

AWARD/CONTRACT

1. CONTRACT / Proc. (Inv. Ident.) NO. **SB3-4-0-8(a) 80-G-1745** 2. EFFECTIVE DATE **6/2/80** 3. REQUISITION/PURCHASE REQUEST/PROJECT NO. **RFPA No. ADM-80-673** 4. CERTIFIED FOR NATIONAL DEFENSE UNDER MOSA REG. 2 AND/OR DMS REG. 1. RATING.

5. ISSUED BY **Small Business Administration** CODE \_\_\_\_\_ 6. ADMINISTERED BY **U S Nuclear Regulatory Commission** CODE \_\_\_\_\_ 7. DELIVERY FOR DESTINATION  OTHER (See below)

**Washington District Office**  
**1030 14th Street, NW Suite 250**  
**Washington, DC 20417**  
**Division of Contracts**  
**Washington, DC 20555**

8. CONTRACTOR NAME AND ADDRESS **Technassociates, Inc.** FACILITY CODE \_\_\_\_\_ 9. DISCOUNT FOR PROMPT PAYMENT \_\_\_\_\_  
**777 14th Street, NW**  
**Washington, DC 20005**

10. SUBMIT INVOICES (4 copies unless otherwise specified) TO ADDRESS SHOWN IN BLOCK \_\_\_\_\_

11. SHIP TO/MARK FOR **See Prime Contract** CODE \_\_\_\_\_ 12. PAYMENT WILL BE MADE BY **U S Nuclear Regulatory Commission** CODE \_\_\_\_\_  
**Office of the Controller**  
**Division of Accounting**  
**Washington, DC 20555**

13. THIS PROCUREMENT WAS  ADVERTISED,  NEGOTIATED, PURSUANT TO:  10 U.S.C. 2304 (a)  41 U.S.C. 252 (c)(5) and 15 U.S.C. 637 (a)

14. ACCOUNTING AND APPROPRIATION DATA  
**SEE PRIME CONTRACT**

15. ITEM NO.	16. SUPPLIES / SERVICES	17. QUANTITY	18. UNIT	19. UNIT PRICE	20. AMOUNT
	"ADP SYSTEMS SUPPORT"				

21. TOTAL AMOUNT OF CONTRACT **5 196,970.28**

CONTRACTING OFFICER WILL COMPLETE BLOCK 22 OR 26 AS APPLICABLE

22.  CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return 6 copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. Attachments are listed herein.)

26.  AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number \_\_\_\_\_ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.

23. NAME OF CONTRACTOR **MARVIN A. ZENTNER** 27. UNITED STATES OF AMERICA  
BY *Marvin A. Zentner* Signature of person authorized to sign BY *Freddie A. Cullins* Signature of Contracting Officer

24. NAME AND TITLE OF SIGNER (Type or print) **MARVIN A. ZENTNER** 25. DATE SIGNED **6-19-80** 28. NAME OF CONTRACTING OFFICER (Type or print) **Freddie A. Cullins** 29. DATE SIGNED **JUN 24 1980**  
**EXECUTIVE VICE PRESIDENT** **Contracting Officer**

8007140203

SPECIAL PROVISIONS FOR SUBCONTRACTS SUPPLIES/SERVICES/CONSTRUCTION

The Small Business Administration (hereinafter called SBA) entered into Contract No. NRC-10- 80-673(hereinafter called the prime contract) with the U. S. Nuclear Regulatory Commission (hereinafter called NRC) to furnish services for the " ADP SYSTEMS SUPPORT" as more specifically described therein. A copy of said prime contract is attached hereto and made a part hereof.

The parties agree that Technassoc., Inc. (hereinafter called the Subcontractor) shall for and in the stead of SBA fulfill and perform all of the requirements of the prime contract for the consideration stated therein. The Subcontractor acknowledges that it has read and is familiar with each and every part of the prime contract.

It is expressly understood and agreed that the GENERAL PROVISIONS are applicable to the Subcontractor.

Payment(s) will be made directly to the Subcontractor by NRC.

The Subcontractor further understands and agrees that the responsibility for administering this subcontract has been delegated to the agency specified in Block 6 of Standard Form 26 and that Subcontractor will honor directions of the requests for changes by the installation in like manner as if issued by SBA.

In light of the purpose for which award is herein authorized, i.e., to assist the Subcontractor award achievement of viability, the Subcontractor agrees not to further subcontract any of the performance of the above named (supplies/services/ construction) not already provided for in his proposal at the time of acceptance without prior written approval of the SBA contracting officer. Failure to comply with this provision may be a cause for termination of this contract for default.

1. CONTRACT (Proc. Inst. Ident.) NO. **NRC-10-80-673**      2. EFFECTIVE DATE **6/2/80**      3. REQUISITION/PURCHASE REQUEST/PROJECT NO. **RFPA-No. ADM-80-673**      4. CERTIFIED FOR NATIONAL DEFENSE UNDER 48 DSA REG. 2 AND/OR DMS REG. 1. RATING:

5. ISSUED BY **U.S. Nuclear Regulatory Commission**  
 Division of Contracts  
 Washington, DC 20555

6. ADMINISTERED BY (If other than block 5):

7. DELIVERY FOR DESTINATION:  NATION  OTHER (See below)

8. CONTRACTOR NAME AND ADDRESS **PRIME Small Business Admin., Wash. District Off**  
 1030 15th Street, NW, Suite 250  
 Washington, DC 20417

(Street, city, country, state, and ZIP code)

9. DISCOUNT FOR PROMPT PAYMENT

SUB- **Technassociates, Inc.**  
 CON- **777 14th Street, NW**  
 TRACTOR **Washington, DC 20001**

10. SUBMIT INVOICES (4 copies unless otherwise specified) TO ADDRESS SHOWN IN BLOCK

11. SHIP TO/MARK FOR **US Nuclear Regulatory Commission**  
 Division of ADP Support, Attn: A. Frost  
 7920 Norfolk Avenue  
 Bethesda, MD 20014

12. PAYMENT WILL BE MADE BY **U.S. Nuclear Regulatory Commission**  
 Office of the Controller  
 Division of Accounting  
 Washington, DC 20555

13. THIS PROCUREMENT WAS  ADVERTISED,  NEGOTIATED, PURSUANT TO:  41 U.S.C. 2004 (WR)  41 U.S.C. 252 (a) 5 and 15 U.S.C. 637 (a)

14. ACCOUNTING AND APPROPRIATION DATA  
 Appropriation Symbol: **31X0200.400**      B&R: **43-20-25-702**      **\$196,970.28**

15. ITEM NO.	16. SUPPLIES/SERVICES	17. QUANTITY	18. UNIT	19. UNIT PRICE	20. AMOUNT
	"ADP SYSTEMS SUPPORT"				

21. TOTAL AMOUNT OF CONTRACT **\$ 196,970.28**

CONTRACTING OFFICER WILL COMPLETE BLOCK 22 OR 26 AS APPLICABLE

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26.  AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number: \_\_\_\_\_ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.

23. NAME OF CONTRACTOR **Freddie M. Collins**  
 BY: \_\_\_\_\_  
 (Signature of person authorized to sign)

27. UNITED STATES OF AMERICA  
 BY: \_\_\_\_\_  
 (Signature of Contracting Officer)

24. NAME AND TITLE OF SIGNER (Type in print) **Freddie M. Collins**  
**Contracting Officer**

25. DATE SIGNED **JUN 24 1980**

28. NAME OF CONTRACTING OFFICER (Type in print)

29. DATE SIGNED **JUN 2 1980**

## SCOPE OF WORK

Article I - STATEMENT OF WORK

- A. The contractor shall provide the necessary personnel to support automated information systems which are maintained by the Division of ADP Support, Office of Administration, for all offices of the Nuclear Regulatory Commission.
- B. There are approximately 1500 computer programs of varying sizes, complexity, languages, and on different computers and operating systems. Future and immediate plans indicate a further divergence in languages and operating systems. The majority of programs are written in COBOL and run on the IBM 370/168 using OS/VS operating system. Significant system development effort is currently in progress using the Data General Eclipse C330 computer with the "RDOS" operating system; "INFOS" file manager; IDEA and COBOL languages. Following is a list of the various hardware and software employed for the aforementioned 1500 programs.

## 1. Hardware

IBM 370/168 at National Institutes of Health  
IBM 370/165 at Department of Energy, Germantown  
Data General Eclipse C330  
Univac 1108 at Infonet  
IBM 360/195 at Oak Ridge National Laboratory  
Numerous and varied terminals/peripherals, including Tektronix  
Graphics Equipment and COM capabilities

## 2. Software

COBOL (IBM, Univac, Data General)  
PL1 (IBM)  
FORTRAN (IBM, Univac, Data General)  
Assembler (IBM, Data General)  
IDEA (Data General)  
INFOS (Data General)  
RDOS and AOS (Data General)  
DISPLA Graphics (IBM, Univac)  
SPSS (IBM, Data General)  
SAS (IBM)  
WYLBUR TEXT EDITOR (IBM)  
SYSTEM 2000 (IBM)  
INQUIRE (IBM)  
MARK IV (IBM)  
TSO (IBM)



- C. Work shall be transmitted to the Contractor by the issuance of a formal Work Order (see Attachment A hereto) signed by the NRC Contracts Officer. Each Work Order shall specify the task to be accomplished, the deliverables, the schedule within which the work must be accomplished, the type of personnel required for the task, technical contacts for the particular system involved, place of performance, special considerations (such as material subject to the Privacy Act), special reporting requirements, and a level of effort and corresponding dollar ceiling. The Contractor may not exceed the dollar ceiling of a Work Order. The dollar ceiling of a Work Order may be increased by the Project Officer except that the dollar total of all completed and outstanding Work Orders may not exceed the dollar ceiling set forth in Article III.C. Work Orders may be issued at the sole option of the Commission, and it is understood that the Commission undertakes no obligation hereby to issue Work Orders hereunder. The provisions of this contract shall govern all Work Orders issued hereunder.
- D. The NRC adheres to all applicable "ANSI" and "FIPS PUB" standards. The offeror shall be required to comply with existing NRC ADP standards as well as "ANSI" and "FIPS PUB" standards. The offeror, as well as NRC, will also be required to comply with various ADP guidelines as issued by agencies such as OMB, GSA, and the Department of Commerce. Each new "Guideline" issuance will be specifically relayed to the Contractor upon determination by NRC of the applicability of the "Guideline."
- E. Each project may vary in complexity from minor program corrections which require no formal documentation, to in-depth requirements analysis which require significant formal documentation. The level of effort for these diverse Work Orders will require personnel of varying levels of expertise, years of experience and education, and unique backgrounds of involvement with hardware/software/applications.

The activities or types of effort to be performed and documented under Work Orders are as follows:

1. Feasibility and Requirements Analysis
2. System/Subsystem Design
3. Program Specifications
4. System/Program Development and Debug
5. System Acceptance Testing/Parallel Testing
6. Documentation
7. User Training
8. Hardware/Software Evaluations
9. System Security Testing
10. Quality Assurance
11. Data Reduction
12. Data Entry
13. Technical Writing

- F. It is anticipated that the performance of Work under this contract will require the following professional personnel; other personnel may also be required:

System Analyst

Devises and prepares layouts for computer systems requirements and develops procedures to process data by means of ADP/EDP. Confers with other technical personnel to determine problem and type of data to be processed. Analyzes the problem in terms of equipment capability to determine techniques and formulates computer system requirements most feasible for processing data. Individual is adept in preparing a definition of the problem, together with recommendations for equipment needed for its solution from which the programmer prepares flow chart and computer instructions. Writes specifications to the exact requirements for each program which will be written by the programmer, within the system. The detailed written specifications for each program shall be supplied, as a part of his function as an analyst, before any effort is applied to actually begin the individual program effort. Individual may be required to supervise the preparations and implementation of individual programs. Individual may be required to develop and implement applications utilizing mathematical and statistical formulae.

Must have a minimum of four years of experience as an analyst or programmer, and a college degree or the equivalent. The experience must include at least one year as a programmer and one year as an analyst. The equivalent of a college degree is three years of additional experience as an analyst/programmer.

The substitution formula is:

Nine months of programmer/analyst experience is equivalent to one year of college.

Extra credit will be allowed for graduate study. Substitution of graduate study will be on a one-for-one basis. One year of graduate study is equivalent to one additional year of experience.

All Systems Analysts must meet the skill qualifications as indicated plus all those qualifications applicable to the position of Senior Programmer.

Senior System Analyst

Must meet all qualifications stated for position of System Analyst and, in addition, must have a minimum of ten years data processing experience with proven performance as a lead analyst or project manager.

Senior Programmer (Class A Programmer)

A Senior computer programmer develops and prepares diagrammatic plans for solution of business, scientific and technical problems by means of ADP equipment. Analyzes programs outlined by a systems analyst in terms of such factors as type and extent of information to be transferred from storage units, variety of items to be processed, extent of sorting and format of final printed results. Additionally, designs detailed programs, flow charts, and diagrams indicating mathematical computations and sequences of machine operations necessary to copy and process data and print results.

The senior programmer also verifies accuracy and completeness of programs by preparing sample data, and testing them by means of systems acceptance test runs made by operating personnel. Corrects program errors by revising instructions or altering sequence of operations. Individual is responsible for system documentation and operating run procedures documented according to established Government methods and operations standards. Evaluates and modifies existing programs to take into account changes in procedure or type of reports desired. Translates detailed flow charts into coded machine instructions, confers with technical personnel in planning programs, and works in programs within the system. Individual may be required to use concepts generally associated with third generation equipment. Mathematical programming techniques may also be required.

Must have a minimum of three years experience as a programmer and a college degree or equivalent.

Junior Programmer (Class B)

A Junior Programmer is an individual who is capable, under general supervision, of analyzing and defining system requirements, and of developing programs for automatic data processing. This programmer conducts detailed analysis, studies of all systems requirements and develops all levels of block diagrams and logic flow charts.

He/she must translate the details into a program of coded instructions used by the computer. He/she tests, checks, debugs, revises and refines the computer program as required to produce the product required by the written specifications. Additionally, the programmer documents all procedures used throughout the program to allow the program to be run as a part of the system by operating computer personnel, and completes systems documentations to enable subsequent programmer to make changes as may be required. The programmer should also be able to revise existing programs to make refinements, reduce operating time or improve techniques. This individual must be able to independently run an entire system or portion thereof; to review and process its output for individual user consumption.

He/she must have a minimum of one year of experience and a college degree or the equivalent.

Technical Writer

Minimum of two years experience in data processing technical writing. College degree or equivalent (as previously defined) is required.

- G. Project Status Reports are required to be submitted to the NRC Project Officer on the 15th and last day of each month, reflecting work accomplished, work planned and problems encountered or expected, and the proposed resolution of any problems. Formal project status meetings may also be required at the discretion of the NRC Project Officer or at the request of the Contractor's Project Manager for discussion of topics outlined in the written status reports.

Article II - PERIOD OF PERFORMANCE

The period of performance hereunder is for twelve (12) months from the contract award date.

All Work Orders issued during this period shall be completed at the same rate as set forth in Article III, Paragraph A. Any Work Order issued during the period of performance and not completed by the expiration of that period shall be completed within the time specified by the individual Work Order.

Article III - ESTIMATED LEVEL OF EFFORT AND CEILING PRICE

A. Level of Effort

It is estimated that the following types of personnel and amounts of effort will be required for the performance of this contract.

<u>Labor Category</u>	<u>Estimated Hours</u>	<u>Rates</u>
Sr. Systems Analyst	300	\$ 49.85
Systems Analyst	2,400	38.63
Accounting Analyst	150	19.79
Sr. Accounting Analyst	150	40.47
Sr. Programmer	1,486	31.48
Junior Programmer	200	20.79
Technical Writer/Editor	712	27.59
Project Administrator	262	24.56
Graphic Artist	75	14.64



### B. Work Order Ceilings

Cost ceilings will be placed in each work order for performance of work under the contract. Such ceilings may be increased by the Contracting Officer at his discretion from time to time by notice to the Contractor in writing. The Contractor shall promptly notify the Project Officer in writing whenever he believes that the then pertinent ceiling for any work order is insufficient. When and if the amount(s) paid and payable to the Contractor under such pertinent work order shall equal the then pertinent ceiling, the Contractor shall not be expected to perform further unless the Contracting Officer increases such ceiling in an amount sufficient to cover additional work thereunder. The Government shall not be obliged to pay the Contractor any amount in excess of such ceiling. If and to the extent that such ceiling has been increased, any cost incurred by the Contractor in performance in excess of the ceiling prior to its increase shall be allowable to the same extent as if such costs had been incurred after such increase in the ceiling.

### C. Contract Ceiling

The ceiling price of the contract is \$196,970.28. The Contractor agrees that the work to be performed under the contract shall be accomplished within the ceiling price. Unless and until the Contracting Officer shall have notified the Contractor in writing that the ceiling price has been increased and shall have specified the extent of the increase, any costs incurred in excess of the ceiling price shall be borne by the Contractor.

## ARTICLE IV - CONTRACT ADMINISTRATION DATA

### A. PAYMENTS

1. The Contractor shall be paid an amount computed by multiplying the appropriate hourly rate, or rates, set forth in the Schedule of the contract, by the number of direct labor hours performed, which rates shall include wages, overhead, general and administrative expense and profit. Fractional parts of an hour shall be payable on a prorated basis. Vouchers may be submitted once each month (or at more frequent intervals, if approved by the Contracting Officer). The Contractor will substantiate vouchers by evidence of actual payment and by individual daily job timecards, or such other substantiation approved by the Contracting Officer. Promptly after receipt of such substantiated voucher, the Government shall, except as otherwise provided in this contract, make payment thereon as approved by the Contracting Officer's Technical Representative.
2. Unless otherwise set forth in the Schedule, five percent (5%) of the amount due under this clause shall be withheld from each payment by the Contracting Officer but the total amount withheld shall not exceed \$5,000. Such amounts withheld shall be retained until the execution and delivery of a release by the Contractor.

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3. Unless provisions of the Schedule hereof otherwise specify, the hourly rate or rates set forth in the Schedule shall not be varied by virtue of the Contractor having performed work on an overtime basis. If no overtime rates are provided in the Schedule and overtime work is approved in advance by the Contracting Officer, overtime rates will be negotiated. Failure to agree upon these overtime rates will be treated as a dispute under the "Disputes" clause of this contract. If the Schedule provides rates for overtime, the premium portion of those rates will be reimbursable only to the extent the overtime is approved by the Contracting Officer.

B. - PROJECT OFFICER

Asa R. Frost, Jr. is hereby designated as the Contracting Officer's authorized representative (hereinafter called Project Officer) for technical aspects of this contract. The Project Officer is not authorized to approve or request any action which results in or could result in an increase in contract cost; or terminate, settle any claim or dispute arising under the contract; or issue any unilateral directive whatever.

The Project Officer is responsible for: (1) monitoring the Contractor's technical progress, including surveillance and assessment of performance, and recommending to the Contracting Officer changes in requirements; (2) interpreting the scope of work; (3) performing technical evaluation as required; (4) performing technical inspections and acceptances required by this contract; and (5) assisting the Contractor in the resolution of technical problems encountered during performance. Within the purview of this authority, the Project Officer is authorized to review all costs requested for reimbursement by contractors and submit recommendations for approval, disapproval, or suspension for supplies, services required under the contract. The Contracting Officer is responsible for directing or negotiating any changes in terms, conditions, or amounts cited in the contract.

For guidance from the Project Officer to the Contractor to be valid, it must: (1) be consistent with the description of work set forth in the contract; (2) not constitute new assignment of work or change to the expressed terms, conditions or specifications incorporated into this contract; (3) not constitute a basis for an extension to the period of performance or contract delivery schedule; and as stated above, (4) not constitute a basis for any increase in the contract cost.

ARTICLE V - SECURITY/CLASSIFICATION (Subject to Security Clearance)

- A. The Contractor and contractor's personnel will be governed by the provisions of the Security/Classification Requirements, NRC Form 187, attached hereto and forming a part of this contract. (Attachment B)
- B. Notwithstanding Clause 51 of the General Provisions entitled "Security," to the contrary, and in addition thereto, the parties hereto agree that the NRC contact shall be the Authorized Classifier for all classified information or material delivered under this contract and NRC shall provide classification guidance to the contractor as required in the performance of this contract.
- C. The Contractor and contractor's personnel will be governed by, and shall assign classification markings to information or material, originated or generated by the contractor as determined by the Project contact.
- D. If subsequent to the date of this contract, the security level under the contract is changed by the Commission and such change causes an increase or decrease in the estimated cost or the time required for performance under this purchase order, the contract cost, delivery schedule, or both and any other provisions of the contract that may be affected shall be subject to an equitable adjustment by reason of such increased or decreased costs.

ARTICLE VI - SPECIAL PROVISIONSA. RECORDS

The Contractor shall keep and maintain records and books of account which show accurately, and in an adequate manner, the basis for receiving compensation under this contract. The Contractor shall preserve said records and books of account for a period of three (3) years after the date of final payment under the contract. The Commission shall at all reasonable times, prior to and after the date of final payment under this contract, have the right to examine and make copies of such records and books.

B. RESERVED

C. ALL ITEMS TO BECOME PROPERTY OF THE GOVERNMENT

Title to all source data and materials furnished by the Government, together with all plans, drawings, completed programs and documentation thereof, reports and listings, all punched cards and all other items pertaining to the work and services to be performed under work orders issued pursuant to the contract, shall remain with the Government. The Government shall have the full right to use each of these for its purposes without compensation or approval on the part of the Contractor. The Government shall have access to and the right to make copies of the above mentioned items.

D. PRIVATE USE OF CONTRACT INFORMATION AND DATA

Except as specifically authorized by the contract, or as otherwise approved by the Contracting Officer, information and other data developed or acquired by or furnished the Contractor in the performance of this Contract, shall be used only in connection with the work under the contract.

E. COST INFORMATION

The Contractor shall maintain current cost information adequate to reflect the cost of performing the work under this contract at all times while the work is in progress, and shall prepare and furnish to the Government such written estimates of cost and information in support thereof as the Contracting Officer may request.

F. PRIVACY ACT NOTIFICATION

This procurement action requires the Contractor to do one or more of the following: design, develop, or operate a system of records on individuals to accomplish an agency function in accordance with the Privacy Act of 1974, Public Law 93-579, December 31, 1974, (5 U.S.C.552a) and applicable agency regulations. Violation of the Act may involve the imposition of criminal penalties.

G. SERVICE CONTRACT ACT WAGE DETERMINATION

The following U. S. Department of Labor Wage Determination Registers are hereby incorporated by reference and attached hereto as Attachment C:



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Wage Determination No.

79-642

Date

July 11, 1979

H. GOVERNMENT-FURNISHED PROPERTY (Short Form) FPR 1-7.303-7(c)

1. The Government shall deliver to the Contractor, for use only in connection with the contract, the property described in the schedule or specifications (hereinafter referred to as "Government-furnished property"), at the times and locations stated therein. If the Government-furnished property, suitable for its intended use, is not so delivered to the Contractor, the Contracting Officer shall, upon timely written request made by the Contractor, and if the facts warrant such action, equitably adjust any affected provision of this contract pursuant to the procedures of the "Changes" clause hereof.
2. Title to Government-furnished property shall remain in the Government. The Contractor shall maintain adequate property control records of Government-furnished property in accordance with sound industrial practice.
3. Unless otherwise provided in this contract, the Contractor, upon delivery to him of any Government-furnished property, assumes the risk of, and shall be responsible for, any loss thereof or damage thereto except for reasonable wear and tear, and except to the extent that such property is consumed in the performance of this contract.
4. The Contractor shall, upon completion of this contract, prepare for shipment, deliver f.o.b. origin, or dispose of all Government-furnished property not consumed in the performance of this contract or not theretofore delivered to the Government, as may be directed or authorized by the Contracting Officer. The net proceeds of any such disposal shall be credited to the contract price or paid in such other manner as the Contracting Officer may direct.

I. PLACE OF PERFORMANCE

The work required hereunder shall be performed at NRC locations in Bethesda, Maryland (Luganbeel Building, 4922 Fairmont Avenue, Phillips Building, 7920 Norfolk Avenue and East West Towers Building, 4350 East West Highway) and Silver Spring, Maryland (Willsta Building, 7915 Eastern Avenue).

J. OFFICE SPACE

The NRC will provide the Contractor with the necessary office space and furniture to accomplish the work required hereunder.

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K. COMPUTER USAGE/ACCESS

The Contractor shall have access to and use of the NRC computers (automatic data processing system) essential to the successful performance of the work required hereunder.

ARTICLE VII - GENERAL PROVISIONS

- A. The Contract shall be subject to the Fixed Price Supply Contract General Provisions, dated February 15, 1978, which incorporates the Standard Form 32 (Rev 4-75) General Provisions and FPR Changes and Additions to Standard Form 32 General Provisions, June 1976) enclosed hereto as Enclosure 4.

FPR Changes and NRC Additions to Standard Form 32 General Provisions is further modified as follows:

1. Clause No. 32 entitled, "Minority Business Enterprises Subcontracting Program" is deleted in its entirety
2. Clause No. 33 entitled, "Preference for U. S. Flag Air Carriers" is deleted in its entirety
3. The Clause entitled, "Price Reduction for Defective Cost or Pricing Data," attached hereto and forming a part hereof, is added as Clause No. 44.

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4. The Clause entitled, "Audit," attached hereto and forming a part hereof, is added as Clause No. 44 .
5. The Clause entitled, "Subcontractor Cost or Pricing Data," attached hereto and forming a part hereof, is added as Clause No. 45 .
6. The Clause entitled, "Special 8(a) Contract Conditions," attached hereto and forming a part hereof, is added as Clause No. 46 .
7. The Clause entitled, "Privacy Act," attached hereto and forming a part hereof, is added as Clause No. 47 .
8. The Clause entitled, "Service Contract Act of 1965, as Amended," attached hereto and forming a part hereof, is added as Clause No. 48 .
9. The Clause entitled, "Contractor Organizational Conflicts of Interest" attached hereto and forming a part hereof is added as Clause No. 49 .
10. The Clause entitled, "Security," attached hereto and forming a part hereof is added as Clause No. 50 .

#### ARTICLE VIII - LIST OF DOCUMENTS AND ATTACHMENTS

This solicitation contains the following attachments:

- A. Fixed Price Supply Contract General Provisions dated February 15, 1978.  
(See Enclosure 4)
- B. NRC Form 187, Security/Classification Requirements
- C. U.S. Department of Labor Wage Determination No. 79-642 dated July 11, 1979.
- D. Part 20-1 Contractor Organizational Conflict of Interest.

ATTACHMENT B

NRC FORM 187 (2-78) NRCM 2101 (Pending issuance)		U. S. NUCLEAR REGULATORY COMMISSION WASHINGTON, D. C. 20555		1. The policies, procedures and criteria of NRCM 2101, NRC Security Program, apply to performance of this contract.						
<b>SECURITY/CLASSIFICATION REQUIREMENTS</b>				<b>COMPLETE CLASSIFIED ITEMS BY SEPARATE CORRESPONDENCE.</b>						
2. THIS SPECIFICATION IS FOR:		3. CONTRACT NUMBER OR OTHER IDENTIFYING NUMBER <i>(Prime contracts must be shown for all subcontracts)</i>		DATE TO BE COMPLETED <i>(Estimated)</i>	4. THIS SPECIFICATION IS <i>(See notes below)</i>	EFFECTIVE DATE				
a. INVITATION FOR BID OR REQUEST FOR PROPOSAL		a. INVITATION FOR BID, REQUEST FOR PROPOSAL OR REQUEST FOR QUOTE			a. ORIGINAL	4/1/80				
b. PRIME CONTRACT		b. PRIME			b. REVISED <i>(Supersedes all previous specifications)</i>					
X c. SUBCONTRACT		c. FIRST TIER SUBCONTRACT Small Business Adm.								
d. OTHER <i>(Specify)</i>		d. <i>(Specify)</i>			c. OTHER <i>(Specify)</i>					
5. FOR FOLLOW-ON CONTRACT, ENTER PRECEDING CONTRACT NUMBER AND DATE COMPLETED. <input type="checkbox"/> DOES NOT APPLY										
CONTRACT NUMBER			DATE COMPLETED							
5a. NAME AND ADDRESS OF PRIME CONTRACTOR, OFFEROR, OTHER <i>(Specify; include Zip Code)</i>  Small Business Administration Washington, D.C.			b. NAME AND ADDRESS OF RESPONSIBLE COGNIZANT SECURITY OFFICE <i>(Include Zip Code)</i>  U.S. Nuclear Reg. Commission Division of Security Washington, D.C. 20555							
7a. NAME AND ADDRESS OF SUPPLIER CONTRACTOR <i>(Include Zip Code) (if applicable)</i>  Technassociates Inc. 777 14th St. N.W. Washington, D.C. 20205			b. NAME AND ADDRESS OF RESPONSIBLE COGNIZANT SECURITY OFFICE <i>(Include Zip Code)</i>  N/A							
8. PROJECT TITLE AND OTHER IDENTIFYING INFORMATION										
9. PERFORMANCE WILL REQUIRE:										
				YES	NO	TS	S	C	NSI	RD
a. ACCESS TO NRC SECURITY AREAS ONLY.				X						
b. ACCESS TO CLASSIFIED INFORMATION OR MATTER AT GOVERNMENT FACILITIES ONLY.					X					
c. RECEIPT, GENERATION, STORAGE OR SAFEGUARDING OF CLASSIFIED DOCUMENTS.					X					
d. MANUFACTURE, PROCESSING OR SAFEGUARDING OF CLASSIFIED MATERIAL.					X					
e. ACCESS TO CLASSIFIED COMSEC INFORMATION OR MATERIAL.					X					
f. ACCESS TO CLASSIFIED INFORMATION OR MATERIAL CURRENTLY POSSESSED BY ANOTHER AGENCY.					X					
g. USE OF AN AUTOMATIC DATA PROCESSING SYSTEM.					X					
h. OTHER <i>(Specify)</i>					X					
access to sensitive (privacy) data					X					
10. INFORMATION PERTAINING TO THIS REQUIREMENT OR PROJECT, EVEN THOUGH SUCH INFORMATION IS CONSIDERED UNCLASSIFIED, SHALL NOT BE RELEASED FOR DISSEMINATION EXCEPT AS APPROVED BELOW:										
PROPOSED DISSEMINATION SHALL BE SUBMITTED FOR APPROVAL PRIOR TO RELEASE <input type="checkbox"/> DIRECT <input type="checkbox"/> THROUGH <i>(Specify)</i>										



U.S. DEPARTMENT OF LABOR  
 EMPLOYMENT STANDARDS ADMINISTRATION  
 WAGE AND HOUR DIVISION  
 WASHINGTON, D.C. 20210

REGISTER OF WAGE DETERMINATIONS UNDER  
 THE SERVICE CONTRACT ACT  
 By direction of the Secretary of Labor

Xavier M. Vela  
 Administrator, Wage and Hour Division

LOCALITY	State: Maryland *	21
	Area: Counties of Charles (017), Montgomery (031) and Prince Georges (033)	
Wage determination number: 79-642		Date: (1) 1979

Class of service employee	Minimum hourly wage	Fringe benefit payments			
		Health & Welfare	Vacation	Holiday	Other

Supersedes 78-624 dated June 30, 1978

ATTACHMENT C

1. Clerk, accounting, class A	\$5.76
2. Clerk, accounting, class B	4.61
3. Clerk, file, class A	4.93
4. Clerk, file, class B	4.55
5. Clerk, file, class C	4.09
6. Clerk, order	5.05
7. Clerk, payroll	5.43
8. Key punch operator, class A	4.92
9. Key punch operator, class B	4.46
10. Messenger	4.73
11. Secretary, class A	7.23
12. Secretary, class B	6.77
13. Secretary, class C	6.21
14. Secretary, class D	6.07
15. stenographer, general	5.21
16. Stenographer, senior	6.17
17. Switchboard operator	3.86
18. Switchboard operator - receptionist	4.70
19. Transcribing - machine operator	5.45
20. Typist, class A	4.70
21. Typist, class B	4.43
22. Computer operator, class A	7.15
23. Computer operator, class B	6.36
24. Computer operator, class C	5.25

U.S. DEPARTMENT OF LABOR  
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REGISTER OF WAGE DETERMINATIONS UNDER  
 THE SERVICE CONTRACT ACT

By direction of the Secretary of Labor

Xavier M. Vela  
 Administrator, Wage and Hour Division

LOCALITY	State: Maryland *	21
	Area: Counties of Charles (017), Montgomery (031), and Prince Georges (033)	

Wage determination number: 79-6424 Date: JUL 11 1979

Class of service employee	Minimum hourly wage	Fringe benefit payments			
		Health & Welfare	Vacation	Holiday	Other
25. Computer programmer, class A	\$9.60 1/				
26. Computer programmer, class B	7.88 1/				
27. Computer programmer, class C	6.60 1/				
28. Drafter, class A	8.53				
29. Drafter, class B	6.79				
30. Drafter, class C	5.47				
31. Electronics technician, class A	8.92				
32. Electronics technician, class B	7.18				
33. Electronics technician, class C	6.30				
34. Technical Illustrator	7.18				

Fringe benefits applicable to classes of service employees engaged in contract performance: 2/ 3/ 4/

- 1/ Does not apply to employees employed in a bona fide executive, administrative, or professional capacity, as defined and delineated in 29 CFR Part 541. (See section 4.156, 29 CFR Part 4.)
- 2/ \$.21 an hour or \$8.40 a week or \$36.40 a month.
- 3/ 2 weeks paid vacation after 1 year of service with a contractor or successor. Length of service includes the whole span of continuous service with the present (successor) contractor wherever employed, and with predecessor contractors in the performance of similar work at the Federal facility. (Reg. 4.171(b)(2).)
- 4/ 9 paid holidays per year: New Year's Day, Washington's Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.)

\* This wage determination also applicable to:  
 Virginia - Arlington, Fairfax, Loudoun and Prince William Counties; and independent cities of Alexandria, Fairfax, and Falls Church  
 District of Columbia

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REGISTER OF WAGE DETERMINATIONS UNDER  
 THE SERVICE CONTRACT ACT  
 By direction of the Secretary of Labor

Xavier M. Vele  
 Administrator, Wage and Hour Division

LOCALITY	State: <u>Maryland</u> *	21
	Area: <u>Counties of Charles (017), Montgomery (031) and Prince Georges (033)</u>	
Wage determination number: <u>WHD-6422</u>		Date: <u>11 1979</u>

Class of service employee	Minimum hourly wage	Fringe benefit payments			
		Health & Welfare	Vacation	Holiday	Other

NOTE: In accordance with Section 4(c) of the Service Contract Act, as amended, the wage rates and fringe benefits set forth in this wage determination are based on a collective bargaining agreement(s) under which the incumbent contractor is operating. The wage determination sets forth the wage rates and fringe benefits provided by the collective bargaining agreement and applicable to performance on the service contract. However, failure to include any job classification, wage rate or fringe benefit encompassed in the collective bargaining agreement does not relieve the successor contractor of the statutory requirement to comply as a minimum with the terms of the collective bargaining agreement insofar as wages and fringe benefits are concerned.

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 WASHINGTON, D.C.  
 WHD-6422

# Appendix B. Occupational Descriptions

The primary purpose of preparing job descriptions for the Bureau's wage surveys is to assist its field staff in classifying into appropriate occupational workers who are employed under a variety of payroll titles and different work arrangements from establishment to establishment and from area to area. This permits the grouping of occupational wage rates representing comparable job content. Because of this emphasis on interestablishment and interarea comparability of occupational content, the Bureau's job descriptions may differ significantly from those in use in individual establishments or those prepared for other purposes. In applying these job descriptions, the Bureau's field economists are instructed to exclude working supervisors; apprentices; learners; beginners; and part-time, temporary, and probationary workers. Handicapped workers whose earnings are reduced because of their handicap are also excluded. Trainees are excluded from the survey except for those receiving on-the-job training in some of the lower level professional and technical occupations.

## Office

### SECRETARY

Assigned as a personal secretary, normally to one individual, maintains a close and highly responsive relationship to the day-to-day activities of the supervisor. Works fairly independently receiving a minimum of detailed supervision and guidance. Performs varied clerical and secretarial duties requiring a knowledge of office routine and understanding of the organization, programs, and procedures related to the work of the supervisor.

#### Exclusions

Not all positions that are titled "secretary" possess the above characteristics. Examples of positions which are excluded from the definition are as follows:

Listed below are several occupations for which revised descriptions or titles are being introduced in this survey:

- Order clerk
- Payroll clerk
- Secretary
- Switchboard operator
- Switchboard operator-receptionist
- Transcribing-machine typist
- Machine tool operator (toolroom)

The Bureau has discontinued collecting data for tabulating-machine operator. Workers previously classified as watchmen are now classified as guards under the revised description.

### SECRETARY—Continued

#### Exclusions—Continued

- a. Positions which do not meet the "personal" secretary concept described above;
- b. Stenographers not fully trained in secretarial-type duties;
- c. Stenographers serving as office assistants to a group of professional, technical, or managerial persons;
- d. Assistant-type positions which entail more difficult or more responsible technical, administrative, or supervisory duties which are not typical of secretarial work, e.g., Administrative Assistant, or Executive Assistant;

- Tool and die maker
- Guard
- Shipper and receiver (previously surveyed as shipping and receiving clerk)
- Truckdriver



Classification by Level—Continued

- e. Positions which do not fit any of the situations listed in the sections below titled "Level of Supervisor," "F-2," secretary to the president of a company that employs, in all, over 5,000 persons; or
- f. Trainees.

Classification by Level

Secretary jobs which meet the above characteristics are matched at one of five levels according to (a) the level of the secretary's supervisor within the company's organizational structure and, (b) the level of the secretary's responsibility. The chart following the explanations of these two factors indicates the level of the secretary for each combination of the factors.

Level of Secretary's Supervisor (LS)

Secretaries should be matched at one of the four LS levels described below according to the level of the secretary's supervisor within the company organizational structure.

- LS-1** a. Secretary to the supervisor or head of a small organizational unit (e.g., fewer than about 25 or 30 persons); or
- b. Secretary to a nonsupervisory staff specialist, professional employee, administrative officer or assistant, skilled technician or expert. (NOTE: Many companies assign stenographers, rather than secretaries as described above, to this level of supervisory or nonsupervisory worker.)
- LS-2** a. Secretary to an executive or managerial person whose responsibility is not equivalent to one of the specific level situations in the definition for LS-1, but whose organizational unit normally numbers at least several dozen employees and is usually divided into organizational segments which are often, in turn, further subdivided. In some companies, this level includes a wide range of organizational echelons; in others, only one or two; or
- b. Secretary to the head of an individual plant, factory, etc., (or other equivalent level of official) that employs, in all, fewer than 5,000 persons.
- LS-3** a. Secretary to the chairman of the board or president of a company that employs, in all, fewer than 100 persons; or
- b. Secretary to a corporate officer (other than chairman of the board or president) of a company that employs, in all, over 100 but fewer than 5,000 persons; or
- c. Secretary to the head (immediately below the officer level) over either a major corporate-wide functional activity (e.g., marketing, research, operations, industrial relations, etc.) or a major geographic or organizational segment (e.g., a regional headquarters; a major division) of a company that employs, in all, over 5,000 but fewer than 25,000 employees; or
- d. Secretary to the head of an individual plant, factory, etc., (or other equivalent level of official) that employs, in all, over 5,000 persons; or

- e. Secretary to the head of a large and important organizational segment (e.g., a middle management supervisor of an organizational segment often involving as many as several hundred persons) of a company that employs, in all, over 25,000 persons.
- LS-4** a. Secretary to the chairman of the board or president of a company that employs, in all, over 100 but fewer than 5,000 persons; or
- b. Secretary to a corporate officer (other than the chairman of the board or president) of a company that employs, in all, over 5,000 but fewer than 25,000 persons; or
- c. Secretary to the head, immediately below the corporate officer level, of a major segment or subsidiary of a company that employs, in all, over 25,000 persons.

**NOTE:** The term "corporate officer" used in the above LS definition refers to those officials who have a significant corporatewide policy-making role with regard to major company activities. The title "vice president," though normally indicative of this role, does not in all cases identify such positions. Vice presidents whose primary responsibility is to act personally on individual cases or transactions (e.g., approve or deny individual loan or credit actions; administer individual trust accounts; directly supervise a clerical staff) are not considered to be "corporate officers" for purposes of applying the definition.

Level of Secretary's Responsibility (LR)

This factor evaluates the nature of the work relationship between the secretary and the supervisor, and the extent to which the secretary is expected to exercise initiative and judgment. Secretaries should be matched at LR-1 or LR-2 described below according to their level of responsibility.

Level of Responsibility 1 (LR-1)

Performs varied secretarial duties including or comparable to most of the following:

- a. Answers telephones, grants personal calls, and opens incoming mail.
- b. Answers telephone requests which have standard answers. May reply to requests by sending a form letter.
- c. Reviews correspondence, memoranda, and reports prepared by others for the supervisor's signature to ensure procedural and typographical accuracy.
- d. Maintains supervisor's calendar and makes appointments as instructed.

- e. Types, takes and transcribes dictation, and files.

## Level of Responsibility 2 (LR-2)

Performs duties described under LR-1 and, in addition performs tasks requiring greater judgment, initiative, and knowledge of office functions including or comparable to most of the following:

- Screens tele, phone and personal callers, determining which can be handled by the supervisor's subordinates or other offices.
- Answers requests which require a detailed knowledge of office procedures or collection of information from files or other offices. May sign routine correspondence in own or supervisor's name.
- Compiles or assists in compiling periodic reports on the basis of general instructions.
- Schedules tentative appointments without prior clearance. Assembles necessary background material for scheduled meetings. Makes arrangements for meetings and conferences.
- Explains supervisor's requirements to other employees in supervisor's unit. (Also takes dictation, and files.)

The following chart shows the level of the secretary for each LS and LR combination.

Level of secretary's supervisor	Level of secretary's responsibility	
	LR-1	LR-2
LS-1	Class E	Class D
LS-2	Class D	Class C
LS-3	Class C	Class B
LS-4	Class B	Class A

## STENOGRAPHER

Primary duty is to take dictation using shorthand, and to transcribe the dictation. May also type from written copy. May operate from a stenographic pool. May occasionally transcribe from voice recordings (if primary duty is transcribing from recordings, see Transcribing-Machine Typist).

**NOTE:** This job is distinguished from that of a secretary in that a secretary normally works in a confidential relationship with only one manager or executive and performs more responsible and discretionary tasks as described in the secretary job definition.

Stenographer, General

Dictation involves a normal routine vocabulary. May maintain files, keep simple records, or perform other relatively routine clerical tasks.

Stenographer, Senior

Dictation involves a varied technical or specialized vocabulary such as in legal briefs or reports on scientific research. May also set up and maintain files, keep records, etc.

OR

Performs stenographic duties requiring significantly greater independence and responsibility than stenographer, general, as evidenced by the following: Work requires a high degree of stenographic speed and accuracy; a thorough working knowledge of general business and office procedure; and of the specific business operations, organization, policies, procedures, files, workflow, etc. Uses this knowledge in performing stenographic duties and responsible clerical tasks such as maintaining follow-up files; assembling material for reports, memoranda, and letters; composing simple letters from general instructions; reading and routing incoming mail; and answering routine questions, etc.

## TRANSCRIBING-MACHINE TYPIST

Primary duty is to type copy of voice recorded dictation which does not involve varied technical or specialized vocabulary such as that used in legal briefs or reports on scientific research. May also type from written copy. May maintain files, keep simple records, or perform other relatively routine clerical tasks. (See Stenographer definition for workers involved with shorthand dictation.)

## TYPIST

Uses a typewriter to make copies of various materials or to make out bills after calculations have been made by another person. May include typing of stencils, mats, or similar materials for use in duplicating processes. May do clerical work involving little special training, such as keeping simple records, filing records and reports, or sorting and distributing incoming mail.

Class A. Performs one or more of the following: Typing material in final form when it involves combining material from several sources; or responsibility for correct spelling, syllabication, punctuation, etc., of technical or unusual words or foreign language material; or planning layout and typing of complicated statistical tables to maintain uniformity and balance in spacing. May type routine form letters, varying details to suit circumstances.

Class B. Performs one or more of the following: Copy typing from rough or clear drafts; or routine typing of forms, insurance policies, etc.; or setting up simple standard tabulations; or copying more complex tables already set up and spaced properly.

## FILE CLERK

Files, classifies, and retrieves material in an established filing system. May perform clerical and manual tasks required to maintain files. Positions are classified into levels on the basis of the following definitions.

## FILE CLERK—Continued

**Class A.** Classifies and indexes file material such as correspondence, reports, technical documents, etc., in an established filing system containing a number of varied subject matter files. May also file this material. May keep records of various types in conjunction with the files. May lead a small group of lower level file clerks.

**Class B.** Sorts, codes, and files unclassified material by simple subject matter headings or partly classified material by finer subheadings. Prepares simple related index and cross-reference aids. As requested, codes clearly identified material in files and forwards material. May perform related clerical tasks required to maintain and service files.

**Class C.** Performs routine filing of material that has already been classified or which is easily classified in a simple serial classification system (e.g., alphabetical, chronological, or numerical). As requested, codes readily available material in files and forwards material; and may bill out withdrawal charge. May perform simple clerical and manual tasks required to maintain and service files.

## MESSENGER

Performs various routine duties, such as running errands, operating minor office machines such as sealers or mailers, opening and distributing mail, and other minor clerical work. Exclude positions that require operation of a motor vehicle as a significant duty.

## SWITCHBOARD OPERATOR

Operates a telephone switchboard or console used with a private branch exchange (PBX) system to relay incoming, outgoing, and intrasystem calls. May provide information to callers, record and transmit messages, keep record of calls placed and toll charges. Besides operating a telephone switchboard or console, may also type or perform routine clerical work (typing or routine clerical work may occupy the major portion of the worker's time. This is usually performed while at the switchboard or console). Chief or lead operators in establishments employing more than one operator are excluded. For an operator who also acts as a receptionist, see Switchboard Operator-Receptionist.

## SWITCHBOARD OPERATOR-RECEPTIONIST

At a single-position telephone switchboard or console, acts both as an operator—see Switchboard Operator—and as a receptionist. Receptionist's work involves such duties as greeting visitors; determining nature of visitor's business and providing appropriate information; referring visitor to appropriate person in the organization or contacting that person by telephone and arranging an appointment; keeping a log of visitors.

## ORDER CLERK

Receives written or verbal customers' purchase orders for material or merchandise from customers or sales people. Work typically involves some combination of the following duties: Quoting prices; determining availability of ordered items and suggesting substitutes when necessary; advising expected delivery date and method of delivery; recording order and customer information on order sheets; checking order sheets for accuracy and

## ORDER CLERK—Continued

adequacy of information recorded; ascertaining credit rating of customer; furnishing customer with acknowledgement of receipt of order; following-up to see that order is delivered by the specified date or to let customer know of a delay in delivery; maintaining order file; checking shipping invoice against original order.

Exclude workers paid on a commission basis or whose duties include any of the following: Receiving orders for services rather than for material or merchandise; providing customers with consultative advice using knowledge gained from engineering or extensive technical training; emphasizing selling skills; handling material or merchandise as an integral part of the job.

Positions are classified into levels according to the following definitions:

**Class A.** Handles orders that involve making judgments such as choosing which specific product or material from the establishment's product lines will satisfy the customer's needs, or determining the price to be quoted when pricing involves more than merely referring to a price list or making some simple mathematical calculations.

**Class B.** Handles orders involving items which have readily identified uses and applications. May refer to a catalog, manufacturer's manual, or similar document to insure that proper item is supplied or to verify price of ordered item.

## ACCOUNTING CLERK

Performs one or more accounting clerical tasks such as posting to registers and ledgers; reconciling bank accounts; verifying the internal consistency, completeness, and mathematical accuracy of accounting documents; assigning prescribed accounting distribution codes; examining and verifying for clerical accuracy various types of reports, lists, calculations, postings, etc.; or preparing simple or assisting in preparing more complicated journal vouchers. May work in either a manual or automated accounting system.

The work requires a knowledge of clerical methods and office practices and procedures which relate to the clerical processing and recording of transactions and accounting information. With experience, the worker typically becomes familiar with the bookkeeping and accounting terms and procedures used in the assigned work, but is not required to have a knowledge of the formal principles of bookkeeping and accounting.

Positions are classified into levels on the basis of the following definitions:

**Class A.** Under general supervision, performs accounting clerical operations which require the application of experience and judgment, for example, clerically processing complicated or nonrepetitive accounting transactions, selecting among a substantial variety of prescribed accounting codes and classifications, or tracing transactions through previous accounting actions to determine source of discrepancies. May be assisted by one or more class B accounting clerks.

**Class B.** Under close supervision, following detailed instructions and standardized procedures, performs one or more routine accounting clerical operations, such as posting to ledgers, cards, or worksheets.



where identification of items and locations of postings are clearly indicated; checking accuracy and completeness of standardized and repetitive records; or accounting documents; and coding documents using a few prescribed accounting codes.

#### BOOKKEEPING-MACHINE OPERATOR

Operates a bookkeeping machine (with or without a typewriter keyboard) to keep a record of business transactions.

**Class A.** Keeps a set of records requiring a knowledge of and experience in basic bookkeeping principles, and familiarity with the structure of the particular accounting system used. Determines proper records and distribution of debit and credit items to be used in each phase of the work. May prepare consolidated reports, balance sheets, and other records by hand.

**Class B.** Keeps a record of one or more phases or sections of a records usually requiring little knowledge of basic bookkeeping. Phases or sections include accounts payable, payroll, customer accounts (not including a simple type of billing described under machine biller), cost distribution, expense distribution, inventory control, etc. May check or assist in preparation of trial balances and prepare control sheets for the accounting department.

#### MACHINE BILLER

Prepares statements, bills, and invoices on a machine other than an ordinary or electronic typewriter. May also keep records as to billings or shipping charges or perform other clerical work incidental to billing operations. For wage study purposes, machine billers are classified by type of machine, as follows:

**Billing-machine biller.** Uses a special billing machine (combination typing and adding machine) to prepare bills and invoices from customers' purchase orders. Internally prepared orders, shipping memoranda, etc. Usually involves application of predetermined discounts and shipping charges and entry of necessary extensions, which may or may not be computed on the billing machine, and totals which are automatically accumulated by machine. The operation usually involves a large number of carbon copies of which one being prepared and is often done on a fanfold machine.

### Professional and Technical

#### COMPUTER SYSTEMS ANALYST, BUSINESS

Analyzes business problems to formulate procedures for solving them by use of electronic data processing equipment. Develops a complete description of all specifications needed to enable programmers to prepare required digital computer programs. Work involves most of the following: analyzes subject-matter operations to be automated and identifies conditions and criteria required to achieve satisfactory results; specifies number and types of records, files, and documents to be used; outlines actions to be performed by personnel and computers in sufficient detail for presentation to management and for programming (typically this involves preparation of work and data flow charts); coordinates the development of test problems and

#### MACHINE BILLER—Continued

**Bookkeeping-machine biller.** Uses bookkeeping machine (with or without a typewriter keyboard) to prepare customers' bills as part of the account receivable operation. Generally involves the simultaneous entry of figures on customer's ledger record. The machine automatically accumulates figures on a number of vertical columns and computes and usually prints automatically the debit or credit balances. Does not involve a knowledge of bookkeeping. Works from uniform and standard types of sales and credit slips.

#### PAYROLL CLERK

Performs the clerical tasks necessary to process payrolls and to maintain payroll records. Work involves most of the following: Processing workers' time or production records; adjusting workers' records for changes in wage rates, supplementary benefits, or tax deductions; editing payroll listings against source records; tracing and correcting errors in listings; and assisting in preparation of periodic summary payroll reports. In a non-automated payroll system, computes wages. Work may require a practical knowledge of governmental regulations, company payroll policy, or the computer system for processing payrolls.

#### KEYPUNCH OPERATOR

Operates a keypunch machine to record or verify alphabetic and/or numeric data on tabulating cards or on tape.

Positions are classified into levels on the basis of the following definitions:

**Class A.** Work requires the application of experience and judgment in selecting procedures to be followed and in searching for, interpreting, selecting, or coding items to be keypunched from a variety of source documents. On occasion may also perform some routine keypunch work. May train inexperienced keypunch operators.

**Class B.** Work is routine and repetitive. Under close supervision or following specific procedures or instructions, works from various standardized source documents which have been coded, and follows specified procedures which have been prescribed in detail and require little or no selecting, coding, or interpreting of data to be recorded. Refers to supervisor problems arising from erroneous items or codes or missing information.

#### COMPUTER SYSTEMS ANALYST, BUSINESS—Continued

participates in trial runs of new and revised systems; and recommends equipment changes to obtain more effective overall operations. (NOTE: Workers performing both systems analysis and programming should be classified as systems analysts if this is the skill used to determine their pay.)

Does not include employees primarily responsible for the management or supervision of other electronic data processing employees, or systems analysts primarily concerned with scientific or engineering problems.



## COMPUTER SYSTEMS ANALYST, BUSINESS—Continued

For wage study purposes, systems analysts are classified as follows:

**Class A.** Works independently or under only general direction on complex problems involving all phases of systems analysis. Problems are complex because of diverse sources of input data and multiple-use requirements of output data. (For example, develops an integrated production scheduling, inventory control, cost analysis, and sales analysis record in which every item of each type is automatically processed through the full stem of records and appropriate followup actions are initiated by the computer.) Confers with persons concerned to determine the data processing problems and advises subject-matter personnel on the implications of new or revised systems of data processing operations. Makes recommendations, if needed, for approval of major systems installations or changes and for training equipment.

May provide functional direction to lower level systems analysts who are assigned to assist.

**Class B.** Works independently or under only general direction on problems that are relatively uncomplicated to analyze, plan, program, and operate. Problems are of limited complexity because sources of input data are homogeneous and the output data are closely related. (For example, develops systems for maintaining depositor accounts in a bank, maintaining accounts receivable in a retail establishment, or maintaining inventory accounts in a manufacturing or wholesale establishment.) Confers with persons concerned to determine the data processing problems and advises subject-matter personnel on the implications of the data processing systems to be applied.

OR

Works on a segment of a complex data processing scheme or system, as described for class A. Works independently on routine assignments and receives instruction and guidance on complex assignments. Work is reviewed or accuracy of judgment, compliance with instructions, and to insure proper alignment with the overall system.

**Class C.** Works under immediate supervision, carrying out analyses as assigned, usually of a single activity. Assignments are designed to develop and expand practical experience in the application of procedures and skills required for systems analysis work. For example, may assist a higher level systems analyst by preparing the detailed specifications required by programmers from information developed by the higher level analyst.

## COMPUTER PROGRAMMER, BUSINESS

Converts statements of business problems, typically prepared by a systems analyst, into a sequence of detailed instructions which are required to solve the problems by automatic data processing equipment. Working from charts or diagrams, the programmer develops the precise instructions which, when entered into the computer system in coded language, cause the manipulation of data to achieve desired results. Work involves most of the following: Applies knowledge of computer capabilities, mathematics, logic employed by computers, and particular subject matter involved in analyze charts and diagrams of the problem to be programmed; develops sequence of program steps; writes detailed flow charts to show order in which data will be processed; converts these charts to coded instructions for machine to follow; tests and corrects

## COMPUTER PROGRAMMER, BUSINESS—Continued

programs; prepares instructions for operating personnel during production run; analyzes, reviews, and alters programs to increase operating efficiency or adapt to new requirements; maintains records of program development and revisions. (NOTE: Workers performing both systems analysis and programming should be classified as systems analysts if this is the skill used to determine their pay.)

Does not include employees primarily responsible for the management or supervision of other electronic data processing employees, or programmers primarily concerned with scientific and/or engineering problems.

For wage study purposes, programmers are classified as follows:

**Class A.** Works independently or under only general direction on complex problems which require competence in all phases of programming concepts and practices. Working from diagrams and charts which identify the nature of desired results, major processing steps to be accomplished, and the relationships between various steps of the problem solving routine; plans the full range of programming actions needed to efficiently utilize the computer system in achieving desired end products.

At this level, programming is difficult because computer equipment must be organized to produce several interrelated but diverse products from numerous and diverse data elements. A wide variety and extensive number of internal processing actions must occur. This requires such actions as development of common operations which can be reused, establishment of linkage points between operations, adjustments to data when program requirements exceed computer storage capacity, and substantial manipulation and resequencing of data elements to form a highly integrated program.

May provide functional direction to lower level programmers who are assigned to assist.

**Class B.** Works independently or under only general direction on relatively simple programs, or on simple segments of complex programs. Programs (or segments) usually process information to produce data in two or three varied sequences or formats. Reports and listings are produced by refining, adapting, arraying, or making minor additions to or deletions from input data which are readily available. While numerous records may be processed, the data have been refined in prior actions so that the accuracy and sequencing of data can be tested by using a few routine checks. Typically, the program deals with routine recordkeeping operations.

OR

Works on complex programs (as described for class A) under close direction of a higher level programmer or supervisor. May assist higher level programmer by independently performing less difficult tasks assigned, and performing more difficult tasks under fairly close direction.

## COMPUTER PROGRAMMER, BUSINESS—Continued

May guide or instruct lower level programmers.

**Class C.** Makes practical applications of programming practices and concepts usually learned in formal training course. Assignments are designed to develop competence in the application of standard procedures to routine problems. Receives close supervision on new aspects of assignments; and work is reviewed to verify its accuracy and conformance with required procedures.

### COMPUTER OPERATOR

Monitors and operates the control console of a digital computer to process data according to operating instructions, usually prepared by a programmer. Work includes most of the following: Studies instructions to determine equipment setup and operations; loads equipment with required tapes (tape reels, cards, etc.); switches necessary auxiliary equipment into circuit, and starts and operates computer; makes adjustments to computer to correct operating problems and meet special conditions; reviews errors made during operation and determines cause or refers problem to supervisor or programmer; and maintains operating records. May test and assist in correcting program.

For wage study purposes, computer operators are classified as follows:

**Class A.** Operates independently, or under only general direction, a computer running programs with most of the following characteristics: New programs are frequently tested and introduced; scheduling requirements are of critical importance to minimize downtime; the programs are of complex design so that identification of error source often requires a working knowledge of the total program, and alternate programs may not be available. May give direction and guidance to lower level operators.

**Class B.** Operates independently, or under only general direction, a computer running programs with most of the following characteristics: Most of the programs are established production runs, typically run on a regularly recurring basis; there is little or no testing of new programs required; alternate programs are provided in case original program needs major change or cannot be corrected within a reasonably short time. In common error situations, diagnoses cause and takes corrective action. This usually involves applying previously programmed corrective steps, or using standard correction techniques.

OR

Operates under direct supervision a computer running programs or segments of programs with the characteristics described for class A. May assist a higher level operator by independently performing less difficult tasks assigned, and performing difficult tasks following detailed instructions and with frequent review of operations performed.

**Class C.** Works on routine programs under close supervision. Is expected to develop working knowledge of the computer equipment used and ability to detect problems involved in running routine programs. Usually has received some formal training in computer operation. May assist higher level operator on complex programs.

## DRAFTER

**Class A.** Plans the graphic presentation of complex items having distinctive design features that differ significantly from established drafting precedents. Works in close support with the design originator, and may recommend minor design changes. Analyzes the effect of each change on the details of form, function, and positional relationships of components and parts. Works with a minimum of supervisory assistance. Completed work is reviewed by design originator for consistency with prior engineering determinations. May either prepare drawings or direct their preparation by lower level drafters.

**Class B.** Performs non-routine and complex drafting assignments that require the application of most of the standardized drawing techniques regularly used. Duties typically involve such work as: Prepares working drawings of subassemblies with irregular shapes, multiple functions, and precise positional relationships between components; prepares architectural drawings for construction of a building including detail drawings of foundations, wall sections, floor plans, and roof. Uses accepted formulas and manuals in making necessary computations to determine quantities of materials to be used, load capacities, strengths, stresses, etc. Receives initial instructions, requirements, and advice from supervisor. Completed work is checked for technical adequacy.

**Class C.** Prepares detail drawings of single units or parts for engineering, construction, manufacturing, or repair purposes. Types of drawings prepared include isometric projections (depicting three dimensions in accurate scale) and sectional views to clarify positioning of components and convey needed information. Consolidates details from a number of sources and adjusts or transposes scale as required. Suggested methods of approach, applicable precedents, and advice on source materials are given with initial assignments. Instructions are less complete when assignments recur. Work may be spot-checked during progress.

## DRAFTER-TRACER

Copies plans and drawings prepared by others by placing tracing cloth or paper over drawings and tracing with pen or pencil. (Does not include tracing limited to plans primarily consisting of straight lines and a large scale not requiring close delineation.)

AND/OR

Prepares simple or repetitive drawings of easily visualized items. Work is closely supervised during progress.

## ELECTRONICS TECHNICIAN

Works on various types of electronic equipment and related devices by performing one or a combination of the following: Installing, maintaining, repairing, overhauling, troubleshooting, modifying, constructing, and testing. Work requires practical application of technical knowledge of electronics principles, ability to determine malfunctions, and skill to put equipment in required operating condition.

The equipment—consisting of either many different kinds of circuits or multiple repetition of the same kind of circuit—includes, but is not limited to, the following: (a) Electronic transmitting and receiving equipment (e.g., radar, radio, television, telephones, sonar, navigational aids), (b) digital and analog computers, and (c) industrial and medical measuring and controlling equipment.

This classification excludes repairers of such standard electronic equipment as common office machines and household radio and television sets; production assemblers and testers; workers whose primary duty is servicing electronic test instruments; technicians who have administrative or supervisory responsibility; and drafters, designers and professional engineers.

Positions are classified into levels on the basis of the following definitions:

**Class A.** Applies advanced technical knowledge to solve unusually complex problems (i.e., those that typically cannot be solved solely by reference to manufacturers' manuals or similar documents) in working on electronic equipment. Examples of such problems include location and density of circuitry, electro-magnetic radiation, locating malfunctions, and frequent engineering changes. Work involves a detailed understanding of the interrelationships of circuits; exercising independent judgment in performing such tasks as making circuit analyses, calculating wave forms, tracing relationships in signal flow and regularly using complex test instruments (e.g., dual trace oscilloscopes, O-meters, deviation meters, pulse generators).

Work may be reviewed by supervisor (frequently an engineer or designer) for general compliance with accepted practices. May provide technical guidance to lower level technicians.

**Class B.** Applies comprehensive technical knowledge to solve complex problems (i.e., those that typically can be solved solely by properly interpreting manufacturers' manuals or similar documents) in working on electronic equipment. Work involves a familiarity with the interrelationships of circuits; and judgment in determining work sequence and in selecting tools and testing instruments, usually less complex than those used by the class A technician.

## Maintenance, Toolroom, and Powerplant

### MAINTENANCE CARPENTER

Performs the carpentry duties necessary to construct and maintain in good repair building woodwork and equipment such as bins, cribs, counters, benches, partitions, roofs, floors, stairs, casings, and trim made of wood in an establishment. Work involves most of the following: Planning and laying out of work from blueprints, drawing, models, or verbal instructions; using a variety of carpenter's handtools, portable power tools, and standard measuring instruments; making standard shop computations relating to dimensions of work; and selecting materials necessary for the work. In general, the work of the maintenance carpenter requires rounded training and experience usually acquired through a formal apprenticeship or equivalent training and experience.

### MAINTENANCE ELECTRICIAN

Performs a variety of electrical trade functions such as the installation, maintenance, or repair of equipment for the generation, distribution, or utilization of electric energy in an establishment. Work involves most of the following: Installing or repairing any of a variety of electrical

Receives technical guidance, as required, from supervisor or high level technician, and work is reviewed for specific compliance with accepted practices and work assignments. May provide technical guidance to lower level technicians.

**Class C.** Applies working technical knowledge to perform simple or routine tasks in working on electronic equipment, following detailed instructions which cover virtually all procedures. Work typically involves such tasks as: Assisting higher level technicians by performing such activities as replacing components, wiring circuits, and taking test readings; repairing simple electronic equipment; and using tools and common test instruments (e.g., multimeters, audio signal generators, tube testers, oscilloscopes). It is not required to be familiar with the interrelationships of circuits. This knowledge, however, may be acquired through assignments designed to increase competence (including classroom training) so that worker can advance to higher level technician.

Receives technical guidance, as required, from supervisor or higher level technician. Work is typically spot checked, but is given detailed review when new or advanced assignments are involved.

### REGISTERED INDUSTRIAL NURSE

A registered nurse who gives nursing service under general medical direction to ill or injured employees or other persons who become ill or suffer an accident on the premises of a factory or other establishment. Duties involve a combination of the following: Giving first aid to the ill or injured; attending to subsequent dressing of employees' injuries; keeping records of patients treated; preparing accident reports for compensation or other purposes; assisting in physical examinations and health evaluations of applicants and employees; and planning and carrying out programs involving health education, accident prevention, evaluation of plant environment, or other activities affecting the health, welfare, and safety of all personnel. Nursing supervisors or head nurses in establishments employing more than one nurse are excluded.

### MAINTENANCE ELECTRICIAN—Continued

equipment such as generators, transformers, switchboards, controllers, circuit breakers, motors, heating units, conduit systems, or other transmission equipment; working from blueprints, drawings, layouts, or other specifications; locating and diagnosing trouble in the electrical system or equipment; working standard computations relating to load requirements of wiring or electrical equipment; and using a variety of electrician's handtools and measuring and testing instruments. In general, the work of the maintenance electrician requires rounded training and experience usually acquired through a formal apprenticeship or equivalent training and experience.

### MAINTENANCE PAINTER

Paints and redecorates walls, woodwork, and fixtures of an establishment. Work involves the following: Knowledge of surface peculiarities and types of paint required for different applications; preparing surface for painting by removing old finish or by placing putty or filler in nail holes



(a) General. The Contracting Officer or his representatives shall have the audit and inspection rights described in the applicable paragraphs (b), (c) and (d) below.

(b) Examination of costs. If this is a negotiated fixed-price type, cost-reimbursement type, incentive, time and materials, labor hour, or price redeterminable contract, or any combination thereof, the Contractor shall maintain, and the Contracting Officer or his representatives shall have the right to examine books, records, documents, and other evidence and accounting procedures and practices, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have incurred and anticipated to be incurred for the performance of this contract. Such right of examination shall include inspection at all reasonable times of the Contractor's plants, or such parts thereof, as may be engaged in the performance of this contract.

(c) Cost or pricing data. If the Contractor submitted cost or pricing data in connection with the pricing of this contract or any change or modification thereto, unless such pricing was based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation, the Contracting Officer or his representatives who are employees of the United States Government shall have the right to examine all books, records, documents and other data of the Contractor related to the negotiation, pricing or performance of such contract, change or modification, for the purpose of evaluating the accuracy, completeness and currentness of the cost or pricing data submitted. Additionally, in the case of pricing any change or modification exceeding \$100,000 to formally advertised contracts, the Comptroller General of the United States or his representatives who are employees of the United States Government shall have such rights. The right of examination shall extend to all documents necessary to permit adequate evaluation of the cost or pricing data submitted, along with the computations and projections used there

(d) Availability. The materials described in (b) and (c) above, shall be made available at the office of the Contractor, at all reasonable times, for inspection, audit or reproduction, until the expiration of 3 years from the date of final payment under this contract or such lesser time specified in Part 1-20 of the Federal Procurement Regulations (41 CFR Part 1-20) and for such longer period, if any, as is required by applicable statute, or by other clauses of this contract, or by (1) and (2) below:

(1) If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for a period of 3 years from the date of any resulting final settlement.

(2) Records which relate to appeals under the "Disputes" clause of this contract, or litigation or the settlement of claims arising out of the performance of this contract, shall be made available until such appeals, litigation, or claims have been disposed of.

(e) The Contractor shall insert a clause containing all the provisions of this clause, including this paragraph (e), in all subcontracts hereunder except altered as necessary for proper identification of the contracting parties and the Contracting Officer under the Government prime contract.

(f) Reports. The Contractor shall furnish such progress reports and schedules, financial and cost reports and other reports concerning the work under this contract as the contracting officer may from time to time require.



(a) The Contractor shall require subcontractors hereunder to submit, actually or by specific identification in writing, cost or pricing data under the following circumstances:

(1) Prior to the award of any subcontract the amount of which is expected to exceed \$100,000 when entered into;

(2) Prior to the pricing of any subcontract modification which involves aggregate increases and/or decreases in costs plus applicable profits expected to exceed \$100,000; except where the price is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation.

(b) The Contractor shall require subcontractors to certify, in substantially the same form as that used in the certificate by the Prime Contractor to the Government, that to the best of their knowledge and belief, the cost and pricing data submitted under (a) above is accurate, complete, and current as of the date of agreement on the negotiated price of the subcontract or subcontract change or modification.

(c) The Contractor shall insert the substance of this clause including this paragraph (c) in each subcontract hereunder which exceeds \$100,000 when entered into except where the price thereof is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation. In each such expected subcontract hereunder in excess of \$100,000, the Contractor shall insert the substance of the following clause:

Clause No. 45

SUBCONTRACTOR COST OR PRICING DATA -  
PRICE ADJUSTMENTS

(a) Paragraphs (b) and (c) of this clause shall become operative only with respect to any modification made pursuant to one or more provisions of this contract which involves aggregate increases and/or decreases in costs plus applicable profits expected to exceed \$100,000. The requirements of this clause shall be limited to such contract modifications.

(b) The Contractor shall require subcontractors hereunder to submit, actually or by specific identification in writing, cost or pricing data under the following circumstances:

(1) Prior to award of any subcontract, the amount of which is expected to exceed \$100,000 when entered into;

(2) Prior to the pricing of any subcontract modification which involves aggregate increases and/or decreases in costs plus applicable profits expected to exceed \$100,000; except where the price is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation.

(c) The Contractor shall require subcontractors to certify, in substantially the same form as that used in the certificate by the Prime Contractor to the Government, that to the best of their knowledge and belief the cost and pricing data submitted under (b) above is accurate, complete, and current as of the date of agreement on the negotiated price of the subcontract or subcontract change or modification.

(d) The Contractor shall insert the substance of this clause including this paragraph (d) in each subcontract hereunder which exceeds \$100,000 when entered into.

The Small Business Administration (SBA) agrees as follows:

1. To furnish the supplies or services set forth in this contract according to the specifications and the terms and conditions hereof by subcontracting with an eligible concern pursuant to the provisions of Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637(a)).
2. That in the event SBA does not award a subcontract for all or a part of the work hereunder, this contract may be terminated either in whole or in part without cost to either party.
3. SBA hereby delegates to the U.S. Nuclear Regulatory Commission (NRC) the responsibility for administering the subcontract to be awarded hereunder with complete authority to take any action on behalf of the Government under the terms and conditions of the subcontract: Provided, however, that the NRC shall give advance notice to the SBA before it issues a final notice terminating the right of a subcontractor to proceed with further performance, either in whole or in part, under the subcontract for default or for the convenience of the Government.
4. Payments to be made under any subcontract awarded under this contract will be made directly to the subcontractor by NRC.
5. That the subcontractor awarded a subcontract hereunder shall have the right to appeal from decisions of the Contracting Officer cognizable under the "Disputes" clause of said subcontract, which clause shall be identical with that set out in Article 12 of Standard Form 32. It is further understood and agreed that the subcontract to be executed between the SBA and SBA's subcontractor shall also include a clause as follows:

For the purpose of this subcontract, the reference to the "Secretary or his duly authorized representative" in the "Disputes" clause of this subcontract (Article 12 of Standard Form 32, General Provisions) shall be deemed to mean, respectively, the Chairman of the U.S. Nuclear Regulatory Commission or his duly authorized representative.

## (a) The Contractor agrees:

(1) To comply with the Privacy Act of 1974 and the rules and regulations issued pursuant to the Act in the design, development, or operation of any system of records on individuals in order to accomplish an agency function when the contract specifically identifies (i) the system or systems of records and (ii) the work to be performed by the contractor in terms of any one or combination of the following: (A) design, (B) development, or (C) operation;

(2) to include the solicitation notification contained in this contract in every solicitation and resulting subcontract and in every subcontract awarded without a solicitation when the statement of work in the proposed subcontract requires the design, development, or operation of a system of records on individuals to accomplish an agency function; and

(3) to include this clause, including this paragraph (3), in all subcontracts awarded pursuant to this contract which require the design, development, or operation of such a system of records.

(b) In the event of violations of the Act, a civil action may be brought against the agency involved where the violation concerns the design, development, or operation of a system of records on individuals to accomplish an agency function, and criminal penalties may be imposed upon the officers or employees of the agency where the violation concerns the operation of a system of records on individuals to accomplish an agency function. For purposes of the Act when the contract is for the operation of a system of records on individuals to accomplish an agency function, the contractor and any employee of the contractor is considered to be an employee of the agency.

(c) The terms used in this clause have the following meanings:

(1) "Operation of a system of records" means performance of any of the activities associated with maintaining the system of records including the collection, use, and dissemination of records.

(2) "Record" means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print or a photograph.

(3) "System of records" on individuals means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual.

Clause No. 48

SERVICE CONTRACT ACT OF 1965, AS AMENDED (FPR 1-12.904-1)  
(Contracts in Excess of \$2,500)

This contract, to the extent that it is of the character to which the Service Contract Act of 1965, as amended (41 U.S.C. 351-357) applies, is subject to the following provisions and to all other applicable provisions of the Act and regulations of the Secretary of Labor thereunder.

(a) Compensation. Each service employee employed in the performance of this contract by the Contractor or any subcontractor shall be paid not less than the minimum monetary wage and shall be furnished fringe benefits in accordance with the wages and fringe benefits determined by the Secretary of Labor or his authorized representative, as specified in any attachment to this contract. If there is such an attachment, any class of service employees which is not listed therein, but which is to be employed under this contract, shall be classified by the Contractor so as to provide a reasonable relationship between such classifications and those listed in the attachment, and shall be paid such monetary wages and furnished such fringe benefits as are determined by agreement of the interested parties, who shall be deemed to be the contracting agency, the Contractor, and the employees who will perform on the contract or their representatives. If the interested parties do not agree on a classification or reclassification which is, in fact, conformable, the Contracting Officer shall submit the question, together with his recommendation, to the Office of Special Wage Standards, Employment Standards Administration (ESA), Department of Labor for final determination. Failure to pay such employees the compensation agreed upon by the interested parties or finally determined by the Administrator or his authorized representative shall be a violation of this contract. No employee engaged in performing work on this contract shall in any event be paid less than the minimum wage specified under Section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended.

(b) Adjustment. If, as authorized pursuant to Section 4(d) of the Service Contract Act of 1965, as amended, the term of this contract is more than 1 year, the minimum monetary wages and fringe benefits required to be paid or furnished thereunder to service employees shall be subject to adjustment after 1 year and not less often than once every 2 years, pursuant to wage determinations to be issued by the Employment Standards Administration, Department of Labor as provided in the Act.

(c) Obligation to furnish fringe benefits. The Contractor or subcontractor may discharge the obligation to furnish fringe benefits specified in the attachment or determined conformably thereto by furnishing any equivalent combinations of fringe benefits, or by making equivalent or differential payments in cash in accordance with the applicable rules set forth in 29 CFR Part 4, Subparts B and C, and not otherwise.



(d) Minimum wage. In the absence of a minimum wage attachment for this contract, neither the Contractor nor any subcontractor under this contract shall pay any of his employees performing work under the contract (regardless of whether they are service employees) less than the minimum wage specified by Section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended. Nothing in this provision shall relieve the Contractor or any subcontractor of any other obligation under law or contract for the payment of a higher wage to any employee.

(e) Obligations attributable to predecessor contracts. If this contract succeeds a contract, subject to the Service Contract Act of 1965, as amended, under which substantially the same services were furnished and service employees were paid wages and fringe benefits provided for in a collective bargaining agreement, then in the absence of a minimum wage attachment for this contract neither the Contractor nor any subcontractor under this contract shall pay any service employee performing any of the contract work less than the wages and fringe benefits, provided for in such collective bargaining agreements, to which such employee would be entitled if employed under the predecessor contract, including accrued wages and fringe benefits and any prospective increases in wages and fringe benefits provided for under such agreement. No Contractor or subcontractor under this contract may be relieved of the foregoing obligation unless the Secretary of Labor or his authorized representative determines that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's-length negotiations, or finds, after a hearing as provided in Department of Labor regulations, 29 CFR 4.10, that the wages and fringe benefits provided for in such agreement are substantially at variance with those which prevail for services of a similar character in the locality.

(f) Notification to employees. The Contractor and any subcontractor under this contract shall notify each service employee commencing work on this contract of the minimum wage and any fringe benefits required to be paid pursuant to this contract, or shall post a notice of such wages and benefits in a prominent and accessible place at the worksite, using such poster as may be provided by the Department of Labor.

(g) Safe and sanitary working conditions. The Contractor or subcontractor shall not permit any part of the services called for by this contract to be performed in buildings or surroundings or under working conditions provided by or under the control or supervision of the Contractor or subcontractor which are unsanitary or hazardous or dangerous to the health or safety of service employees engaged to furnish these services, and the Contractor or subcontractor shall comply with the safety and health standards applied under 29 CFR Part 1925.

(h) Records. The Contractor and each subcontractor performing work subject to the Act shall make and maintain for 3 years from the completion of the work records containing the information specified in subparagraphs (1) through (5) of this paragraph for each employee subject to the Act and shall make them available for inspection and transcription by authorized representatives of the Employment Standards Administration (ESA), Department of Labor.

(1) His name and address.

(2) His work classification or classifications, rate or rates of monetary wages and fringe benefits provided, rate or rates of fringe benefit payments in lieu thereof, and total daily and weekly compensation.

(3) His daily and weekly hours so worked.

(4) Any deductions, rebates, or refunds from his total daily or weekly compensation.

(5) A list of monetary wages and fringe benefits for those classes of service employees not included in the minimum wage attachment to this contract, but for which such wage rates or fringe benefits have been determined by the interested parties or by the Administrator as defined in 41 CFR 1-12.902-2(c) or his authorized representative pursuant to the Labor Standards Clause in paragraph (a) of this clause. A copy of the report required in paragraph (m)(1) of this clause shall be deemed to be such a list.

(i) Withholding of payment and termination of contract. The Contracting Officer shall withhold or cause to be withheld from the Government Prime Contractor under this or any other Government contract with the prime Contractor such sums as he, or an appropriate officer of the Department of Labor, decides may be necessary to pay underpaid employees. Additionally, any failure to comply with the requirements of this clause relating to the Service Contract Act of 1965 may be grounds for termination of the right to proceed with the contract work. In such event, the Government may enter into other contracts or arrangements for completion of the work, charging the Contractor in default with any additional cost.

(j) Subcontractors. The Contractor agrees to insert this clause relating to the Service Contract Act of 1965 in all subcontracts. The term "Contractor" as used in this clause in any subcontract, shall be deemed to refer to the subcontractor, except in the term "Government Prime Contractor."

(k) Service employee. As used in this clause relating to the Service Contract Act of 1965, as amended, the term "service employee" means any person engaged in the performance of a contract entered into by the United States and not exempted under Section 7, whether negotiated or advertised, the principal purpose of which is to furnish services in the United States (other than any person employed in a bona fide executive, administrative, or professional capacity, as those terms are defined in Part 541 of Title 29, Code of Federal Regulations, as of July 30, 1976, and any subsequent revision of those regulations); and shall include all such persons regardless of any contractual relationship that may be alleged to exist between a contractor or subcontractor and such persons.

(l) Comparable rates. The following classes of service employees expected to be employed under the contract with the Government would be subject, if employed by the contracting agency, to the provisions of 5 U.S.C. 5341 and would, if so employed, be paid not less than the following rates of wages and fringe benefits:

Employee class: \_\_\_\_\_  
Monetary wage--fringe benefits: \_\_\_\_\_  
\_\_\_\_\_

(m) Contractor's report. (1) If there is a wage determination attachment to this contract and one or more classes of service employees which are not listed thereon are to be employed under the contract, the Contractor shall report to the Contracting Officer the monetary wages to be paid and the fringe benefits to be provided each such class of service employee. Such report shall be made promptly as soon as such compensation has been determined, as provided in paragraph (a) of this clause.

(2) If wages to be paid or fringe benefits to be furnished any service employees employed by the Government Prime Contractor or any subcontractor under the contract are provided for in a collective bargaining agreement which is or will be effective during any period in which the contract is being performed, the Government Prime Contractor shall report such fact to the Contracting Officer, together with full information as to the application and accrual of such wages and fringe benefits, including any prospective increases, to service employees engaged in work on the contract, and a copy of the collective bargaining agreement. Such report shall be made upon commencing performance of the contract, in the case of collective bargaining agreements effective at such time, and in the case of such agreements or provisions or amendments thereof effective at a later time during the period of contract performance, such agreements shall be reported promptly after negotiation thereof.



(n) Regulations incorporated by reference. All interpretations of the Service Contract Act of 1965 expressed in 29 CFR Part 4, Subpart C, are hereby incorporated by reference in this contract.

(o) Exemptions. This clause relating to the Service Contract Act of 1965 shall not apply to the following:

(1) Any contract of the United States or District of Columbia for construction, alteration, and/or repair, including painting and decorating of public buildings or public works;

(2) Any work required to be done in accordance with the provisions of the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45);

(3) Any contract for the carriage of freight or personnel by vessel, airplane, bus, truck, express, railway line, or oil or gas pipeline where published tariff rates are in effect, or where such carriage is subject to rates covered by Section 22 of the Interstate Commerce Act;

(4) Any contract for the furnishing of services by radio, telephone, telegraph, or cable companies, subject to the Communications Act of 1934;

(5) Any contract for public utility services, including electric light and power, water, steam, or gas;

(6) Any employment contract providing for direct services to a Federal agency by an individual or individuals;

(7) Any contract with the Post Office Department (U.S. Postal Service), the principal purpose of which is the operation of postal contract stations;

(8) Any services to be furnished outside the United States. For geographic purposes, the "United States" is defined in Section 8(d) of the Service Contract Act of 1965 to include any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Outer Continental Shelf lands, as defined in the Outer Continental Shelf Lands Act, American Samoa, Guam, Wake Island, Eniwetok Atoll, Kwajalein Atoll, Johnston Island, and Canton Island. It does not include any other territory under the jurisdiction of the United States or any United States base or possession within a foreign country;

(9) Any of the following contracts exempted from all provisions of the Service Contract Act of 1965, pursuant to Section 4(b) of the Act, which exemptions the Secretary of Labor, prior to amendment of such section by Pub. L. 92-473, found to be necessary and proper in the public



interest or to avoid serious impairment of the conduct of Government business;

(i) Contracts entered into by the United States with common carriers for the carriage of mail by rail, air (except air star routes), bus, and ocean vessel, where such carriage is performed on regularly scheduled runs of the trains, airplanes, buses, and vessels over regularly established routes and accounts for an insubstantial portion of the revenue therefrom;

(ii) Any contract entered into by the U.S. Postal Service with an individual owner-operator for mail service where it is not contemplated at the time the contract is made that such owner-operator will hire any service employee to perform the services under the contract except for short periods of vacation time or for unexpected contingencies or emergency situations such as illness or accident.

(p) Special employees. Notwithstanding any of the provisions in paragraphs (a) through (n) of this clause relating to the Service Contract Act of 1965, the following employees may be employed in accordance with the following variations, tolerances, and exemptions, which the Secretary of Labor, pursuant to Section 4(b) of the Act prior to its amendment by Pub. L. 92-473, found to be necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business:

(1)(i) Apprentices, student-learners, and workers whose earning capacity is impaired by age, physical, or mental deficiency or injury may be employed at wages lower than the minimum wages otherwise required by Section 2(a)(1) or 2(b)(1) of the Service Contract Act of 1965, without diminishing any fringe benefits or cash payments in lieu thereof required under Section 2(a)(2) of that Act, in accordance with the procedures prescribed for the employment of apprentices, student-learners, handicapped persons, and handicapped clients of sheltered workshops under Section 14 of the Fair Labor Standards Act of 1938, (29 U.S.C. 201 et seq.) in the regulations issued by the Administrator (29 CFR Parts 520, 521, 524, and 525).

(ii) The Administrator will issue certificates under the Service Contract Act of 1965 for the employment of apprentices, student-learners, handicapped persons, or handicapped clients of sheltered workshops not subject to the Fair Labor Standards Act of 1938, or subject to different minimum rates of pay under the two Acts, authorizing appropriate rates of minimum wages (but without changing requirements concerning fringe benefits or supplementary cash payments in lieu thereof), applying procedures prescribed by the applicable regulations issued under the Fair Labor Standards Act of 1938 (29 CFR Parts 520, 521, 524, and 525);

(iii) The Administrator will also withdraw, annul, or cancel such certificates in accordance with the regulations in Parts 525 and 528 of Title 29 of the Code of Federal Regulations.

(2) Any employee engaged in an occupation in which he customarily and regularly receives more than \$30 a month in tips may have the amount of his tips credited by his employer against the minimum wage required by Section 2(a)(1) or Section 2(b)(1) of the Act, in accordance with the regulations in 29 CFR Part 531; Provided, however, That the amount of such credit may not exceed \$1.325 per hour beginning January 1, 1978, \$1.305 per hour beginning January 1, 1979, \$1.24 per hour beginning January 1, 1980 and \$1.34 per hour after December 31, 1980. If the employer pays in full cents the \$1.325 figure must be rounded down to \$1.32 and the \$1.305 figure to \$1.30, in order that the employer will not be crediting more than the permissible percentage. [End of clause.]

49. CONTRACTOR ORGANIZATIONAL CONFLICTS OF INTEREST

I represent to the best of my knowledge and belief that:

The award to \_\_\_\_\_ of a contract or the modification of an existing contract does  or does not  involve situations or relationships of the type set forth in 41 CFR paragraph 20-1.5403(b)(1).

If the representation as completed indicates that situations or relationships of the type set forth in 41 CFR 20-1.5403(b)(1) are involved or the Contracting Officer otherwise determines that potential organizational conflicts exist, the offeror shall provide a statement in writing which describes in a concise manner all relevant factors bearing on his representation to the Contracting Officer. If the Contracting Officer determines that organizational conflicts exist, the following actions may be taken:

- (a) impose appropriate conditions which avoid such conflicts,
- (b) disqualify the offeror, or
- (c) determine that it is otherwise in the best interest of the United States to seek award of the contract under the waiver provisions of § 20-1.5411.

The refusal to provide the representation required by §20-1.5404(b) or upon request of the Contracting Officer the facts required by §20-1.5404(c), shall result in disqualification of the offeror for award. The nondisclosure or misrepresentation of any relevant interest may also result in the disqualification of the offeror for awards; or if such nondisclosure or misrepresentation is discovered after award, the resulting contract may be terminated. The offeror may also be disqualified from subsequent related NRC contracts and be subject to such other remedial actions provided by law or the resulting contract.

The offeror may, because of actual or potential organizational conflicts of interest, propose to exclude specific kinds or work from the statements of work contained in an RFP unless the RFP specifically prohibits such exclusion. Any such proposed exclusion by an offeror will be considered by the NRC in the evaluation of proposals. If the NRC considers the proposed excluded work to be an essential or integral part of the required work and its exclusion would work to the detriment of the competitive posture of the other offerors, the proposal must be rejected as unacceptable.

The offeror's failure to execute the representation required herein with respect to invitation for bids will be considered to be a minor informality, and the offeror will be permitted to correct the omission.

Any contract resulting from a solicitation requirement shall include general clauses (41 CFR 20-1.5404-1) prohibiting contractors from engaging in relationships which may give rise to an actual or apparent conflict of interest. Note: NRC Contractor Organizational Conflicts of Interest (41 CFR Part 20) is included,

(a) Contractor's duty to safeguard Restricted Data, Formerly Restricted Data, and other classified information. The Contractor shall, in accordance with the Nuclear Regulatory Commission's security regulations and requirements, be responsible for safeguarding Restricted Data, Formerly Restricted Data, and other classified information and 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 the performance of this contract.

If retention by the Contractor of any classified matter is required after the completion or termination of the contract and such retention is approved by the Contracting Officer the contractor will complete a certificate of possession to be furnished to the Nuclear Regulatory Commission specifying the classified matter to be retained. The certification shall identify the items and types or categories of matter retained, the conditions governing the retention of the matter and the period of retention, if known. If the retention is approved by the Contracting Officer, the security provisions of the contract will continue to be applicable to the matter retained.

(b) Regulations. The Contractor agrees to conform to all security regulation and requirements of the Commission.

(c) Definition of Restricted Data. The term "Restricted Data," as used in this clause, means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy; but shall not include data declassified or removed from the Restricted Data category pursuant to section 142 of the Atomic Energy Act of 1954, as amended.

(d) 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 142d of the Atomic Energy Act of 1954, as amended.

(e) Security clearance of personnel. The Contractor shall not permit any individual to have access to Restricted Data, Formerly Restricted Data, or other



**REPRESENTATIONS, CERTIFICATIONS, AND ACKNOWLEDGMENTS**

The Offeror represents and certifies as part of his offer that: (Check or complete all applicable boxes or blocks.)

**1. SMALL BUSINESS (See par. 14 on SF 33-A.)**

He  is,  is not, a small business concern. If offeror is a small business concern and is not the manufacturer of the supplies offered, he also represents that all supplies to be furnished hereunder  will,  will not, be manufactured or produced by a small business concern in the United States, its possessions, or Puerto Rico.

**2. REGULAR DEALER—MANUFACTURER (Applicable only to supply contracts exceeding \$10,000.)**

He is a  regular dealer in,  manufacturer of, the supplies offered.

**3. CONTINGENT FEE (See par. 15 on SF 33-A.)**

(a) He  has,  has not, employed or retained any company or person (other than a full-time, bona fide employee working solely for the offeror) to solicit or secure this contract, and (b) he  has,  has not, paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the offeror) any fee, commission, percentage, or brokerage fee contingent upon or resulting from the award of this contract; and agrees to furnish information relating to (a) and (b) above, as requested by the Contracting Officer. (For interpretation of the representation, including the term "bona fide employee," see Code of Federal Regulations, Title 41, Subpart 1-1.3.)

**4. TYPE OF BUSINESS ORGANIZATION**

He operates as  an individual,  a partnership,  a nonprofit organization,  a corporation, incorporated under the laws of the State of \_\_\_\_\_

**5. AFFILIATION AND IDENTIFYING DATA (Applicable only to advertised solicitations.)**

Each offeror shall complete (a) and (b) if applicable, and (c) below:

(a) He  is,  is not, owned or controlled by a parent company. (See par. 16 on SF 33-A.)

(b) If the offeror is owned or controlled by a parent company, he shall enter in the blocks below the name and main office address of the parent company:

Name of Parent company and main office address \_\_\_\_\_  
(include ZIP Code) \_\_\_\_\_

(c) Employer's identification number (See par. 17 on SF 33-A.) \_\_\_\_\_

(Offeror's E.I. No.)

(Parent Company's E.I. No.)

**6. EQUAL OPPORTUNITY**

He  has,  has not, participated in a previous contract or subcontract subject either to the Equal Opportunity clause herein or the clause originally contained in section 301 of Executive Order No. 10925, or the clause contained in section 201 of Executive Order No. 11114; that he  has,  has not, filed all required compliance reports; and that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained prior to subcontract awards. (The above representation need not be submitted in connection with contracts or subcontracts which are exempt from the clause.)

**7. BUY AMERICAN CERTIFICATE**

The offeror hereby certifies that each end product, except the end products listed below, is a domestic source end product (as defined in the clause entitled "Buy American Act"); and that components of unknown origin have been considered to have been mined, produced, or manufactured outside the United States.

EXCLUDED END PRODUCTS	COUNTRY OF ORIGIN

**8. CERTIFICATION OF INDEPENDENT PRICE DETERMINATION (See par. 18 on SF 33-A.)**

(a) By submission of this offer, the offeror certifies, and in the case of a joint offer, each party thereto certifies as to its own organization, that in connection with this procurement:

(1) The prices in this offer have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other offeror or with any competitor;

(2) Unless otherwise required by law, the prices which have been quoted in this offer have not been knowingly disclosed by the offeror and will not knowingly be disclosed by the offeror prior to opening in the case of an advertised procurement or prior to award in the case of a negotiated procurement, directly or indirectly to any other offeror or to any competitor; and

(3) No attempt has been made or will be made by the offeror to induce any other person or firm to submit or not to submit an offer for the purpose of restricting competition.

(b) Each person signing this offer certifies that:

(1) He is the person in the offeror's organization responsible within that organization for the decision as to the prices being offered herein and that he has not participated, and will not participate, in any action contrary to (a) (1) through (a) (3) above; or

(2) (i) He is not the person in the offeror's organization responsible within that organization for the decision as to the prices being offered herein but that he has been authorized in writing to act as agent for the persons responsible for such decision in certifying that such persons have not participated, and will not participate, in any action contrary to (a) (1) through (a) (3) above, and as their agent does hereby so certify; and (ii) he has not participated, and will not participate, in any action contrary to (a) (1) through (a) (3) above.

**9. CERTIFICATION OF NONSEGREGATED FACILITIES**

(Applicable to (1) contracts, (2) subcontracts, and (3) agreements with applicants who are themselves performing federally assisted construction contracts, exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause.)

By the submission of this bid, the bidder, offeror, applicant, or subcontractor certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The bidder, offeror, applicant, or subcontractor agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontractors for specific time periods) he will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause; that he will retain such certifications in his files; and that he will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

Notice to prospective subcontractors of requirements for certifications of nonsegregated facilities.

A Certification of Nonsegregated Facilities must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually). NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

ACKNOWLEDGMENT OF AMENDMENTS	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE
The offeror acknowledges receipt of amendments to the Solicitation for Offers and related documents numbered and dated as follows:				

NOTE.—Offers must set forth full, accurate, and complete information as required by this Solicitation (including attachments). The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

GENERAL PROVISION  
FIXED PRICE SUPPLY CONTRACTTABLE OF CONTENTS

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# GENERAL PROVISIONS

(Supply Contract)

## 1. DEFINITIONS

As used throughout this contract, the following terms shall have the meaning set forth below:

- (a) The term "head of the agency" or "Secretary" as used herein means the Secretary, the Under Secretary, any Assistant Secretary, or any other head or assistant head of the executive or military department or other Federal agency; and the term "his duly authorized representative" means any person or persons or board (other than the Contracting Officer) authorized to act for the head of the agency or the Secretary.
- (b) The term "Contracting Officer" means the person executing this contract on behalf of the Government, and any other officer or civilian employee who is a properly designated Contracting Officer; and the term includes, except as otherwise provided in this contract, the authorized representative of a Contracting Officer acting within the limits of his authority.
- (c) Except as otherwise provided in this contract, the term "subcontract" includes purchase orders under this contract.

## 2. CHANGES

The Contracting Officer may at any time, by a written order, and without notice to the sureties, make changes, within the general scope of this contract, in any one or more of the following: (i) Drawings, designs, or specifications, where the supplies to be furnished are to be specially manufactured for the Government in accordance therewith; (ii) method of shipment or packing; and (iii) place of delivery. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this contract, whether changed or not changed by any such order, an equitable adjustment shall be made in the contract price or delivery schedule, or both, and the contract shall be modified in writing accordingly. Any claim by the Contractor for adjustment under this clause must be asserted within 90 days from the date of receipt by the Contractor of the notification of change: *Provided, however,* That the Contracting Officer, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this contract. Where the cost of property made obsolete or excess as a result of a change is included in the Contractor's claim for adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes." However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

## 3. EXTRAS

Except as otherwise provided in this contract, no payment for extras shall be made unless such extras and the price therefor have been authorized in writing by the Contracting Officer.

## 4. VARIATION IN QUANTITY

No variation in the quantity of any item called for by this contract will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this contract.

## 5. INSPECTION

- (a) All supplies (which term throughout this clause includes

without limitation raw materials, components, intermediate assemblies, and end products) shall be subject to inspection and test by the Government, to the extent practicable at all times and places including the period of manufacture, and in any event prior to acceptance.

- (b) In case any supplies or lots of supplies are defective in material or workmanship or otherwise not in conformity with the requirements of this contract, the Government shall have the right either to reject them (with or without instructions as to their disposition) or to require their correction. Supplies or lots of supplies which have been rejected or required to be corrected shall be removed or, if permitted or required by the Contracting Officer, corrected in place by and at the expense of the Contractor promptly after notice, and shall not thereafter be tendered for acceptance unless the former rejection or requirement of correction is disclosed. If the Contractor fails promptly to remove such supplies or lots of supplies which are required to be removed, or promptly to replace or correct such supplies or lots of supplies, the Government either (i) may by contract or otherwise replace or correct such supplies and charge to the Contractor the cost occasioned the Government thereby, or (ii) may terminate this contract for default as provided in the clause of this contract entitled "Default." Unless the Contractor corrects or replaces such supplies within the delivery schedule, the Contracting Officer may require the delivery of such supplies at a reduction in price which is equitable under the circumstances. Failure to agree to such reduction of price shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

- (c) If any inspection or test is made by the Government on the premises of the Contractor or a subcontractor, the Contractor without additional charge shall provide all reasonable facilities and assistance for the safety and convenience of the Government inspectors in the performance of their duties. If Government inspection or test is made at a point other than the premises of the Contractor or a subcontractor, it shall be at the expense of the Government except as otherwise provided in this contract: *Provided,* That in case of rejection the Government shall not be liable for any reduction in value of samples used in connection with such inspection or test. All inspections and tests by the Government shall be performed in such a manner as not to unduly delay the work. The Government reserves the right to charge to the Contractor any additional cost of Government inspection and test when supplies are not ready at the time such inspection and test is requested by the Contractor or when reinspection or retest is necessitated by prior rejection. Acceptance or rejection of the supplies shall be made as promptly as practicable after delivery, except as otherwise provided in this contract; but failure to inspect and accept or reject supplies shall neither relieve the Contractor from responsibility for such supplies as are not in accordance with the contract requirements nor impose liability on the Government therefor.

- (d) The inspection and test by the Government of any supplies or lots thereof does not relieve the Contractor from any responsibility regarding defects or other failures to meet the contract requirements which may be discovered prior to acceptance. Except as otherwise provided in this contract, acceptance shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud.

- (e) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the supplies hereunder. Records of all inspection work by the Contractor shall be kept complete and available to the Government during



Contractor shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any excess costs for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery schedule.

(d) If this contract is terminated as provided in paragraph (a) of this clause, the Government, in addition to any other rights provided in this clause, may require the Contractor to transfer title and deliver to the Government, in the manner and to the extent directed by the Contracting Officer, (i) any completed supplies, and (ii) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing materials") as the Contractor has specifically produced or specifically acquired for the performance of such part of this contract as has been terminated; and the Contractor shall, upon direction of the Contracting Officer, protect and preserve property in possession of the Contractor in which the Government has an interest. Payment for completed supplies delivered to and accepted by the Government shall be at the contract price. Payment for manufacturing materials delivered to and accepted by the Government and for the protection and preservation of property shall be in an amount agreed upon by the Contractor and Contracting Officer; failure to agree to such amount shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes." The Government may withhold from amounts otherwise due the Contractor for such completed supplies or manufacturing materials such sum as the Contracting Officer determines to be necessary to protect the Government against loss because of outstanding liens or claims of former lien holders.

(e) If, after notice of termination of this contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, or that the default was excusable under the provisions of this clause, the rights and obligations of the parties shall, if the contract contains a clause providing for termination for convenience of the Government, be the same as if the notice of termination had been issued pursuant to such clause. If, after notice of termination of this contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, and if this contract does not contain a clause providing for termination for convenience of the Government, the contract shall be equitably adjusted to compensate for such termination and the contract modified accordingly; failure to agree to any such adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(f) The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

(g) As used in paragraph (c) of this clause, the terms "subcontractor" and "subcontractors" mean subcontractor(s) as any law.

#### 12. DISPUTES

(a) Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contract-

ing Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the Contracting Officer shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to the Contracting Officer a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.

(b) This "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph (a) above: *Provided*, That nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

#### 13. NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT

The provisions of this clause shall be applicable only if the amount of this contract exceeds \$10,000.

(a) The Contractor shall report to the Contracting Officer, promptly and in reasonable written detail, each notice or claim of patent or copyright infringement based on the performance of this contract of which the Contractor has knowledge.

(b) In the event of any claim or suit against the Government on account of any alleged patent or copyright infringement arising out of the performance of this contract or out of the use of any supplies furnished or work or services performed hereunder, the Contractor shall furnish to the Government, when requested by the Contracting Officer, all evidence and information in possession of the Contractor pertaining to such suit or claim. Such evidence and information shall be furnished at the expense of the Government except where the Contractor has agreed to indemnify the Government.

#### 14. BUY AMERICAN ACT

(a) In acquiring end products, the Buy American Act (41 U.S. Code 101-1) provides that the Government give preference to domestic source end products. For the purpose of this clause:

(i) "Components" means those articles, materials, and supplies, which are directly incorporated in the end products;

(ii) "End products" means those articles, materials, and supplies, which are to be acquired under this contract for public use; and

(iii) A "domestic source end product" means (A) an unmanufactured end product which has been mined or produced in the United States and (B) a product manufactured in the United States if the components thereof which are mined, produced, or manufactured in the United States exceeds 50 percent of the total weight of the components. For the purposes of this (a)(iii)(B), the weight of foreign origin of the same type or kind as the products referred to in (b)(ii) or (iii) of this clause shall be treated as components mined, produced, or manufactured in the United States.

(b) The Contractor agrees that there will be delivered under this contract only domestic source end products, except end products:

(i) Which are for use outside the United States;

(ii) Which the Government determines are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality;

(iii) As to which the Secretary determines the domestic preference to be inconsistent with the public interest; or



or is threatened with litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

#### 19. OFFICIALS NOT TO BENEFIT

No member of or delegate to Congress, or resident Commissioner, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

#### 20. COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

#### 21. UTILIZATION OF SMALL BUSINESS CONCERNS

(a) It is the policy of the Government as declared by the Congress that a fair proportion of the purchases and contracts for supplies and services for the Government be placed with small business concerns.

(b) The Contractor agrees to accomplish the maximum amount of subcontracting to small business concerns that the Contractor finds to be consistent with the efficient performance of this contract.

#### 22. UTILIZATION OF LABOR SURPLUS AREA CONCERNS

(a) It is the policy of the Government to award contracts to labor surplus area concerns that (1) have been certified by the Secretary of Labor (hereafter referred to as certified-eligible concerns with first or second preferences) regarding the employment of a proportionate number of disadvantaged individuals and have agreed to perform substantially (i) in or near sections of concentrated unemployment or underemployment or in persistent or substantial labor surplus areas or (ii) in other areas of the United States, respectively, or (2) are noncertified concerns which have agreed to perform substantially in persistent or substantial labor surplus areas, where this can be done consistent with the efficient performance of the contract and at prices no higher than are obtainable elsewhere. The Contractor agrees to use his best efforts to place his subcontracts in accordance with this policy.

(b) In complying with paragraph (a) of this clause and with paragraph (b) of the clause of this contract entitled "Utilization of Small Business Concerns" the Contractor in placing his subcontracts shall observe the following order of preference: (1) Certified-eligible concerns with a first preference which are also

small business concerns; (2) other certified-eligible concerns with a first preference; (3) certified-eligible concerns with a second preference which are also small business concerns; (4) other certified-eligible concerns with a second preference; (5) persistent or substantial labor surplus area concerns which are also small business concerns; (6) other persistent or substantial labor surplus area concerns; and (7) small business concerns which are not labor surplus area concerns.

#### 23. UTILIZATION OF MINORITY BUSINESS ENTERPRISES

(a) It is the policy of the Government that minority business enterprises shall have the maximum practicable opportunity to participate in the performance of Government contracts.

(b) The Contractor agrees to use his best efforts to carry out this policy in the award of his subcontracts to the fullest extent consistent with the efficient performance of this contract. As used in this contract, the term "minority business enterprise" means a business, at least 50 percent of which is owned by minority group members or, in case of publicly-owned businesses, at least 51 percent of the stock of which is owned by minority group members. For the purposes of this definition, minority group members are Negroes, Spanish-speaking American persons, American-Orientals, American-Indians, American-Eskimos, and American Aleuts. Contractors may rely on written representations by subcontractors regarding their status as minority business enterprises in lieu of an independent investigation.

#### 24. PRICING OF ADJUSTMENTS

When costs are a factor in any determination of a contract price adjustment pursuant to the Changes clause or any other provision of this contract, such costs shall be in accordance with the contract cost principles and procedures in Part 1-15 of the Federal Procurement Regulations (41 CFR 1-15) or Section XV of the Armed Services Procurement Regulation, as applicable, which are in effect on the date of this contract.

#### 25. PAYMENT OF INTEREST ON CONTRACTORS' CLAIMS

(a) If an appeal is filed by the Contractor from a final decision of the Contracting Officer under the Disputes clause of this contract, denying a claim arising under the contract, simple interest on the amount of the claim finally determined owed by the Government shall be payable to the Contractor. Such interest shall be at the rate determined by the Secretary of the Treasury pursuant to Public Law 92-135 Stat. 37, from the date the Contractor furnishes to the Contracting Officer his written appeal under the Disputes clause of this contract, to the date of (1) a final judgment by a court of competent jurisdiction, or (2) mailing to the Contractor of a supplemental agreement for execution either confirming completed negotiations between the parties or carrying out a decision of a board of contract appeals.

(b) Notwithstanding (a), above, (1) interest shall be applied only from the date payment was due, if such date is later than the filing of appeal, and (2) interest shall not be paid for any period of time that the Contracting Officer determines the Contractor has unduly delayed in pursuing his remedies before a board of contract appeals or a court of competent jurisdiction.

- c. Listing of employment openings with the employment service system pursuant to this clause shall be made at least concurrently with the use of any other recruitment source or effort and shall involve the normal obligations which attach to the placing of a bona fide job order, including the acceptance of referrals of veterans and nonveterans. The listing of employment openings does not require the hiring of any particular job applicant or from any particular group of job applicants, and nothing herein is intended to relieve the contractor from any requirements in Executive orders or regulations regarding nondiscrimination in employment.
- d. The reports required by paragraph (b) of this clause shall include, but not be limited to, periodic reports which shall be filed at least quarterly with the appropriate local office or, where the contractor has more than one hiring location in a State, with the central office of that State employment service. Such reports shall indicate for each hiring location (1) the number of individuals hired during the reporting period, (2) the number of nondisabled veterans of the Vietnam era hired, (3) the number of disabled veterans of the Vietnam era hired, and (4) the total number of disabled veterans hired. The reports should include covered veterans hired for on-the-job training under 38 U.S.C. 1737. The contractor shall submit a report within 30 days after the end of each reporting period wherein any performance is made on this contract identifying data for each hiring location. The contractor shall maintain at each hiring location copies of the reports submitted until the expiration of one year after final payment under the contract, during which time these reports and related documentation shall be made available, upon request, for examination by any authorized representatives of the contracting officer or of the Secretary of Labor. Documentation would include personnel records respecting job openings, recruitment, and placement.
- e. Whenever the contractor becomes contractually bound to the listing provisions of this clause, it shall advise the employment service system in each State where it has establishments of the name and location of each hiring location in the State. As long as the contractor is contractually bound to these provisions and has so advised the State system, there is no need to advise the State system of subsequent contracts. The contractor may advise the State system when it is no longer bound by this contract clause.
- f. This clause does not apply to the listing of employment openings which occur and are filled outside the 50 States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.
- g. The provisions of paragraphs (b), (c), (d), and (e) of this clause do not apply to openings which the contractor proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of his own organization or employer-union arrangement for that opening.

and advance in employment qualified disabled veterans and veterans of the Vietnam era for employment, and the rights of applicants and employees.

1. The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding that the contractor is bound by terms of the Vietnam Era Veteran's Readjustment Assistance Act and is committed to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era.
2. The contractor will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

18. EMPLOYMENT OF THE HANDICAPPED (FFR Temp. Reg. 38)

- a. The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- b. The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Rehabilitation Act of 1973 as amended.
- c. In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations and relevant orders of the Secretary of Labor issued pursuant to the Act.
- d. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, Department of Labor provided by or through the Contracting Officer. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.
- a. The Contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding that the contractor is bound by the terms of section 503 of the Act, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.



- (3) The term "clean air standards" means any enforceable rules, regulations, guidelines, standards, limitations, orders, controls, prohibitions, or other requirements which are contained in, issued under, or otherwise adopted pursuant to the Air Act or Executive Order 11738, an applicable implementation plan as described in section 110(d) of the Clean Air Act (42 U.S.C. 1857c-5(d)), an approved implementation procedure or plan under section 111(c) or section 111(d), respectively, of the Air Act (42 U.S.C. 1857(c) or (d)), or an approved implementation procedure under section 112(d) of the Air Act (42 U.S.C. 1857c-7(d)).
- (4) The term "clean water standards" means any enforceable limitation, control, condition, prohibition, standard, or other requirement which is promulgated pursuant to the Water Act or contained in a permit issued to a discharger by the Environmental Protection Agency or by a State under an approved program, as authorized by section 402 of the Water Act (33 U.S.C. 1342), or by local government to ensure compliance with pretreatment regulations as required by section 307 of the Water Act (33 U.S.C. 1317).
- (5) The term "compliance" means compliance with clean air or water standards. Compliance shall also mean compliance with a schedule or plan ordered or approved by a court of competent jurisdiction, the Environmental Protection Agency or an air or water pollution control agency in accordance with the requirements of the Air Act or Water Act and regulations issued pursuant thereto.
- (6) The term "facility" means any building, plant, installation, structure, mine, vessel or other floating craft, location, or site of operations owned, leased, or supervised by a contractor or subcontractor, to be utilized in the performance of a contract or subcontract. Where a location or site of operations contains or includes more than one building, plant, installation, or structure, the entire location or site shall be deemed to be a facility except where the Director, Office of Federal Activities, Environmental Protection Agency, determines that independent facilities are collocated in one geographical area.

10. FEDERAL, STATE, AND LOCAL TAXES (1-11.401-1(c))

- (a) Except as may be otherwise provided in this contract, the contract price includes all applicable Federal, State, and local taxes and duties.
- (b) Nevertheless, with respect to any Federal excise tax or duty on the transactions or property covered by this contract, if a statute, court decision, written ruling, or regulation takes effect after the contract date, and--
  1. Results in the Contractor being required to pay or bear the burden of any such Federal excise tax or duty or increase in the rate thereof which would not otherwise have been payable on such transactions or property, the contract price shall be increased by the amount of such tax or duty or rate increase: Provided, that the Contractor if requested



- b. After receipt of a Notice of Termination, and except as otherwise directed by the Contracting Officer, the Contractor shall:
- (1) Stop work under the contract on the date and to the extent specified in the Notice of Termination;
  - (2) Place no further orders or subcontracts for materials, services, or facilities, except as may be necessary for completion of such portion of the work under the contract as is not terminated;
  - (3) Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination;
  - (4) Assign to the Government, in the manner, at the times, and to the extent directed by the Contracting Officer, all of the right, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the Government shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
  - (5) Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Contracting Officer, to the extent he may require, which approval or ratification shall be final for all the purposes of this clause;
  - (6) Transfer title to the Government and deliver in the manner, at the times, and to the extent, if any, directed by the Contracting Officer, (i) the fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced as a part of, or acquired in connection with the performance of, the work terminated by the Notice of Termination, and (ii) the completed or partially completed plans, drawings, information and other property which, if the contract had been completed, would have been required to be furnished to the Government;
  - (7) Use his best efforts to sell, in the manner, at the times, to the extent, and at the price or prices directed or authorized by the Contracting Officer, any property of the types referred to in (6) above: *Provided, however, that the Contractor (i) shall not be required to extend credit to any purchaser, and (ii) may acquire any such property under the conditions prescribed by and at a price or prices approved by the Contracting Officer: And provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by the Government to the Contractor under this contract or shall otherwise be credited to the price or cost of the work covered by this contract or paid in such other manner as the Contracting Officer may direct;*
  - (8) Complete performance of such part of the work as shall not have been terminated by the Notice of Termination; and

be paid to the Contractor by reason of the termination of work pursuant to this clause, shall not be deemed to limit, restrict, or otherwise determine or affect the amount or amounts which may be agreed upon to be paid to the Contractor pursuant to this paragraph (d).

- e. In the event of the failure of the Contractor and the Contracting Officer to agree as provided in paragraph (d) upon the whole amount to be paid to the Contractor by reason of the termination of work pursuant to this clause, the Contracting Officer shall, subject to any review required by the contracting agency's procedures in effect as of the date of execution of this contract, determine, on the basis of information available to him the amount if any due to the Contractor by reason of the termination and shall pay to the Contractor the amounts determined as follows:
- (1) For completed supplies accepted by the Government (or sold or acquired as provided in paragraph (b) (7) above) and not theretofore paid for, a sum equivalent to the aggregate price for such supplies computed in accordance with the price or prices specified in the contract, appropriately adjusted for any saving of freight or other charges;
  - (2) The total of—
    - (i) The costs incurred in the performance of the work terminated, including initial costs and preparatory expense allocable thereto, but exclusive of any costs attributable to supplies paid or to be paid for under paragraph (a) (1) hereof;
    - (ii) The cost of settling and paying claims arising out of the termination of work under subcontracts or orders, as provided in paragraph (b) (3) above, which are properly chargeable to the terminated portion of the contract (exclusive of amounts paid or payable on account of supplies or materials delivered or services furnished by subcontractors or vendors prior to the effective date of the Notice of Termination, which amounts shall be included in the costs payable under (i) above); and
    - (iii) A sum, as profit on (i), above, determined by the contracting officer pursuant to § 1-8.303 of the Federal Procurement Regulations (41 CFR 1-8.303), in effect as of the date of execution of this contract, to be fair and reasonable: *Provided, however,* That if it appears that the contractor would have sustained a loss on the entire contract had it been completed, no profit shall be included or allowed under this subdivision (iii) and an appropriate adjustment shall be made reducing the amount of the settlement to reflect the indicated rate of loss; and
  - (3) The reasonable costs of settlement, including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the

- j. The Government may from time to time, under such terms and conditions as it may prescribe, make partial payments and payments on account against costs incurred by the Contractor in connection with the terminated portion of this contract whenever in the opinion of the Contracting Officer the aggregate of such payments shall be within the amount to which the Contractor will be entitled hereunder. If the total of such payments is in excess of the amount finally agreed or determined to be due under this clause, such excess shall be payable by the Contractor to the Government upon demand, together with interest computed at the rate of 6 percent per annum for the period from the date such excess payment is received by the Contractor to the date on which such excess is repaid to the Government: *Provided, however,* That no interest shall be charged with respect to any such excess payment attributable to a reduction in the Contractor's claim by reason of retention or other disposition of termination inventory until ten days after the date of such retention or disposition, or such later date as determined by the Contracting Officer by reason of the circumstances.
- k. Unless otherwise provided for in this contract, or by applicable statute, the Contractor, from the effective date of termination and for a period of three years after final settlement under this contract, shall preserve and make available to the Government at all reasonable times at the office of the Contractor but without direct charge to the Government, all his books, records, documents, and other evidence bearing on the costs and expenses of the Contractor under this contract and relating to the work terminated hereunder, or, to the extent approved by the Contracting Officer, photographs, microphotographs, or other authentic reproductions thereof.

32. MINORITY BUSINESS ENTERPRISES SUBCONTRACTING PROGRAM (1-1.1310.2(b))

- a. The Contractor agrees to establish and conduct a program which will enable minority business enterprises (as defined in the clause entitled "Utilization of Minority Business Enterprises") to be considered fairly as subcontractors and suppliers under this contract. In this connection, the Contractor shall--
- (1) Designate a liaison officer who will administer the Contractor's minority business enterprises program.
  - (2) Provide adequate and timely consideration of the potentialities of known minority business enterprises in all "make-or-buy" decisions.
  - (3) Assure that known minority business enterprises will have an equitable opportunity to compete for subcontracts, particularly by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation of minority business enterprises.
  - (4) Maintain records showing (i) procedures which have been adopted to comply with the policies set forth in this clause, including the establishment of a source list of minority business enterprises, (ii) awards to minority business enterprises on the source list, and (iii) specific efforts to identify and award contracts to minority business enterprises.

contract, the Contractor shall immediately give notice thereof, including all relevant information with respect thereto, to the Contracting Officer.

- b. The Contractor agrees to insert the substance of this clause, including this paragraph (b), in any subcontract hereunder as to which a labor dispute may delay the timely performance of this contract; except that each such subcontract shall provide that in the event its timely performance is delayed or threatened by delay by an actual or potential labor dispute, the subcontractor shall immediately notify his next higher tier subcontractor, or the Prime Contractor, as the case may be, of all relevant information with respect to such disputes.

35. PERMITS (9-7.5006-48)

Except as otherwise directed by the Contracting Officer, the contractor shall procure all necessary permits or licenses and abide by all applicable laws, regulations, and ordinances of the United States and of the State, territory, and political subdivision in which the work under this contract is performed.

36. RENEGOTIATION (9-7.5004-20)

If this contract is subject to the Renegotiation Act of 1951, as amended, the following provisions shall apply:

- a. This contract is subject to the Renegotiation Act of 1951 (50 U.S.C. App. 1211, et. seq.), as amended, and to any subsequent act of Congress providing for the renegotiation of contracts. Nothing contained in this clause shall impose any renegotiation obligation with respect to this contract or any subcontract hereunder which is not imposed by an act of Congress heretofore or hereafter enacted. Subject to the foregoing, this contract shall be deemed to contain all the provisions required by section 104 of the Renegotiation Act of 1951, and by any such other act, without subsequent contract amendment specifically incorporating such provisions.
- b. The contractor agrees to insert the provisions of this clause, including this paragraph (b), in all subcontracts, as that term is defined in section 103 g. of the Renegotiation Act of 1951, as amended.

37. PATENT INDEMNITY (9-9.5009(c))

The Contractor agrees to indemnify the Government, its officers, agents, servants, and employees against liability of any kind (including costs and expenses incurred) for the use of any invention or discovery and for the infringement of any Letters Patent (not including liability, arising pursuant to Section 133, Title 35, (1952) U.S. Code, prior to the issuance of Letters Patent) occurring in the performance of this contract or arising by reason of the use of disposal by or for the account of the Government of items manufactured or supplied under this contract.



40. STOP WORK ORDER

(a) The Contracting Officer may, at any time, by written order to the Contractor, require the Contractor to stop all, or any part, of the work called for by this contract for a period of ninety (90) days after the order is delivered to the Contractor, and for any further period at which the parties may agree. Any such order shall be specifically identified as a Stop Work Order issued pursuant to this clause. Upon receipt of such an order, the Contractor shall forthwith comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of ninety (90) days after a stop work order is delivered to the Contractor, or within any extension of that period to which the parties shall have agreed, the Contracting Officer shall either:

- (i) cancel the stop work order, or
- (ii) terminate the work covered by such order as provided in the "Default" or the "Termination for Convenience" clause of this contract.

(b) If a stop work order issued under this clause is cancelled or the period of the order or any extension thereof expires, the Contractor shall resume work. An equitable adjustment shall be made in the delivery schedule or contract price, or both, and the contract shall be modified in writing accordingly, if:

- (i) the stop work order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this contract, and
- (ii) the Contractor asserts a claim for such adjustment within thirty (30) days after the end of the period of work stoppage; provided that, if the Contracting Officer decides the facts justify such action, he may receive and act upon any such claim asserted at any time prior to final payment under this contract.

(c) If a stop work order is not canceled and the work covered by such order is terminated for the convenience of the Government, the reasonable costs resulting from the stop work order shall be allowed in arriving at the termination settlement.

(d) If a stop work order is not canceled and the work covered by such order is terminated for default, the reasonable costs resulting from the stop work order shall be allowed by equitable adjustment or otherwise.

43. WORK FOR OTHERS

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 an actual or apparent conflict of interest with respect to the work being performed under this contract. The contractor shall insure that all employees designated as key personnel if any, under this contract abide by the provisions of this clause. If the contractor believes with respect to itself or any such employee that any proposed consultant or other contractual arrangement with any firm or organization may involve a possible conflict of interest, the contractor shall obtain the written approval of the Contracting Officer prior to execution of such contractual arrangement.

PART 20-1 -- GENERAL

Subpart 20-1.54--Contractor Organizational Conflicts of Interest

Sec.

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AUTHORITY: Sec. 8, Pub. L. 95-501, adding Sec. 170A to Pub. L. 83-703, 68 Stat. 919, as amended (42 U.S.C. ch. 14)

§20-1.5401 Scope and Policy

(a) It is the policy of the U.S. Nuclear Regulatory Commission (NRC) to avoid, eliminate or neutralize contractor organizational conflicts of interest. The NRC achieves this objective by requiring all prospective contractors to submit information describing relationships, if any, with organizations or persons (including those regulated by NRC) which may give rise to actual or potential conflicts of interest in the event of contract award.

(b) Contractor conflict of interest determinations cannot be made automatically or routinely; the application of sound judgment on virtually a case-by-case basis is necessary if the policy is to be applied so as to satisfy the overall public interest. It is not possible to prescribe in advance a specific method or set of criteria which would serve to identify and resolve all of the contractor conflict of interest situations which might arise; however, examples are provided in these regulations to guide application of the policy. NRC contracting and program officials must be alert to other situations which may warrant application of this policy guidance. The ultimate test is: Might the contractor, if awarded the contract, be placed in a position where its judgment may be biased, or where it may have an unfair competitive advantage?

(c) The conflict of interest rule contained in this subpart applies to contractors and offerors only. Individuals or firms who have other relationships with NRC (e.g., parties to a licensing proceeding) are not covered by this regulation. This rule does not apply to the acquisition of consulting services through the personnel appointment process, NRC

agreements with other government agencies, international organizations, or state, local or foreign governments; separate procedures for avoiding conflicts of interest will be employed in such agreements, as appropriate.

#### §20-1.5402 Definitions

(a) "Organizational conflicts of interest" means that a relationship exists whereby a contractor or prospective contractor has present or planned interests related to the work to be performed under an NRC contract which: (1) May diminish its capacity to give impartial, technically sound, objective assistance and advice or may otherwise result in a biased work product, or (2) may result in its being given an unfair competitive advantage.

(b) "Research" means any scientific or technical work involving theoretical analysis, exploration, or experimentation.

(c) "Evaluation activities" means any effort involving the appraisal of a technology, process, product, or policy.

(d) "Technical consulting and management support services" means internal assistance to a component of the NRC in the formulation or administration of its programs, projects, or policies which normally require the contractor to be given access to information which has not been made available to the public or proprietary information. Such services typically include assistance in the preparation of program plans; and preparation of preliminary designs, specifications, or statements of work.

(e) "Contract" means any contract, agreement, or other arrangement with the NRC except as provided in Section 20-1.5401(c).

(f) "Contractor" means any person, firm, unincorporated association, joint venture, co-sponsor, partnership, corporation, affiliates thereof, or their successors in interest, including their chief executives, directors, key personnel (identified in the contract), proposed consultants or subcontractors, which is a party to a contract with the NRC.

(g) "Affiliates" means business concerns which are affiliates of each other when either directly or indirectly one concern or individual controls or has the power to control another, or when a third party controls or has the power to control both (41 CFR §1-1.606-1(e)).

(h) "Subcontractor" means any subcontractor of any tier which performs work under a contract with the NRC except subcontracts for supplies and subcontracts in amounts of \$10,000 or less.

(i) "Prospective contractor" or "offeror" means any person, firm, unincorporated association, joint venture, partnership, corporation, or affiliates thereof, including its chief executive, directors, key personnel (identified in the proposal), proposed consultants, or subcontractors, submitting a bid or proposal, solicited or unsolicited, to the NRC to obtain a contract.



(j) "Potential conflict of interest" means that a factual situation exists that suggests (indicates) that an actual conflict of interest may arise from award of a proposed contract. The term "potential conflict of interest" is used to signify those situations which merit investigation prior to contract award in order to ascertain whether award would give rise to an actual conflict or which must be reported to the contracting officer for investigation if they arise during contract performance.

§ 20-1.5403 Criteria for recognizing contractor organizational conflicts of interest

(a) General. Two questions will be asked in determining whether actual or potential organizational conflicts of interest exist: (1) Are there conflicting roles which might bias a contractor's judgment in relation to its work for the NRC? (2) May the contractor be given an unfair competitive advantage based on the performance of the contract? The ultimate determination by NRC as to whether organizational conflicts of interest exist will be made in light of common sense and good business judgment based upon the relevant facts disclosed and the work to be performed. While it is difficult to identify and to prescribe in advance a specific method for avoiding all of the various situations or relationships which might involve potential organizational conflicts of interest, NRC personnel will pay particular attention to proposed contractual requirements which call for the rendering of advice, consultation or evaluation activities, or similar activities that lay direct groundwork for the NRC's decisions on regulatory activities, future procurements, and research programs.

(b) Situations or relationships which may give rise to organizational conflicts of interest. (1) The offeror or contractor shall disclose information concerning relationships which may give rise to organizational conflicts of interest under the following circumstances:

(i) Where the offeror or contractor provides advice and recommendations to the NRC in a technical area in which it is also providing consulting assistance in the same area to any organization regulated by the NRC.

(ii) Where the offeror or contractor provides advice to the NRC on the same or similar matter in which it is also providing assistance to any organization regulated by the NRC.

(iii) Where the offeror or contractor evaluates its own products or services, or the products or services of another entity where the offeror or contractor has been substantially involved in their development or marketing.

(iv) Where the award of a contract would otherwise result in placing the offeror or contractor in a conflicting role in which its judgment may be biased in relation to its work for the NRC or may otherwise result in an unfair competitive advantage for the offeror or contractor.

(2) The contracting officer may request specific information from an offeror or contractor or may require special contract provisions such as provided in §20-1.5405-2 in the following circumstances:

(i) Where the offeror or contractor prepares specifications which are to be used in competitive procurements of products or services covered by such specifications.

(ii) Where the offeror or contractor prepares plans for specific approaches or methodologies that are to be incorporated into competitive procurements using such approaches or methodologies.

(iii) Where the offeror or contractor is granted access to information not available to the public concerning NRC plans, policies, or programs which could form the basis for a later procurement action.

(iv) Where the offeror or contractor is granted access to proprietary information of its competitors.

(v) Where the award of a contract might otherwise result in placing the offeror or contractor in a conflicting role in which its judgment may be biased in relation to its work for the NRC or may otherwise result in an unfair competitive advantage for the offeror or contractor.

(c) Policy application guidance. The following examples are illustrative only and are not intended to identify and resolve all contractor organizational conflict of interest situations. (1) Example. The XYZ Corp., in response to a request for proposal (RFP), proposes to undertake certain analyses of a reactor component as called for in the RFP. The XYZ Corp. is one of several companies considered to be technically well qualified. In response to the inquiry in the RFP, the XYZ Corp. advises that it is currently performing similar analyses for the reactor manufacturer.

Guidance. An NRC contract for that particular work normally would not be awarded to the XYZ Corp. because it would be placed in a position in which its judgment could be biased in relationship to its work for NRC. Since there are other well-qualified companies available, there would be no reason for considering a waiver of the policy.

(2) Example. The ABC Corp., in response to a RFP, proposes to perform certain analyses of a reactor component which are unique to one type of advanced reactor. As is the case with other technically qualified companies responding to the RFP, the ABC Corp. is performing various projects for several different utility clients. None of the ABC Corp. projects have any relationship to the work called for in the RFP. Based on the NRC evaluation, the ABC Corp. is considered to be the best qualified company to perform the work outlined in the RFP.

Guidance. An NRC contract normally could be awarded to the ABC Corp. because no conflict of interest exists which would motivate bias with respect to the work. An appropriate clause would be included in the contract to preclude the ABC Corp. from subsequently contracting for work during the performance of the NRC contract with the private sector which could create a conflict. For example, ABC Corp. would be precluded from the performance of similar work for the company developing the advanced reactor mentioned in the example.

(3) Example. As a result of operating problems in a certain type of commercial nuclear facility, it is imperative that NRC secure specific data on various operational aspects of that type of plant so as to assure adequate safety protection of the public. Only one manufacturer has extensive experience with that type of plant. Consequently, that company is the only one with whom NRC can contract which can develop and conduct the testing programs required to obtain the data in reasonable time. That company has a definite interest in any NRC decisions that might result from the data produced because those decisions affect the reactor's design and thus the company's costs.

Guidance. This situation would place the manufacturer in a role in which its judgment could be biased in relationship to its work for NRC. Since the nature of the work required is vitally important in terms of NRC's responsibilities and no reasonable alternative exists, a waiver of the policy may be warranted. Any such waiver shall be fully documented and coordinated in accordance with the waiver provisions of this policy with particular attention to the establishment of protective mechanisms to guard against bias.

(4) Example. The ABC Co. submits a proposal for a new system for evaluating a specific reactor component's performance for the purpose of developing standards that are important to the NRC program. The ABC Co. has advised NRC that it intends to sell the new system to industry once its practicability has been demonstrated. Other companies in this business are using older systems for evaluation of the specific reactor component.

Guidance. A contract could be awarded to the ABC Co. provided that the contract stipulates that no information produced under the contract will be used in the contractor's private activities unless such information has been reported to NRC. Information which is reported to NRC by contractors will normally be disseminated by NRC to others so as to preclude an unfair competitive advantage that might otherwise accrue. When NRC furnishes information to the contractor for the performance of contract work, it shall not be used in the contractor's private activities unless such information is generally available to others. Further, the contract will stipulate that the contractor will inform the NRC contracting officer of all situations in which the information developed under the contract is proposed to be used.

(5) Example. The ABC Corp., in response to a RFP proposes to assemble a map showing certain seismological features of the Appalachian fold belt. In accordance with the representation in the RFP and §20-1.5403(b)(1)(i), ABC Corp. informs the NRC that it is presently doing seismological studies for several utilities in the Eastern United States but none of the sites are within the geographic area contemplated by the NRC study.

Guidance. The contracting officer would normally conclude that award of a contract would not place ABC Corp. in a conflicting role where its judgment might be biased. The work for others clause of §20-1.5405-1(c) would preclude ABC Corp. from accepting work during the term of the NRC contract which could create a conflict of interest.

(d) Other considerations. (1) The fact that the NRC can identify and later avoid, eliminate, or neutralize any potential organizational conflicts arising from the performance of a contract is not relevant to a determination of the existence of such conflicts prior to the award of a contract.

(2) It is not relevant that the contractor has the professional reputation of being able to resist temptations which arise from organizational conflicts of interest, or that a follow-on procurement is not involved, or that a contract is awarded on a competitive or a sole source basis.

#### §20-1.5404 Representation

(a) The following procedures are designed to assist the NRC contracting officer in determining whether situations or relationships exist which may constitute organizational conflicts of interest with respect to a particular offeror or contractor.

(b) Representation procedure. The following organizational conflicts of interest representation provision shall be included in all solicitations and unsolicited proposals for: (1) Evaluation services or activities; (2) technical consulting and management support services; (3) research; and (4) other contractual situations where special organizational conflicts of interest provisions are noted in the solicitation and would be included in the resulting contract. This representation requirement shall also apply to all modifications for additional effort under the contract except those issued under the "changes" clause. Where, however, a statement of the type required by the organizational conflicts of interest representation provision has previously been submitted with regard to the contract being modified, only an updating of such statement shall be required.



## ORGANIZATIONAL CONFLICTS OF INTEREST REPRESENTATION

I represent to the best of my knowledge and belief that:

The award to \_\_\_\_\_ of a contract or the modification of an existing contract does ( ) or does not ( ) involve situations or relationships of the type set forth in 41 CFR §20-1.5403(b)(1).

(c) Instructions to offerors. The following shall be included in all NRC solicitations: (1) If the representation as completed indicates that situations or relationships of the type set forth in 41 CFR §20-1.5403(b)(1) are involved, or the contracting officer otherwise determines that potential organizational conflicts exist, the offeror shall provide a statement in writing which describes in a concise manner all relevant facts bearing on his representation to the contracting officer. If the contracting officer determines that organizational conflicts exist, the following actions may be taken: (i) Impose appropriate conditions which avoid such conflicts, (ii) disqualify the offeror, or (iii) determine that it is otherwise in the best interest of the United States to seek award of the contract under the waiver provisions of §20-1.5411.

(2) The refusal to provide the representation required by §20-1.5404(b) or upon request of the contracting officer the facts required by §20-1.5404(c), shall result in disqualification of the offeror for award. The nondisclosure or misrepresentation of any relevant interest may also result in the disqualification of the offeror for award; or if such nondisclosure or misrepresentation is discovered after award, the resulting contract may be terminated. The offeror may also be disqualified from subsequent related NRC contracts and be subject to such other remedial actions provided by law or the resulting contract.

(d) The offeror may, because of actual or potential organizational conflicts of interest, propose to exclude specific kinds of work from the statements of work contained in a RFP unless the RFP specifically prohibits such exclusion. Any such proposed exclusion by an offeror will be considered by the NRC in the evaluation of proposals. If the NRC considers the proposed excluded work to be an essential or integral part of the required work and its exclusion would work to the detriment of the competitive posture of the other offerors, the proposal must be rejected as unacceptable.

(e) The offeror's failure to execute the representation required by subsection (b) above with respect to invitation for bids will be considered to be a minor informality, and the offeror will be permitted to correct the omission.

§ 20-1.5405 Contract clauses

§ 20-1.5405-1 General contract clause

All contracts of the types set forth in § 20-1.5404(b) shall include the following clauses:

(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 interest (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 herein shall apply to performance or participation by the contractor as defined in 41 CFR § 20-1.5402(f) in the activities covered by this clause.

(c) Work for others. 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 who are employed full time under this contract and employees designated as key personnel, if any, under this contract abide by the provision of this clause. If the contractor believes with respect to itself or any such 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 prior to execution of such contractual arrangement.

(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, it does not have any organizational conflicts of interest, as defined in 41 CFR § 20-1.5402(a).

(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 shall 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 for convenience if it deems such termination to be in the best interests of the government.

(e) Access to and use of information. (1) If the contractor in the performance of this contract obtains access to information, such as NRC plans, policies, reports, studies, financial plans, internal data protected by the Privacy Act of 1974 (Pub. L. 93-579), or data which has not been released to the public, the contractor agrees not to: (i) Use such information for any private purpose until the information has been released to the public; (ii) compete for work for the Commission based

on such information for a period of six (6) months after either the completion of this contract or the release of such information to the public, whichever is first, (iii) submit an unsolicited proposal to the government based on such information until one year after the release of such information to the public, or (iv) release the information without prior written approval by the contracting officer unless such 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 (Pub. L. 93-579), or other confidential or privileged technical, business, or financial information under this contract, the contractor shall treat such information in accordance with restrictions placed on use of the information.

(3) The contractor shall have, subject to patent and security provisions of this contract, 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 41 CFR §20-1.5402(h), the contractor shall include this clause, including this paragraph, in subcontracts of any tier. The terms "contract," "contractor," and "contracting officer," shall be appropriately modified to preserve the government's rights.

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

(h) Waiver. A request for waiver under this clause shall be directed in writing through the contracting officer to the Executive Director for Operations (EDO) in accordance with the procedures outlined in §20-1.5411.

#### §20-1.5405-2 Special contract provisions.

(a) If it is determined from the nature of the proposed contract that organizational conflicts of interest exist, the contracting officer may determine that such conflict can be avoided or after obtaining a waiver in accordance with §20-1.5411, neutralized through the use of an appropriate special contract provision. If appropriate, the offeror may negotiate the terms and conditions of these clauses, including the extent and time period of any such restriction. These provisions include but are not limited to:

(1) Hardware exclusion clauses which prohibit the acceptance of production contracts following a related nonproduction contract previously performed by the contractor;

(2) Software exclusion clauses;

(3) Clauses which require the contractor (and certain of his key personnel) to avoid certain organizational conflicts of interest; and

(4) Clauses which provide for protection of confidential data and guard against its unauthorized use.

(b) The following additional contract clause may be included as section (i) in the clause set forth in § 20-1.5405-1 when it is determined that award of a follow-on contract would constitute an organizational conflict of interest.

(i) Follow-on effort. (1) The contractor shall be ineligible to participate in NRC contracts, subcontracts, or proposals therefor (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 shall 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 such products or services.

(2) If the contractor under this contract prepares a complete or essentially complete statement of work or specifications, the contractor shall be ineligible to perform or participate in the initial contractual effort which is based on such statement of work or specifications. The contractor shall not incorporate its products or services in such statement of work or specifications unless so directed in writing by the contracting officer, in which case the restriction in this subparagraph shall not apply.

(3) Nothing in this paragraph shall preclude the contractor from offering or selling its standard commercial items to the government.

§ 20-1.5406 Evaluation, findings; and contract award

The contracting officer will evaluate all relevant facts submitted by an offeror pursuant to the representation requirements of § 20-1.5404(b) and other relevant information. After evaluating this information against the criteria of § 20-1.5403, a finding will be made by the contracting officer whether organizational conflicts of interest exist with respect to a particular offeror. If it has been determined that conflicts of interest exist, then the contracting officer shall either:

(a) Disqualify the offeror from award,



(b) Avoid or eliminate such conflicts by appropriate measures; or

(c) Award the contract under the waiver provision of § 20-1.5411.

§ 20-1.5407 Conflicts identified after award.

If potential organizational conflicts of interest are identified after award with respect to a particular contractor, the contracting officer determines that such conflicts do, in fact, exist and that it would not be in the best interests of the government to terminate the contract as provided in the clauses required by § 20-1.5405, the contracting officer will take every reasonable action to avoid, eliminate, or, after obtaining a waiver in accordance with § 20-1.5411, neutralize the effects of the identified conflict.

§ 20-1.5408 (Reserved)

§ 20-1.5409 (Reserved)

§ 20-1.5410 Subcontracts

The contracting officer shall require offerors and contractors to submit a representation statement in accordance with § 20-1.5404(b) from subcontractors and consultants. The contracting officer shall require the contractor to include contract clauses in accordance with § 20-1.5405 in consultant agreements or subcontracts involving performance of work under a prime contract covered by this subsection.

§ 20-1.5411 Waiver

In the first instance, determination with respect to the need to seek a waiver for specific contract awards shall be made by the contracting officer with the advice and concurrence of the program office director and the Office of Executive Legal Director. Upon the recommendation of the contracting officer, and after consultation with the Office of the General Counsel, the EDO may waive the policy in specific cases if he determines that it is in the best interest of the United States to do so.


Such action shall be strictly limited to those situations in which: (1) The work to be performed under contract is vital to the NRC program; (2) the work cannot be satisfactorily performed except by a contractor whose interests give rise to a question of conflict of interest; and (3) contractual and/or technical review and supervision methods can be employed by NRC to neutralize the conflict. For any such waivers, the justification and approval documents shall be placed in the Public Document Room.

§20-1.5412 Remedies

In addition to such other remedies as may be permitted by law or contract for a breach of the restrictions in this subpart or for any intentional misrepresentation or intentional nondisclosure of any relevant interest required to be provided for this section, the NRC may debar the contractor from subsequent NRC contracts.

Dated at Washington, D.C. this 27th day of March 1979.

For the Nuclear Regulatory Commission

  
Samuel J. Chilk  
Secretary of the Commission