

**ORDER FOR SUPPLIES OR SERVICES**

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

1. DATE OF ORDER 06-20-2003		2. CONTRACT NO. (if any) GS-35F-5014H		6. SHIP TO:	
3. ORDER NO. NRC-33-01-185-001		MODIFICATION NO. 4. REQUISITION/REFERENCE NO. CIO17901024 PARTIAL		a. NAME OF CONSIGNEE U.S. Nuclear Regulatory Commission Office of the Chief Information Officer	
5. ISSUING OFFICE (Address correspondence to) U.S. Nuclear Regulatory Commission Division of Contracts Contract Management Center 1 - Team A Mail Stop: T-7-I2 Washington, DC 20555				b. STREET ADDRESS ATTN: James Corbett Mail Stop: T-6-F33	
		c. CITY Washington		d. STATE DC	
		e. ZIP CODE 20555		f. SHIP VIA	
7. TO:				8. TYPE OF ORDER	
a. NAME OF CONTRACTOR GARTNER, INC.				<input type="checkbox"/> a. PURCHASE ORDER <input checked="" type="checkbox"/> b. DELIVERY/TASK ORDER Reference your _____ Please furnish the following on the terms and conditions specified on both sides of this order and on the attached sheet, if any, including delivery as indicated.      Except for billing instructions on the reverse, this delivery/task order is subject to instructions contained on this side only of this form and is issued subject to the terms and conditions of the above-numbered contract.	
b. COMPANY NAME ATTN: Janet Risseeuw					
c. STREET ADDRESS 8405 Greensboro Drive, 6th Floor					
d. CITY McLean		e. STATE VA		f. ZIP CODE 22102	
9. ACCOUNTING AND APPROPRIATION DATA 31X0200.310    310-15-522-334    J1048    252A OBLIGATE: \$27,024.00				10. REQUISITIONING OFFICE  OFFICE OF THE CHIEF INFORMATION OFFICER	
11. BUSINESS CLASSIFICATION (Check appropriate box(es))					
<input type="checkbox"/> a. SMALL		<input checked="" type="checkbox"/> b. OTHER THAN SMALL		<input type="checkbox"/> c. DISADVANTAGED	
<input type="checkbox"/> d. WOMEN-OWNED					
12. F.O.B. POINT Destination		14. GOVERNMENT B/L NO.		15. DELIVER TO F.O.B. POINT ON OR BEFORE 6/05/2003-6/04/2004	
16. DISCOUNT TERMS Net 30 days.					
13. PLACE OF				FOR INFORMATION CALL: (No collect calls)	
a. INSPECTION		b. ACCEPTANCE		Brenda J. DuBose Telephone: (301) 415-6578	
17. SCHEDULE (See reverse for Rejections)					

ITEM NO. (A)	SUPPLIES OR SERVICES (B)	QUANTITY ORDERED (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)	QUANTITY ACCEPTED (G)
	The U.S. Nuclear Regulatory Commission (NRC) hereby accepts the quotation of Gartner, Inc., dated May 1, 2003, and amended via e-mail dated May 14, 2003, which are hereby incorporated by reference and made a part hereof this order, to provide the NRC with the support services in assessing its existing procedures and practices within the Information Technology Infrastructure Division. The effort shall be performed in accordance with the attached Statement of Work at the firm fixed price of \$27,024 for the work to be performed under Phase I of this effort.					
	NRC Project Officer: James C. Corbett: (301) 415-7500 Contract Specialist: Brenda J. DuBose: (301) 415-6578					

18. SHIPPING POINT		19. GROSS SHIPPING WEIGHT		20. INVOICE NO.		\$27,024.00	SUBTOTAL
		21. MAIL INVOICE TO:					17(h) TOTAL (Cont. pages)
SEE BILLING INSTRUCTIONS ON REVERSE		a. NAME U.S. Nuclear Regulatory Commission Division of Contracts					17(i) GRAND TOTAL
		b. STREET ADDRESS (or P.O. Box) ATTN: T-7-I2 (SUBMIT THREE COPIES OF INVOICE.)					
		c. CITY Washington		d. STATE DC		e. ZIP CODE 20555	
						\$27,024.00	
22. UNITED STATES OF AMERICA BY (Signature) <i>For Donald A. Fields</i>				23. NAME (Typed) Joyce A. Fields Contracting Officer TITLE: CONTRACTING/ORDERING OFFICER			



# TASK ORDER TERMS AND CONDITIONS

NOT SPECIFIED IN THE CONTRACT

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

## A.2 OTHER APPLICABLE CLAUSES

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

52.216-18, Ordering

52.216-19, Order Limitations

52.216-22, Indefinite Quantity

52.217-6, Option for Increased Quantity

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

52.217-8, Option to Extend Services

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

## A.3 ELECTRONIC PAYMENT

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

To receive payment, the contractor shall complete the "Company Information" portion of the Standard Form 3881, entitled "ACH Vendor/Miscellaneous Payment Enrollment Form" found as an attachment to this document. The contractor shall take the form to the ACH Coordinator at the financial institution that maintains its company's bank account. The contractor shall discuss with the ACH Coordinator how the payment identification information (addendum record) will be passed to them once the payment is received by the financial institution. Further information concerning the addendum is provided at Attachment . The ACN Coordinator should fill out the "Financial Institution Information" portion of the form and return it to the Office of the Controller at the following address: Nuclear Regulatory Commission, Division of Accounting and Finance, Financial Operations Section, Mail Stop T-9-H-4, Washington, DC 20555, ATTN: ACH/Vendor Express. It is the responsibility of the contractor to ensure that the financial institution returns the completed form to the above cited NRC address. If the contractor can provide the financial information, signature of the financial institutions ACH Coordinator is not required. The NRC is under no obligation to send reminders. Only after the Office of the Controller has processed the contractor's sign-up form will the contractor be eligible to receive payments.

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

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

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

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

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

NRC contractors are responsible to ensure that their alien personnel are not in violation of United States Immigration and Naturalization (INS) laws and regulations, including employment authorization documents and visa requirements. Each alien employee of the Contractor must be lawfully admitted for permanent residence as evidenced by Alien Registration Receipt Card Form 1-151 or must present other evidence from the Immigration and Naturalization Services that employment will not affect his/her immigration status. The INS Office of Business Liaison (OBL) provides information to contractors to help them understand the employment eligibility verification process for non-US citizens. This information can be found on the INS website, <http://www.ins.usdoj.gov/graphics/services/employerinfo/index.htm#obl>.

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

(End of Clause)

# Statement of Work

## Review of Operational Procedures

### 1. MISSION AND ORGANIZATION

The mission of the U.S. Nuclear Regulatory Commission (NRC) is to ensure adequate protection for the public health and safety, the common defense and security and the environment in the use of nuclear materials in the United States. The responsibility of the NRC includes regulation of commercial nuclear power plants; research, test, and training for reactors; fuel cycle facilities; medical, academic and industrial uses of nuclear materials; and the transport, storage and disposal of nuclear materials and wastes. The NRC performs its mission by setting standards and requirements in the form of rules, license conditions and regulatory guidance that licensees must meet to design, construct and operate safe facilities; inspecting facilities and taking enforcement action, as necessary, to ensure that such standards are followed; and conducting research to support, assess or refine judgments used in regulatory decisions.

The Information Technology Infrastructure Division (ITID) of the Office of the Chief Information Officer (OCIO) has responsibility for the operation and support of the core technology components necessary to execute the NRC's mission. Two branches within ITID share the responsibility for operation and support. The Infrastructure Operations Branch (IOB) has responsibility for the operation of the NRC Data Centers and a number of agency-wide production systems that reside in the Center. IOB is also responsible for telecommunication services for NRC Headquarters Offices located in Rockville, Maryland and between our four (4) regional offices. The Customer Support Branch (CSB) is comprised of two teams focused on desktop support (Customer Service Center (CSC)) and the operation and support of the agency network environment.

As with many federal agencies, most of the line personnel providing day-to-day operational and support efforts are obtained through contracts. Within the NRC, network and desktop services are obtained under a large seat management contract known internally as the Integrated Systems Support Contract (ISSC). The Data Center and Telecommunications functions are executed under several other separate contracts.

### 2. BACKGROUND

This request for contractor support is motivated by recent incidents where less than acceptable service was provided by ITID to our customers (NRC staff). As a result, the NRC has decided to engage the support of a contractor to assess existing procedures and practices. The assessments will point to areas in which industry best practices may be incorporated and adopted. Our goal is to efficiently and effectively manage and operate our production systems and recognize problems and communicate promptly when problems arise.

Some of the particular concerns and motivations include:

- A recent incident where one of the agency's primary e-mail servers suffered a disk failure and it was discovered that regular backups were not performed. As a result, our customers lost over two months of incoming and outgoing emails.
- Another critical area for assessment is the process related to safeguarding the data contained in our Agencywide Documents Access and Management System (ADAMS). This critical system is the agency's official records repository. While the system is protected by dedicated tape backup systems, a good deal of manual intervention is necessary to insure that all backups are complete and sets of tapes are rotated off-site.
- There have also been negative incidents involving the acceptance of upgrades into production prematurely and the failure to respond to telephone service requests within reasonable timeframes.
- ITID has recently developed and implemented procedures to notify management of operational failures. While it is too early to determine the efficacy of these procedures, OCIO management desires that these procedures also undergo a review as part of this assessment.
- A report produced by KPMG Consulting in 2000, entitled "Nuclear Regulatory Commission IT Infrastructure Health Assessment and Overall IT Improvement Study", concluded that considerable operational efficiencies could be realized by consolidating multiple existing IT-related Help Desk operations into a central operation within OCIO. The report also implied that the way IT support services were provided in NRC's four regional offices were, in general, inefficient. OCIO management desires a more in-depth analysis resulting in concrete recommendations in this area.
- While performance measures are in place and are an integral component of our performance monitoring and quality efforts, the measures are not always effectively capturing and alerting management to issues.

### **3. SCOPE OF WORK**

The Contractor shall provide the necessary qualified personnel to support the effort delineated below:

#### **PHASE I**

##### **a. Milestone 1: Identify Focus Areas**

The NRC has recognized deficiencies related to our processes for system backups, acceptance of development activities into production, telecommunication customer requests and problem notification. During this Milestone, the Contractor shall conduct a preliminary review of the processes within the two branches and other related help desk and regional support processes and shall provide a prioritized list of focus areas that would benefit most from an assessment. In addition, the Contractor shall prepare a preliminary assessment of the "state-of-health" of the two branches in ITID that provide production services. As such, the Contractor shall identify processes and conditions similar to those identified under Paragraph 2 - Background. At all times, the Contractor is encouraged to make observations that implement best business practice (i.e., restructuring, realigning, out-sourcing). Work under Phase I shall be completed within two (2) weeks of award of this delivery order.

The Contractor shall also recommend those focus areas that can be addressed within the desired two (2) month time period under Phase II of this effort. Should the Government make a determination that it will proceed with work for those focus areas that can be addressed under Phase II within the two-month time period, the Contracting Officer will request submission of a technical and cost proposal from the Contractor for each focus area to be addressed. This work will be handled as a firm fixed priced task order which will be issued under this delivery order and will be considered Phase II of the effort. Work shall not commence under Phase II of this requirement until issuance of a task order by the Contracting Officer.

In addition, under Phase I, the Contractor shall meet with the NRC Project Officer and other NRC management (i.e., Chief Information Officer, Officer Director) to review their recommendations. The date and time will be mutually agreed upon between the Project Officer and the Contractor.

Deliverable: Prioritized List of Focus Areas and Preliminary Assessment

Due Date: Two weeks from delivery order award date.

## **PHASE II**

Upon a determination of the Project Officer of the additional focus area(s) to be addressed, the NRC Contracting Officer will request the Contractor to submit a technical and cost proposal for those focus area(s) which shall be addressed under Phase II. Work under Phase II shall not commence until issuance of a task order, to be issued under this delivery order, which will be issued by the NRC Contracting Officer. Upon receipt, the Contractor shall:

### **a. Milestone 1: Assess Initial Focus Areas**

Prepare a detailed written report on each focus area outlining the analysis of the existing focus area, recommendations for improvement and a best practice process for the focus area. In addition, the report shall include a proposed action plan and schedule to close any identified gaps. Work under Phase II shall be completed within a two (2) month period.

Weekly progress reports shall be submitted to the Project Officer summarizing all work completed during the preceding week and shall outline the work to be accomplished during the subsequent week. This report shall also identify any problems encountered or still outstanding with an explanation of the cause and resolution of the problem or how the problem will be resolved. Weekly meetings with the Project Officer shall be conducted to review progress, obstacles and tasks.

(a) Deliverable: Draft Report on Each Focus Area  
Due Date: 1 week prior to submission of the Final Report (Refer to (b) Below.)

(b) Deliverable: Final Report on Each Focus Area  
Due Date: Two (2) months from date of delivery order award

- (c) Deliverable: Weekly Progress Report  
Due Date: Weekly

**b. Milestone 2: Present Assessments to NRC**

The Contractor shall make a presentation to the NRC Project Officer and NRC management of its findings and recommendations.

Deliverable: Presentation

Due Date: Within two (2) weeks of acceptance of Final Report under Milestone 1.

**PHASE III - OPTIONAL REQUIREMENT**

Upon a determination of the Project Officer of the additional focus area(s) to be addressed, the NRC Contracting Officer will request the Contractor to submit a technical and cost proposal for those focus area(s) which shall be addressed under Phase III. Work under Phase III shall not commence until issuance of a task order, to be issued under this delivery order, which will be issued by the NRC Contracting Officer. Upon receipt, the Contractor shall:

**a. Milestone 1: Assess Focus Areas and Submit Reports**

Prepare a detailed written report on each focus area outlining the analysis of the existing focus area, recommendations for improvement and a best practice process for the focus area. The report shall identify any gaps between the NRC focus area and the Contractor's selected best practice focus area and it shall include a proposed action plan and schedule to close any identified gaps.

Weekly progress reports shall be submitted to the Project Officer summarizing all work completed during the preceding week and shall outline the work to be accomplished during the subsequent week. This report shall also identify any problems encountered or still outstanding with an explanation of the cause and resolution of the problem or how the problem will be resolved. Weekly meetings with the Project Officer shall be conducted to review progress, obstacles and tasks.

- (a) Deliverable: Draft Report on Each Focus Areas  
Due Date: The resultant task order will reflect the due date for this deliverable.
- (b) Deliverable: Final Report on Each Focus Areas  
Due Date: The resultant task order will reflect the due date for this deliverable.
- (c) Deliverable: Weekly Progress Report  
Due Date: Weekly

**b. Milestone 2: Present Assessments**

The Contractor shall make a presentation to the NRC of their finding and recommendations.

Deliverable: The resultant task order will reflect the due date for this deliverable.

**4. PLACE OF DELIVERY -- REPORTS**

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

James C. Corbett, Project Officer (1 copy)  
U.S. Nuclear Regulatory Commission  
Office of the Chief Information Officer  
Mail Stop: T-6-F33  
Washington, D.C. 20852

Joyce A. Fields Contracting Officer (1 copy)  
c/o Brenda J. DuBose, Contract Specialist  
Division of Contracts  
Mail Stop: T-7-I2  
Washington, D.C. 20555

**5. FORMAT FOR DELIVERABLES**

Format of reports, presentations and other deliverables shall be approved by the Project Officer. All written deliverables shall be phrased in language that can be understood by the non-technical layperson. Statistical and other technical terms used in the deliverable shall be defined in a glossary. The format of deliverables shall be consistent across each assessment. Unless an exception is approved by the Project Officer, the Contractor shall provide any deliverable in one of the following formats:

- Presentations in Corel Presentation 8 or Microsoft PowerPoint 2002
- Spreadsheets in Corel Quattro Pro 8 or Microsoft Excel 2002
- Documents in Corel WordPerfect 8 or MS Word 2002
- Project plans in Microsoft Project 2002
- Drawings in Microsoft Visio 2002

If the Contractor utilizes other software for the preparation of deliverables, the Contractor shall bear the responsibility for converting the documents to acceptable formats.

With the exception of weekly progress reports, each deliverable shall be submitted first in draft to the NRC Project Officer for review. NRC shall have 3 working days to review each draft deliverable and respond with comments or approval. Within 5 working days of approval by NRC of the original draft or the corrected draft, the deliverable shall be delivered in final form to the NRC Project Officer and NRC Contracting Officer. For each deliverable (draft or final), the Contractor shall provide one (1) hard copy and one (1) electronic version of the deliverable to the NRC Project Officer. A hard copy shall be provided to the NRC Contracting Officer.

If for any reason a deliverable cannot be delivered within the scheduled time frame, the Contractor shall NRC Contracting Officer, in writing, with a copy to the NRC Project Officer, indicating the cause of delay and the proposed revised schedule, to include, the impact on the project. The Contracting Officer is the only individual authorized to make any changes to the scope of work, schedule, or cost. Therefore, should any of these items require a change, it is brought to the Contractor's attention that approval shall be obtained from the NRC Contracting Officer, via a modification to the delivery order or task order.

Development activities are excluded from this assessment. Any analysis will begin at the point developed systems and technologies are accepted into production service and operation.

The Contractor shall ensure that the work under this effort conforms to all Federal requirements and NRC Management Directives specific to each focus area. The NRC Project Officer will provide to the Contractor a copy of any Management Directive(s) that may be required under this effort.

## **6. PERIOD OF PERFORMANCE**

The period of performance for this delivery order is one year from the effective date reflected under Block 1 of Standard Form 347 of this award document.

## **7. OPTIONAL REQUIREMENT**

The Government reserves the right to exercise the optional requirement - Phase III reflected under Paragraph 3 - Scope of Work of this effort. Should the Government exercise the optional requirement, any work shall be completed within the period of performance of this delivery order. The Government will notify the Contractor, in writing, within thirty (30) days of its intent to exercise the optional requirement.

## **8. TASK ORDER PROCEDURES (NRCAR 2052.216-74)**

- (a) Task order request for proposal. When a requirement within the scope of work for this contract is identified (i.e., Phase II or Phase III work), the Contracting Officer shall transmit to the Contractor a Task Order Request for Proposal (TORFP) which may include the following, as appropriate:
  - (1) Scope of work/meetings/travel and deliverables;
  - (2) Reporting requirements;
  - (3) Period of performance - place of performance;
  - (4) Applicable special provisions;
  - (5) Technical skills required; and
  - (6) Estimated level of effort.
- (b) Task order technical proposal. By the date specified in the TORFP, the Contractor shall deliver to the Contracting Officer a written proposal that provides the technical information required by the TORFP.
- (c) Cost proposal. The Contractor's cost proposal for each task order must be fully supported by cost and pricing data adequate to establish the reasonableness of the proposed amounts. When the Contractor's estimated cost for the proposed task order exceeds \$100,000 and the period of performance exceeds six months, the Contractor may be required to submit a Contractor Spending Plan (CSP) as part of its cost proposal. The TORP indicates if a CSP is required.
- (d) Task order award. The contractor shall perform all work described in definitized task orders issued by the Contracting Officer. Definitized task orders include the following:
  - (1) Statement of work/meetings/travel and deliverables;
  - (2) Reporting requirements;
  - (3) Period of performance;
  - (4) Key personnel;
  - (5) Applicable special provisions; and
  - (6) Firm Fixed Price of the task order.

## **9. PLACE OF PERFORMANCE/GOVERNMENT FURNISHED PROPERTY/EQUIPMENT**

The Contractor shall perform all of the work associated with this requirement either at its own facilities or at the NRC Headquarters in Rockville, Maryland. Should the Contractor perform the work at NRC Headquarters, located in Rockville, Maryland, the Government will provide the necessary office space, equipment (i.e., computer) and supplies necessary to perform the effort. Travel to other locations is not authorized under this effort.

## **10. TRAVEL**

No travel is authorized by the Government under this effort.

## **11. GOVERNMENT FURNISHED MATERIALS**

The NRC Project Officer will provide all documents required for the Contractor's use in assessing its systems.

## **12. APPROPRIATE USE OF GOVERNMENT FURNISHED INFORMATION TECHNOLOGY (IT) EQUIPMENT AND/OR IT SERVICES/ACCESS**

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

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

## **13. PROJECT OFFICER AUTHORITY**

- (a) The Contracting Officer's authorized representative herein referred to as the Project Officer for this order is

James C. Corbett  
Telephone: (301) 415-7500.

- (b) Performance of the work under this order is subject to the technical direction of the NRC Project Officer. The term "technical direction" is defined to include the following:

- 1) Technical direction to the Contractor which shifts work emphasis between areas of work or tasks, fills in details, or otherwise serves to accomplish the contractual statement of work.
  - 2) Provide advice and guidance to the Contractor in the preparation of drawings, specifications, or technical portions of the work description.
  - 3) Review and, where required by the order, approves technical reports, drawings, specifications, and technical information to be delivered by the Contractor to the Government under the order.
- (c) Technical direction must be within the general statement of work stated in the order. The Project Officer does not have the authority to and may not issue any technical direction which:
- 1) Constitutes an assignment of work outside the general scope of the order.
  - 2) Constitutes a change as defined in the "Changes" clause of the blanket purchase agreement.
  - 3) In any way causes an increase or decrease in the total estimated order cost, the fixed fee, if any, or the time required for order performance.
  - 4) Changes any of the expressed terms, conditions, or specifications of the order.
  - 5) Terminates the order, settles any claim or dispute arising under the order, or issues any unilateral directive whatever.
- (d) The Contractor shall proceed promptly with the performance of technical directions duly issued by the Project Officer in the manner prescribed by this clause and within the Project Officer's authority under the provisions of this clause.
- (e) If, in the opinion of the Contractor, any instruction or direction issued by the Project Officer is within one of the categories as defined in paragraph (c) of this section, the Contractor may not proceed but shall notify the Contracting Officer in writing within five (5) working days after the receipt of any instruction or direction and shall request the Contracting Officer to modify the order accordingly. Upon receiving the notification from the Contractor, the Contracting Officer shall issue an appropriate modification or advise the Contractor in writing that, in the Contracting Officer's opinion, the technical direction is within the scope of this article and does not constitute a change under the "Changes" clause.
- (f) Any unauthorized commitment or direction issued by the Project Officer may result in an unnecessary delay in the Contractor's performance and may even result in the Contractor expending funds for unallowable costs under the order.
- (g) A failure of the parties to agree upon the nature of the instruction or direction or upon the order action to be taken with respect thereto is subject to 52.233 1 Disputes.
- (h) In addition to providing technical direction as defined in paragraph (b) of the section, the Project Officer shall:
- 1) Monitor the Contractor's technical progress, including surveillance and assessment of performance, and recommend to the Contracting Officer changes in requirements.

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

#### **14. SECURITY**

- (a) Security/Classification Requirements Form. The attached NRC Form 187 (Attachment 1) furnishes the basis for providing security and classification requirements to prime Contractors, Subcontractors, or others (e.g., bidders) who have or may have an NRC contractual relationship that requires access to classified information or matter, access on a continuing basis (in excess of 30 or more days) to NRC Headquarters controlled buildings, or otherwise requires NRC photo identification or card key badges.
- (b) It is the Contractor's duty to safeguard National Security Information, Restricted Data, and Formerly Restricted Data. The Contractor shall, in accordance with the Commission's security regulations and requirements, be responsible for safeguarding National Security Information, Restricted Data, and Formerly Restricted Data, and for protecting against sabotage, espionage, loss, and theft, the classified documents and material in the Contractor's possession in connection with the performance of work under this contract. Except as otherwise expressly provided in this contract, the Contractor shall, upon completion or termination of this contract, transmit to the Commission any classified matter in the possession of the Contractor or any person under the Contractor's control in connection with performance of this contract. If retention by the Contractor of any classified matter is required after the completion or termination of the delivery order and the retention is approved by the Contracting Officer, the Contractor shall complete a certificate of possession to be furnished to the Commission specifying the classified matter to be retained. The certification must identify the items and types or categories of matter retained, the conditions governing the retention of the matter and their period of retention, if known. If the retention is approved by the Contracting Officer, the security provisions of the delivery order continue to be applicable to the matter retained.
- (c) In connection with the performance of the work under this contract, the Contractor may be furnished, or may develop or acquire, proprietary data (trade secrets) or confidential or privileged technical, business, or financial information, including Commission plans, policies, reports, financial plans, internal data protected by the Privacy Act of 1974 (Pub. L. 93 579) or other information which has not been released to the public or has been determined by the Commission to be otherwise exempt from disclosure to the public. The Contractor agrees to hold the information in confidence and not to directly or indirectly duplicate, disseminate or disclose the information in whole or in part to any other person or organization except as may be necessary to perform the work under this

contract. The Contractor agrees to return the information to the Commission or otherwise dispose of it at the direction of the Contracting Officer. Failure to comply with this clause is grounds for termination of this contract.

- (d) **Regulations.** The Contractor agrees to conform to all security regulations and requirements of the Commission which are subject to change as directed by the NRC Division of Facilities and Security and the Contracting Officer. These changes will be under the authority of the FAR Changes clause referenced in this document.
- (e) **Definition of National Security Information.** The term National Security Information, as used in this clause, means information that has been determined pursuant to Executive Order 12958 or any predecessor order to require protection against unauthorized disclosure and that is so designated.
- (f) **Definition of Restricted Data.** The term Restricted Data, as used in this clause, means all data concerning design, manufacture, or utilization of atomic weapons; the production of special nuclear material; or the use of special nuclear material in the production of energy, but does not include data declassified or removed from the Restricted Data category pursuant to Section 142 of the Atomic Energy Act of 1954, as amended.
- (g) **Definition of Formerly Restricted Data.** The term Formerly Restricted Data, as used in this clause, means all data removed from the Restricted Data category under Section 142 d of the Atomic Energy Act of 1954, as amended.
- (h) **Security Clearance Personnel.** The Contractor may not permit any individual to have access to Restricted Data, Formerly Restricted Data, or other classified information, except in accordance with the Atomic Energy Act of 1954, as amended, and the Commission's regulations or requirements applicable to the particular type or category of classified information to which access is required. The Contractor shall also execute a Standard Form 312, Classified Information Nondisclosure Agreement, when access to classified information is required.
- (i) **Criminal Liabilities.** It is understood that disclosure of National Security Information, Restricted Data, and Formerly Restricted Data relating to the work or services ordered hereunder to any person not entitled to receive it, or failure to safeguard any Restricted Data, Formerly Restricted Data, or any other classified matter that may come to the Contractor or any person under the Contractor's control in connection with work under this contract, may subject the Contractor, its agents, employees, or Subcontractors to criminal liability under the laws of the United States. (See the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq.; 18 U.S.C. 793 and 794; and Executive Order 12958.)
- (j) **Subcontracts and Purchase Orders.** Except as otherwise authorized in writing by the Contracting Officer, the Contractor shall insert provisions similar to the foregoing in all subcontracts and purchase orders under this contract.
- (k) **In performing the delivery order work, the Contractor shall classify all documents, material, and equipment originated or generated by the Contractor in accordance with**

guidance issued by the Commission. Every subcontract and purchase order issued hereunder involving the origination or generation of classified documents, material, and equipment must provide that the Subcontractor or supplier assign classification to all documents, material, and equipment in accordance with guidance furnished by the Contractor.

#### *SITE ACCESS BADGE REQUIREMENTS*

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

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

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

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

#### CONTRACTOR SECURITY REQUIREMENTS FOR LEVEL I

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

The IT Level I involves responsibility for the planning, direction, and implementation of a computer security program; major responsibility for the direction, planning, and design of a computer system, including hardware and software; or the capability to access a computer system during its operation or maintenance in such a way that could cause or that has a relatively high risk of causing grave damage; or the capability to realize a significant personal gain from computer access. Such Contractor personnel shall be subject to the NRC Contractor personnel security requirements of NRC Management

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

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

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

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

## CONTRACTOR SECURITY REQUIREMENTS FOR LEVEL II

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

The IT Level II involves responsibility for the planning, design, operation or maintenance of a computer system and all other computer or IT positions. Such Contractor personnel shall be subject to the NRC Contractor personnel requirements of MD 12.3, Part I, which

is hereby incorporated by reference and made a part of this delivery order as though fully set forth herein, and will require a favorably adjudicated Access National Agency Check with Inquiries (ANACI).

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

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

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

## CANCELLATION OR TERMINATION OF IT ACCESS/REQUEST

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

### **15. LEVEL OF EFFORT**

The Government has estimated that the total professional hours for this effort is 1,126 staff hours for Phase I, II, and III.

### **16. CONSIDERATION AND OBLIGATION**

- (a) The firm fixed price of this order for Phase I of this effort is \$27,024. The Contracting Officer may unilaterally increase this amount as necessary for task orders to be placed with the Contractor during the period of this delivery order.
- (b) The amount presently obligated with respect to this effort is \$27,024. The Contracting Officer may issue orders for work up to the amount presently obligated. This obligated amount may be unilaterally increased from time to time by the Contracting Officer by written modification to the delivery order. The obligated amount shall at no time exceed the delivery order ceiling as specified in Paragraph a above. When and if the amount(s) paid and payable equal the obligated amount, the Contractor shall not be obligated to continue performance of the work unless and until the Contracting Officer shall increase the amount obligated with respect to this contract.