

DIVISION OF CONTRACTS
U.S. NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555

NOTIFICATION OF CONTRACT EXECUTION

CONTRACT NUMBER

NRC-33-91-203

MODIFICATION NUMBER

NEW MODIFICATION

OTHER (Specify)

TO: Patricia G. Norry, Acting Director
(Title)

Office of Information Resource Management
(Organization)

CONTRACT BASED ON

AUTHORIZATION NUMBER

IRM-91-203

DATE

10/17/90

FROM: Helen Hagey
(Contract Specialist)

Helen Hagey 11/15/90
(Date)

Contract Negotiation Branch No. 1

Division of Contracts and Property Management

CONTRACT CHANGES PER THIS ACTION

CONTRACTOR (Name & Location)

I-Net, Inc.
6430 Rockledge Drive, Suite 600
Bethesda, MD

EXECUTION DATE

11/09/90

TYPE OF CONTRACT

CPFF

PROJECT TITLE

"Technical Assistance for NRC's Emergency
Telecommunications System"

PERIOD OF PERFORMANCE

10/26/90 - 4/26/91

PRINCIPAL INVESTIGATOR

Bruce Adams

NRC AUTHORIZED REPRESENTATIVE

Benjamin Randall

Fin #:
D1862-1

B&R NUMBER
110-20-62-250

APPN #:
31X0200.110

AMOUNT

FUNDING

NEW NRC FUNDS

\$ 25,000

TOTAL FY 91 FUNDING

\$ 25,000

TOTAL NRC OBLIGATIONS

\$ 25,000

GOVERNMENT PROPERTY

NONE

ATTACHMENT(S):

CONTRACT DOCUMENT (_____)

WFOZ
91

2. CONTRACT (Proc Inst Ident.) NO. 3-91-1-5070 3. EFFECTIVE DATE 10/26/90 4. REQUISITION/PURCHASE REQUEST/PROJECT NO. RS-IRM-91-203

5. ISSUED BY U.S. Small Business Administration 1111 18th Street, N.W., 6th Floor P.O. Box 19993 Washington, DC 20036 CODE 6. ADMINISTERED BY (If other than Item 5) U.S. Nuclear Regulatory Commission Contract Administration Branch No. 1 Washington, DC 20555 CODE

7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State and ZIP Code): I-NET, Incorporated 6430 Rockledge Drive, Suite 600 Bethesda, MD 20817 8. DELIVERY FOB ORIGIN OTHER (See below) 9. DISCOUNT FOR PROMPT PAYMENT Net 10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN ITEM 6 6

11. SHIP TO/MARK FOR CODE See Section F.3 of NRC solicitation No. RS-IRM-91-203 FACILITY CODE 12. PAYMENT WILL BE MADE BY CODE U.S. Nuclear Regulatory Commission Div. of Accounting and Finance, GOV/COM Section Washington, DC 20555

13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION 10 U.S.C. 2304(c)(1) 41 U.S.C. 253(c)(1) 5 14. ACCOUNTING AND APPROPRIATION DATA See Prime Contract

15A. ITEM NO.	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
See prime contract between U.S. Small Business Administration and U.S. Nuclear Regulatory Commission. Number NRC-33-91-203, entitled "Technical Assistance for NRC's Emergency Telecommunications System". The following contract clauses are hereby made a part of this subcontract: 52.219-11 - Special 8(a) Contract Conditions; 52.219-12 - Special 8(a) Subcontract Conditions; and 52.219-14 - Limitations on Subcontracting.					
9011280327 901109 PDR CONTR NRC-33-91-203 PIDC					15G. TOTAL AMOUNT OF CONTRACT ▶ \$130,464

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H	SPECIAL CONTRACT REQUIREMENTS				

CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE

17. 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.)

18. 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 in 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.

19A. NAME AND TITLE OF SIGNER (Type or print) DAVID W. WELLS, V-P & General Counsel I-NET 20A. NAME OF CONTRACTING OFFICER Shahrokh Zahrieh Contracting Officer

19B. NAME OF CONTRACTOR 19C. DATE SIGNED 10/26/90 20B. UNITED STATES OF AMERICA 20C. DATE SIGNED NOV 09 1990 BY David W. Wells (Signature of person authorized to sign) Shahrokh Zahrieh (Signature of Contracting Officer)

FAR 52.219-11 - SPECIAL 8(a) CONTRACT CONDITIONS (FEB 1990)

The Small Business Administration (SBA) agrees to the following:

(a) 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)).

(b) 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.

(c) Except for novation agreements and advance payments, delegates to the U. S. Nuclear Regulatory Commission 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 U. S. Nuclear Regulatory Commission 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.

(d) That payments to be made under any subcontract awarded under this contract will be made directly to the subcontractor by the U. S. Nuclear Regulatory Commission.

(e) That the subcontractor awarded a subcontract hereunder shall have the right of appeal from decisions of the Contracting Officer cognizable under the "Disputes" clause of said subcontract.

(f) To notify the U.S. Nuclear Regulatory Commission Contracting Officer immediately upon notification by the subcontractor that the owner or owners upon whom 8(a) eligibility was based plan to relinquish ownership or control of the concern.

(End of clause)

FAR 52.219-12 - SPECIAL 8(a) SUBCONTRACT CONDITIONS (FEB 1990)

(a) The Small Business Administration (SBA) has entered into Contract No. NRC-33-91-203 with I-NET, Incorporated to furnish the supplies or services as described therein. A copy of the contract is attached hereto and made a part hereof.

(b) I-NET, Incorporated, hereafter referred to as the subcontractor, agrees and acknowledges as follows:

(1) That it will, for and on behalf of the SBA, fulfill and perform all of the requirements of Contract No. NRC-33-91-203 for the consideration stated therein and that it has read and is familiar with each and every part of the contract.

(2) That the SBA has delegated responsibility for the administration of this subcontract to the U. S. Nuclear Regulatory Commission with complete authority to take any action on behalf of the Government under the terms and conditions of this subcontract.

(3) That it will not subcontract the performance of any of the requirements of this subcontract to any lower tier subcontractor without the prior written approval of the SBA and the designated Contracting Officer of the U. S. Nuclear Regulatory Commission.

(4) That it will notify the U.S. Nuclear Regulatory Commission Contracting Officer in writing immediately upon entering an agreement (either oral or written) to transfer all or part of its stock or other ownership interest to any other party.

(c) Payments, including any progress payments under this subcontract, will be made directly to the subcontractor by the U. S. Nuclear Regulatory Commission.

(End of clause)

52.219-14 - LIMITATIONS ON SUBCONTRACTING (OCT 1987)

By submission of an offer and execution of a contract, the Offeror/Contractor agrees that in performance of the contract in the case of a contract for-

(a) Services (except construction). At least 50 percent of the cost of contract performance incurred for personnel shall be expended for employees of the concern.

(b) Supplies (other than procurement from a regular dealer in such supplies). The concern shall perform work for at least 50 percent of the cost of manufacturing the supplies, not including the cost of materials.

(c) General construction. The concern will perform at least 15 percent of the cost of the contract, not including the cost of materials, with its own employees.

(d) Construction by special trade contractors. The concern will perform at least 25 percent of the cost of the contract, not including the cost of materials, with its own employees.

(End of clause)

AWARD/CONTRACT		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)	RATING	PAGE OF PAGES 1 3
2. CONTRACT (Proc. Inv. Ident.) NO. NRC-33-91-203		3. EFFECTIVE DATE OCT 26 1990	4. REQUISITION/PURCHASE REQUEST/PROJECT NO. RS-IRM-91-203	
5. ISSUED BY U.S. Nuclear Regulatory Commission Contract Negotiation Branch, No. 1 Washington, DC 20555		6. ADMINISTERED BY (if other than item 5) U.S. Nuclear Regulatory Commission Contract Administration Branch No. 1 Washington, DC 20555		

7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, country, State and ZIP Code) PRIME: U.S. Small Business Administration 1111 18th Street, N.W., 6th Floor P.O. Box 19993 Washington, DC 22036		8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below)	
		9. DISCOUNT FOR PROMPT PAYMENT Net	
10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN		ITEM 6	

11. SHIP TO/MARK FOR See Section F.3 of NRC solicitation No. RS-IRM-91-203	12. PAYMENT WILL BE MADE BY US Nuclear Regulatory Commission Div. of Accounting and Finance, GOV/COM Section Washington, DC 20555
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13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION <input type="checkbox"/> 10 U.S.C. 2304(e)(1) <input checked="" type="checkbox"/> 41 U.S.C. 253(e)(5)	14. ACCOUNTING AND APPROPRIATION DATA FIN: D-1862-1; Appn: 31X0200.110; B&R: 110-20-62-250; Obligated: \$25,000
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15A. ITEM NO.	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
	Perform technical assistance for NRC's Emergency Telecommunications System as described herein under NRC Solicitation No. RS-IRM-91-203, and in accordance with I-NET, Inc.'s technical proposal dated October 25, 1990, which is incorporated herein by this reference and made a part of this contract. This cost-plus-fixed-fee type contract is completed to read as follows: (Continued on next page.)				

15G. TOTAL AMOUNT OF CONTRACT ► \$ 130,464

W)	SEC	DESCRIPTION	PAGE(S)	W)	SEC	DESCRIPTION	PAGE(S)
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X	H	SPECIAL CONTRACT REQUIREMENTS					

CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE

17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return <u>four</u> 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.)	18. <input type="checkbox"/> 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.)
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19A. NAME AND TITLE OF SIGNER (Type or print) Shahrokh Zahirie, US Small Business Administration Contracting Officer	20A. NAME OF CONTRACTING OFFICER Elois J. Wiggins, US Nuclear Regulatory Comm.
19B. NAME OF CONTRACTOR Shahrokh Zahirie (Signature of person authorized to sign)	19C. DATE SIGNED NOV 09 1990
20B. UNITED STATES OF AMERICA Elois J. Wiggins (Signature of Contracting Officer)	20C. DATE SIGNED 10/26/90

1. Section B.3, "CONSIDERATION AND OBLIGATION--COST PLUS FIXED FEE, ALTERNATE I" is deleted in its entirety and the following new Section B.3 is substituted in lieu thereof:

"B.3 CONSIDERATION AND OBLIGATION--COST PLUS FIXED FEE (JUNE 1988)
ALTERNATE I (JUNE 1988)

a. The total estimated cost to the Government for full performance of this contract is \$139,464, of which the sum of \$120,800 represents the estimated reimbursable costs, and of which \$9,664 represents the fixed fee.

b. There shall be no adjustment in the amount of the Contractor's fixed fee by reason of differences between any estimate of cost for performance of the work under this contract and the actual cost for performance of that work.

c. The amount presently obligated by the Government with respect to this contract is \$25,000.

d. It is estimated that the amount currently allotted will cover performance from Task 1 - Review of Existing Documents through Task 3 - ERDS Integration Into ETS.

(End of Clause)"

2. Under Section F.4 - REPORTING REQUIREMENTS:

a. the due date for the Task Two report is changed from 15 calendar days to 14 calendar days after effective date of the contract.

b. the due date for the Task Four report is changed from 28 calendar days to 23 calendar days after effective date of the contract.

3. Section G.1 - INDIRECT COST RATES is completed as follows:

Labor Overhead: 73% of total direct labor costs

General and Administrative Expense: 18% of total labor and labor
overhead costs

Material Handling: 5% of total consultant costs"

4. Paragraph a. under Section G.2 - PROJECT OFFICER AUTHORITY is completed as follows:

"a. The Contracting Officer's authorized representative hereinafter referred to as the Project Officer for this contract is:

Name: Benjamin W. Randall, Jr.
Address: U.S. Nuclear Regulatory Commission
Office of Information Resources Management
Division of Computer and Telecommunications Services
Telecommunications Branch, Mail Stop P-62C
Washington, DC 20555
Telephone Number: (301) 492-7721"

5. Paragraph a. under Section H.1 - KEY PERSONNEL is completed to read as follows:

"a. The following individuals are considered to be essential to the successful performance of the work hereunder:

Bruce Adams, Bob Trapp, John Laclede,
Chuck Meizner, and Bob Gradle

The Contractor agrees that such personnel shall not be removed from the contract work or replaced without compliance with paragraphs b and c hereof."

6. FAR Clause No. 52.219-11 - SPECIAL 8(a) CONTRACT CONDITIONS (FEB 1990), is hereby attached and made a part of this contract.
7. All other terms and conditions remain unchanged.

FAR 52.219-11 - SPECIAL 8(a) CONTRACT CONDITIONS (FEB 1990)

The Small Business Administration (SBA) agrees to the following:

- (a) 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)).
- (b) 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.
- (c) Except for novation agreements and advance payments, delegates to the U. S. Nuclear Regulatory Commission 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 U. S. Nuclear Regulatory Commission 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.
- (d) That payments to be made under any subcontract awarded under this contract will be made directly to the subcontractor by the U. S. Nuclear Regulatory Commission.
- (e) That the subcontractor awarded a subcontract hereunder shall have the right of appeal from decisions of the Contracting Officer cognizable under the "Disputes" clause of said subcontract.
- (f) To notify the U.S. Nuclear Regulatory Commission Contracting Officer immediately upon notification by the subcontractor that the owner or owners upon whom 8(a) eligibility was based plan to relinquish ownership or control of the concern.

(End of clause)



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OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provision at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8)

10 CALENDAR DAYS	20 CALENDAR DAYS	30 CALENDAR DAYS	_____ CALENDAR DAYS
_____%	_____%	_____%	_____%

14. ACKNOWLEDGEMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated:

AMENDMENT NO.	DATE	AMENDMENT NO.	DATE
---------------	------	---------------	------

15A. NAME AND ADDRESS OF OFFEROR	CODE _____	FACILITY _____	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)
----------------------------------	--------------	------------------	---

15B. TELEPHONE NO. (Include Area Code)	15C. CHECK IF REMITTANCE ADDRESS IS () DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE
--	---

17. SIGNATURE:	18. OFFER DATE:
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UNCLASSIFIED CONFIDENTIAL



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PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICE/COSTS

B.1 PROJECT TITLE

The title of this project is as follows:

"TECHNICAL ASSISTANCE SERVICES FOR NRC'S EMERGENCY
TELECOMMUNICATIONS SYSTEMS"

(End of Clause)

B.2 BRIEF DESCRIPTION OF WORK (MAR 1987)

Conduct engineering tradeoff studies, evaluate and compile requirements and assist in the review of a Statement of Work.

(End of Clause)

B.3 CONSIDERATION AND OBLIGATION--COST PLUS FIXED FEE
(JUNE 1988) ALTERNATE I (JUNE 1988)

a. The total estimated cost to the Government for full performance of this contract is \$~~700~~, of which the sum of \$~~700~~ represents the estimated reimbursable costs, and of which \$~~700~~ represents the fixed fee.

b. There shall be no adjustment in the amount of the Contractor's fixed fee by reason of differences between any estimate of cost for performance of the work under this contract and the actual cost for performance of that work.

c. The amount presently obligated by the Government with respect to this contract is \$~~700~~.

d. It is estimated that the amount currently allotted will cover performance through ~~*~~.

(End of Clause)

SECTION C - DESCRIPTION/SPECIFICATION
/WORK STATEMENT

C.1 BACKGROUND

The U.S. Nuclear Regulatory Commission's (NRC) primary role in an emergency at a licensed nuclear facility is one of monitoring the licensee to assure that appropriate recommendations are made with respect to offsite protective actions. In order to adequately perform this function, the NRC requires reliable communications with the licensee and the NRC regional offices.

A policy paper was provided to the Commission on November 23, 1987 (SECY-87-290), which discussed the NRC's emergency communications needs, current capabilities and several alternative methods to upgrade the NRC's emergency communications capabilities. The NRC subsequently approved a project to upgrade that capability. The concept included both satellite and terrestrial communications pathways to provide a highly reliable communications network to service the NRC emergency communications needs. The multiple technology approach is intended to provide system redundancy and diversity to ensure a high degree of system availability. The Idaho National Engineering Laboratory (INEL) has been contracted to design the Emergency Telecommunications System (ETS) satellite and terrestrial system, and develop a Statement of Work (SOW) for the ETS project.

C.2 CONTRACT OBJECTIVE

The ETS project has the primary objectives of evaluating and compiling requirements, conducting engineering tradeoff studies and review the SOW which will be included in a Request for Proposal (RFP) to be issued by the NRC, to procure the equipment and services necessary to implement the ETS.

C.3 SCOPE OF WORK

The Contractor shall conduct engineering studies and evaluations necessary to develop the products identified and defined below.

Immediately upon the effective date of the contract, the contractor shall meet with the NRC Project Office and/or any of its designated representatives to obtain and review the required ETS documentation.

TASK ONE. REVIEW OF EXISTING ETS DOCUMENTS

Upon award of this contract, the contractor shall review the ETS Requirements Analysis, Project Development and Research Plan (PDRP) and subsequent formal change and documentation to identify all components of the ETS requirements. Estimated level of effort: 48

hours.

TASK TWO: EVALUATION OF SATELLITE ACCESS METHOD

The contractor shall evaluate and report on the merits of the various satellite access methods which are appropriate to the ETS, specifically including Demand Assigned Multiple Access (DAMA). The report will include a recommendation, with complete justification, on the access method which should be employed in the ETS. Estimated level of effort: 40 hours.

TASK THREE: EMERGENCY RESPONSE DATA SYSTEM (ERDS) INTEGRATION INTO ETS

The contractor shall evaluate and report on the most cost effective way of transmitting the ERDS data via the ETS. The recommendation shall include consideration of using existing or replacement equipment, and the required use of both satellite and terrestrial communications pathways. The NRC shall provide the Contractor with available ERDS technical specifications on a potential replacement modem for currently installed ERDS equipment for possible use in their evaluation. Estimated level of effort: 40 hours.

TASK FOUR: REVIEW SECURITY REQUIREMENTS

The contractor shall review the National Security Decision Directive (NSDD) 145 and other related security requirements to ensure that the ETS conform with those applicable requirements and statutes. Estimated level of effort: 20 hours.

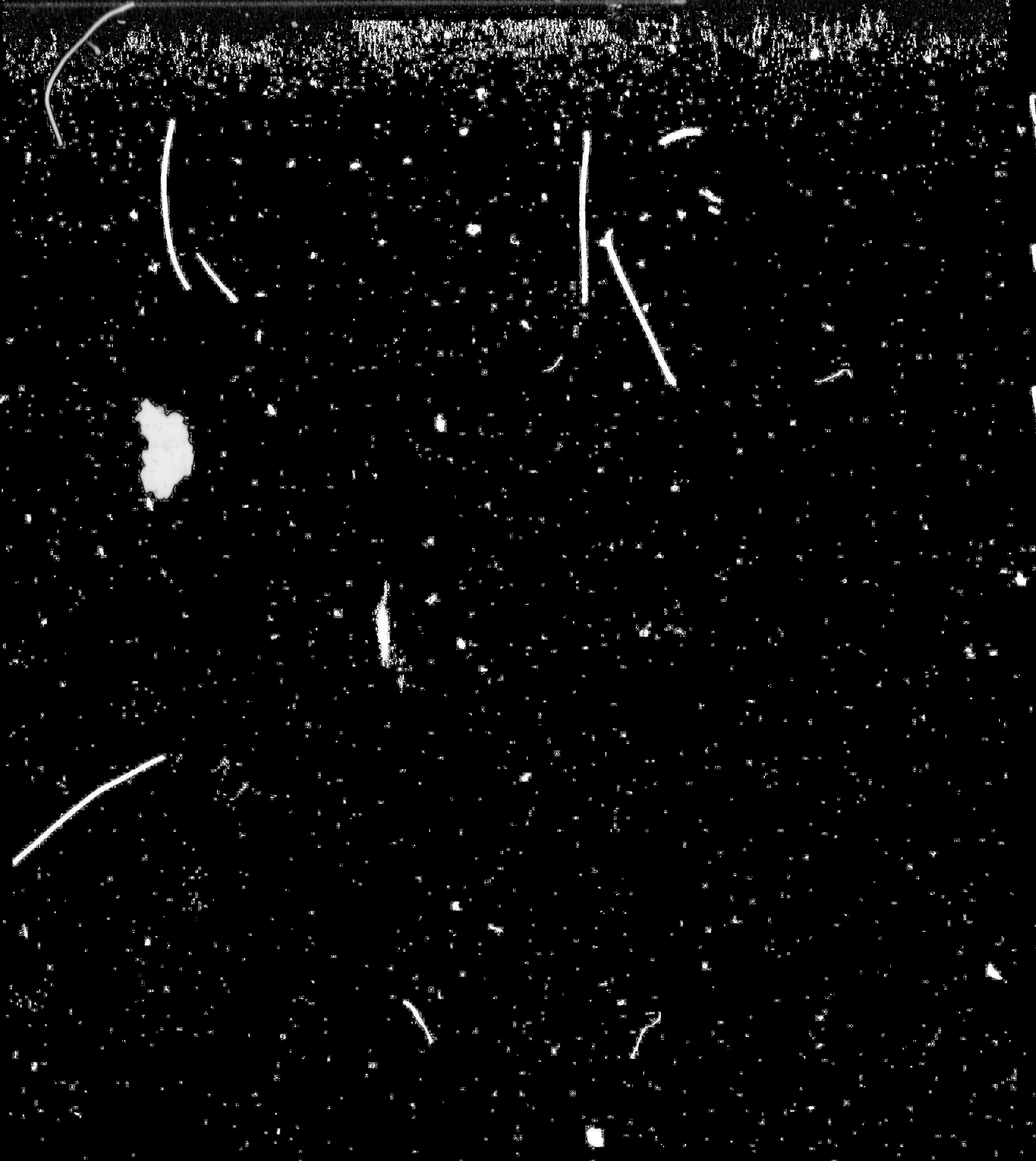
TASK FIVE: REVIEW OF STATEMENT OF WORK

The contractor shall provide expertise in telecommunications engineering for reviews and evaluations of the ETS SOW produced by INEL. (NRC expects to receive the first edition of the SOW from INEL on November 19, 1990.) Estimated level of effort: 140 hours.

The contractor shall be available for technical assistance to resolve any issues, including industry reviews, that may occur during the period of INEL's development of the final SOW. The contractor shall plan an estimated one-hour meeting with the NRC every two weeks during the contract period, at the NRC facilities in Bethesda, Maryland to discuss/address all technical issues related to the performance of work under this contract. Date and time for these meetings shall be mutually agreed upon by both the contractor and the NRC. Estimated level of effort: 620 hours.

(End of Clause)

SECTION 4 - MICROBIAL AND PLANT



SECTION E - INSPECTION AND ACCEPTANCE

E.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

NOTICE: The following solicitation provisions and/or contract clauses pertinent to this section are hereby incorporated by reference:

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)

NUMBER	DATE	TITLE
52.246-5	APR 1984	INSPECTION OF SERVICES-- COST-REIMBURSEMENT



F.3 PLACE OF DELIVERY--REPORTS (JUNE 1988)

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

a. Project Officer (2 copies)

U.S. Nuclear Regulatory Commission
Office of Information Resources Management
Telecommunications Branch
Div. of Computer and Telecommunications Services
Mail Stop P-626
Washington, DC 20555

b. Contracting Officer (1 copy)

U.S. Nuclear Regulatory Commission
Contract Number: NRC-33-91-203
Division of Contracts and Property Management
Contract Administration Branch
Washington, D.C. 20555

(End of Clause)

F.4 REPORTING REQUIREMENTS

The contractor shall provide letter reports for each task, as delineated in the SOW, to the NRC Project Officer, with one copy to the NRC Contracting Officer, to be due as listed below. Each letter report shall provide a comprehensive assessment of the contractor's findings on the task, and shall identify the task covered under the report, the contract number, the title of the contract, the contractor project manager, and the contract period of performance.

1. Task One (Review of Existing ETS Documents):
acknowledgement of their understanding of the ETS requirements due 7 calendar days after effective date of the contract.
2. Task Two (Evaluation of Satellite Access Method): due 15 calendar days after effective date of the contract.
3. Task Three (ERDS Integration into ETS): due 21 calendar days after effective date of the contract.
4. Task Four (Review Security Requirements): due 28 calendar days after effective date of the contract.
5. Task Five (Review SOW): the first edition of the SOW is due from INEL on November 19, 1990. The contractor's review of this SOW is due to NRC 19 calendar days after its receipt of this SOW from NRC.
6. Task Five (Technical Assistance): A letter report for

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SECTION G - CONTRACT ADMINISTRATION DATAG.1 INDIRECT COST RATES (JUNE 1988)
ALTERNATE II (NOV 1989)

For this contract, the maximum allowable indirect cost rate for reimbursement of indirect costs is as follows: *

In the event that indirect rates developed by the cognizant audit activity on the basis of actual allowable costs are less than the above ceiling rates, the rates established by such cognizant audits shall apply. The Government will not be obligated to pay any additional amounts for indirect costs above the ceiling rates set forth above for the applicable period.

(End of Clause)

G.2 PROJECT OFFICER AUTHORITY (JUNE 1988)

a. The Contracting Officer's authorized representative hereinafter referred to as the Project Officer for this contract is:

Name: *

Address: U.S. Nuclear Regulatory Commission

*
Mail Stop
Washington, DC 20555

Telephone Number: *

b. Performance of the work under this contract shall be subject to the technical direction of the NRC Project Officer. The term "Technical Direction" is defined to include the following:

1) Technical direction to the Contractor which shifts work emphasis between areas of work or tasks, fills in details or otherwise serves to accomplish the contractual statement of work.

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

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



above, 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) Assisting the Contractor in the resolution of technical problems encountered during performance.
- 3) Reviewing all costs requested for reimbursement by the Contractor and submitting to the Contracting Officer recommendations for approval, disapproval, or suspension of payment for supplies and services required under this contract.

(End of Clause)

G.3 BILLING INSTRUCTIONS

The Contractor shall refer to the attachment in Section J entitled "Billing Instructions."

(End of Clause)

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1 KEY PERSONNEL (MAR 1987)

a. The following individuals are considered to be essential to the successful performance of the work hereunder.



The Contractor agrees that such personnel shall not be removed from the contract work or replaced without compliance with paragraphs b and c hereof.

b. If one or more of the key personnel for whatever reason becomes, or is expected to become, unavailable for work under this contract for a continuous period exceeding 30 work days, or is expected to devote substantially less effort to the work than indicated in the proposal or initially anticipated, the Contractor shall immediately notify the Contracting Officer and shall, subject to the concurrence of the Contracting Officer, promptly replace such personnel with personnel of at least substantially equal ability and qualifications.

c. All requests for approval of substitutions hereunder must be in writing and provide a detailed explanation of the circumstances necessitating the proposed substitutions. They contain a complete resume for the proposed substitute, and other information requested by the Contracting Officer to approve or disapprove the proposed substitution. The Contracting Officer will evaluate such requests and promptly notify the Contractor of his/her approval or disapproval thereof in writing.

d. If the Contracting Officer determines that:

1) Suitable and timely replacement of key personnel who have been reassigned, terminated or have otherwise become unavailable for the contract work is not reasonably forthcoming; or

2) That the resultant reduction of effort would be so substantial as to impair the successful completion of the contract or the service order, the contract may be terminated by the Contracting Officer for default or for the convenience of the Government, as appropriate. If the Contracting Officer finds the Contractor at fault for the condition, the contract price or fixed fee may be equitably adjusted downward to compensate the Government for any resultant delay, loss or damage.

(End of Clause)

H.2 PRIVATE USE OF CONTRACT INFORMATION AND DATA (JUNE 1988)

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

(End of Clause)

H.3 CONTRACTOR ORGANIZATIONAL CONFLICTS OF INTEREST

(a) Purpose. The primary purpose of this clause is to aid in ensuring that the contractor: (1) is not placed in a conflicting role because of current or planned interests (financial, contractual, organizational, or otherwise) which relate to the work under this contract, and (2) does not obtain an unfair competitive advantage over other parties by virtue of its performance of this contract.

(b) Scope. The restrictions described apply to performance or participation by the contractor as defined in 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 under this contract abide by the provision of this clause. If the contractor has reason to believe with respect to itself or any employee that any proposed consultant or other contractual arrangement with any firm or organization may involve a potential conflict of interest, the contractor shall obtain the written approval of the contracting officer 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 must include a description of the action which the contractor has taken or proposes to take to avoid or mitigate such conflicts. The NRC may, however, terminate the contract if termination is in the best interest of the Government.

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

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

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

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

(2) In addition, the contractor agrees that, to the extent it receives or is given access to proprietary data, data protected by the Privacy Act of 1974 (Pub. L. 93-579), or other confidential or privileged technical, business, or financial information under this contract, the contractor shall treat the information in accordance with restrictions placed on use of the information.

(3) 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," must be appropriately modified to preserve the Government's rights.

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

(h) Waiver. A request for waiver under this clause must be

directed in writing through the contracting officer to the Executive Director for Operations (EDO) in accordance with the procedures outlined in 41 CFR §20-1.5411.

(End of Clause)

H.4 GOVERNMENT FURNISHED EQUIPMENT/PROPERTY - NONE PROVIDED
(JUNE 1988)

The Government will not provide any equipment/property under this contract.

(End of Clause)

H.5 ORGANIZATIONAL RESTRICTION

The Contractor shall not participate in NRC purchase orders, contracts, subcontracts, or proposals (solicited or unsolicited) which stem directly from the Contractor's performance of work under this contract, nor shall the Contractor counsel any other potential offerors with respect to said purchase orders, contracts, subcontracts, or proposals.

(End of Clause)

PART II - CONTRACT CLAUSES

SECTION I - CONTRACT CLAUSES

I.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

NOTICE: The following solicitation provisions and/or contract clauses pertinent to this section are hereby incorporated by reference:

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)

NUMBER	DATE	TITLE
52.202-1	APR 1984	DEFINITIONS
52.203-1	APR 1984	OFFICIALS NOT TO BENEFIT
52.203-3	APR 1984	GRATUITIES
52.203-5	APR 1984	COVENANT AGAINST CONTINGENT FEES
52.203-6	JUL 1985	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT
52.203-7	OCT 1988	ANTI-KICKBACK PROCEDURES
52.209-6	MAY 1989	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT
52.215-1	APR 1984	EXAMINATION OF RECORDS BY COMPTROLLER GENERAL
52.215-2	DEC 1989	AUDIT -- NEGOTIATION
52-215-22	APR 1988	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA
52.215-24	APR 1985	SUBCONTRACTOR COST OR PRICING DATA
52.215-33	JAN 1986	ORDER OF PRECEDENCE
52.216-7	APR 1984	ALLOWABLE COST AND PAYMENT
52.216-8	APR 1984	FIXED FEE
52.219-8	FEB 1990	UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL DISADVANTAGED BUSINESS CONCERNS
52.219-13	AUG 1986	UTILIZATION OF WOMEN-OWNED SMALL BUSINESSES
52.220-3	APR 1984	UTILIZATION OF LABOR SURPLUS AREA CONCERNS
52.222-1	APR 1984	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES
52.222-3	APR 1984	CONVICT LABOR
52.222-26	APR 1984	EQUAL OPPORTUNITY
52.222-35	APR 1984	AFFIRMATIVE ACTION FOR SPECIAL

52.222-36	APR 1984	DISABLED AND VIETNAM ERA VETERANS AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS
52.222-37	JAN 1988	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA
52.223-2	APR 1984	CLEAN AIR AND WATER
52.225-13	MAY 1989	RESTRICTIONS ON CONTRACTING WITH SANCTIONED PERSONS
52.227-1	APR 1984	AUTHORIZATION AND CONSENT
52.227-2	APR 1984	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT
52.227-3	APR 1984	PATENT INDEMNITY
52.228-7	APR 1984	INSURANCE -- LIABILITY TO THIRD PERSONS
52.232-17	APR 1984	INTEREST
52.232-22	APR 1984	LIMITATION OF FUNDS
52.232-23	JAN 1986	ASSIGNMENT OF CLAIMS
52.233-1	APR 1984	DISPUTES
52.233-3	AUG 1989	PROTEST AFTER AWARD ALTERNATE I (JUN 1985)
52.242-1	APR 1984	NOTICE OF INTENT TO DISALLOW COSTS
52.243-2	AUG 1987	CHANGES -- COST-REIMBURSEMENT ALTERNATE I (APR 1984)
52.244-2	JUL 1985	SUBCONTRACTS (COST-REIMBURSEMENT AND LETTER CONTRACTS)
52.244-5	APR 1984	COMPETITION IN SUBCONTRACTING
52.245-5	JAN 1986	GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME-AND-MATERIAL, OR LABOR-HOUR CONTRACTS)
52.249-6	MAY 1986	TERMINATION (COST-REIMBURSEMENT)
52.249-14	APR 1984	EXCUSABLE DELAYS

1.2 SPECIAL 8(A) CONTRACT CONDITIONS
(FAR 52.219-11) (APR 1984)

The Small Business Administration (SBA) agrees to the following:

(a) 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)).

(b) 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.

(c) Delegates to the U.S. Nuclear Regulatory Commission 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 U.S. Nuclear Regulatory Commission 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.

(d) That payments to be made under any subcontract awarded under this contract will be made directly to the subcontractor by the U.S. Nuclear Regulatory Commission.

(e) That the subcontractor awarded a subcontract hereunder shall have the right of appeal from decisions of the Contracting Officer cognizable under the "Disputes" clause of said subcontract.

(End of Clause)

I.3 LIMITATIONS ON SUBCONTRACTING (FAR 52.219-14) (OCT 1987)

By submission of an offer and execution of a contract, the Offeror/Contractor agrees that in performance of the contract in the case of a contract for--

(a) SERVICES (EXCEPT CONSTRUCTION). At least 50 percent of the cost of contract performance incurred for personnel shall be expended for employees of the concern.

(b) SUPPLIES (OTHER THAN PROCUREMENT FROM A REGULAR DEALER IN SUCH SUPPLIES). The concern shall perform work for at least 50 percent of the cost of manufacturing the supplies, not including the cost of materials.

(c) GENERAL CONSTRUCTION. The concern will perform at least 15 percent of the cost of the contract, not including the cost of materials, with its own employees.

(d) CONSTRUCTION BY SPECIAL TRADE CONTRACTORS. The concern will perform at least 25 percent of the cost of the contract, not including the cost of materials, with its own employees.

(End of Clause)

I.4 PAYMENT FOR OVERTIME PREMIUMS (FAR 52.222-2) (JUL 1990)

(a) The use of overtime is authorized under this contract if the overtime premium cost does not exceed \$0 or the overtime premium is paid for work--

(1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of production equipment, or occasional production bottlenecks of a sporadic nature;

(2) By indirect-labor employees such as those performing duties

in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting;

(3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or

(4) That will result in lower overall costs to the Government.

(b) Any request for estimated overtime premiums that exceeds the amount specified above shall include all estimated overtime for contract completion and shall--

(1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together with present workload, staffing, and other data of the affected unit sufficient to permit the Contracting Officer to evaluate the necessity for the overtime;

(2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;

(3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each affected contract; and

(4) Provide reasons why the required work cannot be performed by using multishift operations or by employing additional personnel.

(End of Clause)

I.5 DRUG-FREE WORKPLACE (FAR 52.223-6) (JUL 1990)

(a) Definitions. As used in this clause, "Controlled Substances" means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812) and as further defined in regulation at 21 CFR 1308.11-1308.15.

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, possession or use of any controlled substance.

"Drug-free workplace" means the site(s) for the performance of work done by the Contractor in connection with a specific contract at which employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

"Employee" means an employee of a Contractor directly engaged in the performance of work under a Government contract. "Directly engaged" is defined to include all direct cost employees and any other Contractor employee who has other than a minimal impact or involvement in contract performance.

"Individual" means an offeror/contractor that has no more than one employee including the offeror/contractor.

(b) The Contractor, if other than an individual, shall--within 30 calendar days after award (unless a longer period is agreed to in writing for contracts of 30 calendar days or more performance duration); or as soon as possible for contracts of less than 30 calendar days performance duration--

(1) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;

(2) Establish an ongoing drug-free awareness program to inform such employees about--

(i) The dangers of drug abuse in the workplace;

(ii) The contractor's policy of maintaining a drug-free workplace;

(iii) Any available drug counseling, rehabilitation, and employee assistance programs; and

(iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

(3) Provide all employees engaged in performance of the contract with a copy of the statement required by subparagraph (b)(1) of this clause;

(4) Notify such employees in writing in the statement required by subparagraph (b)(1) of this clause, that as a condition of continued employment on this contract, the employee will--

(i) Abide by the terms of the statement; and

(ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 days after such conviction;

(5) Notify the Contracting Officer in writing within 10 calendar days after receiving notice under subdivision (b)(4)(ii) of this clause, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee;

(6) Within 30 days after receiving notice under subparagraph (b)(4)(ii) of this clause of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:

(i) Taking appropriate personnel action against such employee, up to and including termination; or

(ii) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.

(7) Make a good faith effort to maintain a drug-free workplace through implementation of subparagraphs (b)(1) through (b)(6) of this clause.

(c) The Contractor, if an individual, agrees by award of the contract or acceptance of a purchase order, not to engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in the performance of this contract.

(d) In addition to other remedies available to the Government, the Contractor's failure to comply with the requirements of paragraphs (b) or (c) of this clause may, pursuant to FAR 23.506, render the Contractor subject to suspension of contract payments, termination of the contract for default, and suspension or debarment.

(End of Clause)

I.6 PROMPT PAYMENT (FAR 52.232-25) (APR 1989)

Notwithstanding any other payment clause in this contract, the Government will make invoice payments and contract financing payments under the terms and conditions specified in this clause. Payment shall be considered as being made on the day a check is dated or an electronic funds transfer is made. Definitions of pertinent terms are set forth in 32.902. All days referred to in this clause are calendar days, unless otherwise specified. The term "foreign vendor" means an incorporated concern not incorporated in the United States, or unincorporated concern having its principal place of business outside the United States.

(a) Invoice Payments.

(1) For purposes of this clause, "invoice payment" means a Government disbursement of monies to a Contractor under a contract or other authorization for supplies or services accepted by the Government. This includes payments for partial deliveries that have been accepted by the Government and final cost or fee payments where amounts owed have been settled between the Government and the Contractor.

(2) Except as indicated in subparagraph (a)(3) and paragraph (c)

of this clause, the due date for making invoice payments by the designated payment office shall be the later of the following two events:

(i) The 30th day after the designated billing office has received a proper invoice from the Contractor.

(ii) The 30th day after Government acceptance of supplies delivered or services performed by the Contractor. On a final invoice where the payment amount is subject to contract settlement actions, acceptance shall be deemed to have occurred on the effective date of the contract settlement. However, if the designated billing office fails to annotate the invoice with the actual date of receipt, the invoice payment due date shall be deemed to be the 30th day after the date the Contractor's invoice is dated, provided a proper invoice is received and there is no disagreement over quantity, quality, or Contractor compliance with contract requirements.

(3) The due date on contracts for meat and meat food products, contracts for perishable agricultural commodities, contracts for dairy products, edible fats or oils, and food products prepared from edible fats or oils, and contracts not requiring submission of an invoice shall be as follows:

(i) The due date for meat and meat food products, as defined in section 2(a)(3) of the Packers and Stockyard Act of 1921 (7 U.S.C. 182(3)) and further defined in Pub. L. 98-181 to include any edible fresh or frozen poultry meat, any perishable poultry meat food product, fresh eggs, and any perishable egg product, will be as close as possible to, but not later than, the 7th day after product delivery.

(ii) The due date for perishable agricultural commodities, as defined in Section 1(4) of the Perishable Agricultural Commodities Act of 1930 (7 U.S.C. 499a(44)), will be as close as possible to, but not later than, the 10th day after product delivery, unless another date is specified in the contract.

(iii) The due date for dairy products, as defined in Section 111(e) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4502(e)), edible fats or oils, will be as close as possible to, but not later than, the 10th day after the date on which a proper invoice has been received.

(4) An invoice is the Contractor's bill or written request for payment under the contract for supplies delivered or services performed. An invoice shall be prepared and submitted to the designated billing office specified in the contract. A proper invoice must include the items listed in subdivisions (a)(4)(i) through (a)(4)(viii) of the clause. If the invoice does not comply with these requirements, then the contractor will be notified of the defect within 7 days after receipt of the invoice at the designated billing office (3 days for meat and meat food products and 5 days for perishable agricultural commodities, edible fats or oils, and

food products prepared from edible fats or oils). Untimely notification will be taken into account in the computation of any interest penalty owed the Contractor in the manner described in subparagraph (a)(6) of this clause.

(i) Name and address of the Contractor.

(ii) Invoice date.

(iii) Contract number or other authorization for supplies delivered or services performed (including order number and contract line item number).

(iv) Description, quantity, unit of measure, unit price, and extended price of supplies delivered or services performed.

(v) Shipping and payment terms (e.g., shipment number and date of shipment, prompt payment discount terms). Bill of lading number and weight of shipment will be shown for shipments on Government bills of lading.

(vi) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the contract or in a proper notice of assignment).

(vii) Name (where practicable), title, phone number and mailing address of person to be notified in event of a defective invoice.

(viii) Any other information or documentation required by other requirements of the contract (such as evidence of shipment).

(5) An interest penalty shall be paid automatically by the Government, without request from the Contractor, if payment is not made by the due date and the conditions listed in subdivisions (a)(5)(i) through (a)(5)(iii) of this clause are met, if applicable. An interest penalty shall not be paid on contracts awarded to foreign vendors outside the United States for work performed outside the United States.

(i) A proper invoice was received by the designated billing office.

(ii) A receiving report or other Government documentation authorizing payment was processed and there was no disagreement over quantity, quality, or contractor compliance with any contract term or condition.

(iii) In the case of a final invoice for any balance of funds due the Contractor for supplies delivered or services performed, the amount was not subject to further contract settlement actions between the Government and the Contractor.

(6) The interest penalty shall be at the rate established by the Secretary of the Treasury under Section 12 of the Contract Disputes

Act of 1978 (41 U.S.C. 611) that is in effect on the day after the due date, except where the interest penalty is prescribed by other governmental authority. This rate is referred to as the "Renegotiation Board Interest Rate," and it is published in the Federal Register semiannually on or about January 1 and July 1. The interest penalty shall accrue daily on the invoice payment amount approved by the Government and be compounded in 30-day increments inclusive from the first day after the due date through the payment date. That is, interest accrued at the end of any 30-day period will be added to the approved invoice payment amount and be subject to interest penalties if not paid in the succeeding 30-day period. If the designated billing office failed to notify the contractor of a defective invoice within the periods prescribed in subparagraph (a)(4) of this clause, then the due date on the corrected invoice will be adjusted by subtracting the number of days taken beyond the prescribed notification of defects period. Any interest penalty owed the Contractor will be based on this adjusted due date. Adjustments will be made by the designated payment office for errors in calculating interest penalties, if requested by the Contractor.

(i) For the sole purpose of computing an interest penalty that might be due the contractor, Government acceptance shall be deemed to have occurred constructively on the 7th day after the contractor delivered the supplies or performed the services in accordance with the terms and conditions of the contract, unless there is a disagreement over quantity, quality, or contractor compliance with a contract provision. In the event that actual acceptance occurs within the constructive acceptance period, the determination of an interest penalty shall be based on the actual date of acceptance. The constructive acceptance requirement does not, however, compel Government officials to accept supplies or services, perform contract administration functions, or make payment prior to fulfilling their responsibilities.

(ii) The following periods of time will not be included in the determination of an interest penalty:

(A) The period taken to notify the contractor of defects in invoices submitted to the Government, but this may not exceed 7 days (3 days for meat and meat food products and 5 days for perishable agricultural commodities, dairy products, edible fat or oils, and food products prepared from edible fats or oils).

(B) The period between the defects notice and resubmission of the corrected invoice by the Contractor.

(iii) Interest penalties will not continue to accrue after the filing of a claim for such penalties under the clause at 52.233-1, Disputes, or for more than 1 year. Interest penalties of less than \$1.00 need not be paid.

(iv) Interest penalties are not required on payment delays due to disagreement between the Government and Contractor over the payment amount or other issues involving contract compliance or on amounts temporarily withheld or retained in accordance with the

terms of the contract. Claims involving disputes, and any interest that may be payable, will be resolved in accordance with the clause at 52.233-1, Disputes.

(7) An interest penalty shall also be paid automatically by the designated payment office, without request from the contractor, if a discount for prompt payment is taken improperly. The interest penalty will be calculated as described in subparagraph (a)(6) of this clause on the amount of discount taken for the period beginning with the first day after the end of the discount period through the date when the Contractor is paid.

(8) If this contract was awarded on or after October 1, 1989, a penalty amount, calculated in accordance with regulations issued by the Office of Management and Budget, shall be paid in addition to the interest penalty amount if the contractor:

(i) Is owed an interest penalty;

(ii) Is not paid the interest penalty within 10 days after the date the invoice amount is paid; and

(iii) Makes a written demand, not later than 40 days after the date the invoice amount is paid, that the agency pay such a penalty.

(b) Contract Financing Payments.

(1) For purposes of this clause, "contract financing payment" means a Government disbursement of monies to a Contractor under a contract clause or other authorization prior to acceptance of supplies or services by the Government. Contract financing payments include advance payments, progress payments based on cost under the clause at 52.232-16, Progress Payments, progress payments based on a percentage or stage of completion (32.102(e)(1)) other than those made under the clause at 52.232-5, Payments Under Fixed-Price Construction Contracts, or the clause at 52.232-10, Payments Under Fixed-Price Architect-Engineer Contracts, and interim payments on cost type contracts.

(2) For contracts that provide for contract financing, requests for payment shall be submitted to the designated billing office as specified in this contract or as directed by the Contracting Officer. Contract financing payments shall be made on the 30th day after receipt of a proper contract financing request by the designated billing office. In the event that an audit or other review of a specific financing request is required to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the due date specified.

(3) For advance payments, loans, or other arrangements that do not involve recurrent submissions of contract financing requests, payment shall be made in accordance with the corresponding contract terms or as directed by the Contracting Officer.

(4) Contract financing payments shall not be assessed an interest penalty for payment delays.

(c) If this contract contains the clause at 52.213-1, Fast Payment Procedure, payments will be made within 15 days after the date of receipt of the invoice.

(End of Clause)

I.7 ELECTRONIC FUNDS TRANSFER PAYMENT METHODS (FAR 52.232-28)
(APR 1989)

Payments under this contract will be made by the Government either by check or electronic funds transfer (through the Treasury Fedline Payment System (FEDLINE) or the Automated Clearing House (ACH), at the option of the Government. After award, but no later than 14 days before an invoice or contract financing request is submitted, the Contractor shall designate a financial institution for receipt of electronic funds transfer payment, and shall submit this designation to the Contracting Officer or other Government Official, as directed.

(a) For payment through FEDLINE, the Contractor shall provide the following information:

(1) Name, address, and telegraphic abbreviation of the financial institution receiving payment.

(2) The American Bankers Association 9-digit identifying number for wire transfers of the financing institution receiving payment if the institution has access to the Federal Reserve Communications System.

(3) Payee's account number at the financial institution where funds are to be transferred.

(4) If the financial institution does not have access to the Federal Reserve Communications System, name, address, and telegraphic abbreviation of the correspondent financial institution through which the financial institution receiving payment obtains wire transfer activity. Provide the telegraphic abbreviation and the American Bankers Association identifying number for the correspondent institution.

(b) For payment through ACH, the Contractor shall provide the following information:

(1) Routing transit number of the financial institution receiving payment (same as American Bankers Association identifying number used for FEDLINE).

(2) Number of account to which funds are to be deposited.

(3) Type of depositor account ("C" for checking, "S" for savings).

(4) If the Contractor is a new enrollee to the ACH system, a "Payment Information Form," SF 3881, must be completed before payment can be processed.

(c) In the event the Contractor, during the performance of this contract, elects to designate a different financial institution for the receipt of any payment made using electronic funds transfer procedures, notification of such change and the required information specified above must be received by the appropriate Government official 30 days prior to the date such change is to become effective.

(d) The documents furnishing the information required in this clause must be dated and contain the signature, title, and telephone number of the Contractor official authorized to provide it, as well as the Contractor's name and contract number.

(e) Contractor failure to properly designate a financial institution or to provide appropriate payee bank account information may delay payment of amounts otherwise properly due.

(End of Clause)

I.8 CLAUSES INCORPORATED BY REFERENCE
(FAR 52.252-2) (JUN 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

(End of Clause)

I.9 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL
TRANSACTIONS--(FAR 52.203-12) (JAN 1990)

(a) Definitions.

"Agency", as used in this clause, means executive agency as defined in 2.101.

"Covered Federal action," as used in this clause, means any of the following Federal actions:

- (a) The awarding of any Federal contract.
- (b) The making of any Federal grant.
- (c) The making of any Federal loan.
- (d) The entering into of any cooperative agreement.
- (e) Extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

"Indian tribe" and "tribal organization," as used in this clause, have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B) and include Alaskan Natives.

"Influencing or attempting to influence," as used in this clause, means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government," as used in this clause, means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency," as used in this clause, includes the following individuals who are employed by an agency:

(a) An individual who is appointed to a position in the Government under title 5, United States Code, including a position under a temporary appointment.

(b) A member of the uniformed services, as defined in subsection 101(3), title 37, United States Code.

(c) A special Government employee, as defined in section 202, title 18, United States Code.

(d) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, United States Code, appendix 2.

"Person," as used in this clause, means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit, or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Reasonable compensation," as used in this clause, means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

"Reasonable payment," as used in this clause, means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for

such services in the private sector.

"Recipient," as used in this clause, includes the Contractor and all subcontractors. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed," as used in this clause, means, with respect to an officer or employee of a person requesting or receiving a Federal contract, an officer or employee who is employed by such person for at least 130 working days within 1 year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within 1 year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State," as used in this clause, means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibitions.

(1) Section 1352 of title 31, United States Code, among other things, prohibits a recipient of a Federal contract, grant, loan, or cooperative agreement from using appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; or the modification of any Federal contract, grant, loan, or cooperative agreement.

(2) The Act also requires Contractors to furnish a disclosure if any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement.

(3) The prohibitions of the Act do not apply under the following conditions:

(i) Agency and legislative liaison by own employees.

(A) The prohibition on the use of appropriated funds, in paragraph (b)(1) of this clause, does not apply in the case of a

payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.

(B) For purposes of subdivision (b)(3)(i)(A) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(C) The following agency and legislative liaison activities are permitted at any time where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency the qualities and characteristics (including individual demonstrations) of the person's products or services, conditions or terms of sale, and service capabilities.

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(D) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action--

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Pub. L. 95-507, and subsequent amendments.

(E) Only those activities expressly authorized by subdivision (b)(3)(i)(A) of this clause are permitted under this clause.

(ii) Professional and technical services.

(A) The prohibition on the use of appropriated funds, in subparagraph (b)(1) of this clause, does not apply in the case of--

(1) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that

Federal action.

(2) Any reasonable payment to a person other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(B) For purposes of subdivision (b)(3)(ii)(A) of this clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable.

Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation and any other requirements in the actual award documents.

(D) Only those services expressly authorized by subdivisions (b)(3)(ii)(A)(1) and (2) of this clause are permitted under this clause.

(E) The reporting requirements of FAR 3.803(a) shall not apply with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

(iii) Disclosure.

(A) The Contractor who requests or receives from an agency a Federal Contract shall file with that agency a disclosure form, OMB standard form LLL, Disclosure of Lobbying Activities, if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action), which would be prohibited under subparagraph (b)(1) of this clause, if paid for with appropriated funds.

(B) The Contractor shall file a disclosure form at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under subparagraph (c)(1) of this clause. An event that materially affects the accuracy of the information reported includes--

(1) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or

(2) A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or

(3) A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

(C) The Contractor shall require the submittal of a certification, and if required, a disclosure form by any person who requests or received any subcontract exceeding \$100,000 under the Federal contract.

(D) All subcontractor disclosure forms (but not certification) shall be forwarded from tier to tier until received by the prime Contractor. The prime Contractor shall submit all disclosures to the Contracting Officer at the end of the calendar quarter in which the disclosure form is submitted by the subcontractor. Each subcontractor certification shall be retained in the subcontract file of the awarding Contractor.

(iv) Agreement. The Contractor agrees not to make any payment prohibited by this clause.

(v) Penalties.

(A) Any person who makes an expenditure prohibited under paragraph (a) of this clause or who fails to file or amend the disclosure form to be filed or amended by paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(B) Contractors may rely without liability on the

representation made by their subcontractors in the certification and disclosure form.

(vi) Cost allowability. Nothing in this clause makes allowable or reasonable any costs which would otherwise be unallowable or unreasonable. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any other provision.

(End of clause)

PART III - LIST OF DOCUMENTS, EXHIBITS
AND OTHER ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS

J.1 ATTACHMENTS (MAR 1987)

<u>Attachment Number</u>	<u>Title</u>
1	Billing Instructions
2	NRC Contractor Organizational Conflicts of Interest (41 CFR Part 20)

REVISED 8/89

BILLING INSTRUCTIONS FOR
COST-REIMBURSEMENT TYPE CONTRACTS

General: The contractor shall prepare vouchers/invoices for reimbursement of costs in the manner and format described herein. A sample voucher/invoice is provided for your reference. FAILURE TO SUBMIT VOUCHERS/INVOICES IN ACCORDANCE WITH THESE INSTRUCTIONS WILL RESULT IN REJECTION OF THE VOUCHER/INVOICE AS IMPROPER.

Number of Copies: An original and three copies, including supporting documentation shall be submitted. A copy of all supporting documents must be attached to each copy of your voucher/invoice. Failure to submit all the required copies will result in rejection of the voucher/invoice as improper.

Designated Agency Billing Office: Vouchers/invoices shall be submitted to the following address:

U. S. Nuclear Regulatory Commission
Division of Contracts and Property Management
Contract Administration Branch, P-902
Washington, D.C. 20555

HAND DELIVERY OF VOUCHERS/INVOICES IS DISCOURAGED AND WILL NOT EXPEDITE PROCESSING BY NRC. However, should you choose to deliver vouchers/invoices by hand including delivery by any express mail services or special delivery services which use a courier or other person to deliver the voucher/invoice in person to the NRC, such vouchers/invoices must be addressed to the above Designated Agency Billing Office and will only be accepted at the following location:

U. S. Nuclear Regulatory Commission
One White Flint North
11555 Rockville Pike
Mail Room
Rockville, Maryland 20852

HAND-CARRIED SUBMISSIONS WILL NOT BE ACCEPTED AT OTHER THAN THE ABOVE ADDRESS.

Note that the official receipt date for hand-delivered vouchers/invoices will be the date it is received by the official agency billing office in the Division of Contracts and Property Management.

Agency Payment Office: Payment will continue to be made by the office designated in the contract in Block 12 of SF 26 or Block 25 of SF 33, whichever is applicable.

Frequency: The contractor shall submit claims for reimbursement once each month, unless otherwise authorized by the Contracting Officer.

Form: Claims should be submitted in the format depicted on the attached sample form entitled "Voucher for Purchases and Services Other than Personal." The sample form is provided for guidance only. The form is not required for submission of a voucher/invoice. Alternate formats are permissible provided all requirements of the billing instructions are addressed. Additional copies of the form are available from the Contracting Officer. The instructions for preparation and itemization of the voucher/invoice are included with the sample form.

Task Ordering Contracts: If the contractor bills for more than one task order under a voucher/invoice, detailed cost information for each individual task order shall be submitted, together with a cumulative summary of all charges billed on the voucher/invoice. This includes all applicable cost elements discussed in paragraphs (a) through (p) of the attached instructions, together with appropriate supporting information.

Billing of Cost After Expiration of Contract: If costs are incurred during the contract period and claimed after the contract has expired, the period during which these costs were incurred must be cited. To be considered a proper expiration voucher/invoice, contractor shall clearly mark it "EXPIRATION VOUCHER" or "EXPIRATION INVOICE."

Final vouchers/invoices shall be marked "FINAL VOUCHER" or "FINAL INVOICE."

Currency: Billings may be expressed in the currency normally used by the contractor in maintaining his accounting records; payments will be made in that currency. However, the U. S. dollar equivalent for all vouchers/invoices paid under the contract may not exceed the total U. S. dollars authorized in the contract.

Supersession: These instructions supersede any previous billing instructions.

VOUCHERS FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

Official Agency Billing Office
 U. S. Nuclear Regulatory Commission
 Division of Contracts and Property
 Management, P-902
 Washington, D.C. 20555
Payee's Name and Address

Individual to Contact
 Regarding This Voucher:
 Name: _____
 Tel. No.: _____

(a) Contract Number _____
 Task Order No. (If Applicable) _____

(b) Title of Project _____

(c) Voucher Number _____

(d) Project Officer _____

(e) Date of Voucher _____

(f) Contract Amount _____

(g) Fixed Fee _____

(h) This voucher represents reimbursable costs from _____ thru _____

Amount Billed

(i) Current Period (m) Inception to Date

	(i) <u>Current Period</u>	(m) <u>Inception to Date</u>
(j) <u>DIRECT COSTS</u>		
(1) Direct Labor *	_____	_____
(2) Fringe benefits % of _____ if computed as percentage	_____	_____
(3) Capitalized nonexpendable Equipment *	_____	_____
(4) Materials, Supplies and Noncapitalized Equipment *	_____	_____
(5) Premium pay	_____	_____
(6) Consultants *	_____	_____
(7) Travel - Domestic *	_____	_____
Foreign *	_____	_____
(8) Subcontract *	_____	_____
(9) Other Costs *	_____	_____
Total Direct Costs	_____	_____
(j) <u>INDIRECT COSTS</u>		
A) Overhead % of _____ (Indicate base)	_____	_____
Subtotal	_____	_____
B) General & Administrative Expense % of Cost Elements Nos. _____	_____	_____
Total Costs	_____	_____
(k) <u>FIXED-FEE EARNED (Formula)</u>	_____	_____
(n) <u>Total Amounts Claimed</u>	_____	_____
(o) <u>Adjustments</u>		
Outstanding Suspensions	_____	_____
(p) <u>Grand Totals</u>	_____	_____
*(REQUIRES SUPPORTING INFORMATION--SEE ATTACHED)		

Instruction for Itemization of Costs and Supporting Information:

Preparation and Itemization of the Voucher/Invoice: In order to constitute a proper invoice, the contractor shall furnish all the information set forth below. These notes are keyed to the entries on the sample voucher/invoice.

Payee's name and address: Show the name of the contractor as it appears in the contract and its correct address. When an approved assignment has been made by the contractor, or a different payee or addressee has been designated, insert the name and address of the payee. Indicate the name and telephone number of the individual responsible for answering any questions that the NRC may have regarding the invoice.

- (a) Contract Number. Insert the NRC contract number
Task Order Number, if applicable. Insert the task order number.
- (b) Title of Project. List the full title of the project being performed under the contract.
- (c) Sequential voucher/invoice number. The appropriate sequential number of the voucher/invoice, beginning with 001 should be designated. Contractors may also include individual internal accounting numbers, if desired, in addition to the 3-digit sequential number.
- (d) Project Officer's name and mailstop as designated in the contract.
- (e) Date of voucher/invoice. Insert the date the voucher/invoice is prepared.
- (f) Contract Amount. Insert the total estimated cost of the contract, exclusive of fixed-fee. Include this information as it applies to individual task orders as well.
- (g) Fixed-Fee. Insert total fixed-fee. Include this information as it applies to individual task orders as well.
- (h) Billing Period. Insert the beginning and ending dates (day, month, year) of the period during which costs were incurred and for which reimbursement is claimed.
- (i) Direct Costs. Insert the major cost elements:
 - (1) Direct Labor. This consists of salaries and wages paid (or accrued) for direct performance of the contract itemized as follows:

- | Labor Category | Labor Hrs. Negotiated | Hours Billed | Rate | Total | Cumulative Hours Billed |
|----------------|-----------------------|--------------|------|-------|-------------------------|
|----------------|-----------------------|--------------|------|-------|-------------------------|
- (2) Fringe Benefits. This represents fringe benefits applicable to direct labor and billed as a direct cost. Where a rate is used, indicate the rate. Fringe benefits included in direct labor or in other indirect cost pools should not be identified here.
 - (3) Direct Equipment. For educational institutions, list each item costing \$500.00 or more and having a life expectancy of more than one year. For contractors other than educational institutions, list each item costing \$200.00 or more and having a life expectancy of more than one year. List only those items of equipment for which reimbursement is requested. A reference shall be made to the following (as applicable): (a) the item number for the specific piece of equipment listed in the property schedule of the contract; (b) the Contracting Officer's approval letter if the equipment is not covered by the property schedule; or (c) be preceded by an asterisk (*) if the equipment is below the approval level. Further itemization of vouchers/invoices shall only be required for items having specific limitations set forth in the contract.
 - (4) Materials, Supplies, or Other Expendable Items. These are consumable materials, supplies, and equipment other than that described in (3) above.
 - (5) Premium Pay. This is remuneration in excess of the basic hourly rate. (Requires written approval of the Contracting Officer.)
 - (b) Consultant's Fee. The supporting information must include the name, hourly or daily rate of the consultant, and reference the NRC approval (if not specifically approved in the original contract).
 - (7) Travel. Domestic travel is travel within the United States, its territories, possessions, and Canada. It should be billed separately from foreign travel.

All costs associated with each trip must be shown in the following format:

Date	Traveler	Destination	Purpose	Cost
From To		From To		\$

- (8) Subcontracts. Include separate detailed breakdown of all costs paid to approved subcontractors during the billing period.
- (9) Other. List all other direct costs by cost element and dollar amount separately.
- (j) Indirect Costs - Overhead. Cite the formula (rate and base) in effect during the time the cost was incurred and for which reimbursement is claimed.
- (k) Fixed Fee. If the contract provides for a fixed fee, it must be claimed as provided for by the contract. Cite the formula or method of computation. The contractor may bill for fixed fee only up to 85% of total fee.
- (l) Amount Billed for Current Period. Insert the amount billed for the major cost elements, adjustments, and total amount for the period.
- (m) Cumulative Amount from Inception to Date of Current Billing. Insert the cumulative amounts billed for the major cost elements and adjusted amounts claimed during this contract.
- (n) Total Amounts Claimed. Insert the total amounts claimed for the current and cumulative periods.
- (o) Adjustments. This includes cumulative amounts billed that have been suspended or disallowed.
- (p) Grand Totals.
- (*) Supporting Information. Cost elements requiring detailed supporting information--sample attached.

Supporting Information - Sample

1) Direct Labor - \$2400

<u>Labor Category</u>	<u>Labor Hours Negotiated</u>	<u>Hours Billed</u>	<u>Rate</u>	<u>Total</u>	<u>Cumulative Hours Billed</u>
Senior Engineer I	2400	100	\$14.00	\$1400	975
Engineer	1500	50	\$10.00	\$500	465
Computer Analyst	700	100	\$5.00	\$500	320
				<u>\$2400</u>	

3) Direct Equipment

Spectrometer - General Electric (as approved in Property Schedule) \$5,000

4) Materials, Supplies & Other Laboratory Items

10 Radon Tubes @ \$110.00 = \$1100.00
 6 Pair, Electromagnetic Gloves @ \$150.00 = \$900.00
\$2000.00

5) Amplifier Fee

Walter Murphy - 10 hours @ \$10.00 per hour = \$100
 (This was approved by WRC in letter dated 2/6/89.)

6) Consultants Fee

Dr. Cannon - 1 hour @ \$100 = \$100

7) Travel

<u>Date</u>	<u>Traveler</u>	<u>Destination</u>	<u>Purpose</u>	<u>Cost</u>	
<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>		
3/1/89	William King	Chicago, IL	Wash., DC	Meeting with Project Officer	1000

B) Subcontracts

XYZ CORP. (CPFF)

Direct Labor:	- 80 hours @ \$20.00 per hour	= \$1600.00
O/H	@ 50%	= \$800.00
Travel - 2 Trips - Wash., DC to Boston, MA	@ \$200	= \$400.00
Profit	@ 7%	= \$200.00
TOTAL:		<u>\$3000.00</u>

(K) Fixed-Fee (Formula)

(5%)

$\$250,000 \times 5\% = \$12,500$ Total Fixed Fee for this Contract

$\$27,000 \times 5\% = \1350 Fee Billed for this Period

(D) ADJUSTMENTS

\$1300 * Indicates amount withheld from voucher #001, now approved by Contracting Officer letter 3/10/89.

PART 20-1 -- GENERAL

Subpart 20-1.54--Contractor Organizational Conflicts of Interest

Sec.	
20-1.5401	Scope and policy.
20-1.5402	Definitions.
20-1.5403	Criteria for recognizing contractor organizational conflicts of interest.
20-1.5404	Representation.
20-1.5405	Contract clauses.
20-1.5405-1	General contract clause.
20-1.5405-2	Special contract provisions.
20-1.5406	Evaluation, findings, and contract award.
20-1.5407	Conflicts identified after award.
20-1.5408	(Reserved)
20-1.5409	(Reserved)
20-1.5410	Subcontractors.
20-1.5411	Waiver.
20-1.5412	Remedies.

AUTHORITY: Sec. 8, Pub. L. 95-601, adding Sec. 170A to Pub. L. 83-703, 68 Stat. 919, as amended (42 U.S.C. ch. 14)

120-1.5401 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

(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 recommendation 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.

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 contractor 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.

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

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:

(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.

FAR 52.252-2 CLAUSE INCORPORATED BY REFERENCE (JUNE 1988)

FAR REF

CLAUSE TITLE

52.203-12

Limitation on Payments to Influence Certain
Federal Transactions-(Jan 1990)