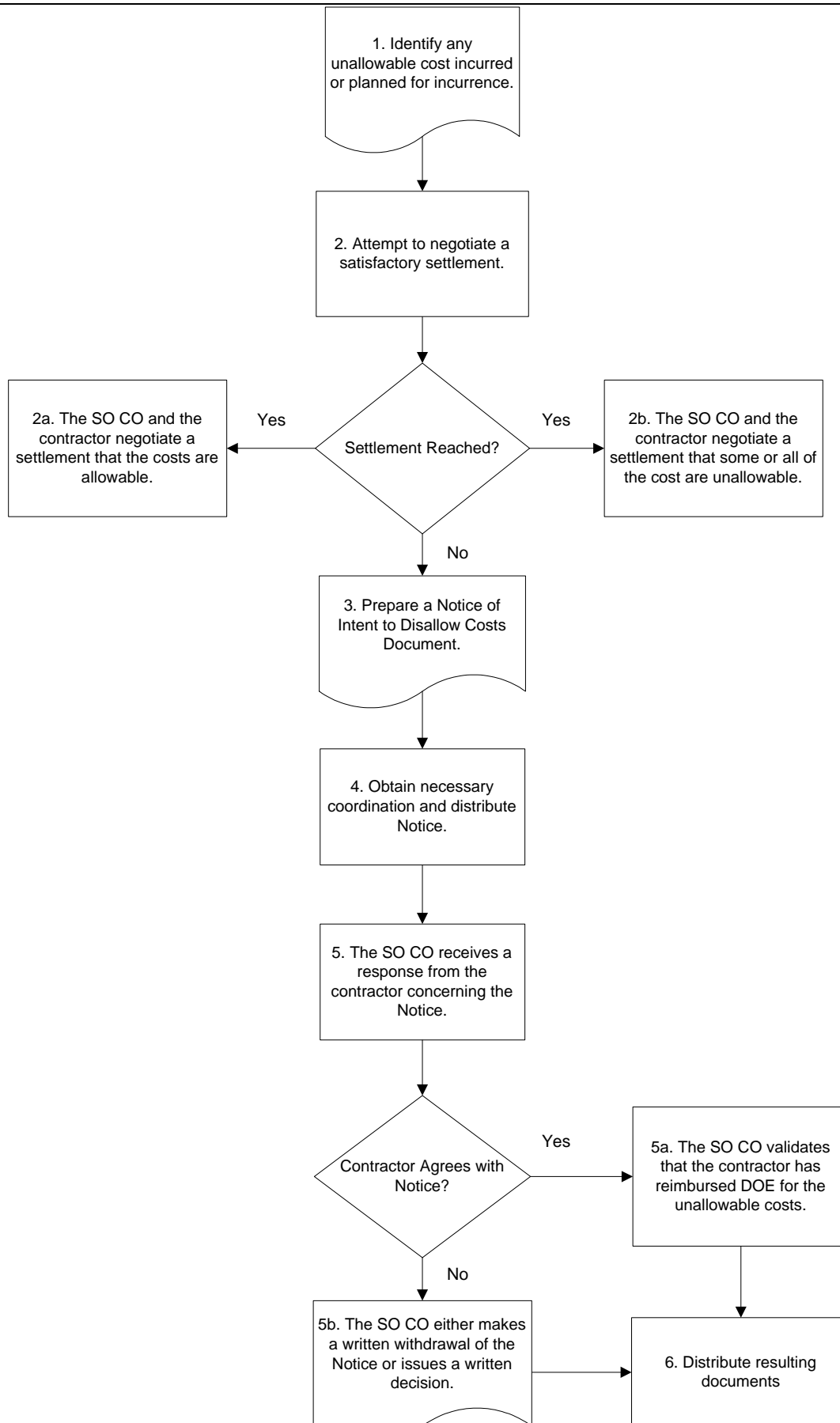
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**Overview**

<b>Description</b>	This Process Description provides guidance to Site Office (SO) Contracting Officers (CO) on the process to be used if they intend to disallow specified costs incurred or planned for incurrence under their management and operating (M&O) contract.
<b>Applicable NNSA Office</b>	Site Offices except Naval Reactors
<b>Metrics</b>	Notice of Intent to Disallow Costs contains the required minimum information as identified in Stage 3. The SO CO, within 60 days of receiving a written response from the M&O contractor, shall either make a written withdrawal of the notice or issue a written decision.

**Process Block Diagram**

The diagram below presents an overview of the process.





## Stage Table

The table below describes the stages of the process.			
Stage	Who Does It	What Happens	
1	SO CO	<ul style="list-style-type: none"> <li>An unallowable cost is identified through an audit (either internal or external) or cost monitoring activities performed by the SO or Service Center. The following sources of information may be of use to the SO CO in determining allowability of costs:                             <ul style="list-style-type: none"> <li>Federal Acquisition Regulation</li> <li>Department of Energy Acquisition Regulation</li> <li>The Government Accountability Office</li> <li>Board of Contract Appeals Decisions</li> </ul> </li> </ul>	
2	SO CO	<ul style="list-style-type: none"> <li>The SO CO negotiates a satisfactory settlement through discussions with representatives of the M&amp;O contractor.</li> </ul>	
		If	Then
2a		<ul style="list-style-type: none"> <li>The SO CO and the M&amp;O contractor negotiate a satisfactory settlement that the costs are allowable,</li> </ul>	<ul style="list-style-type: none"> <li>The SO CO writes a memorandum to the contract file to show that the costs have been determined to be allowable.</li> </ul>
2b		<ul style="list-style-type: none"> <li>The SO CO and the M&amp;O contractor negotiate a settlement that some or all of the costs are unallowable,</li> </ul>	<ul style="list-style-type: none"> <li>The SO CO issues a written decision to the M&amp;O contractor for those costs that were determined to be unallowable and validates that the M&amp;O contractor has reimbursed DOE for those costs. For those costs, if any, that were determined to be allowable, the SO CO writes a memorandum to the contract file to show that the costs have been determined to be allowable.</li> </ul>
		<ul style="list-style-type: none"> <li>The SO CO and the M&amp;O contractor are unable to negotiate a satisfactory settlement,</li> </ul>	<ul style="list-style-type: none"> <li>Go to Stage 3.</li> </ul>

3	SO CO	<ul style="list-style-type: none"> <li>When the SO CO cannot reach agreement with the M&amp;O contractor, he/she prepares a Notice of Intent to Disallow Costs. The notice shall contain at the minimum the following information:                             <ul style="list-style-type: none"> <li>Refer to the contract's Notice of Intent to Disallow Costs clause;</li> <li>The M&amp;O contractor's name and the contract number;</li> <li>Describe the specific cost to be disallowed, including estimated dollar value by item and applicable time periods, and state the reason for the disallowance;</li> <li>The notice's effective date and the date by which a written response must be received (60 days from effective date of notice);</li> <li>Include a discussion of how the amount of unallowable costs should be reimbursed. The preferred method should be a check from a corporate account payable to DOE;</li> <li>List the recipients of copies of the notice; and</li> <li>Request that the M&amp;O contractor acknowledge receipt of the notice.</li> </ul> </li> </ul>	
4	SO CO	<ul style="list-style-type: none"> <li>The SO CO coordinates the Notice of Intent to Disallow Costs with either SO Counsel or Service Center Counsel.</li> <li>The SO CO routes the Notice of Intent to Disallow Costs through the SO's concurrence process. This process should include at a minimum the SO Counsel.</li> <li>The SO CO sends the Notice of Intent to Disallow Costs to the M&amp;O contractor and obtains acknowledgement of receipt.</li> </ul>	
5		<ul style="list-style-type: none"> <li>The SO CO receives a response from the M&amp;O contractor concerning the Notice of Intent to Disallow Costs</li> </ul>	
		<b>If</b>	<b>Then</b>
5a		<ul style="list-style-type: none"> <li>The M&amp;O contractor agrees with the Notice of Intent to Disallow Costs,</li> </ul>	<ul style="list-style-type: none"> <li>The SO CO validates that the M&amp;O contractor has reimbursed DOE for the unallowable cost.</li> </ul>
5b		<ul style="list-style-type: none"> <li>The M&amp;O contractor responds within 60 days from the effective date of the Notice of Intent to Disallow Costs and disagrees with the Notice,</li> </ul>	<ul style="list-style-type: none"> <li>Within 60 days of receiving the M&amp;O contractor's response, the SO CO either makes a written withdrawal of the notice or issues a written decision.</li> </ul>
6	SO CO	<ul style="list-style-type: none"> <li>The SO CO distributes either the written withdrawal of the notice or the written decision to disallow costs to the M&amp;O contractor and the list of recipients (i.e., the same</li> </ul>	

		<p>individuals who received a copy [cc or bcc] of the original Notice of Intent to Disallow Costs.)</p> <ul style="list-style-type: none"> <li>• When the SO CO issues a written decision to disallow the costs, the SO CO validates that the M&amp;O contractor has reimbursed DOE the unallowable costs.</li> </ul>
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**Requirements and Supporting Information**

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<b>Requirements</b>	FAR 42.801 and 52.242-1
<b>Related Process Descriptions &amp; Work Instructions</b>	None
<b>Forms</b>	None
<b>Records</b>	Notice of Intent to Disallow Costs Final Decision to Disallow Costs Withdrawal of Notice of Intent to Disallow Costs
<b>Other</b>	None

**Author and Revisions**

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<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
0	9/14/2005	Initial release

**End of Document**

**Process Description** **National Nuclear Security Administration**

**PD Number:** CAG F-42.13  
**PD Title:** Stop and Restart Work

**Process Owner**

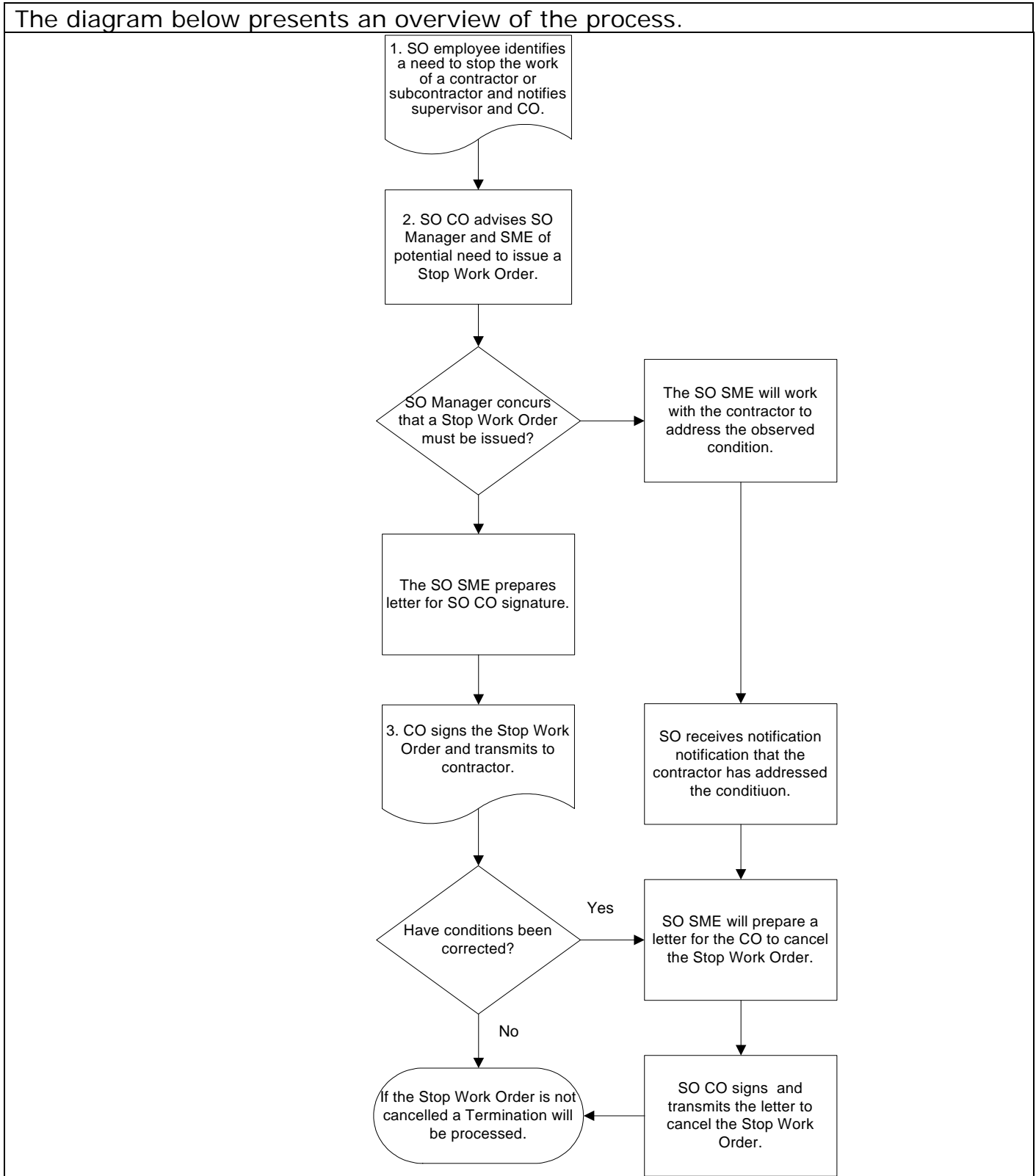
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**Overview**

<b>Description</b>	<p>This Process Description (PD) defines the procedures for:</p> <ul style="list-style-type: none"> <li>• halting unsafe or unacceptable work activities,</li> <li>• determining the need for and issuing the contractual Stop Work Order documentation, and</li> <li>• authorizing the contractor to re-start the work by canceling the Stop Work Order.</li> </ul> <p>Only a Contracting Officer (CO) can stop and restart work under a Federal contract. Management and operating (M&amp;O) stop and restart work procedures are governed by the contract clause at FAR 52.242-15, Stop Work Order (Aug 1989) Alternate 1 (Apr 1984), which is included in all M&amp;O contracts.</p> <p>Use this PD if a contractor’s work must be stopped for any reason, such as, if unsafe or a contractor or subcontractor within the boundaries of the M&amp;O contractor site is performing unacceptable activities.</p>
<b>Applicable NNSA Office</b>	Site Offices except Naval Reactors
<b>Metrics</b>	Timely stop work orders.

## Process Block Diagram

The diagram below presents an overview of the process.



## Stage Table

The table below describes the stages of the process.			
Stage	Who Does It	What Happens	
1	SO employee	<ul style="list-style-type: none"> <li>Upon identifying a need to stop the work of a contractor or subcontractor notifies the immediate supervisor and the CO.</li> </ul>	
2	SO CO	<ul style="list-style-type: none"> <li>Advise SO Manager and subject matter experts (SME) of potential need to issue a Stop Work Order.</li> </ul>	
3	<ul style="list-style-type: none"> <li>SO Manager</li> <li>SO SMEs</li> <li>SO CO</li> </ul>	<ul style="list-style-type: none"> <li>Determine the impact of the unsafe or unacceptable activity and the need for a Stop Work Order.</li> </ul>	
		<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>SO Manager concurs that a Stop Work Order must be issued,</li> </ul>	<ul style="list-style-type: none"> <li>The SO SME prepares letter, IAW FAR 52.242-15 Alternate I, for SO CO signature and forwards to SO CO.</li> </ul>
		<ul style="list-style-type: none"> <li>SO Manager determines that there is not a need for a Stop Work Order,</li> </ul>	<ul style="list-style-type: none"> <li>The SO SME will work with the contractor to address the observed condition.</li> </ul>
4	SO CO	<ul style="list-style-type: none"> <li>Signs the Stop Work Order and transmits it the M&amp;O contractor.</li> </ul>	
5	SO SME	<ul style="list-style-type: none"> <li>SO receives notification that the contractor has adequately addressed the conditions that led to the issuance of the Stop Work Order.</li> </ul>	
		<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>The conditions are determined to be acceptable,</li> </ul>	<ul style="list-style-type: none"> <li>The SO SME will verify that the required changes have been made and have been implemented</li> <li>The SO SME will prepare a letter for SO CO signature to cancel the Stop Work Order.</li> </ul>
6	SO CO	<ul style="list-style-type: none"> <li>Sign the letter and transmit it to the contractor.</li> </ul>	
7	SO CO	<ul style="list-style-type: none"> <li>SO receives notification that the contractor has not adequately addressed the conditions that led to the issuance of the Stop Work Order.</li> </ul>	
		<b>If</b>	<b>Then</b>

		<ul style="list-style-type: none"> <li>• The Stop Work Order is not cancelled,</li> <li>• The Stop Work Order is not cancelled or extended,</li> </ul>	<ul style="list-style-type: none"> <li>• The CO can extend the period of the Stop Work Order for any further period to which the parties agree.</li> <li>• The stopped work must be terminated in accordance with the termination clause of the contract.</li> </ul>
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**Requirements and Supporting Information**

<b>Requirements</b>	NNSA M&O Contract Section F, FAR 52.242-15, Stop Work Order (Aug 1989) Alternate 1 (Apr 1984)
<b>Related Process Descriptions &amp; Work Instructions</b>	PD CAG B-003.0302.2, Issuing Performance Direction or Program Guidance
<b>Forms</b>	None
<b>Records</b>	None
<b>Other</b>	<p>DOE Order 440.1A, Worker Protection Management for DOE Federal and Contractor Employees.</p> <p>NNSA M&amp;O Contract Section I, DEAR 970.5223-1, (Integration of Environment, Safety, and Health into work Planning and Execution Dec. 2000)</p> <p>DOE Order 541.1A, Appointment of Contracting Officers and Contracting Officer Representatives</p> <p>NNSA Policy Letter: BOP-003.0302, Appointment of Contracting Officer’s Representatives (COR) for NNSA Management &amp; Operating Contracts</p> <p>29 CFR 1910, Occupational Safety and Health Standards</p> <p>DOE Order 425.1B, Nuclear Explosives Operations, August 7, 2001.</p> <p>DOE P 450.4, 10-15-96, Safety Management System Policy</p> <p>DOE-STD_1027-92, Hazard Categorization and Accident Analysis Techniques for Compliance with DOE Order 5480.23, Nuclear Safety Analysis Reports, Change Notice 1, Sept. 1997.</p> <p>Memorandum: Linton Brooks, Acting NNSA Administrator, “Clarification of Roles and Responsibilities in Critical Functional Areas,” Jan. 2, 2003.</p>

**Author and Revisions**

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M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
0	9/14/2005	Initial release

**End of Document**



**Process Description**

**National Nuclear Security Administration**

**PD Number:** CAG F-43.2  
**PD Title:** Contract Modifications for Terms & Conditions Changes

**Process Owner**

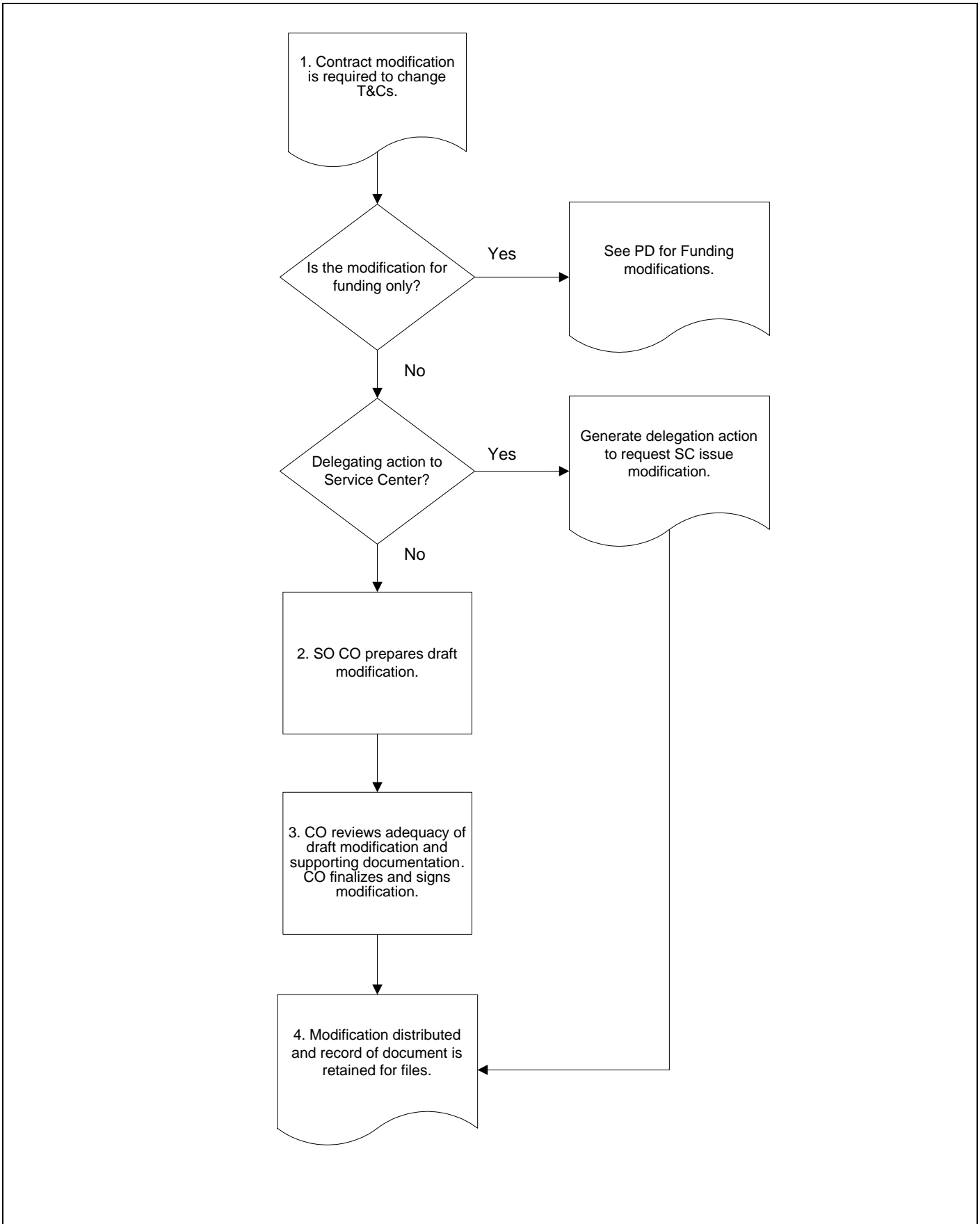
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**Overview**

<b>Description</b>	<p>This Process Description (PD) covers product and services that are an essential output of the Site Office (SO) and must be monitored for nonconformities.</p> <p>This PD defines the process for issuing management and operating (M&amp;O) contract modifications for changes to terms and conditions (T&amp;C).</p> <p>PD, CAG F-42.3, Contract Modifications for Funding Actions, defines the process for issuing M&amp;O contract modifications for funding actions.</p>
<b>Applicable NNSA Office</b>	Site Offices except Naval Reactors.
<b>Metrics</b>	The timeliness of processing contract modifications.

**Process Block Diagram**

The diagram below presents an overview of the process.



**Stage Table**

The table below describes the stages of the process or work instruction.			
Stage	Who Does It	What Happens	
1	SO Contracting Officer (CO)	<ul style="list-style-type: none"> <li>Contract modification is required to change the Terms and Conditions of the M&amp;O contract.</li> </ul>	
		<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>The modification involves funding,</li> </ul>	<ul style="list-style-type: none"> <li>See PD CAG F-42.3.</li> </ul>
		<ul style="list-style-type: none"> <li>The action is to be delegated to the Service Center (SC),</li> </ul>	<ul style="list-style-type: none"> <li>Generate request.</li> </ul>
2	SO CO	<ul style="list-style-type: none"> <li>The CO prepares a contract modification form (SF30) with the appropriate documentation required by local, SC, or Headquarters (HQ) requirements.</li> <li>Solicit assistance from the SC M&amp;O Support Department, if needed.</li> </ul>	
3	SO CO	<ul style="list-style-type: none"> <li>Consult with subject matter experts as needed</li> <li>Review adequacy of draft modification and supporting documentation to assure the contract modification meets local, SC, and HQ requirements.</li> <li>Resolve reviewers' comments.</li> <li>Sign the SF30.</li> </ul>	
4	SO CO	<ul style="list-style-type: none"> <li>Modification distributed and record of document is retained for files in accordance with SO procedures.</li> </ul>	

**Requirements and Supporting Information**

<b>Requirements</b>	Federal Acquisition Regulation (FAR) Part 43, Contract Modifications NNSA Functional Matrix, Revised February 2005 BOP-003.0304R3, Coordination and Approval Process (CAP) of Contract Actions (November 30, 2004) CSG 4.2 and 4.8
<b>Related Process Descriptions &amp; Work Instructions</b>	PD CAG F-42.3, Contract Modifications for Funding Actions Site Office procedures
<b>Forms</b>	Standard Form (SF) 30 Amendment of Solicitation/ Modification of Contract
<b>Records</b>	Completed SF 30 Amendment of Solicitation/ Modification of Contract
<b>Other</b>	None

**Author and Revisions**

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<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
0	9/14/2005	Initial release

**End of Document**

**Process Description**

**National Nuclear Security Administration**

**PD Number:** CAG F-44.2  
**PD Title:** Review/Evaluation/Approval of Management and Operating (M&O) Subcontract Solicitations/Awards

**Process Owner**

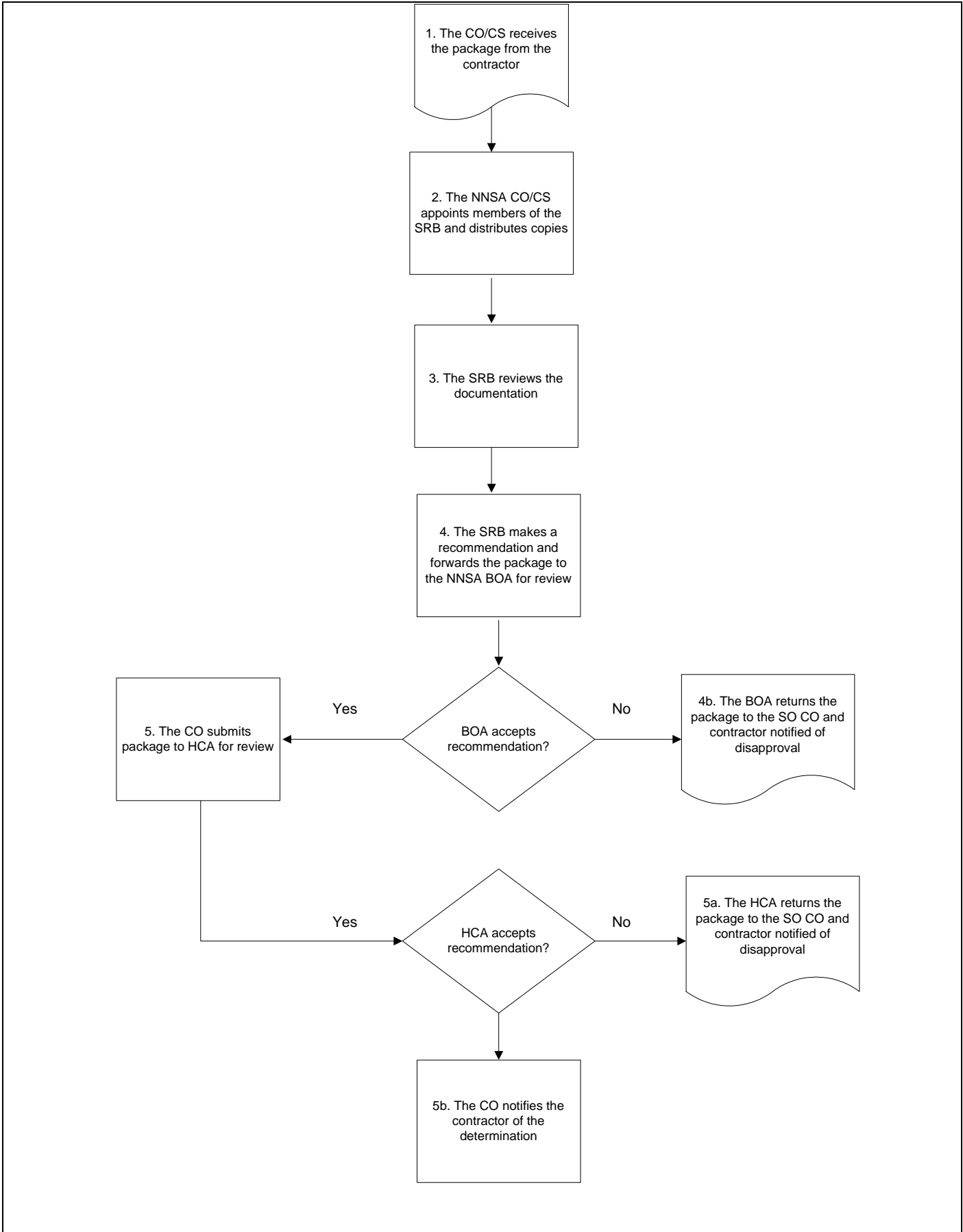
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**Overview**

<b>Description:</b>	This Process Description (PD) provides guidance for the review and the recommendation for approval of subcontract actions (both subcontract solicitations and subcontract awards) proposed by M&O contractors that exceed the contractors' procurement authority threshold or that have been otherwise selected for review by NNSA. BOA = NNSA Board of Awards CAP = NNSA Coordination and Approval Process for Contract Actions CO = Contracting Officer CS = Contract Specialist HCA = Head of Contracting Activity SRB = Subcontract Review Board
<b>Applicable NNSA Office:</b>	Site Offices (SO) except Naval Reactors
<b>Metrics:</b>	The timeliness of processing subcontract approvals/disapprovals.

**Process Block Diagram**

The diagram below presents an overview of the process.



## Stage Table

The table below describes the stages of the process.			
Stage	Who Does It	What Happens	
1	SO CO/CS	<ul style="list-style-type: none"> <li>Receives the subcontract action from the contractor.</li> </ul>	
		<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>The package meets NNSA submission requirements,</li> <li>The package does not meet NNSA submission requirements,</li> </ul>	<ul style="list-style-type: none"> <li>Proceed with Review.</li> <li>Return to the M&amp;O contractor.</li> </ul>
2	SO CO/CS	<ul style="list-style-type: none"> <li>Appoints SRB members as determined necessary according to the subject matter involved.</li> <li>Ensures reviews are conducted in accordance with the NNSA CAP.</li> <li>Distributes copies of the documentation to the members.</li> </ul>	
3	SRB	<ul style="list-style-type: none"> <li>Reviews the subcontract documentation.</li> </ul>	
4	SRB	<ul style="list-style-type: none"> <li>Recommends approval or disapproval of the package.</li> </ul>	
4a	SO CO/CS	<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>If the SRB recommends disapproval,</li> </ul>	<ul style="list-style-type: none"> <li>The SRB returns the package to the CO/CS.</li> <li>CO issues decision, notifies the contractor and documents the reasons in the notification.</li> <li>If the contractor decides to correct and resubmit the package, the process starts over with Stage 1.</li> <li>The CO/CS documents the file accordingly.</li> </ul>
		<ul style="list-style-type: none"> <li>If the SRB recommends approval,</li> </ul>	<ul style="list-style-type: none"> <li>The CO/CS forwards the package to the NNSA BOA for review.</li> </ul>
4b	SO CO/CS	<b>If</b>	<b>Then</b>

	BOA	<ul style="list-style-type: none"> <li>If the BOA does not concur with the approval,</li> </ul>	<ul style="list-style-type: none"> <li>The BOA returns the package to the CO/CS.</li> <li>CO issues decision, notifies the contractor and documents the reasons in the notification.</li> <li>If the contractor decides to correct and resubmit the package, the process starts over with Stage 1.</li> <li>The CO/CS documents the file accordingly.</li> </ul>
		<ul style="list-style-type: none"> <li>If the BOA concurs with the approval,</li> </ul>	<ul style="list-style-type: none"> <li>The CO/CS forwards the package to the NNSA HCA for review.</li> </ul>
5	SO CO/CS	<ul style="list-style-type: none"> <li>Forwards the package to the HCA for review.</li> </ul>	
5a	<ul style="list-style-type: none"> <li>SO CO/CS</li> <li>HCA</li> </ul>	<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>If the HCA does not concur with the recommended approval,</li> </ul>	<ul style="list-style-type: none"> <li>The HCA returns the package to the CO/CS.</li> <li>CO issues decision, notifies the contractor and documents the reasons in the notification.</li> <li>If the contractor decides to correct and resubmit the package, the process starts over with Stage 1.</li> <li>The CO/CS documents the file accordingly.</li> </ul>
5b	<ul style="list-style-type: none"> <li>SO CO/CS</li> <li>HCA</li> </ul>	<ul style="list-style-type: none"> <li>If the HCA concurs with the recommended approval,</li> </ul>	<ul style="list-style-type: none"> <li>The CO/CS notifies the contractor. The CO/CS documents the file accordingly.</li> </ul>

**Requirements and Supporting Information**

<b>Requirements</b>	BOP-003.0304R3 Coordination and Approval Process (CAP) of Contract Actions; FAR 44.2 Consent to Subcontracts; DEAR 970.4401-2 Review and Approvals; DEAR 970.4401-3 Advance Notification
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<b>Related Process Descriptions &amp; Work Instructions</b>	None
<b>Forms</b>	The Following Attachments under NNSA CSG 44.2: <ul style="list-style-type: none"> <li>• Attachment B, Subcontract Evaluation and Approval Considerations</li> <li>• Attachment C, List of Required Flow-Down Clauses</li> <li>• Attachment D, Subcontract Review Board Minutes</li> <li>• Attachment E, Memo to NNSA HQ's Board of Awards from NNSA Site Office CO</li> </ul>
<b>Records</b>	SRB Review Records & Correspondence SRB Recommendation CO Decision HCA Decision
<b>Other</b>	NNSA Functional Matrix, revised December 4, 2002 NNSA CSG 44.2, <u>Review/Evaluation/Approval of M&amp;O Contractor's Subcontract Solicitations/Awards</u> Policy Flash 2003-03, M&O Contractor Standard Research Subcontract (Educational Institutions or Nonprofit Organizations) Policy Flash 2001-27, Implementation of New Advanced Award Notification System NNSA Supplement to the DOE Acquisition Guide, Chapter 71, <u>Headquarters Review of Contract and Financial Assistance Actions (May 2004)</u>

**Author and Revisions**

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<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

Revision No.	Date	Reason
0	9/14/2005	Initial release

**End of Document**

**Process Description** **National Nuclear Security Administration**

**PD Number:** CAG F-44.3  
**PD Title:** Approval of M&O Contractor Purchasing & Property Systems

**Process Owner**

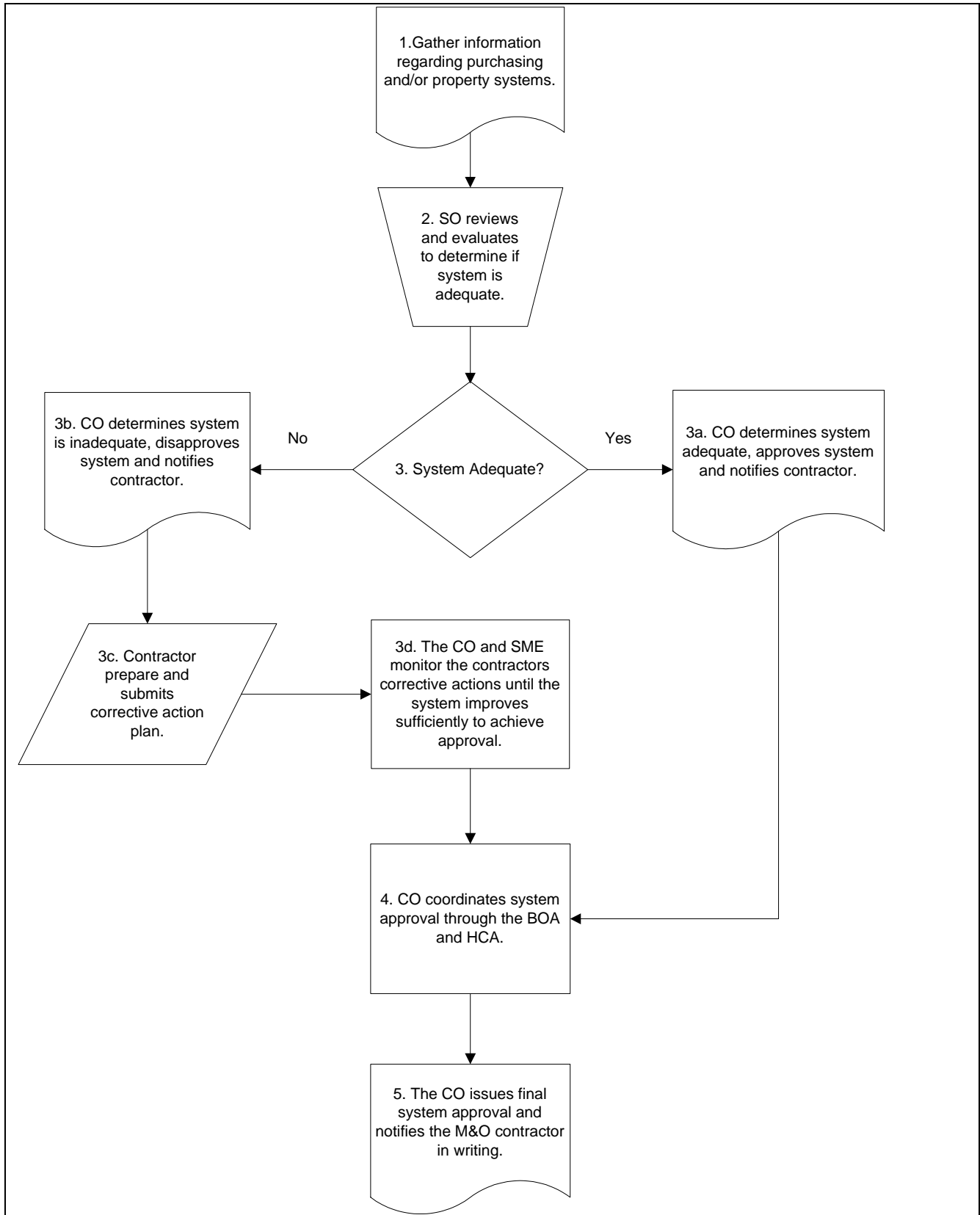
**Name & Contact Information:** Scott Clemons, NA-63  
 202-586-4937  
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**Overview**

<b>Description</b>	<p>This document illustrates the process for approving management and operating (M&amp;O) contractor purchasing and property systems.</p> <p>This process is used if the Site Office (SO) must make a determination as to the adequacy of the M&amp;O contractor's purchasing and property systems. The Contracting Officer (CO) approves these systems periodically based on a number of factors, including Procurement Evaluation and Reengineering Team (PERT) Peer reviews, contractor self-assessments, performance metrics, trend analysis tools, independent assessments, compliance reviews, independent peer reviews, surveillance results, and annual performance evaluation results.</p>
<b>Applicable NNSA Offices</b>	Site Offices except Naval Reactors.
<b>Metrics</b>	Completion of reviews and approvals by established deadlines.

**Process Block Diagram**

The diagram below presents an overview of the process



## Stage Table

The table below describes the stages of the process.

Stage	Who Does It	What Happens
1	SO Contracting Officer (CO)	<ul style="list-style-type: none"> <li>Gather information regarding purchasing and property systems from subject matter experts (SME), self-assessments, oversight &amp; surveillance activities, and written reports.</li> </ul>
2	SO CO	<ul style="list-style-type: none"> <li>Review relevant documentation.</li> <li>Collect and evaluate input/concurrence from other NNSA personnel as necessary.</li> </ul>
3	SO CO	<ul style="list-style-type: none"> <li>Determine whether the system is adequate.</li> </ul>
3a.	SO CO	<ul style="list-style-type: none"> <li>CO determines the system is adequate and notifies the contractor.</li> <li>Go to Stage 4.</li> </ul>
3b.	SO CO	<ul style="list-style-type: none"> <li>CO determines the system is inadequate and notifies the contractor.</li> </ul>
3c.	M&O Contractor	<ul style="list-style-type: none"> <li>When the CO determines the system is inadequate, the M&amp;O contractor submits a corrective action plan to the CO.</li> </ul>
3d.	SO CO	<ul style="list-style-type: none"> <li>The CO and SME(s) monitor the contractor's corrective actions until the system has improved sufficiently to be approved.</li> </ul>
4	SO CO	<ul style="list-style-type: none"> <li>If the system is adequate, the CO coordinates system approval through the NNSA Board of Awards and the Head of the Contracting Activity (HCA) in accordance with NNSA Policy Letter BOP-003.0304 "Coordination and Approval Process (CAP) of Contract Actions."</li> </ul>
5	SO CO	<ul style="list-style-type: none"> <li>When final system approval is issued, the CO will notify the contractor in writing.</li> <li>Retain a record of relevant correspondence.</li> </ul>

**Requirements and Supporting Information**

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<b>Requirements</b>	FAR Subpart 44.3, Contractors Purchasing System Reviews DEAR Subpart 970-44, Management and Operating Contractor Purchasing Acquisition Letter 2002-07, Review of Management Contractors Purchasing Systems – Purchase Card Considerations Acquisition Letter 2005-03, Independent Peer Review Program for Contractors’ Purchasing Systems
<b>Related Process Descriptions &amp; Work Instructions</b>	PD CAG F-44.2, Review/Evaluation/Approval of Management and Operating (M&O) Subcontract Solicitations/Awards
<b>Forms</b>	None
<b>Records</b>	CO Approval/Disapproval Memorandum
<b>Other</b>	None

**Author and Revisions**

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<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
0	9/14/2005	Initial release

**End of Document**

**Process Description**

**National Nuclear Security Administration**

**PD Number:** CAG F-17.5  
**PD Title:** Preparation of Inter-Agency Agreements (IAA) (Funds Out) for Management and Operating (M&O) Contract-Related Work

**Process Owner**

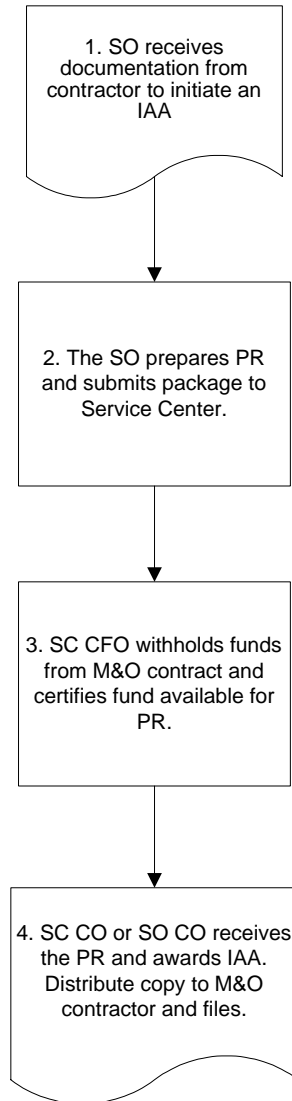
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**Overview**

<b>Description</b>	<p>The Economy Act of 1932 (31 U.S.C 1535) authorizes government agencies to place orders with other agencies if the head of the requesting agency, or designee, determines that it is in the government’s best interest to do so. Inter-Agency Agreements (IAA) specify the goods or work to be furnished, any reporting requirements, arrangements for transfer of funds, and if appropriate, acquisition authority for any contracts to be awarded pursuant to the IAA.</p> <p>Some goods or services required by NNSA to complete its mission must be procured from other federal agencies and requires an agreement between federal agencies. In those instances, the M&amp;O contractor prepares a “request for services” for the Site Office (SO) to prepare the IAA or a request for the NNSA Service Center (SC) to award the IAA.</p>
<b>Applicable NNSA Office</b>	Site Offices except Naval Reactors.
<b>Metrics</b>	Timely processing of IAAs.

## Process Block Diagram

The diagram below presents an overview of the Inter-Agency Agreement Preparation process.



## Stage Table

The table below describes the stages of the process.		
Stage	Who Does It	What Happens
1	SO	<ul style="list-style-type: none"> <li>Receives IAA supporting documentation, including the statement of work, from the M&amp;O contractor.</li> </ul>
2	SO	<ul style="list-style-type: none"> <li>Routes documentation to the appropriate NNSA program officer for review and concurrence.</li> <li>Prepares the purchase request (PR) to support the IAA and forwards advance copy of documentation to the SC Procurement Office, if assistance is desired.</li> </ul>
3	SC CFO	<ul style="list-style-type: none"> <li>Requests SC Chief Financial Officer (CFO) withdraw or withhold funds from the M&amp;O contract to support the IAA.</li> <li>Certifies the funds on the PR as available for obligation and routes to the SC Procurement Office.</li> </ul>
4	SC CO or SO CO	<ul style="list-style-type: none"> <li>Receives the documentation and PR.</li> <li>Completes the IAA in accordance with AL 2005-05 and Acquisition Guide 17.1</li> <li>Distribute a copy of the IAA to the M&amp;O contractor and retain copy for the contract files</li> </ul>

## Requirements and Supporting Information

<b>Requirements</b>	Economy Act of 1932 (31 U.S.C 1535) FAR 17.5 Interagency Acquisitions Under the Economy Act Acquisition Letter 2005-05, Interagency Contracting CSG 17.5
<b>Related Process Descriptions &amp; Work Instructions</b>	None
<b>Forms &amp; Records</b>	Purchase Request Interagency Agreement Determination & Findings Contractor and SO internal funding transfer documents
<b>Other</b>	DOE Acquisition Guide, Chapter 17.1 DOE Accounting Handbook, Chapter 12 (Inter-Entity Transactions) Creation of Purchase Requests.



**Author and Revisions**

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<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
0	9/14/2005	Initial release

**End of Document**

**Process Description** **National Nuclear Security Administration**

**PD Number:** CAG D-970.5217-1  
**PD Title:** Work For Others (Including Intelligence Work For Others) Process – Funding

**Process Owner**

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**Overview**

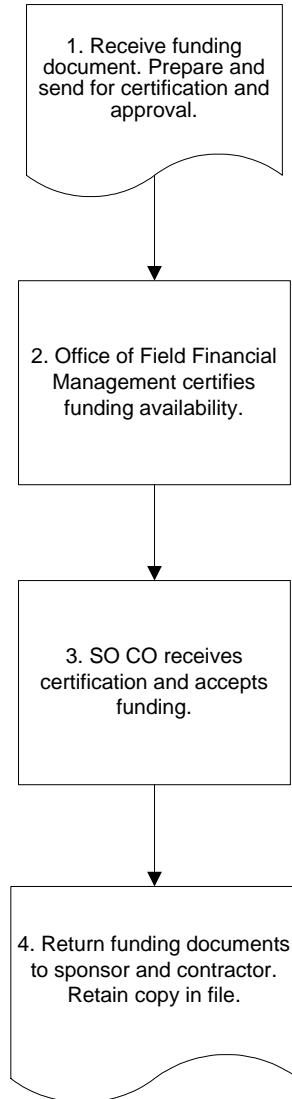
<b>Description</b>	<p>This process description (PD) covers the unclassified Work for Others (WFO) and Intelligence Work for Others (IWFO) for Other Federal Agency Sponsors and for non-Federal Sponsors processes at the Site Office (SO). Each SO may have other individuals assigned responsibilities to ensure that the steps outlined in this PD are carried out.</p> <p>The purpose of the process is to ensure that approved WFO and IWFO projects receive adequate funding from sponsors and to receive and transfer funds to the management and operating (M&amp;O) contractor.</p> <p>This PD ensures that WFO and IWFO funding documents submitted by the sponsor go through the appropriate approval processes and that the Contracting Officer (CO) accepts the funding document.</p>
<b>Applicable NNSA Office</b>	Site Offices except Naval Reactors.
<b>Metrics</b>	Funding documents are being processed and approved in a timely and consistent manner

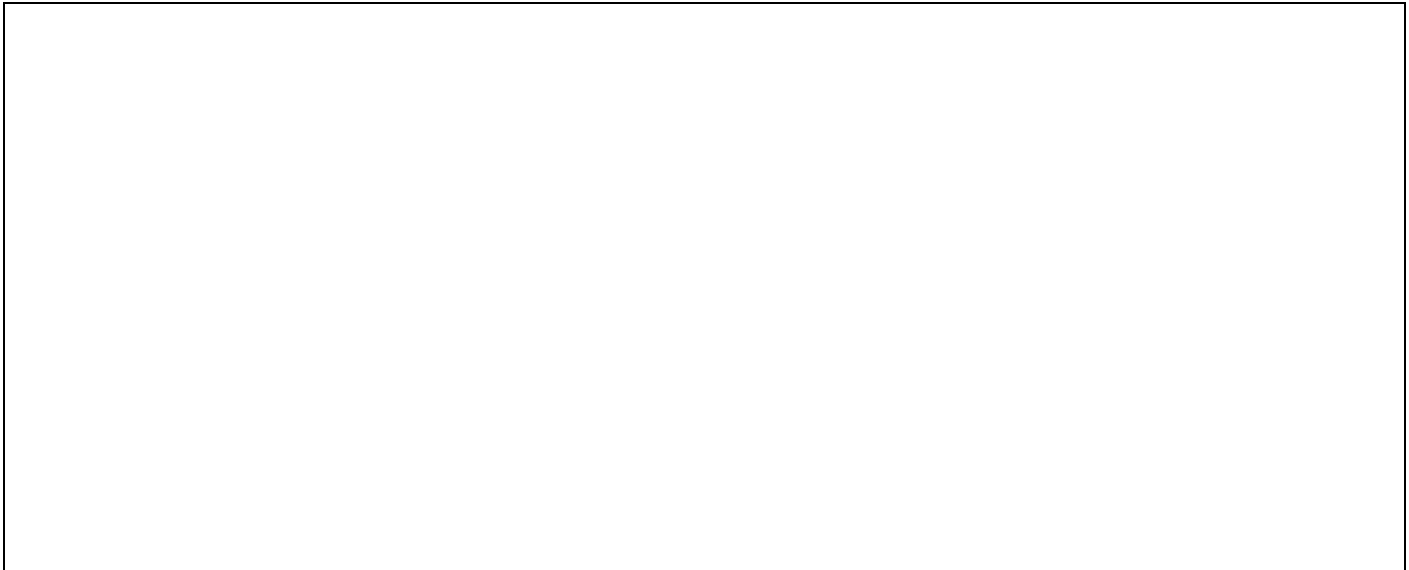
<p><b>Definitions</b></p>	<p><b>Acceptance</b> – The official act of signing a reimbursable agreement by a NNSA CO or an official to whom such authority has been delegated that commits NNSA and/or its M&amp;O contractor to perform WFO and IWFO.</p> <p><b>IWFO</b> – The performance of Intelligence work for non-DOE/NNSA entities by DOE/NNSA and respective M&amp;O contractor personnel or the use of DOE/NNSA facilities that is not directly funded by DOE appropriations. Work for DOE Organizations not within the NNSA is covered by PD CAG O-412.1A, Work Authorization System.</p> <p><b>Non-DOE Entities</b> – Other Federal agencies, including the Department of Homeland Security; state, regional, and local governments; private or commercial firms; not-for-profit organizations; international organizations; and foreign governments.</p> <p><b>Responsible NNSA Contracting Officer</b> – A NNSA official responsible for administering the contract for the management and operation of a NNSA research or production facility.</p> <p><b>Sponsor</b> – An entity that requests that work be performed at a NNSA facility that is unattainable from a private or commercial firm and who provides funding for the performance of the WFO and IWFO.</p> <p><b>WFO</b> – The performance of unclassified work for non-DOE/NNSA entities by DOE/NNSA and respective M&amp;O contractor personnel or the use of NNSA/DOE facilities that is not directly funded by DOE appropriations. Work for DOE Organizations not within the NNSA is covered by PD CAG O-412.1A, Work Authorization System.</p>
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## Process Block Diagram

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The diagram below presents an overview of the process.





**Stage Table**

The table below describes the stages of the process.		
Stage	Who Does It	What Happens
1	SO	<ul style="list-style-type: none"> <li>• Recieves funding document from the Sponsor.</li> <li>• Ensures funding levels are adequate.</li> <li>• Ensures proposal is current.</li> <li>• Reviews task scope of work if part of the funding document. See PD CAG D-970-5217-2 "WFO – Proposals" for process.</li> <li>• Prepares and transmits the funding document to the Service Center, Office of Field Financial Management (OFFM).</li> </ul>
2	OFFM	<ul style="list-style-type: none"> <li>• Certifies funding is available and returns to SO.</li> </ul>
3	SO CO	<ul style="list-style-type: none"> <li>• Receive funding certification from OFFM.</li> <li>• Signs funding document.</li> </ul>
4	SO	<ul style="list-style-type: none"> <li>• Returns the signed funding document to the Sponsor and M&amp;O.</li> <li>• Retains signed copy in the file.</li> </ul>

**Requirements and Supporting Information**

<b>Requirements</b>	DEAR 970.5217-1 Work for Others Program (Non-DOE Funded Work) DOE G 481.1-1 (Guide, 09/24/1997, ME) Work for Others Guide DOE M 481.1-1A Chg 1 (Manual, 09/28/2001, ME) Reimbursable Work For Non-Federal Sponsors Process Manual DOE N 481.1A (Notice, 04/21/2003, ME) Reimbursable Work for Department of Homeland Security DOE O 481.1C (Order, 01/24/2005, ME) Work For Others (Non-Department of Energy Funded Work) DOE O 482.1 (Order, 01/12/2001, PO) DOE Facilities Technology Partnering Programs DOE O 483.1 (Order, 01/12/2001, PO) DOE Cooperative Research and Development Agreements DOE M 483.1-1 (Manual, 01/12/2001, PO) DOE Cooperative Research and Developments Agreements Manual DOE Accounting Handbook
<b>Related Process Descriptions &amp; Work Instructions</b>	PD CAG D-970-5217-2, Work for Others Process – Proposals, Including Intelligence Work for Others.
<b>Forms &amp; Records</b>	None
<b>Other</b>	None

**Author and Revisions**

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<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
0	9/14/2005	Initial release

**End of Document**

**Process Description** **National Nuclear Security Administration**

**PD Number:** CAG D-970-5217-2  
**PD Title:** Work For Others Process (Including Intelligence Work For Others) – Proposals

**Process Owner**

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**Overview**

<b>Description</b>	<p>This process description (PD) covers the unclassified Work for Others (WFO) and Intelligence Work for Others (IWFO) for Other Federal Agency Sponsors and for non-Federal sponsors processes at the Site Office (SO). Each SO may have other individuals assigned responsibilities to ensure that the steps outlined in this PD are carried out.</p> <p>The purposes of the PD are as follows:</p> <ul style="list-style-type: none"> <li>• To provide assistance to Other Federal Agencies in accomplishing goals that may otherwise be unattainable and to avoid the possible duplication of effort at Federal facilities.</li> <li>• If private sector facilities are inadequate, to provide access to highly specialized or unique NNSA facilities, services, or technical expertise to non- NNSA/DOE entities.</li> <li>• To maintain core competencies and to enhance the science and technology base at NNSA facilities.</li> </ul> <p>This PD ensures that the WFO and IWFO proposed to be performed by the contractor goes through the appropriate approval processes and that the NNSA SO Contracting Officer (CO) performs a review and makes a determination in writing that the work:</p> <ul style="list-style-type: none"> <li>• is consistent with or complementary to NNSA and Management and Operating (M&amp;O) contractor missions;</li> <li>• will not adversely impact execution of the M&amp;O's assigned programs;</li> <li>• will not place the facility in direct competition with the domestic private sector; and</li> <li>• will not create a detrimental future burden on NNSA resources.</li> </ul>
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<b>Applicable NNSA Office</b>	Site Offices except Naval Reactors.
<b>Metrics</b>	WFO and IWFO proposals are being processed and approved in a timely and consistent manner



**Definitions**

**Acceptance** – The official act of signing a reimbursable agreement by a NNSA CO or an official to whom such authority has been delegated that commits NNSA and/or its M&O contractor to perform WFO and IWFO.

**IWFO** – The performance of Intelligence work for non-DOE/NNSA entities by DOE/NNSA and respective M&O contractor personnel or the use of DOE/NNSA facilities that is not directly funded by DOE appropriations. Work for DOE Organizations not within the NNSA is covered by PD CAG O-412.1A, Work Authorization System.

**Non-DOE Entities** – Other Federal agencies, including the Department of Homeland Security; state, regional, and local governments; private or commercial firms; not-for-profit organizations; international organizations; and foreign governments.

**Responsible NNSA Contracting Officer** – A NNSA official responsible for administering the contract for the management and operation of a NNSA research or production facility.

**Sponsor** – An entity that requests that work be performed at a NNSA facility that is unattainable from a private or commercial firm and who provides funding for the performance of the WFO and IWFO.

**WFO** – The performance of unclassified work for non-DOE/NNSA entities by DOE/NNSA and respective M&O contractor personnel or the use of NNSA/DOE facilities that is not directly funded by DOE appropriations. Work for DOE Organizations not within the NNSA is covered by PD CAG O412-1A, Work Authorization System.

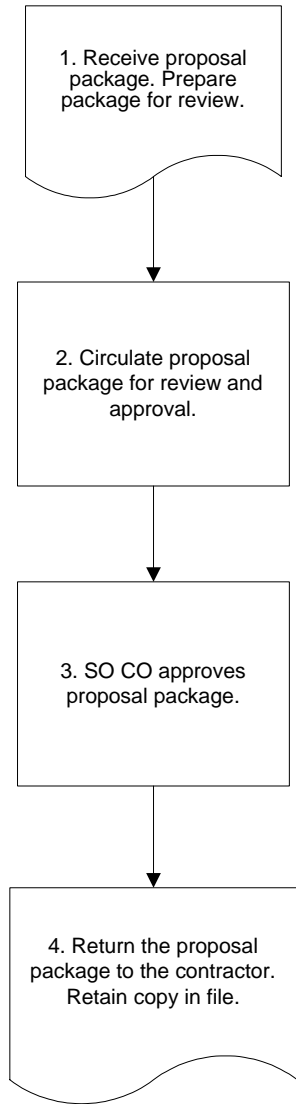
**WFO/IWFO Proposal Package** – The M&O must provide all of the documentation required for approval in accordance with the DOE Orders, Manuals, and Guide under the “Requirement” section of this PD. Each proposal package must contain, at a minimum, the following:

- (a) project title and description,
- (b) Sponsoring Agency,
- (c) assigned laboratory or contractor,
- (d) field points of contact,
- (e) total estimated costs, and
- (f) estimated start and completion dates.

## Process Block Diagram

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The diagram below presents an overview of the process.



## Stage Table

The table below describes the stages of the process.		
Stage	Who Does It	What Happens
1	SO	Receives the proposal package from the contractor and reviews for completeness and Programmatic requirements.
		<b>If</b>
		<ul style="list-style-type: none"> <li>The proposal package is complete,</li> <li>The proposal package is incomplete,</li> </ul>
		<b>Then</b>
		<ul style="list-style-type: none"> <li>Prepares the proposal package for review and approval.</li> <li>Return to M&amp;O contractor.</li> </ul>
2	SO	<ul style="list-style-type: none"> <li>Coordinates and circulates the proposal package and obtains all required reviews and approvals.</li> <li>Reviews and approvals are as follows:</li> </ul>
		<b>If</b>
		Classified work,
		Foreign National participation,
		Foreign travel,
		Foreign sponsor,
		Intellectual property rights,
		Validate request for waiver,
Safety-related work,		
		<b>Then</b>
		<ul style="list-style-type: none"> <li>Inform SC/Office of Federal Services (OFS) via email.</li> <li>Approval from NA-116.</li> <li>Approval from NA-116.</li> <li>Approval from DOE/PI-31.</li> <li>Approval from Patent Counsel.</li> <li>Approval by SO.</li> <li>Approval by SO.</li> </ul>
3	SO CO	<ul style="list-style-type: none"> <li>Receives the proposal for signature.</li> <li>Certifies the proposal package is in compliance with departmental directives.</li> <li>Approves the proposal package.</li> </ul>
4	SO	<ul style="list-style-type: none"> <li>Returns the proposal package to the contractor.</li> <li>Retains copy in the file.</li> </ul>

**Requirements and Supporting Information**

<b>Requirements</b>	DEAR 970.5217-1 Work for Others Program (Non-DOE Funded Work) DOE G 481.1-1 (Guide, 09/24/1997, ME) Work for Others Guide DOE M 481.1-1A Chg 1 (Manual, 09/28/2001, ME) Reimbursable Work For Non-Federal Sponsors Process Manual DOE N 481.1A (Notice, 04/21/2003, ME) Reimbursable Work for Department of Homeland Security DOE O 481.1C (Order, 01/24/2005, ME) Work For Others (Non-Department of Energy Funded Work) DOE O 482.1 (Order, 01/12/2001, PO) DOE Facilities Technology Partnering Programs DOE O 483.1 (Order, 01/12/2001, PO) DOE Cooperative Research and Development Agreements DOE M 483.1-1 (Manual, 01/12/2001, PO) DOE Cooperative Research and Developments Agreements Manual
<b>Related Process Descriptions &amp; Work Instructions</b>	PD CAG D-970.5217-1, Work for Others Process – Funding, Including Intelligence Work for Others
<b>Forms &amp; Records</b>	None
<b>Other</b>	None

**Author and Revisions**

<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
0	9/14/2005	Initial release

**End of Document**

**Process Description**

**National Nuclear Security Administration**

**PD Number:** CAG D-970.5204-2  
**PD Title:** Directives Procedure

**Process Owner**

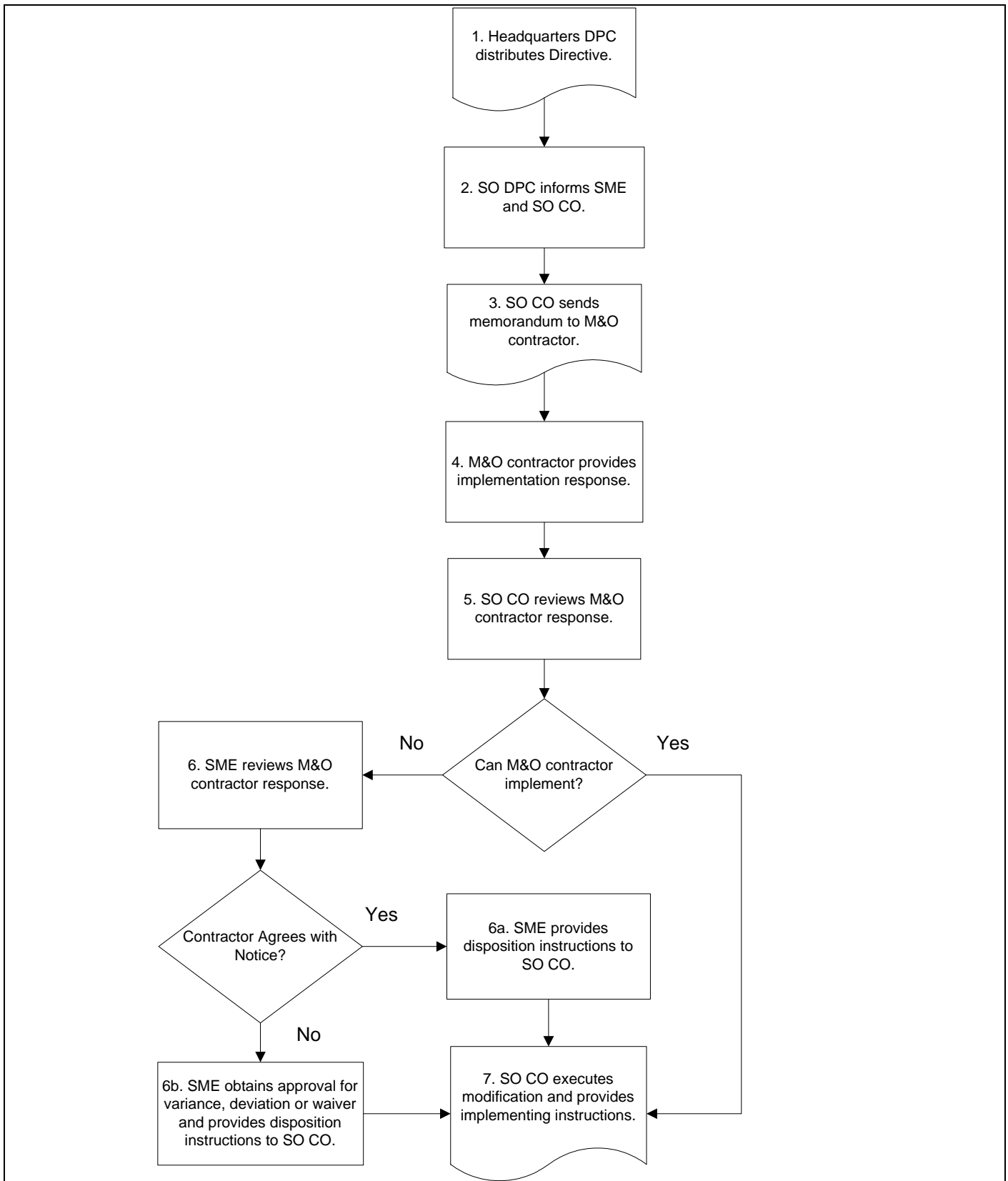
**Name & Contact Information:** Scott Clemons, NA-63  
 202-586-4937  
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**Overview**

<b>Description</b>	This document illustrates the procedure for incorporating applicable Directives into Management and Operating (M&O) contracts.
<b>Applicable NNSA Office</b>	Site Offices (SO) except Naval Reactors
<b>Metrics</b>	Timely incorporation of applicable (new and revised) directives into M&O contracts.

**Process Block Diagram**

The diagram below presents an overview of the process



## Stage Table

The table below describes the stages of the process.			
Stage	Who Does It	What Happens	
1	Headquarters (HQ) Directives Point of Contact (DPC)	<ul style="list-style-type: none"> <li>Distributes directives to the SO DPC through the Review and Comment (RevCom) process to those individuals on an established distribution list within the National Nuclear Security Administration (NNSA)/Department of Energy (DOE) complex (including HQ, SO, and M&amp;O contractors).</li> </ul>	
2	SO DPC	<ul style="list-style-type: none"> <li>Informs appropriate subject matter experts (SME) and SO Contracting Officer (CO) of publication of directive and specifically identifies applicability to M&amp;O contractor (i.e., SO DPC checks applicability paragraph and looks for Contractor Requirements Documents (CRD) to determine applicability to M&amp;O contractor).</li> </ul>	
3	SO CO	<ul style="list-style-type: none"> <li>Prepares and sends a memorandum (or electronic mail) to the M&amp;O contractor informing of SO's intent to revise the contract's list of directives in accordance with the Department of Energy Acquisition Regulation (DEAR) contract clause <i>Laws, Regulations and DOE Directives</i>.</li> </ul>	
		<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>The SME determines that a particular directive will be reviewed using the Work Smart Standards (WSS)</li> </ul>	<ul style="list-style-type: none"> <li>The SME and SO CO will follow the SO process, if applicable, for incorporating the revised, agreed to listing in the contract.</li> </ul>
4	M&O Contractor	<ul style="list-style-type: none"> <li>Sends "implementation" response to SO CO within 30 days after receipt of SO CO's memorandum.</li> </ul>	
5	SO CO	<ul style="list-style-type: none"> <li>Reviews M&amp;O contractor "implementation" response.</li> </ul>	
		<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>The M&amp;O contractor indicates that the directive is consistent with the terms of the M&amp;O contract and can be implemented with existing funds,</li> </ul>	<p>The SO CO will modify the contract to add the directive to the appropriate appendix.</p>

		<ul style="list-style-type: none"> <li>The M&amp;O contractor indicates that the directive cannot be implemented within current funding; there are issues associated with implementation of the directive; or the contractor requests a variance, deviation or waiver,</li> </ul>	<ul style="list-style-type: none"> <li>The SO CO will forward the M&amp;O contractor response to the SME for review and recommendation (or the M&amp;O contractor will include the SME on distribution so they can begin their review).</li> </ul>
6	SME	<ul style="list-style-type: none"> <li>Reviews M&amp;O contractor "implementation" response</li> </ul>	
		<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>Issues are within SO control or authority,</li> <li>Issues require a variance, deviation or waiver and SME concurs with M&amp;O contractor,</li> </ul>	<ul style="list-style-type: none"> <li>SME prepares response for the SO CO signature.</li> <li>SME follows procedures in applicable directive or DOE Order 251.1A Directives System, as appropriate, to obtain proper approval.</li> <li>SME also tracks variance, deviation or waiver requests to ensure timely closure and provides status to the SO CO.</li> <li>SME provides SO CO final disposition of M&amp;O contractor request for variance, deviation or waiver.</li> </ul>
7	SO CO	<ul style="list-style-type: none"> <li>Formalizes, as necessary, disposition of request for variance (e.g., issues memorandum to M&amp;O contractor, issues modification to contract reflecting disposition of request for variance, deviation or waiver, as appropriate). Typically, this action is accomplished with 60-90 days of receipt of contractor's "implementation" response.</li> </ul>	



**Requirements and Supporting Information**

<b>Requirements</b>	DEAR 970.5204-2 <i>Laws, Regulations and DOE Directives</i> DOE O 251.1A, <i>Directives System</i> , dated 1/30/98 DOE M 251.1-1A, <i>Directives System Manual</i> , dated 1/30/98 DOE Guide 450.3-1, Documentation for Work Smart Standards Applications: Characteristics and Considerations and specific site contract <u>Directives System Process &amp; Tools</u> <u>RevCom User Guide</u>
<b>Related Process Descriptions &amp; Work Instructions</b>	None
<b>Forms</b>	None
<b>Records</b>	SO CO memorandum to M&O contractor M&O contractor's "implementation" response SME analysis of contractor's response Related correspondence (including email) from and to the M&O contractor and SMEs Documentation of requests for and approvals of variances, exemptions, or deviations Contract modification
<b>Other</b>	The Review and Comment (RevCom) process for reviewing and commenting on draft directives prior to final publication can be found in the <i>RevCom User Guide</i> , which may be accessed through the link identified above. The user guide provides a helpful description of definitions, procedures, and roles and responsibilities of those individuals involved in the review and comment process, including the contractor DPC, SO DPC and SME.

**Author and Revisions**

<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

Revision No.	Date	Reason
0	9/14/2005	Initial release

**End of Document**

**Process Description**

**National Nuclear Security Administration**

**PD Number:** CAG N-4A.1

**PD Title:** Performance Evaluation Plan Development and Negotiation

**Process Owner**

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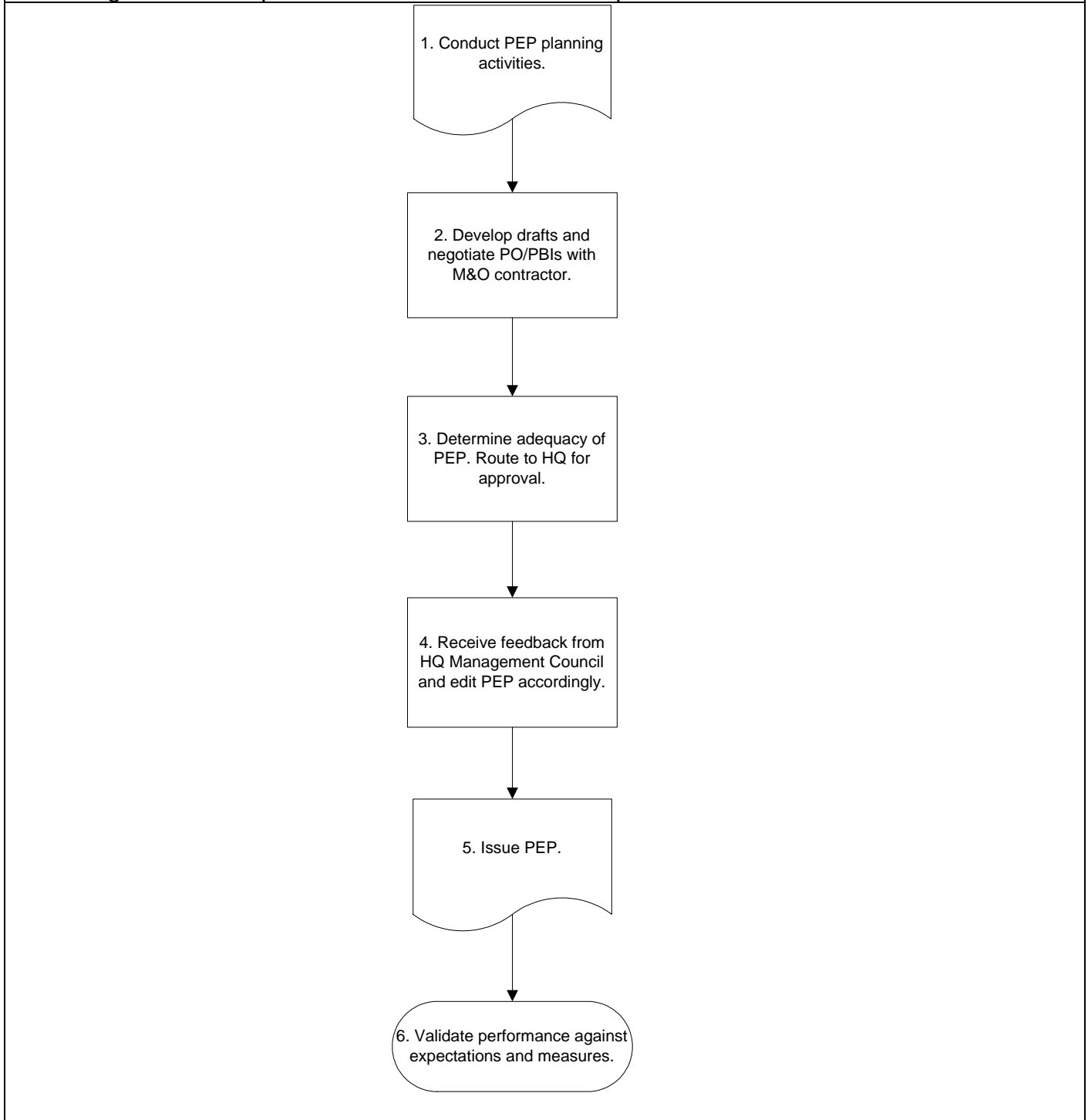
**Overview**

<b>Description</b>	This process describes the Performance Evaluation Plan (PEP) development and negotiation process. The PEP is developed to ensure that the management and operating (M&O) contractor at the site will put forth vigorous effort to achieve NNSA goals and objectives.
<b>Applicable NNSA Office</b>	Site Offices except Naval Reactors
<b>Metrics</b>	Adherence to pre-established PEP milestone dates and final issuance of document as described in the prime contract between NNSA and the M&O contractor. Final issuance of document as described in the prime contract between NNSA and the M&O contractor. Feedback from NNSA Management Council.
<b>Definitions</b>	PEP Coordinator – The Site Office (SO) employee who oversees the PEP development and implementation process.  PO/PBI – Performance Objective/Performance Based Incentive

## Process Block Diagram

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The diagram below presents an overview of the process.



## Stage Table

The table below describes the stages of the process.			
Stage	Who Does It	What Happens	
1	SO PEP Coordinator	<ul style="list-style-type: none"> <li>Conduct PEP lessons learned and PEP strategy meetings.</li> <li>Provide schedule and guidance in accordance with HQ schedule and guidance information.</li> </ul>	
	SO SME	<ul style="list-style-type: none"> <li>Gather customer (i.e. HQ Program Officials) requirements and share with PEP Coordinator.</li> </ul>	
	SO PO/PBI Owner	<ul style="list-style-type: none"> <li>Gather customer requirements and share with PEP Coordinator.</li> </ul>	
2	SO PEP Coordinator	<ul style="list-style-type: none"> <li>Develop a draft PEP based on input from SO PO/PBI Owners and functional representatives.</li> <li>Update the PEP in the draft stage to reflect internal and external feedback.</li> <li>Coordinate exchange of information with M&amp;O contractor (drafts, schedules, expectations, comments).</li> </ul>	
	SO SME	<ul style="list-style-type: none"> <li>Negotiate performance measure language and target levels with the M&amp;O contractor.</li> <li>Provide comments/changes and copies of external feedback to PEP Coordinator.</li> </ul>	
	SO PO/PBI Owner	<ul style="list-style-type: none"> <li>Negotiate with the M&amp;O contractor the final PBI fee amounts, if applicable, in coordination with the CO and PEP Coordinator.</li> <li>Provide comments/changes and copies of external feedback to PEP Coordinator.</li> </ul>	
3	SO PEP Coordinator	<ul style="list-style-type: none"> <li>Forward PEP to NNSA Headquarters/Management Council.</li> </ul>	
4	SO PEP Coordinator	<ul style="list-style-type: none"> <li>Receive feedback from NNSA Management Council and incorporate changes into the final PEP.</li> <li>Retain record of document reviews and changes.</li> </ul>	
5	SO Manager	<ul style="list-style-type: none"> <li>Brief M&amp;O contractor on content of PEP.</li> </ul>	
		<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>M&amp;O contractor agrees,</li> <li>M&amp;O contractor disagrees,</li> </ul>	<ul style="list-style-type: none"> <li>Formally transmit PEP to M&amp;O contractor.</li> <li>Renegotiate PEP.</li> <li>Formally transmit PEP to M&amp;O contractor.</li> </ul>
6	SO PEP Coordinator	<ul style="list-style-type: none"> <li>Update the PEP throughout the fiscal year in accordance with the change control work instruction.</li> </ul>	

## Requirements and Supporting Information

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<b>Requirements</b>	NAP-4A; DEAR
<b>Related Process Descriptions &amp; Work Instructions</b>	PD CAG N-4A.2, Award Fee Performance Evaluation Report
<b>Forms</b>	None
<b>Records</b>	Performance Evaluation Plan
<b>Other</b>	None

## Author and Revisions

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<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
0	9/14/2005	Initial release

**End of Document**

**Process Description**

**National Nuclear Security Administration**

**PD Number:** CAG N-4A.2  
**PD Title:** Award Fee Performance Evaluation Report

**Process Owner**

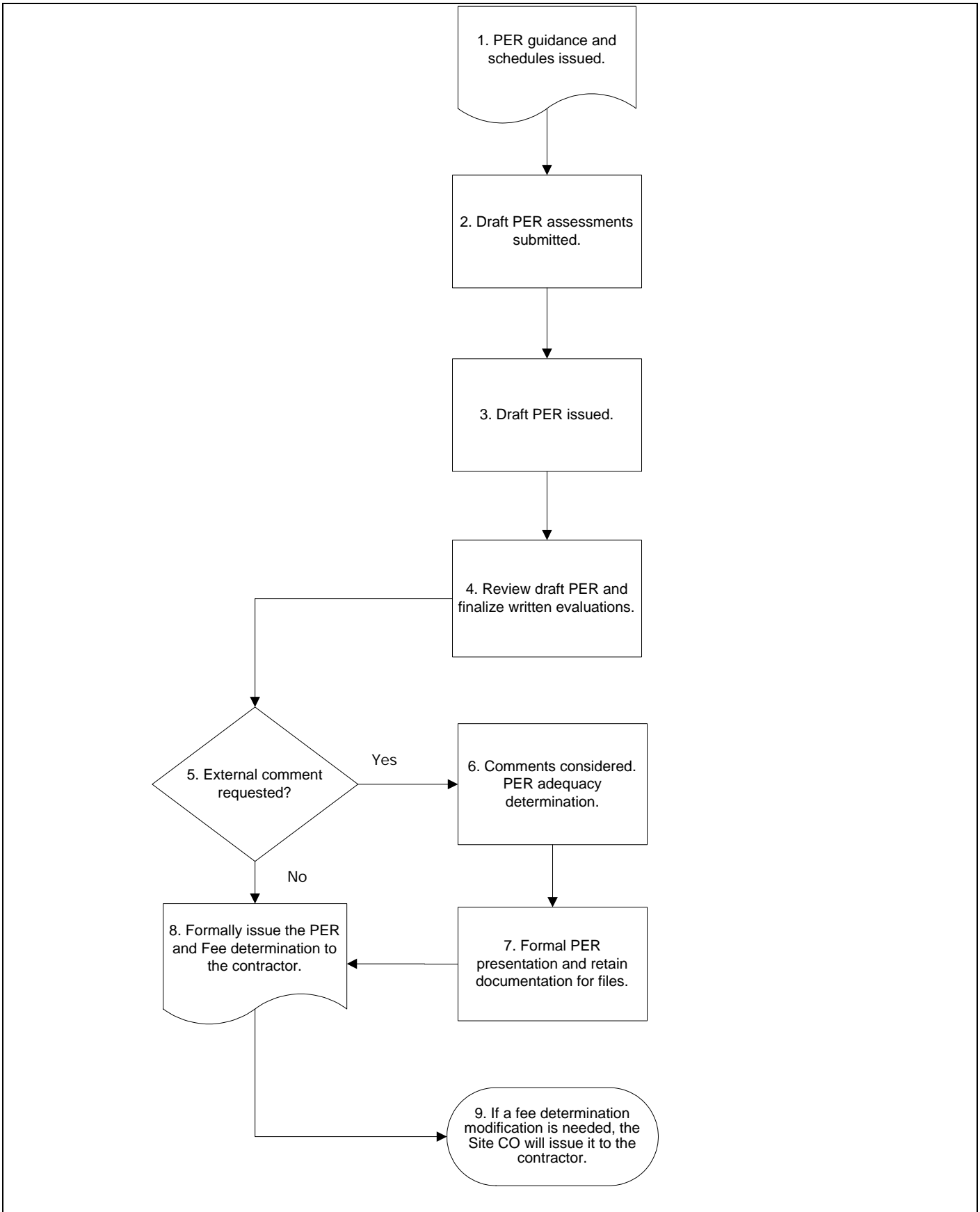
**Name & Contact Information:** Scott Clemons, NA-63  
 202-586-4937  
[scott.clemons@nnsa.doe.gov](mailto:scott.clemons@nnsa.doe.gov)

**Overview**

<b>Description</b>	This process describes the Performance Evaluation Report (PER) development process. The management and operating (M&O) contractor’s performance is evaluated against performance targets set forth in the Performance Evaluation Plan (PEP). The PER is presented to the NNSA Management Council for formal fee determination and subsequently forwarded to the contractor.
<b>Applicable NNSA Office</b>	Site Offices except Naval Reactors.
<b>Metrics</b>	Adherence to schedule

**Process Block Diagram**

The diagram below presents an overview of the process.



## Stage Table

The table below describes the stages of the process.

Stage	Who Does It	What Happens
1	Site Office (SO) PER Coordinator	<ul style="list-style-type: none"> <li>Issue PER guidance and scheduling information to subject matter experts (SMEs).</li> </ul>
2	SO SME	<ul style="list-style-type: none"> <li>Develop input based on assessment, oversight, operational awareness, and customer input.</li> <li>Submit input to PER Coordinator.</li> </ul>
3	SO PER Coordinator	<ul style="list-style-type: none"> <li>Issue draft report to the SO Review Team.</li> </ul>
4	SO Review Team	<ul style="list-style-type: none"> <li>Review draft PER.</li> <li>Finalize written evaluations.</li> </ul>
5	SO PER Coordinator	<ul style="list-style-type: none"> <li>Formally request final review and comment by NNSA Program Offices, for inclusion in the PER.</li> </ul>
6a	SO Review Team	<ul style="list-style-type: none"> <li>Consider NNSA program feedback for PER inclusion and assign final performance scores.</li> </ul>
6b	SO PER Coordinator	<ul style="list-style-type: none"> <li>Finalize the PER incorporating NNSA program feedback as directed by the SO Review Team.</li> <li>Develop briefing package for Site Manager to present to the NNSA Management Council and the Fee Determining Official (FDO).</li> </ul>
7a	SO Manager	<ul style="list-style-type: none"> <li>Formally present the PER to the NNSA Management Council for the final fee determination decision by the FDO.</li> </ul>
7b	SO PER Coordinator	<ul style="list-style-type: none"> <li>Retain record of document reviews for document files.</li> </ul>
8	SO Manager	<ul style="list-style-type: none"> <li>Formally issue PER and fee determination to the contractor.</li> </ul>
9	SO CO	<ul style="list-style-type: none"> <li>If a fee determination modification is needed, the Site CO will issue it to the contractor.</li> </ul>



**Requirements and Supporting Information**

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<b>Requirements</b>	NAP-4A, DEAR
<b>Related Process Descriptions &amp; Work Instructions</b>	PD CAG N-4A.1, Performance Evaluation Plan Development and Negotiation
<b>Forms</b>	None
<b>Records</b>	Performance Evaluation Report
<b>Other</b>	None

**Author and Revisions**

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<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
0	9/14/2005	Initial release

**End of Document**

**Process Description**

**National Nuclear Security Administration**

**PD Number:** CAG B-001.31  
**PD Title:** Work Authorization System

**Process Owner**

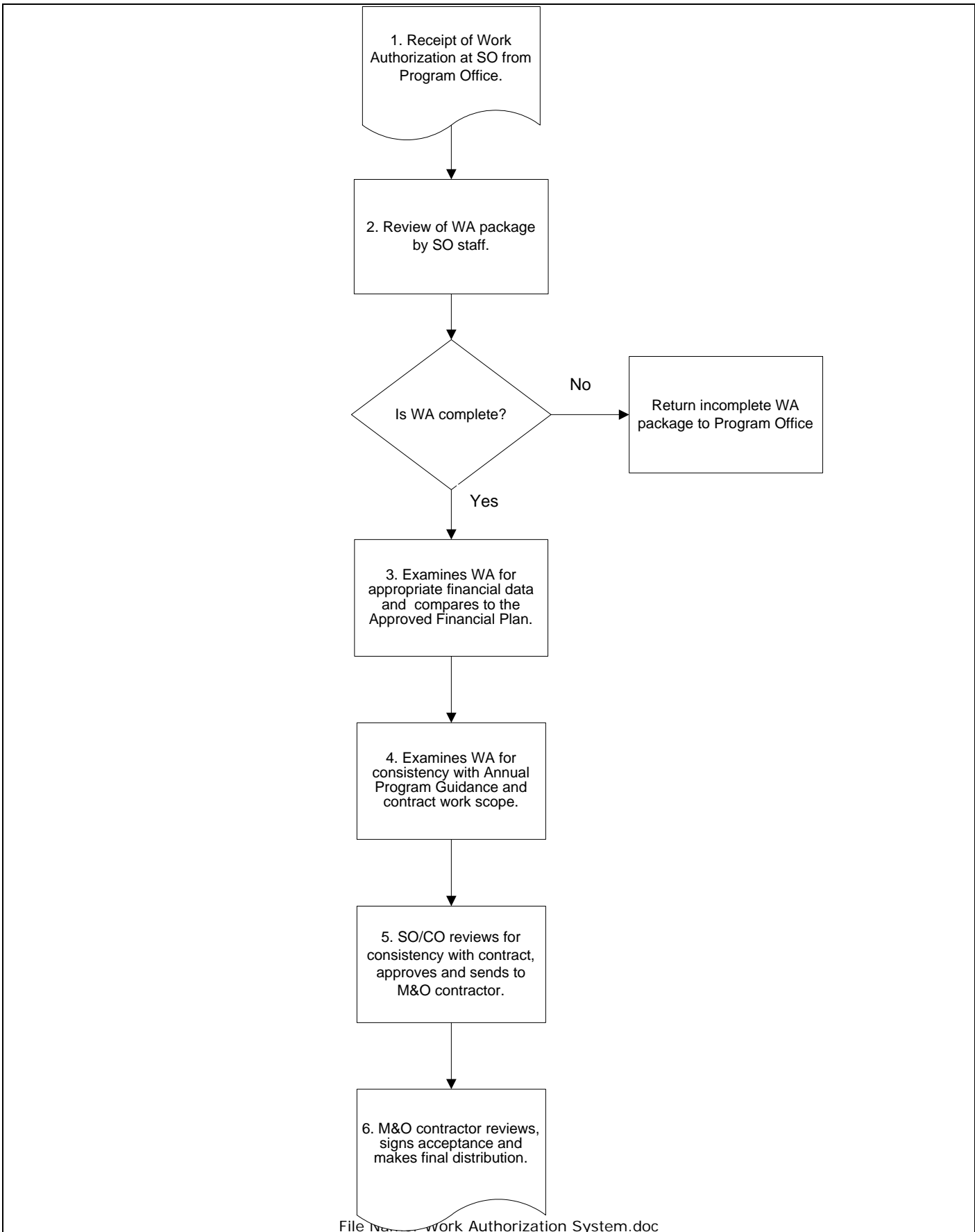
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 202-586-4937  
[scott.clemons@nnsa.doe.gov](mailto:scott.clemons@nnsa.doe.gov)

**Overview**

<b>Description</b>	This process description (PD) encompasses the process whereby NNSA and non-NNSA work is authorized by the Site Office (SO) and performed by management and operating (M&O) contractors at NNSA laboratory, test, and production sites. The Work Authorization (WA) is the form used to authorize an M&O contractor to carry out specific work in accordance with their contract. The M&O contractor indicates acceptance of the work on this same form.
<b>Applicable NNSA Office</b>	Site Offices except Naval Reactors
<b>Metrics</b>	Processing time from receipt by the SO of the WA from NNSA-HQ to release to the M&O contractor.

**Process Block Diagram**

The diagram below presents an overview of the process.



**Stage Table**

The table below describes the stages of the process.

Stage	Who Does It	What Happens						
1	SO designated Receiving Official	<ul style="list-style-type: none"> <li>Records receipt of the WA.</li> </ul>						
2	SO designated Receiving Official	<ul style="list-style-type: none"> <li>Reviews document for completeness including HQ signatures</li> </ul>						
		<table border="1"> <thead> <tr> <th>If</th> <th>Then</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> <li>If complete,</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>Prepares concurrence routing sheet.</li> </ul> </td> </tr> <tr> <td> <ul style="list-style-type: none"> <li>If incomplete,</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>Returns to HQ originator.</li> </ul> </td> </tr> </tbody> </table>	If	Then	<ul style="list-style-type: none"> <li>If complete,</li> </ul>	<ul style="list-style-type: none"> <li>Prepares concurrence routing sheet.</li> </ul>	<ul style="list-style-type: none"> <li>If incomplete,</li> </ul>	<ul style="list-style-type: none"> <li>Returns to HQ originator.</li> </ul>
		If	Then					
<ul style="list-style-type: none"> <li>If complete,</li> </ul>	<ul style="list-style-type: none"> <li>Prepares concurrence routing sheet.</li> </ul>							
<ul style="list-style-type: none"> <li>If incomplete,</li> </ul>	<ul style="list-style-type: none"> <li>Returns to HQ originator.</li> </ul>							
<ul style="list-style-type: none"> <li>If incomplete,</li> </ul>	<ul style="list-style-type: none"> <li>Returns to HQ originator.</li> </ul>							
3	SO Budget Official	<ul style="list-style-type: none"> <li>Examines WA for citation of appropriate financial data compared to the Approved Funding Program (AFP). Concurr if appropriate.</li> </ul>						
4	SO Program Liaison	<ul style="list-style-type: none"> <li>Examines WA for consistency with Annual Program Guidance and contract work scope.</li> <li>Concurr if appropriate.</li> </ul>						
5	SO Contracting Officer (CO)	<ul style="list-style-type: none"> <li>Examines WA for consistency with M&amp;O contract terms and conditions, including the boundaries of the scope of work.</li> <li>Approves if appropriate and returns to the SO program liaison.</li> </ul>						
6	SO Program Liaison	<ul style="list-style-type: none"> <li>Provides WA to M&amp;O contractor for review, acceptance signature and final distribution.</li> </ul>						

**Requirements and Supporting Information**

<b>Requirements</b>	DOE Order 412.1A, Work Authorization System, 4/21/05 NNSA Policy Letter, BOP-001.31, NNSA Corporate Approved Funding Program and Work Authorization Procedure, July 2003
<b>Related Process Descriptions &amp; Work Instructions</b>	None
<b>Forms</b>	WA Form (from DOE O 412.1A), Concurrence Record
<b>Records</b>	Signed WA Forms, Concurrence Record Forms
<b>Other</b>	None

**Author and Revisions**

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<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
0	9/14/2005	Initial release

**End of Document**

**Process Description**

**National Nuclear Security Administration**

**PD Number:** CAG B-003.0302.1

**PD Title:** Appointing Contracting Officer’s Representatives (CORs)

**Process Owner**

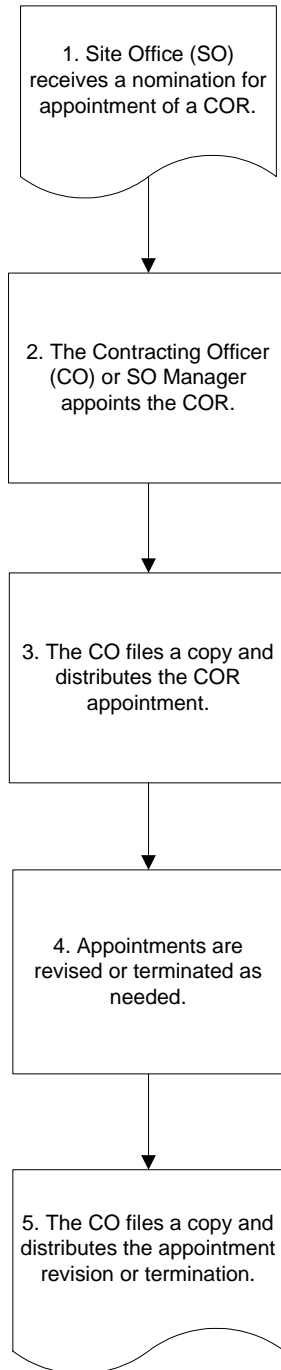
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**Overview**

<p><b>Description</b></p>	<p>This process description (PD) defines the process for appointing CORs to the management and operating (M&amp;O) contract.</p> <p>NNSA Policy Letter BOP.003.0302, “Appointment of Contracting Officer’s Representatives (COR) for NNSA Management &amp; Operating Contracts” sets forth the policy and procedure for such appointments. This PD describes how the Site Office (SO) implements that Policy Letter.</p> <p>Nominations may come from the SO, the Service Center (SC), or a Headquarters (HQ) Program Office for an individual to serve as a COR. Nominees must meet the following requirements:</p> <ul style="list-style-type: none"> <li>• Assigned as an NNSA federal employee or an individual formally assigned to NNSA. Exceptions must be approved by the Senior Procurement Executive</li> <li>• Successfully completed the NNSA tailored COR training for M&amp;O contracts</li> <li>• Received a statement from counsel that the nominee’s financial interests do not conflict with the COR duties</li> </ul>
<p><b>Applicable NNSA Office</b></p>	<p>Site Offices except Naval Reactors</p>
<p><b>Metrics</b></p>	<p>The timeliness of appointment of CORs.</p>

## Process Block Diagram

The diagram below presents an overview of the process.



## Stage Table

The table below describes the stages of the process.								
Stage	Who Does It	What Happens						
1	SO Contracting Officer (CO)	<ul style="list-style-type: none"> <li>• Receives a nomination from the SO, SC, or a HQ Program Office.</li> <li>• Reviews the nomination to ensure all necessary contents are included. Each nomination must include:                             <ul style="list-style-type: none"> <li>• A discussion of the need for the COR</li> <li>• A statement that the nominee meets the qualification requirements</li> <li>• A statement from the Counsel (SO, SC, or HQ) that the nominee's financial interests do not conflict with the proposed COR duties</li> <li>• Recommended COR authority limitations</li> </ul> </li> </ul>						
2	SO CO or SO Manager	<ul style="list-style-type: none"> <li>• The CO or their designee prepares the COR appointment letter</li> </ul>						
		<table border="1"> <thead> <tr> <th>If</th> <th>Then</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> <li>• the nominee is a SO employee,</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>• the CO signs the COR appointment letter.</li> </ul> </td> </tr> <tr> <td> <ul style="list-style-type: none"> <li>• the nominee is an employee from outside the SO,</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>• the Site Manager, acting in their capacity as a CO, signs the COR appointment letter.</li> </ul> </td> </tr> </tbody> </table>	If	Then	<ul style="list-style-type: none"> <li>• the nominee is a SO employee,</li> </ul>	<ul style="list-style-type: none"> <li>• the CO signs the COR appointment letter.</li> </ul>	<ul style="list-style-type: none"> <li>• the nominee is an employee from outside the SO,</li> </ul>	<ul style="list-style-type: none"> <li>• the Site Manager, acting in their capacity as a CO, signs the COR appointment letter.</li> </ul>
		If	Then					
		<ul style="list-style-type: none"> <li>• the nominee is a SO employee,</li> </ul>	<ul style="list-style-type: none"> <li>• the CO signs the COR appointment letter.</li> </ul>					
<ul style="list-style-type: none"> <li>• the nominee is an employee from outside the SO,</li> </ul>	<ul style="list-style-type: none"> <li>• the Site Manager, acting in their capacity as a CO, signs the COR appointment letter.</li> </ul>							
<ul style="list-style-type: none"> <li>• The COR appointment letter must include:                             <ul style="list-style-type: none"> <li>• COR's name, position, title, and location</li> <li>• Limitations of authority</li> <li>• Instructions identifying any specific actions that may or may not be taken by the COR for the CO consistent with the terms &amp; conditions of the contract</li> <li>• Term of the appointment</li> </ul> </li> </ul>								
<ul style="list-style-type: none"> <li>• Files a copy of the COR appointment letter.</li> <li>• Sends a copy of the COR appointment letter to the COR, the SC's central repository and the M&amp;O contractor.</li> </ul>								
3	SO CO	<ul style="list-style-type: none"> <li>• Files a copy of the COR appointment letter.</li> <li>• Sends a copy of the COR appointment letter to the COR, the SC's central repository and the M&amp;O contractor.</li> </ul>						
4	SO CO or SO Manager	<ul style="list-style-type: none"> <li>• Any change to a COR's name, title or location, requires the appointing official to process a new appointment letter or to terminate the appointment.</li> </ul>						



## Requirements and Supporting Information

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<b>Requirements</b>	NNSA Policy Letter BOP.003.0302, Appointment of Contracting Officer's Representatives (COR) for NNSA Management & Operating Contracts DOE Order 541.1B, Appointment of Contracting Officers and Contracting Officer Representatives
<b>Related Process Descriptions &amp; Work Instructions</b>	PD CAG BOP-0302.2, Issuing Performance Direction or Program Guidance
<b>Forms</b>	None
<b>Records</b>	Nomination correspondence COR appointment letters COR terminations Counsel statements regarding financial conflict COR training certificates
<b>Other</b>	NNSA M&O contract clause entitled "Performance Direction"

## Author and Revisions

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<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

Revision No.	Date	Reason
0	9/14/2005	Initial release

**End of Document**

**Process Description**

**National Nuclear Security Administration**

**PD Number:** CAG B-003.0302.2  
**PD Title:** Issuing Performance Direction or Program Guidance

**Process Owner**

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 202-586-4937  
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**Overview**

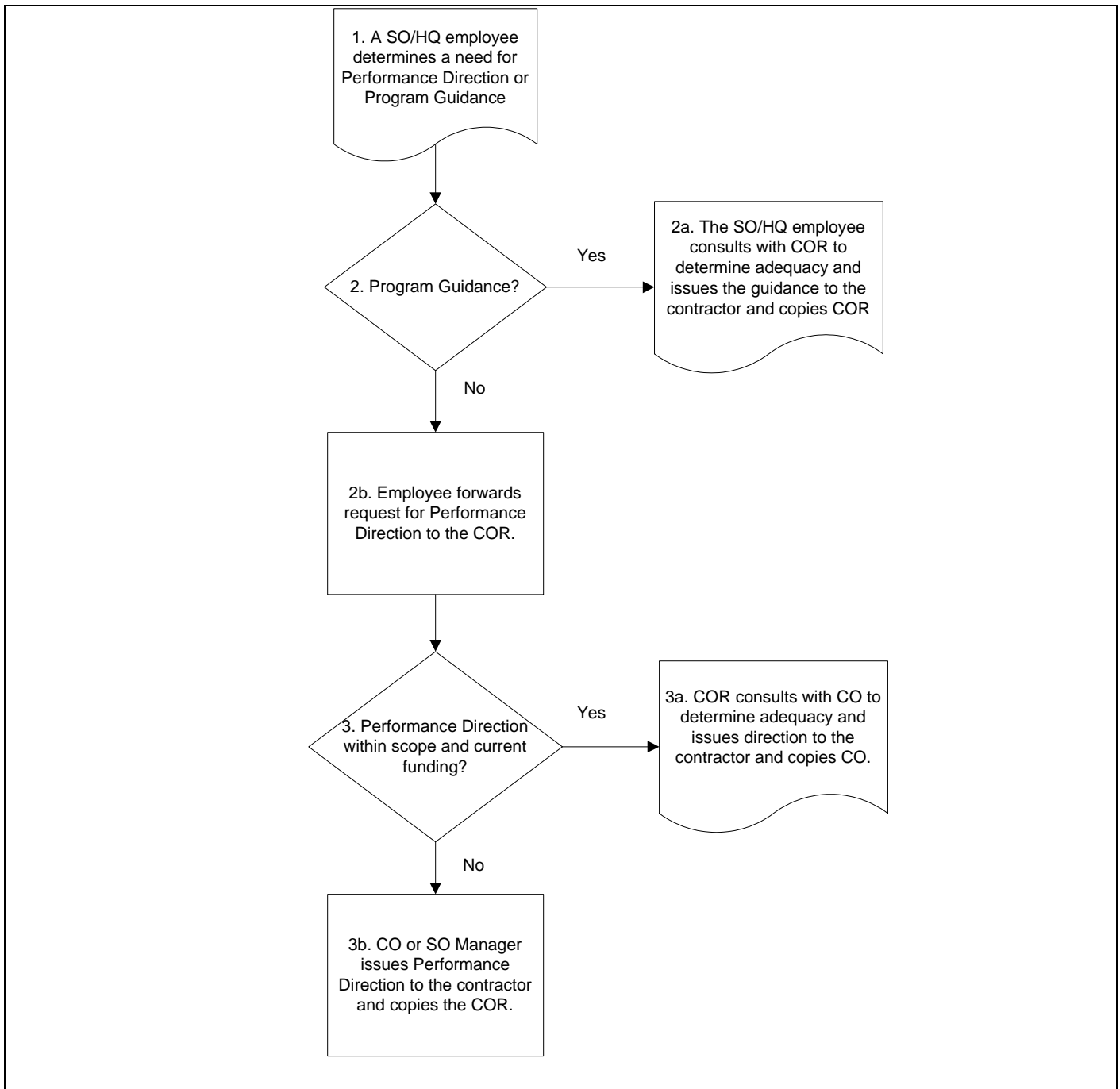
<p><b>Description</b></p>	<p>This Process Description (PD) covers products and services that are an essential output of the Site Office (SO) and must be monitored for nonconformities.</p> <p>This PD defines the process for issuing contracting officer (CO) direction and program guidance to management and operating (M&amp;O) contractors.</p> <p>Only the CO or the SO Manager, acting as a CO, may assign, modify, and priority rank work authorizations (WA). The NNSA Administrator, or his designee, usually the CO or the SO Manager, acting as a CO, will designate specific NNSA employees as contracting officer’s representatives (COR) with the authority to issue performance direction within certain limits in accordance with NNSA Policy Letter: BOP-003.0302, “Appointment of Contracting Officer’s Representatives (COR) for NNSA Management &amp; Operating Contracts.”</p> <p>Program Guidance – The sponsoring programs interact with the contractor to provide programmatic guidance necessary to manage and monitor work products during execution thereby ensuring that the appropriate products are delivered in a timely and cost effective manner.</p> <p>Performance (Technical) Direction - Assists the contractor in interpreting technical requirements of the contract. Advises the contractor concerning safety, security, environmental concerns, quality assurance, government property, etc.</p>
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	<p>Program guidance/performance (technical) direction:</p> <ul style="list-style-type: none"> <li>• Subject matter experts can issue program guidance, but not performance direction.</li> <li>• CORs can issue performance direction, as long as it is within the scope of the contract.</li> <li>• COs can issue program guidance and performance direction if it is within the scope of the contract.</li> </ul> <p>A list of SO and HQ employees that are designated as COs and CORs, as described in the process below, is maintained at the Service Center.</p>
<b>Applicable NNSA Office</b>	Site Offices except Naval Reactors.
<b>Metrics</b>	The timeliness and accuracy of performance direction or program guidance to the contractor.

**Process Block Diagram**

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The diagram below presents an overview of the process.



## Stage Table

The table below describes the stages of the process.

Stage	Who Does It	What Happens	
1	SO or HQ employee	<ul style="list-style-type: none"> <li>A SO or HQ employee identifies the need to provide performance direction or program guidance to the contractor.</li> </ul>	
2	SO or HQ employee and COR	<ul style="list-style-type: none"> <li>Program guidance</li> </ul>	
		<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>The program guidance is required,</li> </ul>	<ul style="list-style-type: none"> <li>Reviews program guidance and determine if it is adequate.</li> <li>Issues program guidance directly to the contractor in writing.</li> <li>Coordinate guidance with the appropriate COR and provide COR a copy of correspondence.</li> </ul>
2a	SO or HQ employee and COR	<ul style="list-style-type: none"> <li>The program guidance is not adequate,</li> </ul>	<ul style="list-style-type: none"> <li>Communicate and resolve issues/concerns as appropriate.</li> <li>Retain record of guidance for file.</li> </ul>
2b	SO or HQ employee and COR	<ul style="list-style-type: none"> <li>The communication involves performance direction,</li> </ul>	<ul style="list-style-type: none"> <li>The employee must forward the action to the appropriate COR.</li> <li>Proceed to Stage 3.</li> </ul>
3 3a	SO or HQ employee and COR	<ul style="list-style-type: none"> <li>Performance direction</li> </ul>	
		<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>the performance direction falls within current scope and funding,</li> </ul>	<ul style="list-style-type: none"> <li>CO reviews adequacy of performance direction and determines if it meets requirements.</li> <li>the CO or COR can issue the performance direction directly to the contractor in writing.</li> <li>the COR must provide the CO a copy of the correspondence when issued by the COR.</li> <li>retain record of performance direction for files.</li> </ul>

3b	SO CO and COR	<ul style="list-style-type: none"> <li>performance direction is not adequate,</li> <li>the performance direction involves a change to the funding,</li> </ul>	<ul style="list-style-type: none"> <li>the COR communicates issues/concerns with the CO and drafts and sends correspondence to the CO.</li> <li>the CO will sign the action and transmit it to the contractor, with copies to COR.</li> <li>retain record of correspondence for files.</li> </ul>
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**Requirement and Supporting Information**

<b>Requirement</b>	BOP-003.0302, Process for Appointing Contracting Officer’s Representatives (CORs)
<b>Related Process Descriptions &amp; Work Instructions</b>	PD CAG B-003.0302.1, Appointing Contracting Officer’s Representatives (CORs)
<b>Forms</b>	None
<b>Records</b>	Performance Direction or Program Guidance Documentation
<b>Other</b>	NNSA M&O Contracts, Section H Clause entitled, “Performance Direction”

**Author and Revisions**

<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
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**End of Document**

**Process Description**

**National Nuclear Security Administration**

**PD Number:** CAG BOP-003.0501  
**PD Title:** Annual Fee Development Process for NNSA Production Plants and Test Site Management & Operating Contracts

**Process Owner**

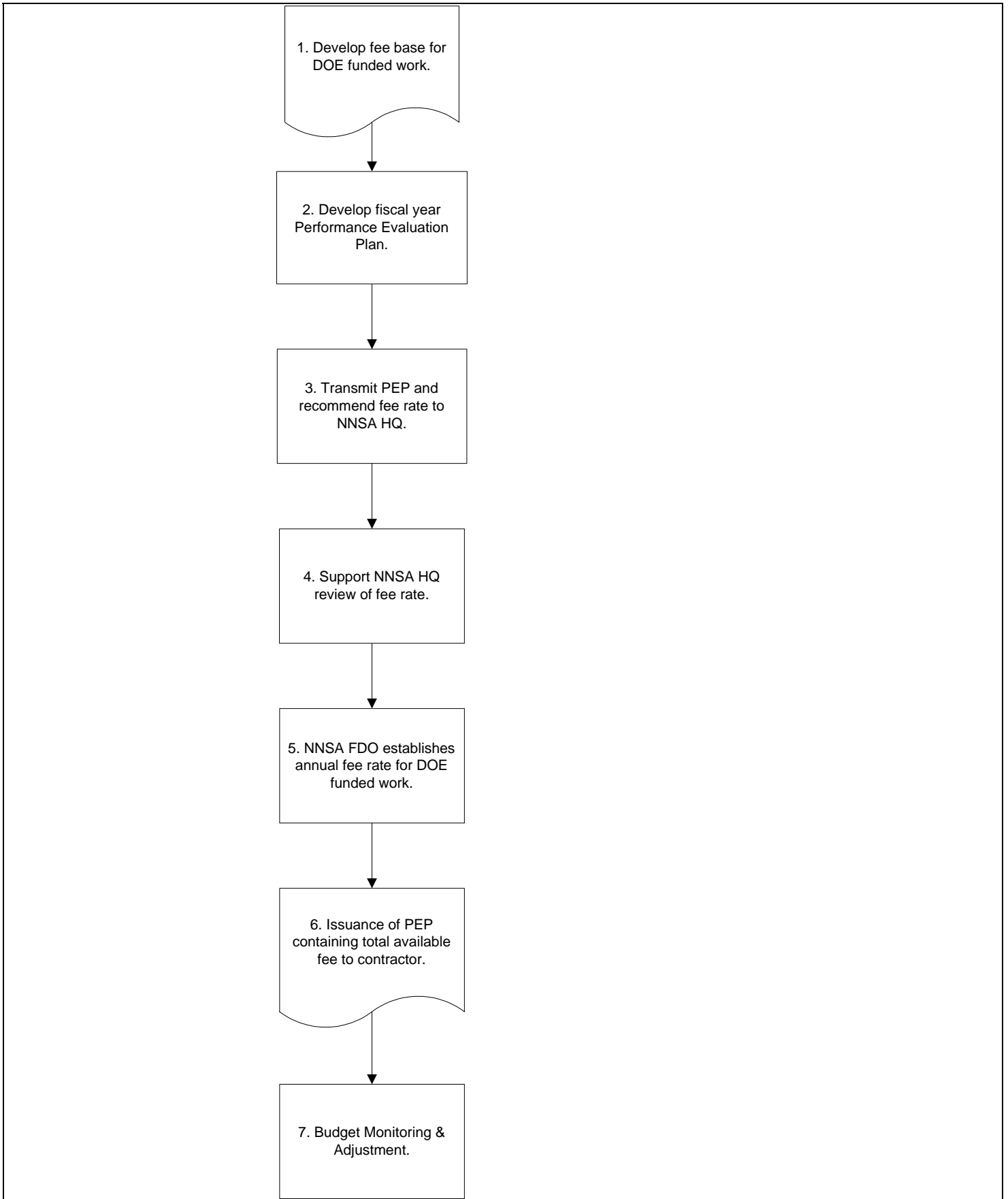
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**Overview**

<b>Description</b>	This process description (PD) identifies the process used by the Site Office (SO) for the Production Plants and Test Site to develop the annual available fee for DOE funded work and the fixed fee percentage for non-DOE funded work for management and operating (M&O) contracts.
<b>Applicable NNSA Office</b>	Kansas City Site Office (KCSO), Nevada Site Office (NSO), Pantex Site office (PXSO), Y-12 Site Office (PSO)
<b>Metrics</b>	Schedule completion: (1) The bilateral modification incorporating the available fee should be signed by both parties within one week of the beginning of the fiscal year. (2) The annual Performance Evaluation Plan (PEP) should be signed and issued to the M&O contractor no later than September 30 of each year.

**Process Block Diagram**

The diagram below presents an overview of the process.





## Stage Table

The table below describes the stages of the process.

Stage	Who Does It	What Happens
1	SO Budget Analyst	<ul style="list-style-type: none"> <li>Develops the fee base for DOE funded work assigned to the NNSA Plant or Test Site M&amp;O contract based on the total budget authority estimated to be allocated to the M&amp;O contract. This estimate is based on President's Budget Request for the fiscal year (FY). The source for this information is the "Laboratory Tables" in the Department of Energy Congressional Budget Request and the DOE PALS database.</li> </ul>
2	SO Contracting Officer (CO)	<ul style="list-style-type: none"> <li>Develops the annual PEP that incorporates Program and Site Office performance objectives including stretch goals to support the maximum available fee rate.</li> </ul>
3	SO Manager	<ul style="list-style-type: none"> <li>Sends negotiated PEP to the HQ point of contact.</li> <li>Includes recommended fee rate.</li> </ul>
4	SO CO	<ul style="list-style-type: none"> <li>Supports HQ review of fee rate as appropriate.</li> </ul>
	SO Manager	<ul style="list-style-type: none"> <li>Provides input for the NNSA Fee Determination Official (FDO) fee rate decision.</li> </ul>
5	FDO	<ul style="list-style-type: none"> <li>Establishes the annual fee percentage for DOE funded work based on the importance to NNSA of the desired outcomes being incentivized in the PEP and the difficulty involved in achieving those outcomes and earning the fee.</li> </ul>
6	SO CO	<ul style="list-style-type: none"> <li>Calculates the total available fee for DOE funded work based on the fee base developed by the SO Budget Analyst and the fee rate determined by the NNSA FDO.</li> <li>Calculates the fixed fee percentage for non-DOE funded work. This percentage is 85% of the annual fee percentage for DOE work as determined by the FDO.</li> <li>Incorporates the total available fee for DOE funded work into the PEP and incorporates the total available fee for DOE funded work and the fixed fee percentage for non-DOE funded work into the M&amp;O contract using the Annual Fee Modification in accordance with process description CAG F-43.</li> </ul>
	SO Manager	<ul style="list-style-type: none"> <li>Signs and issues PEP to the NNSA Plant or Test Site M&amp;O contractor.</li> <li>To be completed no later than September 30.</li> </ul>
7	SO CO	<ul style="list-style-type: none"> <li>Monitors budget and fee activity throughout the FY.</li> <li>If the budget is increased or decreased significantly (i.e., +/- 25%), the CO may pursue negotiations to raise or lower the available fee accordingly.</li> </ul>

**Requirements and Supporting Information**

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<b>Requirements</b>	FAR Part 43; Contract Modifications DEAR Part 970; DOE Management and Operating Contracts BOP-003.0501; NAP-4A; Corporate Performance Evaluation Process for Management and Operating Contractors
<b>Related Process Descriptions &amp; Work Instructions</b>	PD CAG N-4A.2, Award Fee Performance Evaluation Report, PD CAG N-4A.1, Performance Evaluation Plan Development and Negotiation, PD CAG F-43, Contract Modifications for Terms and Conditions Changes
<b>Forms</b>	None
<b>Records</b>	Annual Performance Evaluation Plan (PEP) Annual Fee Modification
<b>Other</b>	None

**Author and Revisions**

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<b>Author(s)</b>	<b>Contact Information</b>
M&O CAT POC	Scott Clemons

<b>Revision No.</b>	<b>Date</b>	<b>Reason</b>
0	9/14/2005	Initial release

**End of Document**

**Process Description**

**National Nuclear Security Administration**

<b>Number:</b>	PD CAG B – 003.0507
<b>Title:</b>	M&O Contract Administration Guide Instructions
<b>Effective Date:</b>	09/01/2005

**Process Owner**

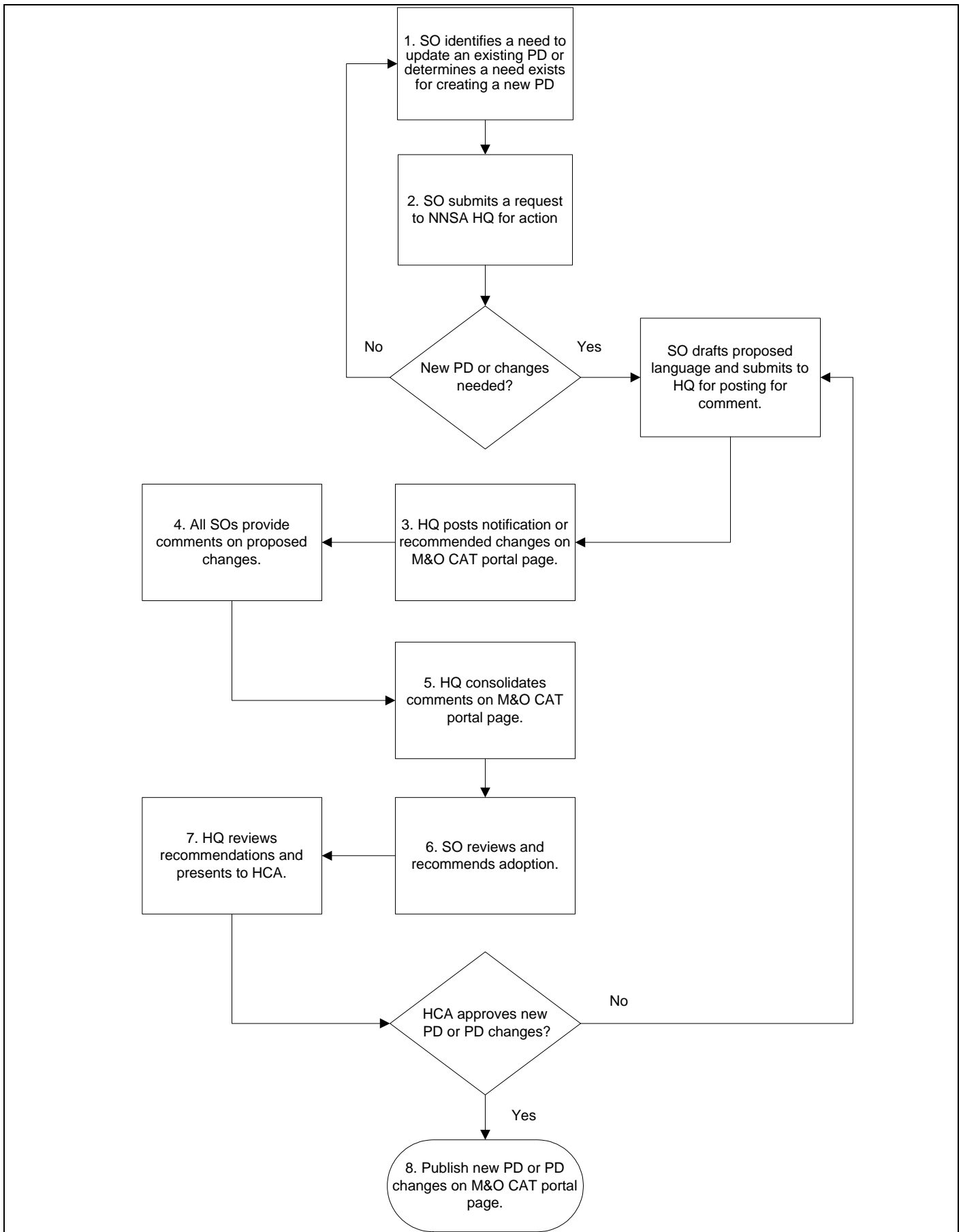
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**Overview**

<b>Purpose:</b>	<p>The purpose of this Process Description (PD) is to describe the M&amp;O Contract Administration Guides (CAG) and the expectations for their implementation.</p> <p>CAG PDs are recognized as operating procedures outlining the needed step-by-step instructions associated with a particular requirement. As guidance, they are to be used to help facilitate standardization of procedures across NNSA Site Office operations.</p> <p>The CAGs PDs are the NNSA minimum baseline process steps that all Site Offices are expected to follow. Work Instructions (WI) are site-specific procedure documents for local offices that compliment but do not circumvent or exceed the minimum requirements of the PDs. WIs utilize the same format and process as the PDs.</p> <p>The NNSA CAGs are organized into groups by function and reside on the NNSA Source Portal in the NA-63 Homepage under the M&amp;O CAT folder.</p> <p>Review and Approval of the PDs are by the NNSA HCA. Review and Approval of the WI is by the SO Manager and is subject to periodic review by the CAG PD POC.</p> <p>This PD provides the steps to be used when a need has been identified to either make a change to an existing PD or to create a new PD.</p> <p>This PD also contains a standard glossary of terms and acronyms.</p>
<b>Scope:</b>	All NNSA Site Offices except Naval Reactors.
<b>Metrics:</b>	Timely implementation of requested CAGs or CAG changes.

**Process Block Diagram**

The diagram below presents an overview of the process



## Stage Table

Stage	Who Does It	What Happens	
1	<ul style="list-style-type: none"> <li>SO Manager or CO</li> </ul>	<ul style="list-style-type: none"> <li>Identifies a need to update an existing PD or a need exists for creating a new PD.</li> </ul>	
2	<ul style="list-style-type: none"> <li>SO Manager or CO</li> </ul>	<ul style="list-style-type: none"> <li>Submits a summary request to NNSA–HQ POC/HCA for authorization to proceed.</li> </ul>	
		<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>Update to existng PD</li> <li>Need for creating a new PD</li> <li>Disapproved</li> </ul>	<ul style="list-style-type: none"> <li>Send proposed language</li> <li>Send draft PD</li> <li>No further action</li> </ul>
3	<ul style="list-style-type: none"> <li>NNSA HQ</li> </ul>	<ul style="list-style-type: none"> <li>HQ POC posts a notification of the recommended changes or the draft PD on the M&amp;O CAT portal page and sends email to M&amp;O CAT advising team of proposed changes and requests comment.</li> </ul>	
4	<ul style="list-style-type: none"> <li>SO Manager or CO</li> </ul>	<ul style="list-style-type: none"> <li>Provides comments as to the adequacy of proposed changes and/or the need for a new PD.</li> </ul>	
5	<ul style="list-style-type: none"> <li>NNSA HQ</li> </ul>	<ul style="list-style-type: none"> <li>Consolidates comments and posts on M&amp;O CAT portal page.</li> </ul>	
6	<ul style="list-style-type: none"> <li>SO Manager or CO</li> </ul>	<ul style="list-style-type: none"> <li>Reviews consolidated comments and forwards recommendations.</li> </ul>	
7	<ul style="list-style-type: none"> <li>NNSA HQ</li> </ul>	<ul style="list-style-type: none"> <li>Reviews consolidated recommendations and presents to HCA.</li> </ul>	
		<b>If</b>	<b>Then</b>
		<ul style="list-style-type: none"> <li>HCA agrees changes needed</li> <li>HCA agrees new PD needed</li> </ul>	<ul style="list-style-type: none"> <li>Update and publish</li> <li>New PD published</li> </ul>
8	<ul style="list-style-type: none"> <li>NNSA HQ</li> </ul>	<ul style="list-style-type: none"> <li>Publish PD changes and/or new PD on the M&amp;O CAT portal page.</li> </ul>	

## Requirements and Supporting Information

<b>Requirements</b>	Laws, regulations, OMB Circulars, DOE orders, NNSA policies
<b>Related Process Descriptions</b>	All CAG PDs
<b>Related Work Instructions</b>	All CAG WIs
<b>Forms</b>	ISO 9001 formatted PDs
<b>Records</b>	Published CAGs
<b>Other</b>	Published WIs Glossary, Attachment I

## Author and Revisions

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Revision No.	Date	Reason	Approving Official
01	09/14/2005	Initial Version	David Boyd

## Attachment 1

### Glossary

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BOA	Board of Awards
BOP	Business and Operating Policy
CAG	Contract Administration Guide
CAP	Coordination and Approval Process
CAT	Contract Administration Team
CO	Contracting Officer
COR	Contracting Officers Representative
CS	Contract Specialist
CSG	Contract Specialist Guide
DEAR	Department of Energy Acquisition Regulation
DOE	Department of Energy
DOEO	Department of Energy Order
FAR	Federal Acquisition Regulations
FDO	Fee Determining Official
HCA	Head of the Contracting Activity
HQ	Headquarters
KCSO	Kansas City Site Office
LASO	Los Alamos Site Office
LLSO	Lawrence Livermore Site Office
M&O	Management and Operating
NAP	NNSA Administration Policy
NNSA	National Nuclear Security Administration
NSO	Nevada Site Office
PBI	Performance Based Incentive
PER	Performance Evaluation Report
PEP	Performance Evaluation Plan
PO	Performance Objective
PD	Process Description
PXSO	Pantex Site Office
SC	Service Center
SME	Subject Matter Expert
SPE	Senior Procurement Executive
SRB	Subcontract Review Board
SRSO	Savanna River Site Office
SSO	Sandia Site Office
WI	Work Instruction
YSO	Y-12 Site Office

**End Of Document**