

ORDER FOR SUPPLIES OR SERVICES

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

BPA NO.

1 22

1. DATE OF ORDER February 23, 2009		2. CONTRACT NO. (if any) GS-35F-01255		6. SHIP TO:	
3. ORDER NO. NRC-DR-09-09-318		4. REQUISITION/REFERENCE NO.		a. NAME OF CONSIGNEE U.S. Nuclear Regulatory Commission	
5. ISSUING OFFICE (Address correspondence to) U.S. Nuclear Regulatory Commission Div. of Contracts Attn: Sheila Bumpass Mail Stop: TWB-01-B10M Rockville, MD 20555		7. TO:		b. STREET ADDRESS Office of the Chief Financial Officer/DFM Attn: Ms. Ruth Spencer	
a. NAME OF CONTRACTOR AEGIS.NET INC		b. COMPANY NAME		c. CITY Rockville	
c. STREET ADDRESS PO Box 3897		d. STATE VA		d. STATE MD	
d. CITY Merrifield		e. STATE VA		e. ZIP CODE 20555	
9. ACCOUNTING AND APPROPRIATION DATA RPPA: CFO-09-319; B&R: 97N-15-5H1133 JC: N7364 BOC: 252A AN: 31X0200 AMOUNT: \$0.0 DUNS: 152858358		10. REQUISITIONING OFFICE CFO		f. SHIP VIA	
11. BUSINESS CLASSIFICATION (Check appropriate box(es))				12. F.O.B. POINT N/A	
<input checked="" type="checkbox"/> a. SMALL		<input type="checkbox"/> b. OTHER THAN SMALL		<input type="checkbox"/> c. DISADVANTAGED	
<input type="checkbox"/> d. WOMEN-OWNED		<input type="checkbox"/> e. HUBZone		<input type="checkbox"/> f. EMERGING SMALL BUSINESS	
<input type="checkbox"/> g. SERVICE-DISABLED VETERAN-OWNED					
13. PLACE OF		14. GOVERNMENT B/L NO.		15. DELIVER TO F.O.B. POINT ON OR BEFORE (Date)	
a. INSPECTION		b. ACCEPTANCE		16. DISCOUNT TERMS	

17. SCHEDULE (See reverse for Rejections)

ITEM NO. (a)	SUPPLIES OR SERVICES (b)	QUANTITY ORDERED (c)	UNIT (d)	UNIT PRICE (e)	AMOUNT (f)	QUANTITY ACCEPTED (g)
	<p>The contractor shall provide IV&amp;V services in accordance with the attached Statement of Work and at the rates reflected in the enclosed pricing table. Services under this BPA will be requested and funded by individual task orders.</p> <p>PERIOD OF PERFORMANCE: March 5, 2009 – March 4, 2011</p> <p>BPA Ceiling: 781,298.30</p> <p><i>[Signature]</i> 3/5/09 Contractor Acceptance Tom Lawrence, VP of Services AEGIS.NET INC.</p>					

SEE BILLING INSTRUCTIONS ON REVERSE	18. SHIPPING POINT		19. GROSS SHIPPING WEIGHT		20. INVOICE NO.		17(h) TOTAL (Cont. pages) 17(i) GRAND TOTAL
	21. MAIL INVOICE TO:						
	a. NAME Department of Interior / NBC NRCPayments@nbc.gov						
	b. STREET ADDRESS (or P.O. Box) Attn: Fiscal Services Branch - D2770 7301 W. Mansfield Avenue						
c. CITY Denver		d. STATE CO		e. ZIP CODE 80235-2230			
22. UNITED STATES OF AMERICA BY (Signature) <i>[Signature]</i>						23. NAME (Typed) Stephen M. Pool TITLE: CONTRACTING/ORDERING OFFICER	

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TEMPLATE - ADM001

SUNSI REVIEW COMPLETE

MAR 13 2009

ADM002

**STATEMENT OF WORK  
FOR  
COMPUTER INDEPENDENT VERIFICATION AND VALIDATION SERVICES**

**1.0 INTRODUCTION**

The Office of the Chief Financial Officer (OCFO) of the U.S. Nuclear Regulatory Commission (NRC) require independent verification and validation (IV&V) services for the OCFO financial management systems currently operational, systems under development, and legacy systems replacement efforts.

**2.0 BACKGROUND**

The mission of the NRC is to ensure adequate protection for the public health and safety, promote the common defense and security, and protect the environment in regulating the Nation's civilian uses of nuclear fuels and material. In this undertaking, the NRC oversees nuclear power plants, non-power reactors, nuclear fuel cycle facilities, waste disposal, and the industrial and medical uses of nuclear materials. NRC works closely with its licensees and with local, state, other federal and international organizations to achieve its goals in the event of an emergency. The NRC is required to recover a major portion of its annual budget, and in order to implement this requirement NRC assesses fees in compliance with federal law and NRC regulations.

The NRC requires the support of a contractor to perform independent verification and validation services for the OCFO financial management systems. The contractor will use relevant Office of Information Services (OIS) Management Directive (MD) 2.8, Project Management Methodology (PMM) requirements or as directed by NRC Project Officer (PO) to evaluate and support OCFO operational systems, systems under development, and legacy systems replacement efforts. These services shall include but not be limited to (1) establishing a process for requirements and design reviews, (2) supporting the project team in resolving all software-related issues, (3) evaluation and support of test planning, test validation, execution, and reporting, and (4) providing reports on specific findings and recommendations for actionable items continuously throughout the process.

**3.0 SYSTEM DESCRIPTION**

The NRC OCFO currently has eleven active financial and mixed systems. These systems consist of PC based, LAN, MainFrame, Client-Server, and cross- serviced applications. They include the Controller Resource Database System (CRDS), Advice of Allotment/Financial Plan (AAFP) System, Capitalized Property System (CPS), Commission EDO/IG Budget Tracking System (COMEDO), Office of the Controller Salary and Benefits System (OCSB), Payroll Historical Database (PHDB), Fee Systems (FEES), Cost Accounting System (CAS), Human Resources Management System, Time and Labor module, (HRMS/T&L), Federal Personnel/Payroll System (FPPS), and the Federal Financial System (FFS). The CRDS, COMEDO, OCSB, PHDB, AFP, and CPS are stand alone personal computer/server based systems and require original data entry. The NRC's core accounting system is the FFS. It is electronically interfaced with the Fee Systems, CAS, and FPPS. The HRMS/T&L module of the HRMS is electronically linked to the CAS and FPPS and thereby indirectly linked to the FFS and the Fee Systems. Exhibit 1 depicts a diagram of the NRC's current financial and mixed systems. Exhibit 2 provides a brief description of the OCFO inventory of systems.

The type of information processed in the OCFO financial management systems is primarily categorized as "sensitive unclassified" information related to the management and control of NRC programs and activities. These systems process administrative and operational data ranging from sensitive unclassified information to information that is releasable to the public.

**4.0 OBJECTIVE**

The objective of this BPA is to obtain independent and expert information technology support services for independent verification and validation (IV&V) and related activities. The IV&V services available under this BPA shall meet the

NRC's PMM requirements and life cycle phases. The phases are inception, elaboration, construction, transition, operations and maintenance, and retirement phases. For each PMM life cycle phase, IV&V and related activities shall be available that include procuring, developing/implementing, testing and maintaining information technology systems. The IV&V and related activities will support the OCFO financial systems currently operational, systems under development, and legacy systems replacement efforts. The contractor shall meet the following objectives utilizing the PMM requirements:

- (1) Provide support for the NRC Capital Planning and Investment Control process as specified in the PMM,
- (2) Perform technical reviews and advise on the technical merits of proposed solutions,
- (3) Evaluate contractor project deliverables and system and design requirements and other documents to ensure that requirements are identified and PMM templates are adhered to,
- (4) Develop and implement project performance monitoring plans to track project progress in accordance with the schedule and cost and to monitor project risks,
- (5) Review test planning to ensure that thorough analysis, design, development, testing, and reporting of all required functionality is completed,
- (6) Develop, conduct and monitor software, system, performance, load and stress testing and test reviews to ensure system and design requirements are satisfied,
- (7) Analyze, develop, test, verify, and validate system changes, test plans, test cases, and results to ensure that test results meet requirements/expectations,
- (8) Perform gap analyses and technical code reviews,
- (9) Provide reports, plans, and products on specific findings and recommendations for actionable items continuously throughout the process and as specified in the PMM.

## **5.0 SCOPE OF WORK**

The NRC is establishing IV&V and related activities for the OCFO financial management systems. Currently, the FEES system requires routine IV&V services. Core accounting system replacement efforts are underway which will encompass the existing FFS, CAS, AAFP, CPS, FEES and the HRMS/T&L systems. In addition, the OCFO has development projects underway to implement the Budget Formation System, an e-Travel system, and an upgrade to Peoplesoft version 9.0 for the HRMS/T&L system. IV&V support will be expected to ensure the successful testing and implementation of the new systems and applications.

This BPA is intended to establish a vehicle for the OCFO to perform IV&V services. Preliminarily, IV&V services are needed for quarterly and special releases of the legacy Fee Systems; review of contractor deliverables, project performance monitoring, performance testing, user acceptance testing and test reviews for the core accounting system replacement efforts; user acceptance testing, test reviews, and functional gap analysis for the BFS; user acceptance testing, test reviews, and parallel testing support for the FEES replacement effort; and performance testing for the e-Travel system. As indicated above, this BPA is intended to address the financial systems currently operational, systems under development, and legacy systems replacement efforts through the issuance of task orders. Task orders will be issued when IV&V services are required for financial systems. As the current and future IV&V needs are identified by the OCFO throughout the term of the BPA, the contractor will provide services for the operational systems, systems under development, and legacy systems replacement efforts.

NRC requires the contractor to generate an IV&V Plan and to evaluate and review the required artifacts within each project or PMM phase. A description of the MD 2.8, PMM can be found at <http://www.nrc.gov/reading-rm/doc-collections/management-directives/volumes/vol-2.html>. The contractor shall be responsible for conducting IV&V activities on the artifacts provided as defined in the PMM or as specified by the PO. A milestone is not considered complete until all applicable open issues have been resolved and all specified deliverables approved by the NRC PO. Performance requirements are provided below.

## **5.1 PERFORMANCE REQUIREMENTS**

### **5.1.1 Independent Verification and Validation Plans**

The contractor shall develop an Independent Verification and Validation (IV&V) Plan to include a proposed work schedule showing milestones, critical activities and dependencies for the completion of work. The contractor shall include any or all of the artifacts for each of the phases of the PMM or project life cycle processes. The PMM phases include Inception, Elaboration, Construction, Transition, Operations and Maintenance and Retirement. The contractor shall establish a baseline IV&V Plan prior to the start of the project task which should include their proposed IV&V methodology or approach that will be used. This should include a plan of the IV&V schedule for each IV&V artifact. The contractor shall identify the preliminary list of processes, products, and tools to be evaluated by the IV&V process in coordination with the PMM or as directed by the PO.

The contractor shall prepare a report template for each artifact requiring IV&V. The report template is to include at a minimum, an executive summary of no more than 5 pages summarizing the results and conclusion of the review. The report template shall also include the detailed IV&V activities, tasks and results, including status and disposition of anomalies and risks. The following preliminary list of deliverables shall result from completion of this phase:

- 1) Independent Verification and Validation Plan (Including appendices for the artifacts specified in the PMM or by the PO)
- 2) Draft Report Template
- 3) Final Report Template
- 4) Biweekly Progress Report
- 5) Monthly Financial Status Report

### **5.1.2 IV&V for Each Artifact**

The contractor shall review and evaluate the system and design requirements to ensure the correctness, accuracy and completeness of the requirements against the program needs. This should include but not be limited to evaluation of the change requests, requirements management plan, use case model, use case specifications, supplemental requirements, to-be model and system requirements specifications. The contractor shall analyze the required documents and evaluate for correctness, consistency, completeness, accuracy, readability, and testability. Further, the contractor shall verify and validate that the test plan conforms to the project/program requirements to ensure test coverage of the system requirements, appropriateness of the test methods and standards used, validity of test results, feasibility system testing including operations and maintenance requirements.

The following list of deliverables shall result from completion of this phase:

- 1) Draft IV&V Report for Each Artifact Provided
- 2) Final IV&V Report for Each Artifact Provided

### **5.1.3 508 Compliance**

The Industry Partner shall support the Government in its compliance with Section 508, throughout the development and implementation of the work to be performed. Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d) requires that when Federal agencies develop, procure, maintain, or use electronic information technology, Federal employees with disabilities have access to and use of information and data that is comparable to the access and use by Federal employees who do not have disabilities, unless an undue burden would be imposed on the agency. Section 508 also requires that individuals with disabilities, who are members of the public seeking information or services from a Federal agency, have access to and use of information and data that is comparable to that provided to the public who are not individuals with disabilities, unless an undue burden would be imposed on the agency.

The Industry Partner should review the following websites for additional information:

<http://www.section508.gov/index.cfm?FuseAction=Content&ID=12>

<http://www.access-board.gov/508.htm>

<http://www.w3.org/WAI/Resources>

## 5.2 DELIVERABLES

This BPA includes the following deliverables for the independent support, requirements review and evaluation, and testing validation phases.

Independent Verification and Validation Plan. The IV&V plan shall include a proposed work schedule showing milestones, critical activities and dependencies for the completion of work (including appendices for the artifacts specified in the PMM or by the PO).

Draft Report Template

Final Report Template

Draft IV&V Report for Each Artifact Provided

Final IV&V Report for Each Artifact Provided

### 5.2.1 Format Instructions

The contractor shall compile the documents using Microsoft Office Word or as otherwise specified by the NRC. The contractor shall deliver the **draft** documents in electronic format via email or on 3.5" floppy diskette or CD-ROM. Deliverables are due within the time frames outlined below. The contractor shall deliver the **final** documents in electronic format via email or on 3.5" floppy diskette or CD-ROM. They shall also provide three (3) printed copies of the final deliverable. All draft and final deliverables are due at the time frames outlined below.

### 5.2.2 Acceptance Criteria

The contractor shall prepare a final IV&V report to include, at a minimum, scope of work, methodology, findings, traceability matrix and recommendations. The report deliverable should provide sufficient detail to ensure completeness, consistency, correctness, and accuracy of the work performed. All deliverable products shall be grammatically correct according to industry standard rules and contain correct spelling. All technical and financial terms shall be clearly defined to be understood by all readers. All final deliverable products will be approved in writing by the PO or a designated representative.

### 5.2.3 Review of the Deliverables

The NRC shall have ten (10) work days to review draft deliverables. The NRC shall make changes electronically to all **draft** documents. If changes are required, the contractor shall be notified and shall have five (5) work days to make appropriate revisions and provide final deliverables. All deliverable products shall be grammatically correct according to industry standard rules and contain correct spelling. All technical and financial terms shall be clearly defined to be understood by all readers. All final deliverable products will be approved in writing by the PO or a designated representative.

### 5.2.4 Schedule of Deliverables

The schedule will be provided by task order.

## 6.0 MEETINGS AND ADMINISTRATION

### 6.1 Kick-Off Meeting

The contractor shall participate in a kick-off meeting no later than five (5) business days after award to introduce the NRC PO, the Task Manager, and other NRC representatives. The purpose of the meeting is to review and discuss the OCFO's

goals for the project and to establish contractor/NRC communication and report framework for the project. Further, discussion shall include the PMM phases and corresponding deliverables as identified in Section 5, Scope of Work. Internal NRC documents will be coordinated during this meeting.

## 6.2 Place of Work

Work for this BPA shall be performed primarily at the Contractor's site, using e-mail, telephone, conference calls, and similar means to accomplish routine contacts with NRC staff. On occasion, the work will require the Contractor's staff to be on-site at NRC headquarters, 11545 Rockville Pike, Rockville, Maryland. This would include the periods of time when Contractor staff is gathering information, reviewing documentation, reviewing hardcopy reports, performing required testing, or when access to a particular information technology system is necessary. For those requirements, NRC will provide access to the staff and information technology systems necessary to complete the work. The Contractor shall inform the PO in advance when such requirements are going to occur. All work conducted on NRC premises shall be accomplished during the normal NRC business week, which is 8:00 a.m. to 5:00 p.m., Monday through Friday, exclusive of federal holidays. Requests for access to the NRC buildings outside a normal Government workweek shall be coordinated in advance through the PO. The contractor shall submit requests for such access in writing. Requests shall include the names of contractor personnel, the reason for access, and the dates and hours during which access is desired.

## 6.3 Status Reports

The contractor shall provide a biweekly Status Report to the Contracting Officer (CO) and the PO. The report is due within 15 calendar days after the end of the report period and must identify the title of the project, the BPA/task order number, delivery order number, appropriate financial tracking code specified by the NRC PO or Task Manager, the BPA/task order period of performance, and the period covered by the report. Each report must include the following for the BPA:

- A listing of the efforts completed during the period, and milestones reached or, if missed, an explanation provided;
- Any problems or delays encountered or anticipated and recommendations for resolution. If the recommended resolution involves a BPA/task order modification, e.g., change in work requirements, level of effort (cost) or schedule delay, the contractor shall submit a separate letter to the CO identifying the required change and estimated cost impact;
- A listing by task order by labor category of hours expended for each consultant during the status period and cumulative hours expended by task order; and
- A summary of progress to date; and
- Plans for the next reporting period.

### Financial Status Report

The Contractor shall provide a monthly Financial Status Report (FSR) to the CO and PO. The report is due within 15 calendar days after the end of the report period and must identify the title of the project, the BPA/task order number, the appropriate financial tracking code (e.g., Job Code Number or JCN) specified by the NRC PO, the BPA/task order period of performance, and the period covered by the report. Each report shall include the following information for each discrete task:

- (a) Total estimated BPA/task order amount.
- (b) Total funds obligated to date.
- (c) Total costs incurred this reporting period.
- (d) Total costs incurred to date.

- (e) Detail of all direct and indirect costs incurred during the reporting period for the entire BPA/task order or each task.
- (f) Balance of obligations remaining.
- (g) Balance of funds required to complete the BPA/task order.

#### **6.4 Government Furnished Information**

When awarded, to facilitate the work to be performed under this BPA the NRC will, upon request, provide the contractor with any and all materials documenting current application systems, processes, requirements and access to Government personnel as required. Such documentation may include Users Guides, As-Built Guides, among others.

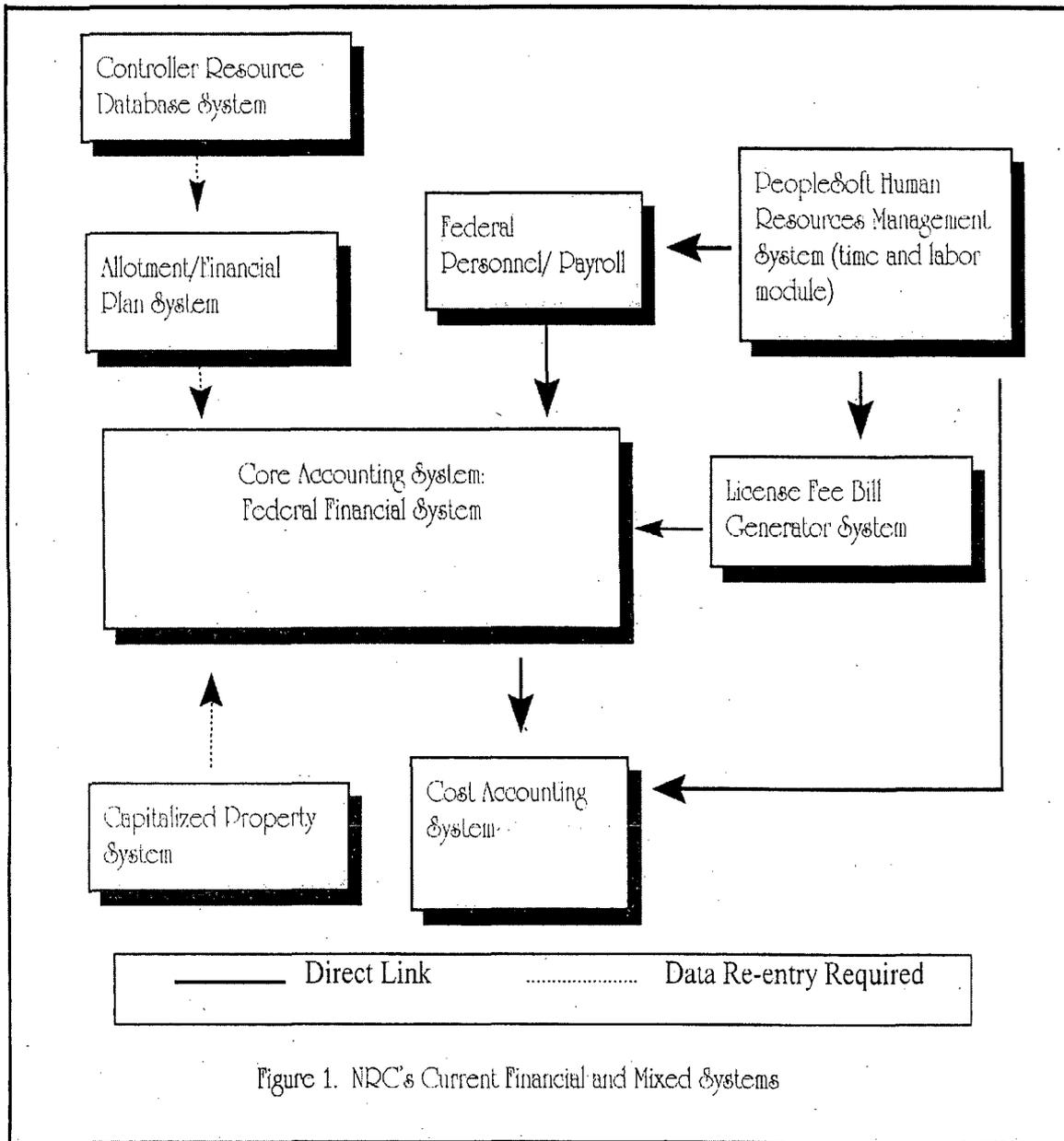
#### **6.5 Period of Performance**

The period of performance for this blanket purchase agreement is two years from date of award:  
March 5, 2009 – March 4, 2011

#### **6.6 Proprietary Information**

All information and documents made available to the contractor during the course of this agreement are deemed for official use only.

**Exhibit 1: NRC's Current Financial and Mixed Systems**



## **Exhibit 2: Inventory of Systems**

### **Controller Resource Database System**

The Controller Resource Database System is a personal computer/server based system which uses Microsoft Access 2.0 software. It is a budget formulation financial system that is not linked to other financial systems. This system requires data entry.

### **Allotment/Financial Plan System**

The Allotment/Financial Plan System is a personal computer/server based system which uses WordPerfect 8 and Lotus 1-2-3 software applications. It performs the following major functions: issuing the formal documents to authorize funds available to each allowance holder and, producing a report of the status of funding for allowance holders. This system requires data entry.

### **Capitalized Property System**

The Capitalized Property System is a personal computer based system which uses Lotus 1-2-3 software. The system allows for effective reconciliation of the detailed property subsidiary ledger with the core accounting system general ledger. Information entered into the system is manually compiled from multiple sources, summarized by the system, and then entered into the core accounting system. This system requires data entry.

### **Commission EDO/IG Budget Tracking System**

The Commission EDO/IG Budget Tracking System is a personal computer/server based system which uses Clipper 5.2 software. The system performs budget tracking used by the OCFO to track salaries, program support, travel, awards, and change-of-station.

### **Office of the Controller Salary and Benefits System**

The Controller Salary and Benefits System is a personal computer/server based system which uses Quattro Pro, Visual Basic and Microsoft Excel. The system performs budget execution and formulation functions to track Agency salaries and benefits.

### **Payroll Historical Database**

The Payroll Historical Database is a personal computer/server based system which uses Cognos Impromptu 6.0 software. The system maintains historical payroll and time and attendance data for the period from November 1998 to November 2001.

### **Fee Systems (Fees)**

Fees are a collection of applications consisting of several interfaced systems which are mainframe and personal computer/server based. The systems process information pertaining to fees for services and annual fees, accumulate billing and address-related information, and generate invoices and management reports. Data enters the system through electronic interfaces with other systems. The Core Accounting System is updated electronically by the Fee Systems. Below are descriptions of the applications that compose the Fee Systems.

#### **Facilities Annuals System**

This application provides billings that are based on pre-determined annual fees as published yearly in the Code of Federal Regulations Federal Register. Licensees are billed on annual basis for fees under \$100,000 and on a quarterly basis if fees are in excess of \$100,000. Billings vary according to the type of license. The billings are

manually processed and invoices generated using Microsoft's Access 97. This system stands alone and billing transactions are manually input in the Federal Financial System.

#### **License Fee Reports System**

This application is the data repository that resides on the NIH mainframe. It is written in COBOL and QMF and utilizes IBM's DB2 relational database. Part 170 data is gathered from numerous mainframe and client/server systems owned by other offices such as time and labor, inspection, contract cost, docket and technical assistance control data. It also provides source data to the billing systems.

#### **Material Annual Fee System and PC/Material Annual Fee System (PC/MATANN)**

This application also resides on the NIH mainframe. It was developed in the COBOL programming language and utilizes a DB2 database. It provides the capability of direct maintenance of Part 171 billing and address type data that is extracted from several systems owned by other offices. Quarterly and annual invoices for the material license fees are generated. Source data is downloaded to the PC/MATANN application which was developed using the Clipper programming language. It uses dBase tables and resides on the NRC LAN.

#### **Material Licensing Database and Tracking System (MATSYS)**

This multi-user application is written in the Clipper programming language and uses dBase tables. It is used to generate fee billings for small materials and fuel facility license inspections. This invoice data is manually input into MATSYS and the Federal Financial System.

#### **Fees License Billing System**

This multi-user application is written in the Clipper programming language and uses dBase tables. It includes reactor full cost licensing and fuel actions. It is used to generate fee billings for fuel cycle facility licensing actions, power reactor licensing actions, topical reports, and operator examinations. These invoices reflect the staff hours and contact costs expended on a task-by-task basis.

#### **Facilities Inspection Fees System**

This multi-user application is written in the Clipper programming language and uses dBase tables. It is used to generate fee billings for reactor inspections. These invoices reflect the staff hours, contract costs, and site resident inspector hours expended on a task-by-task basis.

#### **Material Revenue System**

This multi-user application is written in the Clipper programming language and uses dBase tables. It is used to record CFR Part 170 new application payments.

#### **Fees File Transfer Process**

This multi-user application is written in the Clipper and Delphi programming languages. It is used to transfer PC-generated billing, address and collection data transactions to the Federal Financial System.

#### **Cost Accounting System**

The Cost Accounting System is a personal computer/server based system. The Cost Accounting System supports the preparation of the Statement of Net Cost, and provides agency managers with reports that reflect the full cost of Agency programs at various levels through the automated allocation and ability to assign full costs at lower operational levels. The Cost Accounting System is electronically interfaced with both the time and labor module of the PeopleSoft Human Resources Management System and the core accounting system, FFS.

#### **PeopleSoft Human Resource Management System (time and labor module)**

The PeopleSoft Human Resources Management System (HRMS) was implemented in November 2001, it is a personal computer/server based system. In November 2003, NRC discontinued the use of the payroll and human resources modules of HRMS when these functions were moved to the FPPS. The NRC continues to use the time and labor module

of this system which serves as the single input vehicle for time and labor data by each NRC employee. The data collected through this system is electronically interfaced with the FPPS for payroll and the Cost Accounting System for assigning costs and indirectly linked to the Fee Systems to provide information on staff billable hours to bill licenses.

### **Federal Personnel/Payroll System (FPPS)**

NRC's human resource and payroll transactions are processed in FPPS. FPPS is a new system added to NRC's inventory for FY 2004 and was implemented in November 2003 as part of the President's Management Agenda's e-government initiative. This mainframe based system is provided through a cross-service arrangement with the National Business Center, Department of the Interior. FPPS is electronically interfaced with the time and labor module of HRMS to obtain time and attendance data input with data output directed to FFS to record payroll transactions in the general ledger.

### **Federal Financial System (FFS)**

The NRC's core accounting system, FFS, is provided through a cross-service arrangement with the National Business Center (NBC), Department of the Interior. FFS is mainframe based and complies with Federal systems standards for core financial systems. FFS is the central repository for all official financial transactions, data and reporting of the NRC. FFS provides applications for budget execution, standard general ledger, accounts payable, accounts receivable, collections, travel, commercial and employee payments. Some of the entry to these applications is direct while some is supplied through electronic interfaces with external systems. It is directly interfaced with the FPPS, Cost Accounting System, and Fee Systems. It is indirectly linked with the time and labor module of HRMS through FPPS. Data is re-entered from the Allotment/Financial Plan System and Capitalized Property System. The FFS generates routine daily, monthly and annual reports for maintaining the system, funds management, reconciliation, etc. All FFS reports are provided electronically, directly to user's desktops, via the Document Direct subsystem also provided by the NBC.

### **Financial Accounting and Integrated Management Information System (FAIMIS)**

NRC is in the process of replacing its current core financial system. The replacement application has been named the FAIMIS and is targeted to replace five current systems: FFS, License Fee Billing System (Fee Systems), the Allowance/Allotment and Financial Plan (AFPS), the Capitalized Property System (CPS) and the Cost Accounting System (CAS). FAIMIS is scheduled to "go live" in October 2010.

### **The Budget Formulation System (BFS)**

BFS is a web-based application that supports the formulation, development, operation, and maintenance of the agency's budget formulation activities and uses the browser-based application Hyperion Planning. BFS consists of 2 database servers, 2 application servers, and client workstations.

**SECTION A**

**A.1 General**

- (a) The contractor shall provide independent verification and validation (IV&V) services for the OCFO financial management systems for the Nuclear Regulatory Commission located in Rockville, Maryland.
- (b) The BPA will be awarded for a two year term for the labor hour rates shown in the table below.
- (c) Services under this BPA will be requested by the issuance of task orders in accordance with the procedures indicated below.

**A.2 Pricing**

- (a) All unit prices are fixed unit hourly prices that include all costs (including, but not limited to: labor, fringe benefits, overhead, G&A, and profit) necessary to provide the services required in the solicitation.
- (b) The line items indicated below are line items that may be ordered throughout the duration of the BPA.

**Year One - February 23, 2009 – February 22, 2010**

ITEM	LABOR CATEGORY	UNIT	UNIT PRICE	ESTIMATED HOURS
0001	IV & V Functional Expert	HR	[REDACTED]	[REDACTED]
0002	IT Subject Matter Specialist (IV&V Technical Specialist)	HR	[REDACTED]	[REDACTED]

**Year Two - February 23, 2010 – February 22, 2011**

ITEM	LABOR CATEGORY	UNIT	UNIT PRICE	ESTIMATED HOURS
0001	IV & V Functional Expert	HR	[REDACTED]	[REDACTED]
0002	IT Subject Matter Specialist (IV&V Technical Specialist)	HR	[REDACTED]	[REDACTED]

**Total BPA Ceiling: \$781,298.30**

**SECTION B  
Clauses and Provisions**

**B.1 Task Order Ordering Procedures**

- a. The orders issued for performance under this BPA will be Labor Hour Task Orders, with fixed hourly rates.
- b. The BPA holder shall furnish all the necessary qualified personnel, materials, facilities and management resources to furnish the services set forth in the Task Order Statement of Work within the terms specified and at the labor rates in effect at the time the work is performed.
- c. It is understood and agreed that the BPA holder shall use in the performance of the Task Order, the labor categories and hours specified in each order.
- d. The labor categories and hours specified in each order represent the current best estimate of the services to be performed. To enhance flexibility and to allow the BPA holder to determine the optimum labor mix for the order the BPA holder may without notice to the Government, increase or decrease the number of hours for each category specified in the individual order by no more than 10%. These adjustments are allowable only to the extent that the ceiling price and the

total number of hours of the labor CLIN(s) are not exceeded. The BPA holder will not be paid more than the ceiling price of any individual order.

e. In the event the BPA holder expends fewer hours than set forth in the individual order, the total order shall be adjusted to reflect the actual number of hours expended and the final order price. In no case will the final price exceed the ceiling price of the order.

f. Notwithstanding any other provision, the BPA holder shall maintain sufficient accounting records for verification of the hours and categories of labor incurred in the performance of each order. It is further understood and agreed that the accounting records shall be available for Government review during the performance of the contract and until three years after final payment under the contract. In the event subcontract labor is included in the labor effort contained in paragraph (c) above, the foregoing records provisions shall be included in all applicable subcontracts.

g. Payment procedures will be stated with each individual task order and will be in accordance with FAR 52.232-7 entitled "Payments under Time-and-Materials and Labor-Hour Contracts."

## **B.2 OBLIGATION OF FUNDS**

This BPA does not obligate any funds. The Government is obligated only to the extent of authorized task orders actually issued under the BPA by the Contracting Officer.

## **B.3 2052.204.70 SECURITY (MAR 2004)**

(a) Contract Security and/or Classification Requirements (NRC Form 187). The policies, procedures, and criteria of the NRC Security Program, NRC Management Directive (MD) 12 (including MD 12.1, "NRC Facility Security Program;" MD 12.2, "NRC Classified Information Security Program;" MD 12.3, "NRC Personnel Security Program;" MD 12.4, "NRC Telecommunications Systems Security Program;" MD 12.5, "NRC Automated Information Systems Security Program;" and MD 12.6, "NRC Sensitive Unclassified Information Security Program"), apply to performance of this contract, subcontract or other activity. This MD is incorporated into this contract by reference as though fully set forth herein. The attached NRC Form 187 (See List of Attachments) furnishes the basis for providing security and classification requirements to prime contractors, subcontractors, or others (e.g., bidders) who have or may have an NRC contractual relationship that requires access to classified Restricted Data or National Security Information or matter, access to sensitive unclassified information (e.g., Safeguards), access to sensitive Information Technology (IT) systems or data, unescorted access to NRC controlled buildings/space, or unescorted access to protected and vital areas of nuclear power plants.

(b) It is the contractor's duty to protect National Security Information, Restricted Data, and Formerly Restricted Data. The contractor shall, in accordance with the Commission's security regulations and requirements, be responsible for protecting National Security Information, Restricted Data, and Formerly Restricted Data, and for protecting against sabotage, espionage, loss, and theft, the classified documents and material in the contractor's possession in connection with the performance of work under this contract. Except as otherwise expressly provided in this contract, the contractor shall, upon completion or termination of this contract, transmit to the Commission any classified matter in the possession of the contractor or any person under the contractor's control in connection with performance of this contract. If retention by the contractor of any classified matter is required after the completion or termination of the contract and the retention is approved by the contracting officer, the contractor shall complete a certificate of possession to be furnished to the Commission specifying the classified matter to be retained. The certification must identify the items and types or categories of matter retained, the conditions governing the retention of the matter and their period of retention, if known. If the retention is approved by the contracting officer, the security provisions of the contract continue to be applicable to the matter retained.

(c) In connection with the performance of the work under this contract, the contractor may be furnished, or may develop or acquire, safeguards information, 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 shall ensure that information protected from public disclosure is maintained as required by NRC regulations and policies, as cited in this contract or as otherwise provided by the NRC. The contractor will not directly or indirectly duplicate, disseminate, or disclose the information in whole or in part to any other person or organization except as may be necessary to perform the work under this contract. The contractor agrees to return the information to the Commission or otherwise dispose of it at the direction of the contracting officer. Failure to comply with this clause is grounds for termination of this contract.

(d) Regulations. The contractor agrees to conform to all security regulations and requirements of the Commission which are subject to change as directed by the NRC Division of Facilities and Security (DFS) and the Contracting Officer. These changes will be under the authority of the FAR Changes clause referenced in this document.

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

(e) Definition of National Security Information. The term National Security Information, as used in this clause, means information that has been determined pursuant to Executive Order 12958 or any predecessor order to require protection against unauthorized disclosure and that is so designated.

(f) Definition of Restricted Data. The term Restricted Data, as used in this clause, means all data concerning design, manufacture, or utilization of atomic weapons; the production of special nuclear material; or the use of special nuclear material in the production of energy, but does not include data declassified or removed from the Restricted Data category pursuant to Section 142 of the Atomic Energy Act of 1954, as amended.

(g) Definition of Formerly Restricted Data. The term Formerly Restricted Data, as used in this clause, means all data removed from the Restricted Data category under Section 142-d of the Atomic Energy Act of 1954, as amended.

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

(i) Security Clearance. The contractor may not permit any individual to have access to Restricted Data, Formerly Restricted Data, or other classified information, except in accordance with the Atomic Energy Act of 1954, as amended, and the Commission's regulations or requirements applicable to the particular type or category of classified information to which access is required. The contractor shall also execute a Standard Form 312, Classified Information Nondisclosure Agreement, when access to classified information is required.

(j) Criminal Liabilities. It is understood that disclosure of National Security Information, Restricted Data, and Formerly Restricted Data relating to the work or services ordered hereunder to any person not entitled to receive it, or failure to safeguard any Restricted Data, Formerly Restricted Data, or any other classified matter that may come to the contractor or any person under the contractor's control in connection with work under this contract, may subject the contractor, its agents, employees, or subcontractors to criminal liability under the laws of the United States. (See the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq.; 18 U.S.C. 793 and 794; and Executive Order 12958.)

(k) Subcontracts and Purchase Orders. Except as otherwise authorized in writing by the contracting officer, the contractor shall insert provisions similar to the foregoing in all subcontracts and purchase orders under this contract.

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

#### **B.4 2052.204-71 BADGE REQUIREMENTS FOR UNESCORTED BUILDING ACCESS TO NRC FACILITIES (MAR 2006)**

During the life of this contract, the rights of ingress and egress for contractor personnel must be made available, as required, provided that the individual has been approved for unescorted access after a favorable adjudication from the Security Branch, Division of Facilities and Security (SB/DFS).

In this regard, all contractor personnel whose duties under this contract require their presence on site shall be clearly identifiable by a distinctive badge furnished by the NRC. The Project Officer shall assist the contractor in obtaining badges for the contractor personnel. All contractor personnel must present two forms of Identity Source Documents (I-9). One of the documents must be a valid picture ID issued by a state or by the Federal Government. Original I-9 documents must be presented in person for certification. A list of acceptable documents can be found at [http://www.usdoj.gov/crt/recruit\\_employ/i9form.pdf](http://www.usdoj.gov/crt/recruit_employ/i9form.pdf). It is the sole responsibility of the contractor to ensure that each employee has a proper NRC-issued identification/badge at all times. All photo-identification badges must be immediately (no later than three days) delivered to SB/DFS for cancellation or disposition upon the termination of employment of any contractor personnel. Contractor personnel must display any NRC issued badge in clear view at all times during on site performance under this contract. It is the contractor's duty to assure that contractor personnel enter only those work areas necessary for performance of contract work, and to assure the protection of any Government records or data that contractor personnel may come into contact with.

#### **B.5 2052.209-72 CONTRACTOR ORGANIZATIONAL CONFLICTS OF INTEREST (JAN 1993)**

(a) Purpose. The primary purpose of this clause is to aid in ensuring that the contractor:

(1) Is not placed in a conflicting role because of current or planned interests (financial, contractual, organizational, or otherwise) which relate to the work under this contract; and

(2) Does not obtain an unfair competitive advantage over other parties by virtue of its performance of this contract.

(b) Scope. The restrictions described apply to performance or participation by the contractor, as defined in 48 CFR 2009.570-2 in the activities covered by this clause.

(c) Work for others.

(1) Notwithstanding any other provision of this contract, during the term of this contract, the contractor agrees to forego entering into consulting or other contractual arrangements with any firm or organization the result of which may give rise to a conflict of interest with respect to the work being performed under this contract. The contractor shall ensure that all employees under this contract abide by the provision of this clause. If the contractor has reason to believe, with respect to itself or any employee, that any proposed consultant or other contractual arrangement with any firm or organization may involve a potential conflict of interest, the contractor shall obtain the written approval of the contracting officer before the execution of such contractual arrangement.

(2) The contractor may not represent, assist, or otherwise support an NRC licensee or applicant undergoing an NRC audit, inspection, or review where the activities that are the subject of the audit, inspection, or review are the same as or substantially similar to the services within the scope of this contract (or task order as appropriate) except where the NRC licensee or applicant requires the contractor's support to explain or defend the contractor's prior work for the utility or other entity which NRC questions.

(3) When the contractor performs work for the NRC under this contract at any NRC licensee or applicant site, the contractor shall neither solicit nor perform work in the same or similar technical area for that licensee or applicant organization for a period commencing with the award of the task order or beginning of work on the site (if not a task order

contract) and ending one year after completion of all work under the associated task order, or last time at the site (if not a task order contract).

(4) When the contractor performs work for the NRC under this contract at any NRC licensee or applicant site,

(i) The contractor may not solicit work at that site for that licensee or applicant during the period of performance of the task order or the contract, as appropriate.

(ii) The contractor may not perform work at that site for that licensee or applicant during the period of performance of the task order or the contract, as appropriate, and for one year thereafter.

(iii) Notwithstanding the foregoing, the contracting officer may authorize the contractor to solicit or perform this type of work (except work in the same or similar technical area) if the contracting officer determines that the situation will not pose a potential for technical bias or unfair competitive advantage.

(d) Disclosure after award.

(1) The contractor warrants that to the best of its knowledge and belief, and except as otherwise set forth in this contract, that it does not have any organizational conflicts of interest as defined in 48 CFR 2009.570-2.

(2) The contractor agrees that if, after award, it discovers organizational conflicts of interest with respect to this contract, it shall make an immediate and full disclosure in writing to the contracting officer. This statement must include a description of the action which the contractor has taken or proposes to take to avoid or mitigate such conflicts. The NRC may, however, terminate the contract if termination is in the best interest of the Government.

(3) It is recognized that the scope of work of a task-order-type contract necessarily encompasses a broad spectrum of activities. Consequently, if this is a task-order-type contract, the contractor agrees that it will disclose all proposed new work involving NRC licensees or applicants which comes within the scope of work of the underlying contract. Further, if this contract involves work at a licensee or applicant site, the contractor agrees to exercise diligence to discover and disclose any new work at that licensee or applicant site. This disclosure must be made before the submission of a bid or proposal to the utility or other regulated entity and must be received by the NRC at least 15 days before the proposed award date in any event, unless a written justification demonstrating urgency and due diligence to discover and disclose is provided by the contractor and approved by the contracting officer. The disclosure must include the statement of work, the dollar value of the proposed contract, and any other documents that are needed to fully describe the proposed work for the regulated utility or other regulated entity. NRC may deny approval of the disclosed work only when the NRC has issued a task order which includes the technical area and, if site-specific, the site, or has plans to issue a task order which includes the technical area and, if site-specific, the site, or when the work violates paragraphs (c)(2), (c)(3) or (c)(4) of this section.

(e) Access to and use of information.

(1) If in the performance of this contract, the contractor obtains access to information, such as NRC plans, policies, reports, studies, financial plans, internal data protected by the Privacy Act of 1974 (5 U.S.C. Section 552a (1988)), or the Freedom of Information Act (5 U.S.C. Section 552 (1986)), the contractor agrees not to:

(i) Use this information for any private purpose until the information has been released to the public;

(ii) Compete for work for the Commission based on the information for a period of six months after either the completion of this contract or the release of the information to the public, whichever is first;

(iii) Submit an unsolicited proposal to the Government based on the information until one year after the release of the information to the public; or

(iv) Release the information without prior written approval by the contracting officer unless the information has previously been released to the public by the NRC.

(2) In addition, the contractor agrees that, to the extent it receives or is given access to proprietary data, data protected by the Privacy Act of 1974 (5 U.S.C. Section 552a (1988)), or the Freedom of Information Act (5 U.S.C. Section 552 (1986)), or other confidential or privileged technical, business, or financial information under this contract, the contractor shall treat the information in accordance with restrictions placed on use of the information.

(3) Subject to patent and security provisions of this contract, the contractor shall have the right to use technical data it produces under this contract for private purposes provided that all requirements of this contract have been met.

(f) Subcontracts. Except as provided in 48 CFR 2009.570-2, the contractor shall include this clause, including this paragraph, in subcontracts of any tier. The terms contract, contractor, and contracting officer, must be appropriately modified to preserve the Government's rights.

(g) Remedies. For breach of any of the above restrictions, or for intentional nondisclosure or misrepresentation of any relevant interest required to be disclosed concerning this contract or for such erroneous representations that necessarily imply bad faith, the Government may terminate the contract for default, disqualify the contractor from subsequent contractual efforts, and pursue other remedies permitted by law or this contract.

(h) Waiver. A request for waiver under this clause must be directed in writing to the contracting officer in accordance with the procedures outlined in 48 CFR 2009.570-9.

(i) Follow-on effort. The contractor shall be ineligible to participate in NRC contracts, subcontracts, or proposals therefore (solicited or unsolicited), which stem directly from the contractor's performance of work under this contract. Furthermore, unless so directed in writing by the contracting officer, the contractor may not perform any technical consulting or management support services work or evaluation activities under this contract on any of its products or services or the products or services of another firm if the contractor has been substantially involved in the development or marketing of the products or services.

(1) If the contractor, under this contract, prepares a complete or essentially complete statement of work or specifications, the contractor is not eligible to perform or participate in the initial contractual effort which is based on the statement of work or specifications. The contractor may not incorporate its products or services in the statement of work or specifications unless so directed in writing by the contracting officer, in which case the restrictions in this paragraph do not apply.

(2) Nothing in this paragraph precludes the contractor from offering or selling its standard commercial items to the Government.

## **B.6 NRC INFORMATION TECHNOLOGY SECURITY TRAINING (AUG 2003)**

NRC contractors shall ensure that their employees, consultants, and subcontractors with access to the agency's information technology (IT) equipment and/or IT services complete NRC's online initial and refresher IT security training requirements to ensure that their knowledge of IT threats, vulnerabilities, and associated countermeasures remains current. Both the initial and refresher IT security training courses generally last an hour or less and can be taken during the employee's regularly scheduled work day.

Contractor employees, consultants, and subcontractors shall complete the NRC's online, Computer Security Awareness course on the same day that they receive access to the agency's IT equipment and/or services, as their first action using the equipment/service. For those contractor employees, consultants, and subcontractors who are already working under this contract, the on-line training must be completed in accordance with agency Network Announcements issued throughout the year 2003 within three weeks of issuance of this modification.

Contractor employees, consultants, and subcontractors who have been granted access to NRC information technology equipment and/or IT services must continue to take IT security refresher training offered online by the NRC throughout the term of the contract. Contractor employees will receive notice of NRC's online IT security refresher training requirements through agency-wide notices.

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

#### **B.7 APPROPRIATE USE OF GOVERNMENT FURNISHED INFORMATION TECHNOLOGY (IT) EQUIPMENT AND/ OR IT SERVICES/ ACCESS (MARCH 2002)**

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

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

#### **B.8 SECURITY REQUIREMENTS FOR INFORMATION TECHNOLOGY LEVEL I OR LEVEL II ACCESS APPROVAL (July 2007)**

The proposer/contractor must identify all individuals and propose the level of Information Technology (IT) approval for each, using the following guidance. The NRC sponsoring office shall make the final determination of the level, if any, of IT approval required for all individuals working under this contract. The Government shall have and exercise full and complete control and discretion over granting, denying, withholding, or terminating IT access approvals for individuals performing work under this contract.

The contractor shall conduct a preliminary security interview or review for each IT level I or II access approval contractor applicant and submit to the Government only the names of candidates that have a reasonable probability of obtaining the level of IT security access for which the candidate has been proposed. The contractor will pre-screen its applicants for the following:

- (a) felony arrest in the last seven years;
- (b) alcohol related arrest within the last five years;
- (c) record of any military courts-martial convictions in the past ten years;
- (d) illegal use of narcotics or other controlled substances possession in the past year, or illegal purchase, production, transfer, or distribution of narcotics or other controlled substances in the last seven years;
- (e) delinquency on any federal debts or bankruptcy in the last seven years.

The contractor shall make a written record of its pre-screening interview or review (including any information to mitigate the responses to items listed in (a) - (e)), and have the applicant verify the pre-screening record or review, sign and date it. Two copies of the signed contractor's pre-screening record or review will be supplied to FSB/DFS with the contractor employee's completed building access application package.

The contractor shall further ensure that its employees, any subcontractor employees and consultants complete all IT access security applications required by this clause within ten business days of notification by FSB/DFS of initiation of the application process. Timely receipt of properly completed records of the pre-screening record and IT access security applications (submitted for candidates that have a reasonable probability of obtaining the level of security assurance necessary for access to NRC's facilities) is a contract requirement. Failure of the contractor to comply with this contract administration requirement may be a basis to cancel the award, or terminate the contract for default, or offset from the contract's invoiced cost or price the NRC's incurred costs or delays as a result of inadequate pre-screening by the contractor. In the event of cancellation or termination, the NRC may select another firm for contract award.

### **SECURITY REQUIREMENTS FOR IT LEVEL I**

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

A contractor employee shall not have access to sensitive information technology systems or data until he/she is approved by FSB/DFS. Temporary IT access may be approved based on a favorable review or adjudication of their security forms and checks. Final IT access may be approved based on a favorable review or adjudication. However, temporary access authorization approval will be revoked and the employee may subsequently be denied IT access in the event the employee's investigation cannot be favorably adjudicated. Such an employee will not be authorized to work under any NRC contract requiring IT access without the approval of FSB/DFS. Where temporary access authorization has been revoked or denied, the contractor is responsible for assigning another individual to perform the necessary work under this contract without delay to the contract's performance schedule, or without adverse impact to any other terms or conditions of the contract. When an individual receives final IT access, the individual will be subject to a reinvestigation every ten years.

The contractor shall submit a completed security forms packet, including the *OPM Standard Form (SF) 86 (Questionnaire for National Security Positions)*, two copies of the contractor's signed pre-screening record and two FD-258 fingerprint charts, through the PO to FSB/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. Based on FSB/DFS review of the contractor 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.

In accordance with NRCAR 2052.204-70 "Security," IT Level I contractors shall be subject to the attached NRC Form 187 and SF- 86 which furnishes the basis for providing security requirements to prime contractors, subcontractors or others (e.g., bidders) who have or may have an NRC contractual relationship which requires access to or operation of agency sensitive information technology systems or remote development and/or analysis of sensitive information technology systems or data or other access to such systems and data; access on a continuing basis (in excess more than 30 calendar days) to NRC buildings; or otherwise requires issuance of an unescorted NRC badge.

### **SECURITY REQUIREMENTS FOR IT LEVEL II**

Performance under this contract will involve contractor personnel that develop and/or analyze sensitive information technology systems or data or otherwise have access to such systems or 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.

A contractor employee shall not have access to sensitive information technology systems or data until he/she is approved by FSB/DFS. Temporary access may be approved based on a favorable review of their security forms and checks. Final IT access may be approved based on a favorable adjudication. However, temporary access authorization approval will be revoked and the employee may subsequently be denied IT access in the event the employee's investigation cannot be favorably adjudicated. Such an employee will not be authorized to work under any NRC contract requiring IT access without the approval of FSB/DFS. Where temporary access authorization has been revoked or denied, the contractor is responsible for assigning another individual to perform the necessary work under this contract without delay to the contract's performance schedule, or without adverse impact to any other terms or conditions of the contract. When an individual receives final IT access, the individual will be subject to a review or reinvestigation every ten years.

The contractor shall submit a completed security forms packet, including the *OPM Standard Form (SF) 86 (Questionnaire for National Security Positions)*, two copies of the contractor's signed pre-screening record and two FD-258 fingerprint charts, through the PO to FSB/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. Based on FSB/DFS review of the contractor 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.

In accordance with NRCAR 2052.204-70 "Security," IT Level II contractors shall be subject to the attached NRC Form 187, SF- 86, and contractor's record of the pre-screening which furnishes the basis for providing security requirements to prime contractors, subcontractors or others (e.g. bidders) who have or may have an NRC contractual relationship which requires access to or operation of agency sensitive information technology systems or remote development and/or analysis of sensitive information technology systems or data or other access to such systems or data; access on a continuing basis (in excess of more than 30 calendar days) to NRC buildings; or otherwise requires issuance of an unescorted NRC badge.

#### **CANCELLATION OR TERMINATION OF IT ACCESS/REQUEST**

When a request for IT access is to be withdrawn or canceled, the contractor shall immediately notify the PO by telephone in order that he/she will immediately contact FSB/DFS so that the access review 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 by the contractor in writing to the PO who will forward the confirmation via email to FSB/DFS. Additionally, FSB/DFS must be immediately notified in writing 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 IT access.

#### **B.9 WHISTLEBLOWER PROTECTION FOR NRC CONTRACTOR AND SUBCONTRACTOR EMPLOYEES (JULY 2006)**

(a) The U.S. Nuclear Regulatory Commission (NRC) contractor and its subcontractor are subject to the Whistleblower Employee Protection public law provisions as codified at 42 U.S.C. 5851. NRC contractor(s) and subcontractor(s) shall comply with the requirements of this Whistleblower Employee Protection law, and the implementing regulations of the NRC and the Department of Labor (DOL). See, for example, DOL Procedures on Handling Complaints at 29 C.F.R. Part 24 concerning the employer obligations, prohibited acts, DOL procedures and the requirement for prominent posting of notice of Employee Rights at Appendix A to Part 24.

(b) Under this Whistleblower Employee Protection law, as implemented by regulations, NRC contractor and subcontractor employees are protected from discharge, reprisal, threats, intimidation, coercion, blacklisting or other employment discrimination practices with respect to compensation, terms, conditions or privileges of their employment because the contractor or subcontractor employee(s) has provided notice to the employer, refused to engage in unlawful practices, assisted in proceedings or testified on activities concerning alleged violations of the Atomic Energy Act of 1954 (as amended) and the Energy Reorganization Act of 1974 (as amended).

(c) The contractor shall insert this or the substance of this clause in any subcontracts involving work performed under this contract.

**B.10 2052.215-71 PROJECT OFFICER AUTHORITY (NOVEMBER 2006)**

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

Name: Ms. Ruth Spencer  
Mailstop: OCFO/DFM  
Telephone Number: 301-415-0569

(b) Performance of the work under this contract is subject to the technical direction of the NRC project officer. The term "technical direction" is defined to include the following:

(1) Technical direction to the contractor which shifts work emphasis between areas of work or tasks, authorizes travel which was unanticipated in the Schedule (i.e., travel not contemplated in the Statement of Work (SOW) or changes to specific travel identified in the SOW), fills in details, or otherwise serves to accomplish the contractual SOW.

(2) Provide advice and guidance to the contractor in the preparation of drawings, specifications, or technical portions of the work description.

(3) Review and, where required by the contract, approval of technical reports, drawings, specifications, and technical information to be delivered by the contractor to the Government under the contract.

(c) Technical direction must be within the general statement of work stated in the contract. The project officer does not have the authority to and may not issue any technical direction which:

(1) Constitutes an assignment of work outside the general scope of the contract.

(2) Constitutes a change as defined in the "Changes" clause of this contract.

(3) In any way causes an increase or decrease in the total estimated contract cost, the fixed fee, if any, or the time required for contract performance.

(4) Changes any of the expressed terms, conditions, or specifications of the contract.

(5) Terminates the contract, settles any claim or dispute arising under the contract, or issues any unilateral directive whatever.

(d) All technical directions must be issued in writing by the project officer or must be confirmed by the project officer in writing within ten (10) working days after verbal issuance. A copy of the written direction must be furnished to the contracting officer. A copy of NRC Form 445, Request for Approval of Official Foreign Travel, which has received final approval from the NRC must be furnished to the contracting officer.

(e) The contractor shall proceed promptly with the performance of technical directions duly issued by the project officer in the manner prescribed by this clause and within the project officer's authority under the provisions of this clause.

(f) If, in the opinion of the contractor, any instruction or direction issued by the project officer is within one of the categories as defined in paragraph (c) of this section, the contractor may not proceed but shall notify the contracting officer in writing within five (5) working days after the receipt of any instruction or direction and shall request the contracting officer to modify the contract accordingly. Upon receiving the notification from the contractor, the contracting officer shall issue an appropriate contract modification or advise the contractor in writing that, in the contracting officer's

opinion, the technical direction is within the scope of this article and does not constitute a change under the "Changes" clause.

(g) Any unauthorized commitment or direction issued by the project officer may result in an unnecessary delay in the contractor's performance and may even result in the contractor expending funds for unallowable costs under the contract.

(h) A failure of the parties to agree upon the nature of the instruction or direction or upon the contract action to be taken with respect thereto is subject to 52.233-1 -Disputes.

(i) In addition to providing technical direction as defined in paragraph (b) of the section, the project officer shall:

(1) Monitor the contractor's technical progress, including surveillance and assessment of performance, and recommend to the contracting officer changes in requirements.

(2) Assist the contractor in the resolution of technical problems encountered during performance.

(3) Review all costs requested for reimbursement by the contractor and submit to the contracting officer recommendations for approval, disapproval, or suspension of payment for supplies and services required under this contract.

(4) Assist the contractor in obtaining the badges for the contractor personnel.

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

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

(7) For contracts for the design, development, maintenance or operation of Privacy Act Systems of Records, obtain from the contractor as part of closeout procedures, written certification that the contractor has returned to NRC, transferred to the successor contractor, or destroyed at the end of the contract in accordance with instructions provided by the NRC Systems Manager for Privacy Act Systems of Records, all records (electronic or paper) which were created, compiled, obtained or maintained under the contract.

## **B. 11 FSS Language**

All clauses and provisions from the Federal Acquisition Regulation (FAR) and General Services Administration Regulation (GSAR) from the applicable FSC Group of the Multiple Award Schedule and Federal Supply Schedule Program, and the specific GSA Schedule contract referenced on the SF1449 in Block 2, are hereby incorporated by reference.

The full text of any FAR and GSA clauses which are incorporated by reference may be obtained at the following URLs:

FAR: GSAM: <http://www.acquisition.gov/GSAM/gsam.html>

## **B.12 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)

### **B.13 Attachment**

- (1) NRC Form 187 (7-2000)

**AUTHORITY**  
The policies, procedures, and criteria of the NRC Security Program, NRCMD 12, apply to performance of this contract, subcontract or other activity.

**CONTRACT SECURITY AND/OR CLASSIFICATION REQUIREMENTS**

**COMPLETE CLASSIFIED ITEMS BY SEPARATE CORRESPONDENCE**

1. CONTRACTOR NAME AND ADDRESS

A. CONTRACT NUMBER FOR COMMERCIAL CONTRACTS OR JOB CODE FOR DOE PROJECTS (Prime contract number must be shown for all subcontracts.)

**CFO-09-318**

B. PROJECTED START DATE

**01/15/2009**

C. PROJECTED COMPLETION DATE

**01/14/2011**

2. TYPE OF SUBMISSION

- A. ORIGINAL
- B. REVISED (Supersedes all previous submissions)
- C. OTHER (Specify)

3. FOR FOLLOW-ON CONTRACT, ENTER PRECEDING CONTRACT NUMBER AND PROJECTED COMPLETION DATE

A. DOES NOT APPLY

B. CONTRACT NUMBER

**DR-09-06-131**

DATE

**09/28/2009**

4. PROJECT TITLE AND OTHER IDENTIFYING INFORMATION

**IV&V (Independent Verification and Validation) Services -- OCFO Systems**

5. PERFORMANCE WILL REQUIRE

A. ACCESS TO CLASSIFIED MATTER OR CLASSIFIED INFORMATION

- YES (If "YES," answer 1-7 below)
- NO (If "NO," proceed to 5.C.)

NOT APPLICABLE

NATIONAL SECURITY

RESTRICTED DATA

SECRET

CONFIDENTIAL

SECRET

CONFIDENTIAL

- |   |                          |                          |                          |                          |                          |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1. ACCESS TO FOREIGN INTELLIGENCE INFORMATION   | <input type="checkbox"/> |
| 2. RECEIPT, STORAGE, OR OTHER SAFEGUARDING OF CLASSIFIED MATTER. (See 5.B.)           | <input type="checkbox"/> |
| 3. GENERATION OF CLASSIFIED MATTER.   | <input type="checkbox"/> |
| 4. ACCESS TO CRYPTOGRAPHIC MATERIAL OR OTHER CLASSIFIED COMSEC INFORMATION.           | <input type="checkbox"/> |
| 5. ACCESS TO CLASSIFIED MATTER OR CLASSIFIED INFORMATION PROCESSED BY ANOTHER AGENCY. | <input type="checkbox"/> |
| 6. CLASSIFIED USE OF AN INFORMATION TECHNOLOGY PROCESSING SYSTEM.                     | <input type="checkbox"/> |
| 7. OTHER (Specify)  | <input type="checkbox"/> |

B. IS FACILITY CLEARANCE REQUIRED?  YES  NO

C.  UNESCORTED ACCESS IS REQUIRED TO PROTECTED AND VITAL AREAS OF NUCLEAR POWER PLANTS.

G.  REQUIRE OPERATION OF GOVERNMENT VEHICLES OR TRANSPORT PASSENGERS FOR THE NRC.

D.  ACCESS IS REQUIRED TO UNCLASSIFIED SAFEGUARDS INFORMATION.

H.  WILL OPERATE HAZARDOUS EQUIPMENT AT NRC FACILITIES.

E.  ACCESS IS REQUIRED TO SENSITIVE IT SYSTEMS AND DATA.

I.  REQUIRED TO CARRY FIREARMS.

F.  UNESCORTED ACCESS TO NRC HEADQUARTERS BUILDING.

J.  FOUND TO USE OR ADMIT TO USE OF ILLEGAL DRUGS.

FOR PROCEDURES AND REQUIREMENTS ON PROVIDING TEMPORARY AND FINAL APPROVAL FOR UNESCORTED ACCESS, REFER TO NRCMD 12.

**NOTE: IMMEDIATELY NOTIFY DRUG PROGRAM STAFF IF BOX 5 A, C, D, G, H, I, OR J IS CHECKED.**

6. INFORMATION PERTAINING TO THESE REQUIREMENTS OR THIS PROJECT, EVEN THOUGH SUCH INFORMATION IS CONSIDERED UNCLASSIFIED, SHALL NOT BE RELEASED FOR DISSEMINATION EXCEPT AS APPROVED BY:

NAME AND TITLE  <b>Ruth E. Spencer, Program Analyst (contract project manager)</b>	SIGNATURE	DATE
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**7. CLASSIFICATION GUIDANCE**

NATURE OF CLASSIFIED GUIDANCE IDENTIFICATION OF CLASSIFICATION GUIDES

**8. CLASSIFIED REVIEW OF CONTRACTOR / SUBCONTRACTOR REPORT(S) AND OTHER DOCUMENTS WILL BE CONDUCTED BY:**

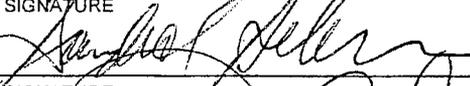
AUTHORIZED CLASSIFIER (Name and Title)
  DIVISION OF FACILITIES AND SECURITY

**9. REQUIRED DISTRIBUTION OF NRC FORM 187 Check appropriate box(es)**

SPONSORING NRC OFFICE OR DIVISION (Item 10A)
  DIVISION OF CONTRACTS AND PROPERTY MANAGEMENT  
 DIVISION OF FACILITIES AND SECURITY (Item 10B)
  CONTRACTOR (Item 1)  
 SECURITY/CLASSIFICATION REQUIREMENTS FOR SUBCONTRACTS RESULTING FROM THIS CONTRACT WILL BE APPROVED BY THE OFFICIALS NAMED IN ITEMS 10B AND 10C BELOW.

**10. APPROVALS**

SECURITY/CLASSIFICATION REQUIREMENTS FOR SUBCONTRACTS RESULTING FROM THIS CONTRACT WILL BE APPROVED BY THE OFFICIALS NAMED IN ITEMS 10B AND 10C BELOW.

NAME (Print or type)	SIGNATURE	DATE
A. DIRECTOR, OFFICE OR DIVISION  <b>Cynthia A. Rheame, Controller, OCFO</b>	SIGNATURE 	DATE 10/28/08
B. DIRECTOR, DIVISION OF FACILITIES AND SECURITY  <b>Director, ADM/DFS</b>	SIGNATURE 	DATE 11/18/08
C. DIRECTOR, DIVISION OF CONTRACTS AND PROPERTY MANAGEMENT (Not applicable to DOE agreements)  <b>Phyllis Bower, Director, ADM/DC</b>	SIGNATURE for 	DATE 12/9/08

REMARKS

## INSTRUCTIONS FOR COMPLETING NRC FORM 187

NRC Form 187, "Contract Security and/or Classification Requirements," including attachments and supplements, furnishes the basis for providing security and classification requirements to contractors, subcontractors or others (e.g., bidders) who have or may have an NRC contractual relationship which requires access to classified information or matter, for unescorted access to nuclear power plants, access to Unclassified Safeguards Information, access to sensitive IT systems or data and/or access to NRC Headquarters buildings.

**WHO USES NRC FORM 187:** All organizations which have or may have an NRC contractual relationship of the nature set forth

**WHEN TO USE:** Responsibility for initiation of NRC Form 187 rests with the office or division sponsoring a contract, project, or consultant, or requesting that such work be conducted (e.g., at a Department of Energy (DOE) National Laboratory).

Early preparation and submission of this form will help assure that all necessary classification and security actions are completed prior to contract award. Experience has shown that incomplete information or untimely submission delays both the security and contractual process.

**WHERE TO SEND:** Send two (2) copies of this form to the NRC Division of Contracts and Property Management (DCPM) with the Request for Procurement Action (NRC Form 400), when the interest does not involve a DOE security interest or consultant obtained through the Office of Human Resources. If the interest involves a DOE National Laboratory or consultant and does not require action by DCPM, forward one (1) copy of the form directly to the Division of Facilities and Security.

**PREPARATION:** Items are keyed to the numbered items on NRC Form 187.

1. Identify contractor, contract number, JOB CODE, or other identifying number(s).
2. Check either 2.A, B, or C as appropriate.
3. If NRC Form 187 is not for a follow-on contract, check block "Does Not Apply." If it is for a follow-on contract, enter preceding contract identification number from which this contract evolves and its actual or anticipated completion date.
4. Include project title and a brief unclassified statement setting forth sufficient information to identify the nature of the
- 5.A. Check the appropriate box in each column with the highest level of classified matter under National Security Information and Restricted Data, to which access is required. Check "NA" for any items which are not applicable. Completion of this section should be coordinated with the sponsoring Office Authorized Classifier as well as the Project Manager to assure complete and accurate information.
- 5.B. Indicate if a contractor must access, store or handle classified information at contractor facility.
- 5.C. Indicate if unescorted access is required to protected and vital areas of nuclear power plants.
- 5.D. Indicate if access is required to Unclassified Safeguards Information.
- 5.E. Indicate if access is required to sensitive IT systems or data.
- 5.F. Indicate if unescorted access is required to NRC Headquarters building.
6. Contractors listed in item 1 will submit proposed releases to DCPM for approval prior to release. Subcontractors shall be instructed to submit proposed releases through the prime contractor listed in item 1 to DCPM.
7. If 5.A. is yes, indicate the nature of classification guidance/identification of classification guides.  
When the block "Nature of Classification Guidance" is used, identify the areas of classified information involved and, in particular, provide adequate unclassified narrative comment to describe specific items of information within these areas which may require classification guidance.
8. Furnish name and title of position of authorized classifier if Division of Facilities and Security is not checked.
9. The DCPM will assure distribution of this document to all responsible organizations when completed.
- 9.A. After approval, the sponsoring office will assure distribution of this document for DOE agreements.
10. (Not applicable to DOE agreements) The sponsoring office should obtain the signatures required in Boxes 10A and 10B before submitting it to DCPM.

Additional comments relating to any of the items may be included under "Remarks," to assure that reviewers evaluate the information properly.