

PART III—LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

SECTION J—LIST OF ATTACHMENTS

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PART III—LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

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APPENDIX A

PERSONNEL COSTS AND RELATED EXPENSES

Attached to this Appendix A is the parties advanced understanding for the Contractor's human resource management policies and related expenses which have cost implications under the contract.

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I. INTRODUCTION

- (a) This Advance Understanding is intended to document the principles and measures for evaluation of the Contractor's Human Resources Management (CHRM) programs and to address items of allowable personnel costs and related expenses not specifically addressed elsewhere under this contract. The previous Advance Understanding on this subject addressed ORNL-specific policies, practices, and plans that are cost drivers. These are now contained in the Human Resources Operating Plan (HROP). Consistent with previous agreements and practices, changes to the HROP are subject to Contracting Officer approval.
- (b) The Contractor shall select, manage, and direct its work force and apply its human resource policies in general conformity with its private operations and/or industrial practices insofar as they are consistent with this Contract. Some contractor decisions are subject to advance approval by the Contracting Officer or, in some cases, other DOE officials. For example, compensation program design changes and benefit plan terminations require prior approval. These and other examples are called out elsewhere in the contract. Any programs or policies initiated for corporate application, permanently or for a finite period, that will impact staffing levels or compensation costs (i.e. furloughs or salary cuts) will not be applicable to Laboratory employees or employees otherwise funded through this contract, without prior approval of the Contracting Officer.
- (c) The Laboratory's programs will comply with the contract for all Human Resources programs. The Contractor shall use effective management review procedures and internal controls to assure compliance with the contract as well as to ensure that the cost limitation set forth herein are not exceeded, and that areas which require prior approval of the DOE Contracting Officer or designated representative are reviewed and approved prior to incurrence of costs.
- (d) This Appendix A may be modified from time to time by agreement of the Parties. Either Party may, at any time, request that this Appendix A be revised, and the Parties hereto agree to negotiate in good faith concerning any requested revision. Revisions to this Appendix A shall be accomplished by executing modification to the prime contract.
- (e) The Laboratory Director may make exceptions to the provisions of Appendix A when such exceptions are in the best interest of contract operations or will facilitate or enhance contract performance and are approved in advance by the Contracting Officer.
- (f) The Contractor, or designated representative, shall promptly furnish all reports and information required or otherwise indicated in this Advance Understanding to the Contracting Officer. The Contractor recognizes that the Contracting Officer or designated representative may make other data requests from time to time and the Contractor agrees to cooperate in meeting requests.

- (g) This Appendix A is adopted for the exclusive benefit and convenience of the parties hereto, and nothing herein contained will be construed as conferring any right or benefit upon past, present, or future employees of the Contractor, or upon any other third party. Accordingly, neither this Appendix A nor any part thereof, as amended or modified, will be deemed to constitute a contract between a party hereto and any employee of the contractor or to be consideration for, or an inducement or condition of, the employment of any person, or to afford the basis for any claim or right of action whatsoever against a party hereto by any employee of the contractor or other third party.
- (h) It is understood that no provision of this Appendix can affect any right guaranteed to a bargaining unit employee by the terms of a Collective Bargaining Agreement.

II. HUMAN RESOURCES STRATEGY, BUSINESS PLANNING AND PERFORMANCE MANAGEMENT

Reserved (Modification 1022).

III. COMPENSATION

- (a) Salary increases
 - (1) Reserved (Modification 1022).
 - (2) When significant changes in duties and responsibilities of a position occur on a temporary basis the employee may temporarily receive up to 10% of his/her current pay for a period not to exceed one year. The change in wages shall not exceed the maximum of the salary range of the new position.
 - (3) Notwithstanding any other term or condition set forth in this Contract, the Contracting Officer's approval of compensation actions pursuant to the Employee Compensation clause of the contract will consider:
 - A. Relative alignment of proposed salaries with subordinate levels;
 - B. Available market data, comparing total-cash compensation;
 - C. Total compensation relative to 41 U.S.C. 4304(a)(16).
- (b) Compensation Increase Plan (CIP)
 - (1) The Contractor shall submit the CIP proposal as called for annually by DOE.
 - (2) In order to pay "on-market-average," in the calculation of market position, Laboratory salary data shall be matched to survey data as of the midpoint of the salary cycle (i.e., July 1 for a 1/1-12/31 salary cycle).

- (3) The CIP shall be expressed as a percentage of the projected base payroll for the end of the preceding salary cycle (i.e., base payroll for 12/31 for a 1/1-12/31 salary cycle).

(c) Payment of Joint Appointees

Joint appointees shall be paid at the salary and fringe benefit rates established by the home institution, for the percentage of time worked at the host institution.

IV. ANCILLARY PAY COMPONENTS

(a) Premium Pay

The Contractor is authorized to provide shift differentials and other premium pay, reporting allowances, meals allowances, licensing payments, holiday pay pursuant to the HROP and other premium pay as approved by the Contracting Officer.

(b) Medical evacuation services/insurance

Employees required to perform official travel to foreign countries where local care is substandard (according to U.S. standards) may have coverage that pays for evacuation services to an acceptable medical facility in a proximal location on an urgent or emergency basis. The policy shall cover evacuation, expatriation of remains, and ancillary costs associated with the incident. Costs for such coverage for eligible employees are allowable.

(c) Other approved supplements as detailed in the HROP.

V. PAYMENTS ON SEPARATION

(a) Vacation

The contractor is authorized to pay for accumulated vacation upon termination at the rate in effect as of the date of termination, including any shift differential.

VI. LABOR RELATIONS

(a) Collective Bargaining

Costs of fringe benefits and wages paid to employees under collective bargaining agreements are allowable. All other reasonable costs and expenses, such as expenses relating to the grievance process, arbitration and arbitration awards, and other costs and expenses incurred pursuant to applicable collective bargaining agreements and revisions thereto, are also allowable.

(b) Collective Bargaining Agreements

The Contractor shall provide copies of collective bargaining agreements to the Contracting Officer as they are supplemented, ratified, or modified.

(c) Bargaining Unit Activity

Pay for absences from work by employees acting in the capacity of union officers, union stewards and committee members for time spent in handling grievances, negotiating with the Laboratory, and serving on labor management committees are allowable.

VII. SECTION VII - SETTLEMENT COSTS

Separately Addressed in Contract Clause 970.5228-1.

VIII. PROGRAMS INVOLVING EMPLOYEE ABSENCE FROM THE WORKPLACE

(a) Paid Leave

The Laboratory will provide a reasonable and cost effective paid leave program. Paid leave governance, as approved by DOE, is discussed in the HROP.

(b) Sabbaticals/Temporary Assignments of Laboratory Employees to other Institutions for Teaching and Research

The Contractor shall be reimbursed for expenditures consistent with Laboratory policy as laid out in the HROP.

(c) Military Leave

Military leave and associated pay are authorized as allowable costs in accordance with Uniformed Services Employment and Reemployment Rights Act, Contractor's HROP and/or relevant State or Federal law.

(d) Security Leave

If the access authorization of an employee is suspended by direction of the Manager, ORNL Site Office, the Contractor shall transfer the employee to perform work not requiring access if such work is available. As detailed in the HROP, subject to DOE's concurrence, the Contractor may place the employee on leave with pay if such work is not available.

(e) Temporary Domestic Assignment Allowances

Temporary domestic assignment allowances shall be consistent with AL 2013-01 dated October 18, 2012 entitled "Contractor Domestic Extended Personnel Assignments," which may be revised from time to time, and Contractor policy consistent with the aforementioned Acquisition Letter.

IX. EMPLOYEE TRAINING, EDUCATION AND DEVELOPMENT

(a) Reserved (Modification 1022).

- (b) The Laboratory shall establish training, education and development programs that are consistent with DOE requirements and guidance, industry standards, and other Federal, State and local regulations. These programs shall ensure that employees are well-qualified and competent to manage facilities and meet mission requirements through administrative, professional and technical excellence.

(1) Training

The Contractor may conduct or permit employees to attend training programs and courses (while receiving full pay) that are based on training needs assessments. These training courses should contribute to the performance of work under the contract and be provided at reasonable costs to the government.

(2) Education

(A) The Laboratory may approve and support educational courses taken by employees which serve to improve efficiency and productivity of Laboratory operations, increase needed skills, or prepare employees for increased responsibilities.

(B) An employee (or a third party on the employee's behalf) may be paid for tuition, required textbooks and fees for courses approved in advance by the Laboratory.

(3) Development

The Contractor shall be reimbursed for the cost of development programs, including but not limited to, apprenticeship training, supervisory training, management development, career updating and redirection, and work-study and other programs supporting the development of staff in fields of interest to the Laboratory.

(4) Licenses and Fees

The costs of required licenses, fees, and similar costs to certify and maintain employee qualifications which are necessary to perform work under the contract are allowable. The Contractor will closely manage and control the number of licenses/fees to limit reimbursed costs to provide a sufficient number of qualified employees to reasonably perform the affected work under the contract.

X. EMPLOYEE PROGRAMS

- (a) The costs of employee recognition programs and organizational and individuals memberships are allowable based on a budget formula not to exceed $\frac{1}{4}$ of 1% of base payroll on September 30 of the prior fiscal year. Program costs include the following:

- (1) Company service awards for achieving service milestones consistent with the corporate service awards program.
- (2) Safety awards and recognition to promote health and safety.
- (3) Awards, recognition, and celebrations for participating in management initiatives, special achievements, retirement, and similar activities to the extent that they are reasonable and consistent with industry practice.
- (4) The costs of organization and employee memberships in trade, business, and technical organizations necessary for effective performance of work under the contract provided they are reasonable and do not constitute payments for, or in support of, partisan or political (lobbying) activity.

(b) Participation in Association Activities

Cost incurred as a result of participation in the activities of technical, professional, and business methods associations will be allowed, as long as reasonable and necessary for the performance of effective work under the contract.

(c) Patent Awards

The cost of cash awards to inventors of patented technologies, authors of copyrighted works, and creators of mask works or copyrighted computer software that benefit the objectives of the Contractor and DOE are allowable. Details are set forth in the HRQP.

(d) Cost of Health Services

The Contractor shall be reimbursed for the costs of operating a Health Unit for Laboratory employees, including but not limited to the following: Pre-employment physicals and other medical examinations required to meet Laboratory employment requirements, and medical care for occupational injuries.

(e) Other

The Contractor will be reimbursed for the costs incidental to the promotion of morale and welfare, and health and safety of employees such as: employee publications; net costs of in-plant food services (operated on a break-even basis); employees time to promote employee participation in Blood Drives, U.S. Savings Bonds and United Fund campaigns; and other similar incidental costs which may be sanctioned by the contractor.

(f) Wellness program

Costs of a Wellness Program to promote employee health and fitness are allowable. This program includes health and first aid clinics, on-site fitness centers and the use of buildings and facilities when such use does not interfere with

the official work of the Laboratory. Any significant enhancements to the approved ORNL Wellness Program Plan require prior DOE approval.

(g) Employee Assistance Program

The Contractor shall (1) maintain a program of preventive services, education, short-term counseling, coordination with and referrals to outside agencies, and follow-up upon return to work that conforms to the requirements of IO CFR 707.6, Employee Assistance, Education, and Training; (2) Submit for approval by the Contracting Officer any changes to the employee assistance program implementation plan; (3) Prepare and submit information to DOE concerning Employee Assistance Program services as requested by the Contracting Officer. Such reports shall not include individual identifiers.

XI. COSTS OF RECRUITING PERSONNEL

(a) The Contractor may incur costs for the recruitment of personnel, as set forth in the HROP.

(b) Recruitment/Retention Tools

- (1) The Contractor may pay a sign-on bonus in accordance with the HROP to recruit employees with critical skills.
- (2) Parties acknowledge that the Office of Science Human Resource Recruiting and Retention Toolbox as described and outlined in the HROP will be recognized as an authorized mechanism to retain and recruit employees with critical skills.
- (3) The Parties acknowledge that an SNS Working Group Report ("Plan to Assist in Recruitment of DOE Laboratory Employees for the Spallation Neutron Source Project") was approved by the DOE Director of Office and Science as a pilot program and was implemented on September 1, 1999. This SNS Pilot Program has expired; however, all employees who were hired under this pilot program will retain their eligibility for those eligible SNS Pilot Program benefits.

(c) Leased Employees.

- (1) Employees on joint appointments are not considered leased employees. A cumulative report showing all employees leased (loaned and borrowed), along with the total days loaned and services provided, will be submitted to the DOE annually.
- (2) Personnel Borrowed - The cost associated with Battelle company or University of Tennessee employees not working for UT-Battelle borrowed for incidental work under this contract is reimbursable. Reimbursement for the time such employees work under this contract will be allowable in accordance with the home operating

unit's disclosed costing practices. Time worked under this contract will include the time spent by employees en route to and returning from the site of work. Travel cost of such b01Towed personnel will be allowed on the same basis as for employees working on the contract.

- (3) Personnel Loaned - The Contractor may loan, at no cost to the government, individuals working under this contract to other operations as long as it does not interfere with the performance of contract work. Each loan arrangement will be reviewed to assure no conflict of interest and will be approved by the cognizant UT-Battelle Director.

XII. REDUCTIONS IN CONTRACTOR EMPLOYMENT

- (a) Reductions in employment will be conducted in accordance with the contractor's personnel management policies and practices and in accordance with applicable Departmental policies and guidance on workforce restructuring, as revised from time to time.

(b) Workforce Restructuring Actions

- (1) Consistent with current workforce restructuring policy, costs associated with workforce restructuring are allowable provided the following stipulations are met:

RESTRUCTURING ACTION	NUMBER OF EMPLOYEES POTENTIALLY IMPACTED	ACTION REQUIRED
Voluntary	100 or more	CO Notification
Involuntary	100 or more	CO Approval

- (c) The Contractor is only required to provide notification instead of approval of Self-Select Voluntary Separation Programs (SSVSP) if consistent with the following parameters:

- (1) In accordance with approved laboratory/contractor policies;
 - a. No enhanced benefits (severance or pension);
 - b. No backfilling (internally or externally) or re-employment of employees after severance is paid. If an employee who volunteered for termination during a SSVSP at any DOE or NNSA site is hired or rehired prior to the one-year period, the employee may be required to pay back, to the contractor who

provided the severance payment, all or a pro-rata amount of the severance received under the SSVSP. There is no backfilling where a separating employee is replaced by an internal candidate so long as:

- i. The separating employee is leaving voluntarily;
 - ii. The internal replacement is a regular, permanent employee on the contractor's payroll, not a temporary hire, staff augmentee, or someone serving under a post-doctoral program, etc.;
 - iii. The replacement results in a net reduction in headcount and costs of regular employees; and
 - iv. The replacement is accomplished in an otherwise legally compliant manner, including no unlawful **intent to discriminate based upon age.**
- (2) A business case is submitted 5 business days in advance of notification date that include maximum number of voluntary reductions, maximum dollars, positions/skills impacted; reasons reductions are needed, including how conducting a SSVSP will better position the contractor to conduct the mission work, copy of self-select waivers, and communication plan; and
 - (3) Voluntary separations are offered to employees in a non-discriminatory and legally compliant manner.
- (d) The Contractor must prepare and submit to the Contracting Officer a workforce restructuring plan (Specific Plan) prepared in accordance with DOE policy, if the Contractor intends to reduce its workforce by 100 or more employees through an involuntary separation action within a rolling 12- month period.
- (e) The Contractor must perform an adverse impact analysis (also known as a diversity analysis) as part of its determination to undertake involuntary separation action(s). A copy of the diversity analysis for involuntary separation action(s) affecting 100 or more contractor employees within a rolling 12-month period shall be submitted to the DOE site counsel, as applicable, prior to notification of employees selected for involuntary separation.
- (f) Approval actions shall be submitted a minimum of 10 business days prior to announcement to employees.

- (g) The Contracting Officer will review and approve any Specific Plan or diversity analysis submitted for review affecting the reduction of 100 or more employees through an involuntary separation action within a rolling 12- month period within 10 business days after submission of a complete package by the Contractor unless the Contractor is notified of issues necessitating an extension of time. Should DOE request additional information from the Contractor regarding any Specific Plan or diversity analysis, the Contractor will respond to such request within 3 business days.
- (h) Waivers or self-select forms that vary from those provided in DOE policy documents are subject to approval by DOE. The templates for contractor Involuntary Separation Plan, as well as the General Release and Waiver Forms, are available online at:
<http://www.energy.gov/gc/services/technology-transfer-and-procurement/office-assistant-general-counsel-labor-and-pension>
- (i) The Contractor is responsible and accountable for conducting and defending all voluntary and involuntary separation actions in compliance with applicable laws, regulations, and the contract terms and conditions.
- (j) Any employee who volunteers for layoff or retirement during a time period in which the Contractor has a DOE approved active reduction in force plan will be eligible for severance pay provided the termination is accepted by Laboratory management and results in the retention of an employee who otherwise would have been laid off.
- (k) If DOE approval is not required, severance may be paid to an employee who volunteers for layoff or retirement if contractor management has approved the restructuring action and the termination results in the retention of an employee who otherwise would be laid off.
- (l) Severance is not payable to an employee who volunteers for layoff or retirement if the termination is not associated with a restructuring action approved and initiated by contractor management.
- (m) Severance pay benefit. Severance pay will be calculated on the basis of the employee's basic rate in effect at the time of layoff (including extended hours' pay, if any, but excluding all overtime premium or shift differential) and may be paid in accordance with the following schedules:
 - (1) Hourly Employees as set forth in the applicable collective bargaining agreements.
 - (2) Salaried Employees

Company Service Credit	Severance Pay
Under 3 months	No pay
3 months and under 1 year	Same proportion of 1/4 month's pay as completed months of service are of 12 months
1 year through 25 years of completed service	1 week of pay for every completed year of service. Payment will be capped at 25 years of service.

- (n) Pay in lieu of notice. Any employee who is involuntarily separated due to a workforce restructuring action may be given pay in lieu of the required minimum written notice of termination. Accumulated vacation credit is also paid.
- (o) The Contractor, to the extent practicable, shall make available outplacement services in the forms of skills assessment and resume preparation to those employees who are involuntarily separated due to a layoff.
- (p) Displaced Worker Medical Benefit

Contractor employees who separate from employment voluntarily or involuntarily (under a workforce restructuring action and other than for cause) and who were eligible for medical insurance coverage under the contractor's plan at the time of separation from employment are eligible for medical coverage under the DOE Displaced Workers' Medical Benefits Program, provided they are not eligible for coverage under another plan, e.g., another employer's group health plan, the contractor's Retiree Medical Plan, a spouse's medical plan, or Medicare, based on the following schedule:

- (1) First Year: The Contractor's contribution for an active employee
- (2) Second Year: One half of the Contractor's COBRA premium.
- (3) Third and subsequent years: Reasonable administrative costs that exceed the two percent administrative fee paid by the displaced worker.
- (4) Eligibility is determined in accordance with Departmental policy on workforce restructuring.

XIII. EMPLOYEE BENEFITS

- (a) Energy Employees' Occupational Illness Compensation Program Act (EEOICPA). The Laboratory agrees to comply with requests for information, records, and other program requirements to ensure the orderly administration and adjudication of claims under the EEOICPA.

XIV. MISCELLANEOUS POLICIES

- (a) Subject to the limitations of contract clause 970.5232-2 G), which incorporates the principles of FAR subpart 31.2 and the DEAR subpart 48 CFR 970.31, the following types of costs are allowable as they relate to Human Resources:

- (1) Business Expenses

- The following expenses to the extent reasonable and which contribute to the effectiveness of the Contractor's work under the contract will be allowable:

- i. Booklets and pamphlets describing the capabilities of the Contractor, e.g., operational, financial, personnel, etc.
 - ii. Cost of meetings, including cost associated with activities such as labor negotiations, recruiting, etc.

PART III LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J-LIST OF ATTACHMENTS

APPENDIX B

KEY PERSONNEL

Appendix B is the list of Key Personnel considered essential to the work being performed under this contract.

APPENDIX B-KEY PERSONNEL

See the clause in Section I entitled, "Key Personnel."

- | | |
|--|-------------------------|
| 1. Laboratory Director | Stephen K. Streiffer |
| 2. Deputy for Science & Technology | Susan S. Hubbard |
| 3. Deputy for Operations | Balendra Sutharshan |
| 4. Associate Laboratory Director, Neutron Sciences | Jens Dilling |
| 5. Associate Laboratory Director, Computing & Computational Sciences | Georgia (Gina) Tourassi |

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

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APPENDIX C

PERFORMANCE GUARANTEE AGREEMENT

Attached to this Appendix C are the Performance Guarantee Agreements executed on behalf of the University of Tennessee by Joseph E. Johnson, President, on July 12, 1999 and on behalf of Battelle Memorial Institute by Dr. Douglas E. Olesen, President and Chief Executive Officer, on July 21, 1999.

PERFORMANCE GUARANTEE AGREEMENT

For value received, and in consideration of; and in order to induce the United States (the Government) to enter into Contract DE-AC05-99OR22725 for the Management and Operation of the Oak Ridge National Laboratory, by and between the Government and UT- **Battelle, LLC**, (Contractor), the undersigned, University of Tennessee (Guarantor), a corporate agency of the State of Tennessee and state university chartered under the laws of the State of Tennessee; hereby unconditionally guarantees to the Government (a) the full and prompt payment and performance of all obligations, accrued and executory, which Contractor presently or hereafter may have to the Government under the Contract, and (b) the full and prompt payment and performance by Contractor of all other obligations and liabilities of Contractor to the Government, fixed or contingent, due or to become due, direct or indirect, now existing or hereafter and howsoever arising or incurred under the Contract, and Guarantor further agrees to indemnify "the Government against any losses the Government may sustain and expenses it may incur. as a result of the enforcement or attempted enforcement by the Government of any of its rights and remedies under the Contract, in the event of a default by Contractor thereunder, and/or as a result of the enforcement or. attempted enforcement by the Government of any of its rights against Guarantor hereunder.

Guarantor has read and consents to the signing of the Contract. Guarantor further agrees that Contractor shall have the full right, without any notice to or consent from Guarantor, to make any and all modifications or amendments to the Contract without affecting, impairing, *or* discharging, in whole or in part, the liability of Guarantor hereunder. .

Guarantor hereby expressly waives all defenses which might constitute a legal or equitable discharge of a surety or guarantor, agrees that this Performance Guarantee Agreement shall be valid and unconditionally binding upon Guarantor regardless of (i) the reorganization, merger, or consolidation of Contractor into or with another entity, corporate or otherwise, or the liquidation or dissolution of Contractor, or the sale or other disposition of all or substantially all of the capital stock, business or assets of Contractor to any other person or party, or (ii) the institution of any bankruptcy, reorganization, insolvency, debt agreement, or receivership proceedings by or against Contractor, or adjudication of Contractor as a bankrupt, or (iii) the assertion by the Government. against Contractor of any of the Government's rights and remedies provided for under. the Contract, including any modifications or amendments thereto or under any other document(s) or instrument(s) executed by Contractor, or existing in the Government's favor in law, equity, or bankruptcy.

Guarantor further agrees that its liability under this Performance Guarantee Agreement shall be continuing absolute, primary, and direct, and tba the Government shall not be required to pursue any right or remedy it may have against Contractor or other Guarantors under the Contract, or any modifications· or amendments thereto, or any other document(s) or instrument(s) executed by Contractor, or otherwise. Guarantor affirms that the Government shall not be required to first commence any action or obtain any judgment against Contractor before enforcing this Performance Guarantee Agreement against Guarantor. And that Guarantor will, upon demand, pay the Government any amount, the payment of which is guaranteed hereunder and the payment of which by Contractor is in default under the Contract or under any other document(s) or

instrument(s) executed by Contractor as aforesaid, and that Guarantor will, upon demand, perform all other obligations of Contractor, the performance of which by Contractor is guaranteed hereunder.

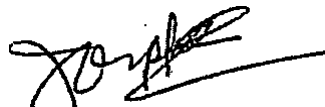
Guarantor agrees to assure that it shall cause this Performance Guarantee Agreement to be unconditionally binding upon any successor(s) to its interest regardless of (i) the reorganization, merger, or consolidation of Guarantor into or with another entity, corporate or otherwise, or the liquidation or dissolution of Guarantor, or the sale or other disposition of all or substantially all of the capital stock, business, or assets of Guarantor to any other person or party, or (ii) the institution of any bankruptcy, reorganization, insolvency, debt agreement, or receivership proceedings by or against Guarantor, or adjudication of Guarantor as a bankrupt.

Guarantor further warrants and represents to the Government that the execution and delivery of this Performance Guarantee Agreement is not in contravention of Guarantor's Articles of Organization, Character, by-laws, and applicable law; that the execution and delivery of this Performance Guarantee Agreement, and the performance thereof, has been duly authorized by the Guarantor's Board of Directors, Trustees, or any other management board which is required to participate in such decisions; and that the execution, delivery, and performance of this Performance Guarantee Agreement will not result in a breach of, or constitute a default under, any loan agreement, indenture, or contract to which Guarantor is a party or by or under which it is bound.

No express or implied provision, warranty, representation or term of this Performance Guarantee Agreement is intended, or is to be construed, to confer upon any third person(s) any rights or remedies whatsoever, except as expressly provided in this Performance Guarantee Agreement.

In witness thereof, Guarantor has caused this Performance Guarantee Agreement to be executed by its duly authorized officer, and its corporate seal to be affixed hereto on July 12, 1999.

UNIVERSITY OF TENNESSEE



JOSEPH E. JOHNSON

PRESIDENT

ATTESTATION INCLUDING APPLICATION
OF SEAL BY AN OFFICIAL OF
GUARANTOR AUTHORIZED TO AFFIX
CORPORATE SEAL

PERFORMANCE GUARANTEE AGREEMENT

For value received, and in consideration of, and in order to induce the United States (the Government) to enter into contract DE-AC05-99OR22725 for the Management and Operation of the Oak Ridge National Laboratory, by the between the Government and UT-Battelle, LLC, (contractor), the undersigned, Battelle Memorial Institute (Guarantor), a nonprofit corporation incorporated in the State of Ohio with its principal place of business at Columbus, Ohio, hereby unconditionally guarantees to the Government (a) the full and prompt payment and performance of all obligations, accrued and executory, which Contractor presently or hereafter may have to the Government under the Contract, and (b) the full and prompt payment and performance by Contractor of all other obligations and liabilities of Contractor to the Government, fixed or contingent, due or to become due, direct or indirect, now existing or hereafter and howsoever arising or incurred under the Contract, and Guarantor further agrees to indemnify the Government against any losses the Government may sustain and expenses it may incur as a result of the enforcement of attempted enforcement by the Government of any of its rights and remedies under the Contract, in the event of a default by Contractor thereunder, and/or as a result of the enforcement or attempted enforcement by the Government of any of its rights against Guarantor hereunder.

Guarantor has read and consents to the signing of the Contract. Guarantor further agrees that Contractor shall have the full right, without any notice to or consent from Guarantor, to make any and all modifications or amendments to the Contract without affecting, impairing, or discharging, in whole or in part, the liability of Guarantor hereunder.

Guarantor hereby expressly waives all defenses which might constitute a legal or equitable discharge of a surety or guarantor, and agrees that this Performance Guarantee Agreement shall be valid and unconditionally binding upon Guarantor regardless of (i) the reorganization, merger, or consolidation of Contractor into or with another entity, corporate or otherwise, or the liquidation or dissolution of Contractor, or the sale or other disposition of all or substantially all of the capital stock, business or assets of Contractor to any other person or party, or (ii) the institution any bankruptcy, reorganization, insolvency, debt agreement, or receivership proceedings by or against Contractor, or adjudication of Contractor as a bankrupt, or (iii) the assertion by the Government against Contractor of any of the Government's rights and remedies provided for under the Contract, including any modifications or amendments thereto, or under any other document(s) or instrument(s) executed by Contractor, or existing in the Government's favor in law, equity, or bankruptcy.

Guarantor further agrees that its liability under this Performance Guarantee Agreement shall be continuing, absolute, primary, and direct, and that the Government shall not be required to pursue any right or remedy it may have against Contractor or other Guarantors under the Contract, or any modifications or amendments thereto, or any other document(s) or instrument(s) executed by Contractor, or otherwise. Guarantor affirms that the Government shall not be required to first commence any action or obtain any judgment against Contractor before enforcing this Performance Guarantee Agreement against Guarantor, and that Guarantor will, upon demand, pay the Government any amount, the payment of which is guaranteed hereunder

and the payment of which by Contractor is in default under the Contract or under any other document(s) or instrument(s) executed by Contractor as aforesaid, and that Guarantor will, upon demand, perform all other obligations of Contractor, the performance of which by Contractor is guaranteed hereunder.

Guarantor agrees to assure that it shall cause this Performance Guarantee Agreement to be unconditionally binding upon any successor(s) to its interests regardless of (i) the reorganization, merger, or consolidation of Guarantor into or with another entity, corporate or otherwise, or the liquidation or dissolution of Guarantor, or the sale of other disposition of all or substantially all of the capital stock, business, or assets of Guarantor to any other person or party, or (ii) the institution of any bankruptcy, reorganization insolvency, debt agreement, or receivership proceedings by or against Guarantor, or adjudication of Guarantor as a bankrupt.

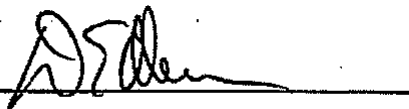
Guarantor further warrants and represents to the Government that the execution and delivery of this Performance Guarantee Agreement is not in contravention of Guarantor's Articles of Organization, Charter, by-laws, and applicable law; that the execution and delivery of this Performance Guarantee Agreement, and the performance thereof, has been duly authorized by the Guarantor's Board of Directors, Trustees, or any other management board which required to participate in such decisions; and that the execution, deliver, and performance of this Performance Guarantee Agreement will not result in a breach of, or constitute a default under, any loan agreement, indenture, or contract to which Guarantor is a party of by or under which it is bound.

No express or implied provision, warranty, representation or term of the Performance Guarantee Agreement is intended, or is to be construed, to confer upon any third person(s) any rights or remedies whatsoever, except as expressly provided in this Performance Guarantee Agreement.

In witness thereof, Guarantor has caused this Performance Guarantee Agreement to be executed by its duly authorized officer, and its corporate seal to be affixed hereto on July 21, 1999

BATTELLE MEMORIAL INSTITUTE

BY: _____



TITLE: President and Chief Executive Officer

CORPORATE SEAL

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J – LIST OF ATTACHMENTS

APPENDIX D

REQUIREMENT CHANGE NOTICE PROCESS

Appendix D is the process to be utilized for the incorporation of new and revised DOE Directives into the Appendix E List of Applicable Directives (List B).

Appendix D

Process for Incorporation of New and Revised DOE Directives into the List of Applicable Directives (List B)

Pursuant to the requirements of the DEAR clause 970.5204-2 in Section I of the contract entitled, “*Laws, Regulations and DOE Directives*,” this Attachment describes the process for incorporation of new and revised DOE Directives into the Appendix E List of Applicable Directives (List B).

Contractor Directive Point of Contacts shall register on the DOE Directives Portal to receive notification of new/revised DOE Directive publications and the cancellation of DOE Directives.

Upon written notification from the Contracting Officer (CO) of a new or revised Directive, the Contractor shall assess the effect of the Contractor's compliance with the Directive on contract cost and funding, technical performance, and schedule; and identify any potential inconsistencies between the Directive and the other terms and conditions of the contract. Within 30 days, or by a mutually agreed upon date authorized by the CO, the Contractor shall advise the CO in writing, with a copy to the Contracting Officer Representative (COR) and the Consolidated Service Center (CSC) Directives Management Group (DMG) of the potential impact of the Contractor's compliance with the Directive.

The Contractor will effectively create and track elements with the identification of DOE Directives, inclusive of Contractor Impact Assessments (IA), Implementation Plans (IP) if applicable, development/maintenance of the Work Smart Standards (WSS) throughout the Requirement Change Notice (RCN) lifecycle for that specific quarter. Meetings will be conducted between the CO and Contractor to discuss DOE Directive relevance and IA timeline.

DOE will also provide the Contractor with the opportunity to comment on draft DOE Directives. Contractors must provide comments to DOE on draft DOE Directives by the stated deadline for any concerns to be recognized by DOE Headquarters.

As part of the impact assessment, the Contractor determines (1) the Directive applicability, (2) if an Implementation Plan (IP) is required (i.e., the Directive cannot be implemented within existing funds and/or within 120 calendar days from the CO's written request), and (3) other information required by DEAR 970.5204-2.

Contractors shall ensure that Work Smart Standard (WSS) Sets and the associated development/maintenance processes meet the requirements of DOE M 450.3-1, *DOE Closure Process for Necessary and Sufficient Sets of Standards*.

When the Contractor cannot fully implement new or revised requirements of Administrative Directives within existing funds and/or within 120 calendar days, the Contractor shall prepare an Implementation Plan (IP) and provide it to the COR, with a copy to the CO and the DMG.

IP revisions are required when the Contractor makes substantive changes to an IP because of changing conditions, when deadlines established in the IP cannot be met, or when changes are requested by the COR/CO. Revised IPs must be submitted before an existing commitment date is missed or within 30 calendar days from the written request by the COR/CO. Revised IPs are to be submitted in the same manner as the original plan.

Contractors must not delete uncompleted actions from an IP between one revision and the next. If multiple revisions of a plan are involved, completed items must be noted as such in at least one revision before being deleted.

Contractors shall send a letter to the COR, with a copy to the CO and the DMG, requesting closure and stating that the corrective actions in the IP have been completed. Any ongoing activities are noted in the letter.

Requirements are added to the contract via the RCN process described herein. The Contractor is responsible for initiation of the quarterly revisions to List B by submission of a draft RCN to the CO, with a copy to the DMG.

Unless other arrangements have been made, the quarterly RCN shall include the following:

- (a) The form (Attachment 1) entitled, “*U.S. Department of Energy, Requirements Change Notice*,” which will provide an overview of changes currently affected in List B.
- (b) A *Summary of Changes* (Attachment 2) which identifies the authority for updating List B. The Summary of Changes delineates the following dates: (1) date of the Impact Assessment request; (2) date of Contractor’s Impact Assessment response; (3) date of CO/COR’s written request to contractor in response to contractor’s request for clarification or guidance; and (4) if needed, implementation plan submission and/or approval dates.

When the implementation plans are developed, approved, or closed, the compliance is so annotated on the RCN. Environment Safety & Health (ES&H) Directives are required to be listed on List B as well as in the WSS Set. ES&H-related Directives will be annotated by italics and/or a footnote. DOE Directives cannot be added or removed from List B without approval by the CO.

The CO will update List B on a quarterly basis by the issuance of a contract modification which includes the approved RCN. The established schedule for issuance of RCNs is as follows:

SCHEDULE FOR ISSUANCE OF REQUIREMENTS CHANGE NOTICES				
CALENDAR YEAR QUARTERS	CONTRACTOR'S SUBMISSION OF FINAL DRAFT TO CO/DMG	DMG'S TARGET SUBMISSION DATE TO CO/COR FOR APPROVAL	COR's TARGET SUBMISSION DATE TO DMG & TRANSMISSION TO CO	CO'S TARGET DATE TO ISSUE CONTRACT MOD
First Quarter (Jan, Feb, Mar)	February 28	March 15	March 21	March 31
Second Quarter (Apr, May, Jun)	May 31	June 15	June 21	June 30
Third Quarter (Jul, Aug, Sep)	August 31	September 15	September 21	September 30
Fourth Quarter (Oct, Nov, Dec)	November 30	December 15	December 21	December 31

Attachment 1

(Rev. 02/2009) U.S. Department of Energy REQUIREMENTS CHANGE NOTICE		RCN No. OR- <hr/> Page 1 of XX
PROJECT: Contract Baseline Documentation		LOCATION: Oak Ridge, Tennessee
CONTRACTOR:		
CONTRACT NO.:		DATE OF CONTRACT:
<p>This Requirements Change Notice (RCN) No. OR-XX incorporates into List B, Contract No. DE-XXXX –XXXXXX, the attached list of applicable documents, which have been assessed against the terms and conditions of the contract in accordance with the Clause in Section I entitled, “970.544-2 Laws, Regulations and DOE Directives.” This is a complete numbered list of administrative requirements and a representation of environment, safety, and health (ES&H) requirements. (In accordance with the Contractor’s established procedure, information regarding ES&H-related directives and their applicability can only be obtained from specific WSS sets and S/RID functional areas sets.) ES&H-related directives in WSS sets and S/RIDs have an ES&H footnote in List B. Changes to List B are indicated by bold type. Below is a list of the directives incorporated herein:</p> <p style="text-align: center;"><u>EXECUTIVE SUMMARY OF DIRECTIVE CHANGES</u></p> <p><u>ADDITIONS:</u></p> <p><u>DELETIONS:</u></p> <p><u>EXTENSIONS:</u></p> <p><u>UPDATES:</u></p> <p><u>IMPLEMENTATION PLANS (REVISED COMPLIANCE STATUS):</u></p> <p><u>ADMINISTRATIVE CORRECTION:</u></p>		
DOE AUTHORIZING SIGNATURE:		DATE:
XXXXXX, Contracting Officer’s Representative		

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS

APPENDIX E

LAWS, REGULATIONS, AND DOE DIRECTIVES

Appendix E

Baseline List of
Required Compliance Documents
List B - List of Applicable Directives

DOE Directives may be found at the following address: http://www.directives.doe.gov/				
Required Compliance Document	Document Date	Title	Through Change	Notes and Comments
DOE O 130.1	09/29/1995	Budget Formulation		
DOE M 142.2-1, Administrative Change 1	06/27/2013	Manual for Implementation of Voluntary Offer Safeguards Agreement and Additional Protocol with the International Atomic Energy Agency		
DOE O 142.2A, Administrative Change 1	06/27/2013	Voluntary Offer Safeguards Agreement and Additional Protocol with the International Atomic Energy Agency		
DOE O 142.3B, Change 1, (LtdChg)	03/02/2022	Unclassified Foreign National Access Program		
<p>Compliance Line: Implementation Plan (IP) for DOE O 142.3B to be submitted to SC-OSO on or before 09/14/2021. IP submitted to SC-OSO on 09/17/2021. Revision 1 of IP submitted to SC-OSO on 11/12/2021. Revision 1 of IP approved by SC-OSO letter on 03/22/2022.</p> <p>DOE O 142.3B was superseded by DOE O 142.3B, Change 1. The IP from DOE O 142.3B did not require any revisions to implement DOE O 142.3B, Change 1. The IP from DOE O 142.3B was moved to DOE O 142.3B, Change 1 to complete implementation.</p> <p>Extension requested for IP corrective action 14 to move target date from 04/29/2022 to 08/15/2022 to ensure consistency with the Site Security Plan submittal. Extension of IP corrective action 14 approved by SC-OSO on 05/22/2022, by signing ORNL letter dated 04/26/2022.</p> <p>Closure for DOE O 142.3B, Implementation Plan (IP) Revision 3, submitted to SC OSO on 09/13/2023. Closure of DOE O 142.3B, Implementation Plan (IP) Revision 3, approved by SC OSO on 12/11/2023 by signing ORNL letter dated 09/13/2023.</p>				
DOE O 150.1B	12/21/2021	Continuity Program		
<p>Compliance Line: Implementation plan (IP) for DOE O 150.1B to be submitted on or before 05/27/2022. IP submitted to SC-OSO on 06/09/2022.</p> <p>Revision 1 of implementation plan for DOE O 150.1B was submitted to SC-OSO on 02/09/2023.</p> <p>Rev. 1 of IP approved by SC-OSO on 04/23/2023 by signing ORNL letter dated 02/09/2023</p>				
DOE O 151.1D, Change 1 (MinChg) [With Implementation Assumptions]	10/04/2019	Comprehensive Emergency Management System		ES&H-related Directive included in WSS. See Footnote (1)
DOE O 153.1A	11/17/2022	Departmental Nuclear Emergency Support Team Capabilities		
<p>Compliance Line: WSS Set 1 administrative change request for adopting DOE O 153.1A, submitted to SC OSO on 02/23/2023.</p> <p>WSS Set 1 administrative change was approval by SC-OSO on 03/26/2023 by signing ORNL letter dated</p>				

02/23/2023. ES&H-related Directive included in WSS. See Footnote (1).				
DOE O 200.1A, Change 2 (LtdChg)	08/11/2023	Information Technology Management		
Compliance Line; Implementation plan (IP) for DOE O 200.1A, Change 2 to be submitted to SC-OSO on or before 01/03/2024. IP for DOE O 200.1A, Change 2 submitted to SC-OSO on 01/19/2024.				
DOE O 205.1C, Change 1 (LtdChg)	02/03/2022	Cybersecurity Program		
DOE O 206.1, Change 1 (MinChg)	11/01/2018	Department of Energy Privacy Program		
DOE O 206.2, Change 1 (LtdChg)	09/02/2022	Identity, Credential, and Access Management (ICAM)		
DOE O 210.2A	04/08/2011	DOE Corporate Operating Experience Program		
DOE O 221.1B	09/27/2016	Reporting Fraud, Waste and Abuse to the Office of Inspector General		
DOE O 221.2A	02/25/2008	Cooperation with the Office of Inspector General		
DOE O 225.1B	03/04/2011	Accident Investigations		
DOE O 227.1A, Change 1	01/21/2020	Independent Oversight Program		
DOE O 231.1B, Administrative Change 1	11/28/2012	Environment, Safety and Health Reporting		ES&H-related Directive included in WSS. See Footnote (1).
DOE O 232.2A, Change 1 (MinChg)		Occurrence Reporting and Processing of Operations Information		ES&H-related Directive included in WSS. See Footnote (1)
DOE O 241.1B, Change 1 (Admin Chg)	04/26/2016	Scientific and Technical Information Management		
DOE O 243.1C	02/07/2022	Records Management Program		
Compliance Line: Implementation Plan (IP) for DOE O 243.1C to be submitted to SC-OSO on or before 06/08/2022. IP submitted to SC-OSO on 06/08/2022. SC-OSO approved IP on 06/26/2022 by signing ORNL letter dated 06/08/2022. Revision 1 of Table 1 for Implementation Plan of DOE O 243.1C was submitted to SC OSO On 04/04/2023. Revision 1 of IP was approved by SC OSO on 04/23/2023 by signing ORNL letter dated 04/04/2023.				
DOE O 252.1A, Administrative Change 1	03/12/2013	Technical Standards Program		
DOE O 313.1	11/19/2009	Management and Funding of the Department's Overseas Presence		See Footnote (2)
DOE O 341.1A	10/18/2007	Federal Employee Health Services		See Footnote (2)
DOE O 350.1, Change 7	02/19/2020	Contractor Human Resource		

		Management Programs		
DOE O 410.2, Administrative Change 1	04/10/2014	Management of Nuclear Materials		
DOE O 411.2	01/04/2017	Scientific Integrity		
DOE O 413.2C, Change 1 (MinChg)	08/02/2018	Laboratory Directed Research and Development		
DOE Order 413.3B, Change 7 (LtdChg)	06/21/2023	Program and Project Management for the Acquisition of Capital Assets		
DOE O 414.1D, Change 2	09/15/2020	Quality Assurance		ES&H-related Directive included in WSS. See Footnote (1).
DOE O 420.1C, Change 3	11/14/2019	Facility Safety		ES&H-related Directive included in WSS. See Footnote (1).
DOE O 420.2D	09/09/2022	Safety of Accelerators		
<p>Compliance Line: Implementation Plan (IP) for DOE O 420.2D to be submitted on or before 01/17/2023. IA acceptance submitted to DOE OSO on 10/26/2022. SC-OSO requested a revision to the IA on 12-02-2022, revised IA submitted to SC-OSO on 12/08/2022. IP submitted to SC-OSO on 01/25/2023. WSS Administrative Change request for WSS Set 13 submitted to SC-OSO on 10/26/2022. Administrative Change request resubmitted to SC-OSO on 12/08/2022. SC-OSO approved administrative change request on 02/21/2023 by signing ORNL letter dated 12/08/2022. IP approved by SC-OSO by issuing DOE letter dated 03/25/2023. Revision 1, of IP to revise Action 10 commitment statement to align with ORNL processes, submitted to SC-OSO for approval on 10/02/2023. Revision 1 approved by SC-OSO on 11/21/2023, by signing ORNL letter dated 10/02/2023. Revision 1 of IP closure request for DOE O 420.2D, submitted to DOE OSO on 01/19/2024. SC-OSO approved IP Revision 1 closure on 02/29/2024 by signing ORNL letter dated 01/22/2024. ES&H-related Directive included in WSS. See Footnote (1).</p>				
DOE O 422.1, Chang 4 (LtdChg)	02/03/2022	Conduct of Operations		ES&H-related Directive included in WSS. See Footnote (1).
DOE O 425.1D, Change. 2	10/04/2019	Verification of Readiness to Start Up or Restart Nuclear Facilities		ES&H-related Directive included in WSS. See Footnote (1)
DOE O 426.2, Administrative Change 1	07/29/2013	Personnel Selection, Training, Qualification, and Certification Requirements for DOE Nuclear Facilities		ES&H-related Directive included in WSS. See Footnote (1).
DOE O 433.1B, Administrative Change 1	03/12/2013	Maintenance Management Program for DOE Nuclear Facilities		ES&H-related Directive included

				in WSS. See Footnote (1).
DOE M 435.1-1, Change 3 (LtdChg)	01/11/2021	Radioactive Waste Management Manual		ES&H-related Directive included in WSS. See Footnote (1).
DOE O 435.1, Change 2 (AdminChg)	01/11/2021	Radioactive Waste Management		ES&H-related Directive included in WSS. See Footnote (1).
DOE O 436.1A	04/25/2023	Departmental Sustainability		
<p>Compliance Line; Implementation Plan (IP) to be submitted on or before 09/30/2023. Implementation plan submitted to SC-OSO for approval on 09/29/2023. Implementation plan for DOE O 436.1A approved by SC-OSO on 12/07/2023, by signing ORNL letter dated 09/29/2023. ES&H-related Directive included in WSS. See Footnote (1)</p>				
DOE O 437.1	12/11/2020	Bridge and Tunnel Management		
<p>Compliance Line: Implementation Plan (IP) for DOE O 437.1 to be submitted to SC-OSO on or before 05/27/2022. IP submitted to SC-OSO on 05/27/2022. SC-OSO approved IP on 06/17/2022 by signing ORNL letter dated 05/27/2022. Request for deletion of IP Action 9 submitted to SC-OSO on 10/25/2022. SC-OSO approved deletion of IP Action 9 on 11/22/2022. Implementation Plan for DOE O 437.1 to be submitted to SC-OSO on or before 05/27/2022. IP submitted to SC OSO on 05/27/2022. SC-OSO approved IP on 06/17/2022 by signing the ORNL letter dated 05/27/2022. Revision 1 request for deletion of IP Action 9 of IP submitted to SC-OSO on 10/25/2022. Revision 1 of IP approved by SC-OSO on 11/22/2022. Revision 2 IP submitted to SC-OSO on 02/08/2023 to delete corrective actions 12 and 13, and extend commitment dates for corrective actions 10, 11 and 14. Approved by SC-OSO on 07/18/2023 by signing ORNL letter dated 02/08/2023. Closure of Implementation Plan (IP) for DOE O 437.1, submitted to SC OSO for approval on 09/29/2023. Closure of IP for DOE O 437.1 approved by SC-OSO on 12/11/2023, by signing ORNL letter dated 09/29/2023. ES&H-related Directive included in WSS. See Footnote (1)</p>				
DOE O 440.2C, Chg. 3 (LtdChg)	03/21/2023	Aviation Management and Safety		
<p>Compliance Line; WSS Set 1 administrative change request for DOE O 440.2C, Change 3 (LtdChg) was submitted to SC-OSO on 05/31/2023. ES&H-related Directive included in WSS. See Footnote (1)</p>				
DOE O 442.1B	01/31/2019	Department of Energy Employee Concerns Program		
DOE O 442.2, Change 1	10/04/2016	Differing Professional Opinions for Technical Issues Involving Environment, Safety and Health,		
DOE O 443.1C	11/26/2019	Protection of Human Research Subjects		ES&H-related Directive included in WSS. See Footnote (1).
DOE M 450.3-1	01/25/1996	The Department of Energy Closure		See Footnote (3)

		Process for Necessary and Sufficient Sets of Standards		
DOE O 456.1A	07/15/2016	The Safe Handling of Unbound Engineered Nanoparticles		ES&H-related Directive included in WSS. See Footnote (1).
DOE O 458.1, Change 4	09/15/2020	Radiation Protection of the Public and the Environment		ES&H-related Directive included in WSS. See Footnote (1)
DOE O 460.1D, Change 1 (LtdChg)	06/10/2022	Hazardous Materials Packaging and Transportation Safety		ES&H-related Directive included in WSS. See Footnote (1).
DOE O 460.2B	06/10/2022	Departmental Materials Transportation Management		
<p>Compliance Line: WSS Set 1 Administrative Change Request for addition of DOE O 460.2B submitted to SC-OSO on 08/01/2022. WSS Set 1 Administrative Change Request for addition of DOE O 460.2B was approved by SC-OSO on 02/05/2023 by signing ORNL letter dated 08/01/2022. ES&H-related Directive included in WSS. See Footnote (1).</p>				
DOE O 470.3C, Change 1	09/09/2020	Design Basis Threat (DBT)		
<p>Compliance Line: A revised Implementation Plan (IP) for DOE Order 470.3C will be submitted to SC-OSO on or before 02/21/2021. ORNL submitted a letter to SC-OSO on 02/19/2021 stating that after further analysis it was determined that no additional corrective actions are required for the approved IP DOE O 470.3C. Submitted corrective actions for DOE O 470.3C are adequate to implement the requirements of DOE O 470.3C, Change 1. IP Action 2.7 was extended from 06/30/2022 to 08/15/2022 on 04/27/2022. SC-OSO approved extension of IP Action 2.7 on 05/19/2022 by signing ORNL Letter dated 04/27/2022. Implementation plan closure request submitted to SC-OSO on 10/25/2022. Closure of Implementation Plan for DOE O 470.3C, approved by SC OSO on 12/17/2023 by signing ORNL letter dated 10/25/2022.</p>				
DOE O 470.4B, Change 3 (LtdChg)	09/23/2021	Safeguards and Security Program		
DOE O 470.5	06/02/2014	Insider Threat Program		
DOE O 470.6, Change 1	01/11/2017	Technical Security Program		
DOE O 471.1B	03/01/2010	Identification and Protection of Unclassified Controlled Nuclear Information		
DOE O 471.5	03/29/2011	Special Access Programs (Official Use Only)		
DOE O 471.6, Change 4 (LtdChg)	08/22/2023	Information Security		
<p>Compliance Line; Implementation Plan for DOE O 471.6, Change 4, to be submitted to SC OSO on or before 01/03/2024. IP for DOE O 471.6, Change 4 submitted to SC OSO on 01/10/2024.</p>				

SC-OSO approved IP on 02/18/2024 by signing ORNL letter dated 01/10/2024.				
DOE O 471.7	02/03/2022	Controlled Unclassified Information		
<p>Compliance Line: Implementation Plan (IP) for DOE O 471.7 to be submitted to SC-OSO on or before 06/08/2022. IP submittal extended by SC-OSO from 06/08/2022 to 06/22/2022. SC-OSO extension approval email dated 06/01/2022. IP submittal extended by SC-OSO from 06/22/2022 to 07/29/2022. SC-OSO extension approval email dated 06/16/2022. IP submitted to SC-OSO on 7/29/2022.</p> <p>Retraction of IP submitted on 07/29/2022 required to adjust target dates due to late publication of NTC Training course and reassignment of UT-Battelle management system, was submitted to SC-OSO on 10/03/2022.</p> <p>Revision 1 of IP for DOE O 471.7 submitted to SC-OSO on 11/15/2022. SC OSO returned Revision 1 of IP on 12/29/2022 for clarification. Revision 1 re-submitted as Revision 2 was transmitted to SC OSO on February 02/23/2023. SC-OSO approved Revision 2 on 03/05/2023 by signing ORNL Letter dated 02/23/2023</p> <p>Revision 3 of IP Table 1 for extension of Actions 2.4 and 2.5 submitted to SC-OSO on 04/28/2023.</p> <p>Revision 4 of IP Table 1 for extension of actions 2.8 & 2.10, submitted to SC-OSO on 8/16/2023.</p>				
DOE O 472.2A	06/10/2022	Personnel Security		
<p>Compliance Line: Implementation plan (IP) for DOE O 472.2A, to be submitted to SC-OSO on or before 10/27/2022. IP for DOE O 472.2A, submitted to SC-OSO on 10/26/2022. IP for DOE O 472.2A, approved by SC-OSO on 01/12/2023 by signing ORNL letter dated 10/26/2022.</p> <p>IP closure request submitted to SC-OSO on 06/29/2023. Approved by SC-OSO on 08/06/2023, by signing ORNL letter dated 06/29/2023</p>				
DOE O 473.1A	08/30/2021	Physical Protection Program		
<p>Compliance line: Implementation plan (IP) for DOE O 473.1A to be submitted to SC-OSO on or before 01/05/2022. IP Submitted to SC-OSO on 01/20/2022. SC-OSO letter dated 02/27/2022 provided Conditional Approval of IP.</p> <p>Revision 1A of IP submitted to SC-OSO on 06/08/2022. Revision 1A of IP was approved by SC-OSO on 06/26/2022 by signing ORNL letter dated 06/08/2022.</p> <p>Revision 2 of IP for extending actions 27 and 34 was submitted to SC OSO on 01/20/2023. Revision 2a (Administrative Correction) of Implementation plan submitted to SC-OSO on 07/28/2023. Revision 2a approved by SC-OSO on 09/07/2023 by signing ORNL letter dated 07/28/2023.</p> <p>Revision 2a of IP submitted to SC-OSO on 07/28/2023, approved by SC-OSO on 09/07/2023 by signing ORNL letter dated 07/28/2023.</p> <p>Revision 3 of IP submitted to SC-OSO on 06/30/2023. Approved by SC-OSO on 07/09/2023 by signing ORNL letter dated 06/30/2023.</p> <p>Revision 4a of IP for DOE O 473.1A to extend unfunded action target dates was submitted to SC OSO on 02/19/2024.</p>				
DOE O 473.2A	08/30/2021	Protective Force Operations		
<p>Compliance line: Implementation plan (IP) for DOE O 473.2A to be submitted to SC-OSO on or before 01/05/2022. IP submitted to SC-OSO on 03/31/2022. SC-OSO approved IP on 05/01/2022 by signing ORNL letter dated 03/31/2022.</p> <p>Revision 1 of IP submitted to SC-OSO on 07/27/2022.</p> <p>SC-OSO approved Revision 1 of IP on 09/18/2022 by signing ORNL letter dated 07/27/2022.</p> <p>Revision 2 of IP Table 1 was submitted SC OSO on 12/13/2022 for approval.</p> <p>Implementation plan closure request for DOE O 473.2A, submitted to SC OSO on 01/04/2024.</p>				
DOE O 474.2A	02/07/2023	Nuclear Material Control and Accountability		
<p>Compliance Line: Implementation Plan for DOE O 474.2A to be submitted to SC-OSO on or before 08/02/2023. Implementation plan submitted to SC-OSO on 08/14/2023.</p> <p>Revision 0a of implementation plan submitted to SC_OS0 on 09/18/2023. SC-OSO approved IP Revision 0a on 10/28/2023, by signing ORNL letter dated 09/15/2023.</p>				
DOE O 475.1	12/10/2004	Counterintelligence Program		
DOE O 475.2B	10/03/2014	Identifying Classified Information		

DOE M 481.1-1A, Change 1	01/03/2001	Reimbursable Work for Non-Federal Sponsors Process Manual		
DOE P 482.2, Change 1 (AdminChg)	09/09/2022	Laboratory Technology Transfer Data Collection and Management		
DOE O 483.1B, Change 2 (LtdChg)	12/13/2019	DOE Cooperative Research and Development Agreements		
DOE O 484.1, Chg. 3 (LtdChg)		Reimbursable Work for the Department of Homeland Security		
DOE P 485.1A	12/13/2019	Foreign Engagements with DOE National Laboratories		
<p>Compliance Line: Implementation Plan for DOE P 485.1A, submitted 07/31/2020; returned by SC-OSO on 02/22/2021 to address comments; resubmitted on 03/24/2021. Returned by SC-OSO on 06/03/2021 to address comments; resubmitted on 06/18/2021. DOE Site Manager signature on ORNL letter, approved on 07/25/2021. Closure of Implementation Plan for DOE P 485.1A submitted to SC-OSO on 12/14/2022.</p>				
DOE O 486.1A	09/04/2020	Foreign Government Sponsored or Affiliated Activities		
DOE O 520.1B Change 1 (LtdChg)	11/11/2022	Financial Management and Chief Financial Officer Responsibilities		
DOE O 522.1A	08/02/2018	Pricing of Departmental Materials and Services		
DOE Order 550.1, Change 1	12/13/2019	Official Travel		
DOE O 580.1A, Administrative Change 1	03/30/2012	Department of Energy Personal Property Management		See Footnote (2)
DOE Acquisition Regulation No. AL 2018-08	05/03/2018	Department of Energy Acquisition Letter, Dated 05/03/2018		
EMD-DOE-OSO-2021 - Letter from Johnny Moore	02/26/2021	DOE-OSO Assignment of AHJ and BCO for Fire Protection, Electrical and BCO Responsibilities at ORNL - Feb 2021		
DOE O 5639.8A	07/23/1993	Security of Foreign Intelligence Information and Sensitive Compartmented Information Facilities		
DOE-STD-1090-2011 with exceptions	09/30/2011	Hoisting and Rigging		ES&H-related Directive included in WSS. See Footnote (1)
DOE-STD-1186-2004	08/01/2004	Specific Administrative Controls		ES&H-related Directive included in WSS. See Footnote (1)

**Baseline List of
Required Compliance Documents
List B - List of Applicable Directives**

Work Smart Standards (WSS) Sets may be found at the following address: https://sbms.ornl.gov/sbms/wsshome/wss.html				
Required Compliance Document	Approval Date	Title	Change # Approval Date	Notes and Comments
WSS Set 1	07/25/1996	Other Industrial, Radiological, and Non-Radiological Hazard Facilities	130 05/03/2023	
WSS Set 4	12/17/1996	Radioisotope Development Laboratory (Building 3047)	36 04/25/2022	
WSS Set 5	12/17/1996	Radiochemical Engineering Development Center (Buildings 7920, 7930, and Support Areas)	36 04/25/2022	
WSS Set 7	05/07/1997	Irradiated Materials Examination and Testing Facility and Irradiated Fuels Examination Laboratory (Buildings 3025E, 3525, and Support Areas)	37 04/25/2022	
WSS Set 8	05/07/1997	Construction and Construction-like Activities	15 02/13/2022	
WSS Set 9	04/14/1998	Engineering Design of Standard Industrial, Radiological, Non-Reactor Category 2 and 3 Nuclear, and Accelerator Facilities	20 12/22/2022	
WSS Set 10	09/10/1998	High Flux Isotope Reactor and its associated facilities	38 04/25/2022	
WSS Set 13	04/18/2003	Spallation Neutron Source	12 01/11/2023	
S/RID		S/RIDs info is not in the database, it must be manually entered		
S/RID		S/RIDs info is not in the database, it must be manually entered		

FOOTNOTES:

- (1) This document is ES&H-related and appears in one or more of the current Work Standards (WSS) Sets. In a WSS Set, the document may be referenced in its entirety or only certain chapters, paragraphs, or sections. Additional information regarding directives and their applicability may be obtained from specific WSS sets.
- (2) This Directive is incorporated with implementation assumptions. The implementation assumptions may be viewed in specific WSS sets where cited or at <http://sbms.ornl.gov/SBMS/WSSHome/listbias.htm>.
- (3) Archived requirements still cited in current UT-Battelle, LLC, contract.

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS

APPENDIX F

SPECIAL INSTITUTION ACCOUNT AGREEMENT

Attached to this Appendix F is the current Agreement.

**SPECIAL FINANCIAL INSTITUTION ACCOUNT
AGREEMENT FOR USE WITH THE CHECKS PAID LOC
FINANCING ARRANGEMENT**

The agreement is entered into the 1 day of April, 2021, between the UNITED STATES OF AMERICA (the Government), represented by the Department of Energy (DOE) Contracting Officer executing the agreement, UT-Battelle, LLC, a limited liability company existing under the laws of the State of Tennessee, (hereinafter referred to as the "Contractor") and SunTrust now Truist Bank, a banking corporation existing under the laws of the State of North Carolina, with regional offices located at 9950 Kingston Pike, Knoxville, Tennessee (hereinafter referred to as the "Financial Institution").

RECITALS

1. Under date of April 12, 1999, the Government and the Contractor entered into Contract No. DE-AC05-00OR22725 (hereinafter referred to as the "Contract",) or a related supplemental agreement, providing for advance payments to the Contractor. A copy of the advance payment terms was furnished to the financial institution
2. The contract or supplemental agreement requires amounts advanced to the Contractor be deposited separate from the Contractor's general or other funds, in a Special Account at a member bank of the Federal Reserve System, any "insured" bank within the meaning of the Act creating the Federal Deposit Insurance Corporation (12 U.S.C. 1811), or a credit union insured by the National Credit Union Administration. The parties agree to deposit the amounts with the Financial Institution, which meets the requirement.
3. The Special Account is designated "UT-Battelle, LLC Operating." All ancillary accounts shall be designated the same, but having separate number followed by a sub-title denoting its specific purpose as in: "UT-Battelle, LLC Operating #2, Payroll", etc.

COVENANTS

In consideration of the foregoing, and for other good and valuable considerations, the parties agree to the following conditions:

1. The Government has a lien on the credit balance in the account to secure the repayment of every advance payment made to the Contractor. The lien is paramount to any lien or claim of the Financial Institution regarding the account.
2. The Financial Institution is bound by the terms of the contract relating to the deposit and withdrawal of funds in the Special Account and is unaccountable for the application of funds withdrawn from the account. The Financial Institution acts on written directions from the Contracting Officer, the administering office, or a duly authorized representative of either. The financial institution is unaccountable to any party to the agreement for any actions complying with the written directions. Any written directions received by the

Financial Institution through the Contracting Officer on DOE stationery and purporting to be signed by, or by the direction of DOE or duly authorized representative, may be, as far as the rights, duties, and liabilities of the Financial Institution are concerned, considered as being properly issued and filed with the Financial Institution by DOE.

3. The Government, or the Government's authorized representatives, has access to the books and records maintained by the Financial Institution regarding the Special account at reasonable times and for reasonable purposes, including, the inspection or copying of the books and records and any and all pertinent memoranda, checks, correspondence, or documents. The financial institution preserves the books and records according to its standard document retention policies which comply with applicable regulations.
4. In the event of the service of any writ of attachment, levy of execution, or commencement of garnishment proceedings regarding the special account, the Financial Institution will promptly notify DOE at:

Judson Kingman, Contracting Officer
U.S. Department of Energy
Oak Ridge National Laboratory Site Office
Post Office Box 2008, M.S. 6269
Oak Ridge, TN 37831
Fax: (865) 574-9275

5. DOE authorizes funds to the extent obligations have been incurred in good faith thereunder by the Contractor to the Financial Institution for the benefit of the special demand deposit account. The Financial Institution agrees to honor upon presentation for payment any payments issued by the Contractor and to restrict all withdrawals against the funds authorized to an amount sufficient to maintain the average daily balance in the special demand deposit account in a net positive and as close to zero as administratively possible.
6. The Financial Institution agrees to service the account based on the requirements and specifications contained in (i) Contractor's prior solicitation dated September 22, 2005, attached hereto as **Exhibit 1**; (ii) the Financial Institution's bid in response to such solicitation dated October 26, 2005, attached hereto as **Exhibit 2** (the parties acknowledging that the pricing contained in such Proposal is superseded by the pricing contained in **Exhibit 4** hereto, and that certain outdated operational or technical details listed in the Solicitation and the Proposal have been replaced over time by mutual agreement of the parties, either explicitly or by way of accepted practice); and (iii) the Treasury Management Master Agreement executed by Contractor dated March 5, 2021 (as amended), attached hereto as **Exhibit 3**. The Financial Institution agrees that, for any accounts covered by this Agreement, if there is any inconsistency between the Treasury Management Master Agreement and this Agreement, this Agreement will control the addressing of that issue. The Financial Institution agrees that per-item costs, detailed in the form "Schedule of Financial Institution Processing Charges" attached hereto as Exhibit 4, will remain constant during the term of this Agreement, including the three (3),

- one-year option periods. The Financial Institution shall calculate the monthly fees based on services rendered and invoice the Contractor. The Contractor shall issue a check or automated clearinghouse authorization transfer to the Financial Institution in payment thereof.

If, for reasons beyond the Financial Institution's control, the Financial Institution does not receive or reasonably anticipates not receiving same-day reimbursement of the daily funding draw as contemplated in this Agreement, or if the Financial Institution is otherwise notified by the Contracting Officer that funding is not available for reimbursement or payment, the Financial Institution is authorized to withhold distributing payment until confirmation from the Contracting Officer is received that funding is available to cover the required payments.

7. The Financial Institution posts collateral in accordance with 31 CFR 202 with the Federal Reserve bank in an amount equal to the net balances in any of the accounts included in the Agreement, less the Treasury-approved deposit insurance.

The Agreement, with all provisions and covenants, is in effect for a term of four (4) years beginning on the first (1st) day of April, 2021, and ending on the thirty-first (31st) day of March, 2025. Contained within this agreement are three (3) additional one-year options to extend the Agreement. Contractor may exercise the first option by giving the Financial Institution written notice no later than January 31, 2025. If Contractor exercises that option, it may exercise the second option by giving the Financial Institution written notice not later than January 31, 2026, and it may exercise the third option by giving the Financial Institution written notice not later than January 31, 2027.

8. DOE, the Contractor, or the Financial Institution may terminate the Agreement at any time within the agreement period upon providing written notification to the other parties 90 days prior to the desired termination date. The specific provisions for operating the account during the 90-day period are contained in Covenant 12.
9. DOE or the Contractor may terminate the Agreement at any time upon 30 days' written notice to the Financial Institution if DOE or the Contractor, or both parties, find the Financial Institution has failed to substantially perform its obligations under the Agreement or the Financial Institution is performing obligations in a manner which precludes administering the program in an effective and efficient manner or precludes the effective utilization of the Government's cash resources.
10. Notwithstanding the provisions of Covenants 9 and 10, in the event the Agreement, referenced in Recital (1), between DOE and the Contractor is not renewed or is terminated, the Agreement between DOE, the Contractor, and the Financial Institution terminates automatically upon the delivery of written notice to the Financial Institution. Therefore, a subsequent agreement based upon this Agreement, may be entered into between DOE, the new "replacement" contractor, and the Financial Institution to continue the original term of this Agreement if all parties to this Agreement, including the "terminating" contractor, agree.

11. In the event of termination, the Financial Institution agrees to retain the Contractor's special demand deposit account for an additional 90-day period to clear outstanding payment items.

TERMS

The Agreement continues to be in effect for the 90-day additional period, with exception of the following:

1. Term of Agreement (Covenant 8)
2. Termination of Agreement (Covenants 9 and 10)

All terms and conditions of the aforesaid bid submitted by the Financial Institution that are not inconsistent with the 90-day additional term shall remain in the effect for this period.

The following exhibits are attached hereto and incorporated herein:

- Exhibit 1: UT-Battelle, LLC Solicitation No. AGS-08, dated September 22, 2005
- Exhibit 2: SunTrust Proposal in response to Solicitation No. AGS-08, dated October 26, 2005
- Exhibit 3: Treasury Management Master Agreement dated March 5, 2021
- Exhibit 4: Schedule of Financial Institution Processing Charges
- Exhibit 5: Service Glossary

IN WITNESS WHEREOF the parties hereto have caused this Agreement, which consists of five (5) pages, including the signature pages but excluding Exhibits, to be executed as of the day and year first above written.

By:

**JUDSON
KINGMAN**

Digitally signed by
JUDSON KINGMAN
Date: 2021.03.23
14:19:42 -04'00'

Judson Kingman, Contracting Officer
U.S. Department of Energy
Oak Ridge Site Office
Post Office Box 2008
Oak Ridge, TN 37831
Fax: (865) 574-9275

March 23, 2021
Date Signed

Name of Witness

Mark Boatner

Mark Boatner

UT-Battelle, LLC

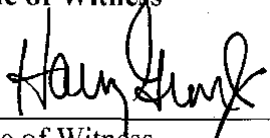
By:  2021.03.17 06:50:12
-04'00'

Brooks Baldwin, UT-Battelle, LLC
Director, Contracts Division
P.O. Box 2008, Oak Ridge, TN 37831

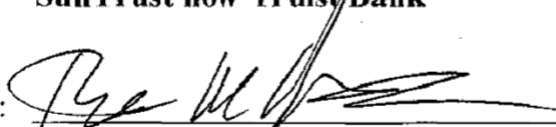
March 17, 2021
Date Signed

Name of Witness

Name of Witness



SunTrust now Truist Bank

By: 
Eric Anderson, Senior Vice President
9950 Kingston Pike, Knoxville, TN 37922

3/24/2021
Date Signed

OAK RIDGE NATIONAL LABORATORY

MANAGED BY UT-BATTELLE FOR THE DEPARTMENT OF ENERGY

P.O. Box 2008
Oak Ridge, TN 37831-6293
(865) 576-1552
INTERNET: shillingsag@ornl.gov

September 22, 2005

CLOSING DATE: October 21, 2005

TO: ALL POTENTIAL OFFERORS

Solicitation No. AGS-08

UT-Battelle, LLC (Contractor), acting under its Prime Contract No. DE-AC05-00OR22725 with the United States Department of Energy (DOE), invites you to submit a proposal to provide *off-site* services for the Contractor's primary government account operation under a payments-cleared financing arrangement in accordance with the attached *Statement of Work (SOW)* dated July 20, 2005.

Please submit **one original and seven copies** of your proposal **on or before 12:00 p.m. (noon), local time, on the closing date identified above.** All proposals must be labeled. Labels shall be marked as either *Part A – Technical Proposal* or *Part B – Business Proposal* and shall identify your organization and the Solicitation number. **Proposals submitted by facsimile will not be accepted.**

If you do not intend to submit a proposal, a prompt negative response in writing addressing why your organization elected not to respond would be appreciated.

Address your proposal and all questions concerning this request to:

Oak Ridge National Laboratory
Attn: Angela G. Shillings, Subcontract Administrator
Post Office Box 2008
Bldg. 1060COM, MS 6293
Oak Ridge, Tennessee 37831

Telephone: (865) 576-1552
E-mail: shillingsag@ornl.gov

For personal or overnight mail delivery the address is Angela G. Shillings, Oak Ridge National Laboratory, 1060 Commerce Park Drive, Room No. 257, Oak Ridge, Tennessee 37830.

I GENERAL INFORMATION

A Pre-Proposal Conference

We will hold a Pre-Proposal Conference on October 5, 2005, at the Auditorium (Room 176) in Building 1060 at Commerce Park. **All potential Proposers are**

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highly encouraged to attend. We will begin at 10:00 a.m., and we expect to be completed by 12:00 p.m.

At the conference, we will discuss our requirements and allow question-and-answer periods.

A listing of the individuals who will attend the conference should be e-mailed to the Subcontract Administrator at shillingsag@ornl.gov **no later than 12:00 p.m., local time, on September 29, 2005.** The following must be provided for each:

- a. Full name
- b. Employer
- c. Position title
- d. Date of birth
- e. Social Security Number
- f. Gender
- g. Country of citizenship

You may also include in the e-mail any questions that you may have regarding this Solicitation. We will answer your questions during the conference. Questions raised for the first time at the conference will be answered to the extent possible. Written answers to all questions considered at the conference will be posted on the Solicitation web site.

B Questions

If after the Pre-Proposal Conference your organization has any additional questions concerning this Solicitation, they should be submitted to the Subcontract Administrator via e-mail at shillingsag@ornl.gov **on or before 12:00 p.m., local time, on October 7, 2005.** No requests made via telephone will be accepted. Written answers to questions will be posted on the Solicitation web site as soon as they are available.

C Form of Agreement

It is anticipated that one Special Financial Institution Account Agreement for Use with the Payments-Cleared Financing Arrangement will be awarded to support Contractor requirements. A *Draft Agreement* is attached.

II QUALIFICATION CRITERIA

We will evaluate your proposal only if you demonstrate in your transmittal letter that you meet the following criteria:

1. Possess positive pay service capabilities for controlled disbursement accounts.
2. Possess direct on-line access to the Federal Reserve Communication System (FRCS) to make on-line requests for funds.
3. Maintain an account with the Federal Reserve Bank (FRB).

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4. Accept all National Automated Clearing House Association (NACHA) Operating Rules and Procedures.
5. Capable of providing foreign denomination drafts and completing foreign denomination transactions using Society for Worldwide Interbank Financial Telecommunications (SWIFT).
6. Able to provide, at no cost, the appropriate deposit insurance and post collateral in accordance with Department of the Treasury regulations governing securing of Government accounts.
7. Able to provide electronic transmission of paid check detail for all accounts on a monthly basis and no later than 7:00 a.m. on the first workday of the calendar month following the close of business for the previous month.
8. Able to provide monthly bank statements no later than 7:00 a.m. on the first workday of the calendar month following the close of business for the previous month.

III EVALUATION CRITERIA

We will evaluate proposals using the following weighted criteria:

<u>Criteria</u>	<u>Maximum Points</u>
<u>Total Price</u> Total proposed price of Processing Charges for the five-year duration of the Agreement, plus price for Option services, plus any additional prices/costs proposed by the Financial Institution	400
<u>Organizational Experience/Approach</u> Demonstrated technical qualifications in pertinent areas of expertise as identified in the SOW and proposed organizational approach to the project.	400
<u>Past Performance</u> Demonstrated past performance relative to the specific requirements.	100
<u>Qualifications and Availability of Key Personnel</u> Qualifications and availability of Key Personnel	<u>100</u>
SUBTOTAL	1000

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Bonus Point Criterion

Ability to allow Contractor to remain on the cutting edge of technology in order to promote efficiencies, economies, and fraud risk reduction. Provide a brief description of services or changes currently in place, under development, or being considered.	<u>100</u>
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TOTAL	1100
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IV BASIS OF AWARD

Final scoring of the proposals will be as follows:

The highest-ranked technical proposal will be awarded all available technical points. The scores for the other acceptable technical proposals will be determined by multiplying the available technical points by a fraction, the numerator of which is the number of technical points awarded the proposal by the Evaluation Team and the denominator of which is the number of technical points awarded by the Evaluation Team to the highest-ranked technical proposal. For example, if 600 technical points are available and the highest-ranked technical evaluation by the Evaluation Team is 500, this proposal will be awarded all 600 technical points. A technical proposal evaluated at 400 by the Evaluation Team will be awarded four-fifths, or 480, of the available 600 points.

The lowest-price technically acceptable proposal will be awarded all available price points. The price points awarded to other proposals will be determined by multiplying the available price points by a fraction, the numerator of which is the lowest-priced technically acceptable proposal and the denominator of which is the price of the proposal in question. For example, if 400 price points are available and the lowest-priced technically acceptable proposal is \$250,000, this proposal will be awarded all 400 price points. A technically acceptable proposal of \$300,000 will be awarded five-sixths ($\$250,000 \div \$300,000$), or 333, of the 400 points.

We will also evaluate the realism of your proposed cost/price and determine the total probable and all encompassing cost to us of your performance of the Agreement.

We may solicit information concerning your past performance and use it in our evaluation.

V EVALUATION OF OPTION AND OTHER COSTS

The Contractor shall have the option to purchase the services described in the attached document entitled *Option*.

It should be understood by the Financial Institution that the Contractor may not exercise any or all options that are not included in the base award. The award may be made by the Contractor for the initial quantity only. It is important that the foregoing be considered by the Financial Institution in preparing and submitting separate prices for the initial order quantity and for each individual option.

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Proposals will be evaluated for purposes of award by adding the total price for the option quantity to the total price for the initial quantity. Evaluation of the option will not obligate the Contractor to exercise the option.

For evaluation purposes, if you do not elect to perform the option services, we will add to your total proposed price the Contractor's estimated cost for performing these services in-house. If you elect to perform the option services and your proposed option price exceeds the Contractor's estimated cost for performing the services, we will adjust (lower) your option price to the Contractor's estimated cost for performing these services. [In this case, at the time of award, the Contractor will not exercise the option but will perform the option services itself.]

Any additional costs/charges proposed by the Financial Institution will also be added.

VI PROPOSAL FORMAT

A Part A – Technical Proposal

Your *Technical Proposal* shall be in the following format and shall not exceed 50 pages (double-spaced, 8½" x 11"), excluding the *Appendix*:

- 1 The proposal should be specific and complete and should demonstrate a thorough understanding of the requirements of the SOW and proposed Agreement.
- 2 **Authorized Representatives**
 - a. Identify the names, street addresses, telephone numbers, facsimile numbers, and e-mail addresses of persons authorized to act as your representatives.
 - b. The proposal must be signed by an official authorized to bind your organization and must be accompanied by a statement to the effect that the proposal is firm for a period of no less than 180 calendar days after the closing date for receipt of proposals.

3 **Organizational Experience/Approach**

Provide a brief description of your organization. Demonstrate your understanding of the SOW requirements including the payments-cleared financing arrangement. Discuss your proposed organizational approach for providing the services specified in the SOW.

For each requirement in the SOW (Bank Account Information and Requirements, In-house Check Generation, On Line Communication and Processing, Positive Pay, Stop-Payment Processing, Electronic File Transfer/EDI Services, Checks-Paid File, Testing Environment, Disaster Recovery, Account Reconciliation Services/Information Requirements, Check Imaging, Wire Transfers and Drafts, Depository and Cash Services, and Monthly Analysis Statement), provide a response that describes the following:

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1. Ability to perform the requirement
2. Procedural methods for performing the requirement
3. System Technology (availability and capabilities)
4. Cut-off requirements impacting the Contractor

In addition to providing the general information requested above for each requirement, ensure that your response includes adequate information to address the specific issues and/or questions below.

Bank Account Information and Requirements:

1. Describe any problems with timely processing of zero-balance accounts in order to meet the 5:45 p.m. Eastern time deadline with the U. S. Department of the Treasury (Treasury) (for same-day credit of the daily draw down).
2. Describe any problems with the intraday float to cover items presented pending reimbursement from the Treasury.
3. Do you use Federal Reserve Payor Services?
 - For first presentment?
 - For second presentment?
 - Does the information include rejected/damaged (low speed) items?

In-house check generation:

1. Describe any requirements or restrictions you place on customers that print their own paper checks on blank check stock.
2. Describe any special considerations for paper checks printed by the Contractor and presented to you on the same day since the positive pay file recording the issuance of the check will not be received by you until the day after the check has been issued.

Positive Pay:

1. Describe any problems and their solutions created by sending data for multiple accounts in one file.
2. Describe any problems and their solutions created by the need to process multiple files in one business day.
3. Describe any problems and solutions created by sending positive pay data for the previous day (e.g., a check is written 5/1/2005 and hand-carried to the vendor, who immediately presents it for payment to you. The positive pay record of the issue will not be sent to you until 5/2/2005).
4. Describe the processing schedule and any time constraints for positive pay on your system.
5. Describe how you will verify the completeness and accuracy of the data transfer.
6. Describe how you will resolve any questions regarding the completeness and accuracy of the data transfer.
7. Describe how and when non-matching items are resolved.

Stop-Payment Processing:

1. Describe any time constraints with issuing stop payments.

Electronic File Transfer/EDI (Electronic Data Interchange) Services

Cash Concentration or Disbursement (CCD)/Pre-Arranged Payments and Deposits (PPD) Payments:

1. Describe any problems and solutions created by sending data for CCD and PPD payments on the same account in one file.
2. Describe any problems and solutions created by sending data for CCD and PPD payments on multiple accounts in one file.
3. Describe any problems and solutions created by the need to process multiple CCD/PPD payment files per day.
4. Describe the processing schedule and any time constraints for having CCD/PPD files to you for processing.
5. Describe how you will verify the completeness and accuracy of the data transfer.
6. Describe how and when the Contractor is notified of returned items.
7. Describe how and when returned items are resolved.
8. Describe your requirements relating to issuing pre-notes prior to issuing payments.

Corporate Trade Exchange (CTX) Payments:

1. Describe the version of CTX translator you currently use.
2. Describe any problems and their solutions created by the need to process multiple CTX payment files per day.
3. Describe the processing schedule and any time constraints for having CTX files to you for processing.
4. Describe how you will verify the completeness and accuracy of the data transfer.
5. Describe how and when the Contractor is notified of returned items.
6. Describe how and when returned items are resolved.
7. Describe your requirements relating to issuing pre-notes prior to issuing payments.

Electronic File Transfer Methods:

1. Describe the minimum hardware platform requirements for the Contractor.
2. Describe the minimum software platform requirements for the Contractor.
3. Describe the security features of the transfer method.
4. How long have you used this transfer method?
5. Describe customer usage and reliability of this transfer method.
6. Describe the backup transfer method should the preferred method fail or be unavailable.

Checks-Paid File:

1. State your schedule of availability for providing the paid items files on the first workday of each month, by 7:00 a.m. Eastern time, for the previous month.

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Testing Environment:

1. Describe the provisions you have for a test environment as it relates to positive pay, Automated Clearing House (ACH) payments, CTX translation, and account reconciliation.
2. Describe the availability of this test environment.

Disaster Recovery:

1. Give an overview of your disaster recovery plan given the scenario where:
 - a. local branch becomes unavailable (i.e., in the event of fire, natural disaster, or other unanticipated event)
 - b. your on-line communication system(s) become unavailable for inquiry and/or processing needs
 - c. your main processing facility becomes unavailable.
2. If Contractor's file transfer capabilities became interrupted, would we be able to hand-carry a CD, containing any files due to be transferred, to your local branch to be input to your system?

Account Reconciliation Services/Information Requirements:

1. Describe your method and schedule of availability for providing bank statements on the first workday of each month, by 7:00 a.m. Eastern time, for the previous month.

Check Imaging:

1. Describe the types of paid check image processing available through you.
2. Describe the various methods of requesting/generating a printed image.
3. Describe the retention period(s) for paid check images.
4. Describe any hardware and/or software necessary to retrieve, review, and generate a print image of a paid check from the electronic file.
5. Describe CD-Rom imaging formats and accessibility requirements.

Wire Transfers and Drafts:

1. Describe the method for initiating domestic fedwires, international wires, and foreign-denominated paper drafts.
2. Provide your opening hours and the cut-off times for initiating wire transfers to ensure same-day credit.
3. Describe your process for approving and canceling wire transfers.
4. Describe your procedure and time frames for modifying outgoing wires.

Depository and Cash Services:

1. Are you an approved depository agency having an established depository agreement with the Treasury's Financial Management System (FMS)?
2. Do you have established access to *CashLink*?
3. Are you willing to perform the depository requirements outlined in the SOW without additional compensation through the resultant Agreement (acceptance of compensation in full through Treasury Agreement)?
4. Describe any requirements you may have related to depository services.

Data Mapping Plan (Optional Services):

Provide your proposed Data Mapping Plan.

(1) If you elect to propose on these optional services at no additional charge to the Contractor, discuss your proposed approach for mapping the data to a Contractor-designated file format. Identify any information that the Contractor must provide to you and the timeframe necessary for providing this information; or

(2) If you elect to propose on these optional services at an additional charge to the Contractor, provide your file format and discuss your proposed approach for mapping the data to a Contractor-designated file format. Identify any information that the Contractor must provide to you and the timeframe necessary for providing this information; or

(3) If you elect not to propose on these optional services, provide your file format and identify any additional information necessary for the Contractor to perform the data mapping.

Implementation Plan and Schedule:

Provide your proposed Implementation Plan and Schedule. At a minimum, identify detailed activities to be performed, start and finish dates for the activities, milestones, testing, and the proposed "go live" date.

OPTIONAL: You may provide any additional information that you deem necessary for the complete and accurate evaluation of your proposal.

4 Past Performance

Describe your experience in providing the services identified in the SOW. Describe your experience with the payments-cleared financing method.

Identify up to five clients for which you have provided similar services. Include client's name, address, point of contact (name and telephone number), and volume (average number of monthly transactions and dollar value).

5 Qualifications and Availability of Key Personnel

Describe the qualifications and experience of the proposed Key Personnel. Provide the names, physical locations, and contact information (mailing address, telephone number, fax number, and e-mail address) for the Key Personnel. At a minimum, Key Personnel shall include: (1) the person(s) who will serve as the Contractor's point of contact for the day-to-day activities to be performed and (2) the Project Manager(s) (member of Financial Institution's management) who will be responsible for the overall management and administration of the services to be performed and who possesses the authority to assign personnel, as appropriate, to ensure the successful performance of the services. Identify backups/alternates for each Key Person proposed.

Solicitation No. AGS-08
Page 10 of 11

Discuss how the Key Personnel as well as the backups/alternates will be made available to support the SOW requirements.

6 Bonus Point Criterion

Discuss your ability to allow the Contractor to remain on the cutting edge of technology in order to promote efficiencies, economies, and fraud risk reduction. Provide a brief description of services or changes currently in place, under development, or being considered.

7 Appendix

Provide current resumes for proposed Key Personnel.

B Part B –Business Proposal

Your *Business Proposal* shall be in the following format:

- 1 Executed and signed copy of the attached document entitled *Technical Representations and Certifications (Jul 2005)*.
- 2 Executed and signed copy of the attached document entitled *Schedule of Financial Institution Processing Charges*.
- 3 Executed and signed copy of the attached document entitled *Option*. If the Financial Institution is unwilling to perform this optional service, provide a statement to that effect.
- 4 A description of any additional fees, charges, transition costs, etc., to be charged the Contractor, their dollar value, and the frequency of their occurrence (one-time, monthly, per transaction, etc.). If no additional charges will be billed to the Contractor, provide a statement to that effect.
- 5 Any exceptions taken to the proposed Agreement, including the SOW. Failure to take exception will constitute acceptance.

VII AGREEMENT AWARD

We may award the Agreement without discussion of your proposal. Therefore, you should submit your proposal on the best technical and price terms that you can.

VIII PROPOSAL EXPENSES AND PRE-AWARD COSTS

This Solicitation does not commit us to pay for any costs incurred in the preparation and submission of a proposal or for any other costs incurred prior to the execution of an Agreement.

Solicitation No. AGS-08
Page 11 of 11

IX ACKNOWLEDGEMENT OF AMENDMENTS

If this Solicitation is amended, you must acknowledge receipt of the Amendments (by number and date) in your transmittal letter.

NOTE: Any and all Amendments will be posted on the Solicitation web site.

Sincerely,

Angela G. Shillings
Subcontract Administrator
Contracts

AGS/ags

Attachments:

1. Statement of Work dated July 20, 2005
2. Technical Representations and Certifications (Jul 2005)
3. Schedule of Financial Institution Processing Charges
4. Option
5. Draft Agreement
6. Listing of Acronyms
7. Contractor's File Layout Specifications

c: File – RC - AGS

SOLICITATION NO. AGS-08

STATEMENT OF WORK

July 20, 2005

General Requirements

Requirements include the establishment and maintenance of government fund demand deposit accounts and the accurate and timely processing of all banking services related to these accounts. Banking services that are required include, but are not limited to: zero balance accounts; controlled disbursement; positive pay; account reconciliation; Electronic Funds Transfer (ETF) including Automated Clearing House (ACH) and wires- domestic and foreign; Electronic Data Interchange (EDI); web-based inquiry and processing capabilities; miscellaneous services such as stop payments, cancels, issues and paid check imaging; and a variety of additional reporting and communication needs.

Bank Account Information and Requirements

Establish and maintain Government Fund Account (GFAs) for disbursement activities. At present, five government fund demand deposit accounts are utilized. UT-Battelle, LLC (Contractor), reserves the right to consolidate existing accounts or establish additional accounts as needed during the term of the Agreement. All accounts are established as zero balance accounts and are funded by the “payments cleared method of financing” as described in a subsequent section of this Statement of Work document. Descriptions of currently established disbursement accounts follow.

Master Account

Direct disbursements from this account are limited to all wire transfers and the ACH transmittals generated for payment of general liabilities. Additionally, this account is utilized to fund all other government fund accounts listed below. Under the payments-cleared method of financing, the Financial Institution will make a daily draw from the U.S. Department of the Treasury’s (Treasury) Automated Standard Application for Payments (ASAP) System which will be credited to this master account in order to bring all accounts, including this master account, back to a zero (\$0.00) balance. No paper check are issued from the master account

Note: The Financial Institution must be a Treasury-approved government deposit insurance organization as identified in ITFM6-9000. Accordingly, the Financial Institution shall post collateral with the Federal Reserve Bank (FRB), in an amount equal to the net balance of federal funds deposited into this master account, less the Treasury-approved deposit insurance.

Sub-Account – General Payables

Disbursements are limited to paper checks issued in satisfaction of general vendor account liabilities. This account is established as a positive pay, controlled disbursement account.

Sub-Account – Worker’s Compensation and General Liability

Disbursements are limited to paper checks issued in payment of liabilities under the Contractor's Worker's Compensation Self-Insurance plan. This account is established as a positive pay, controlled disbursement account. Special Note: Check payments for worker's compensation liabilities are issued by a third-party administrator; therefore, file transfers of issues will be presented to the Financial Institution by this party.

Sub-Account – Payroll Disbursements by Check

Disbursements are limited to paper checks issued in satisfaction of payroll liabilities. This account is established as a positive pay, controlled disbursement account.

Sub-Account – Payroll Disbursements by ACH

Disbursements are limited to ACH payments issued in satisfaction of payroll liabilities.

Special Note: Other than any credit(s) due to the receipt of a returned/rejected disbursement item(s), all sub-accounts receive only one credit (deposit) per day, resulting through funding from the master account for zero-balancing. As well, the master account receives only one credit per day, resulting from the daily ASAP draw. Any other credit(s) to the master account must be due to receipt of a returned/rejected disbursement issue(s). The "netting" of accounts by offsetting disbursements with deposit receipts, other than the ASAP draw, is not permitted.

See the "Depository and Cash Services" section of this Statement of Work for a more detailed explanation of general deposit requirements.

Payments- Cleared Method of Funding

As a Prime Contractor to the United States Department of Energy (DOE), the Contractor is wholly dedicated to the operation and management of the Oak Ridge National Laboratory (ORNL). As such, the Contractor receives full funding under the "payments cleared method of funding." The payments-cleared funding arrangement is a financing method utilized by the federal government for financing grants, contracts, and other programs and utilizes a payment system called the ASAP 1031 Account. In brief, this "on line" program is used by the Financial Institution to effect full reimbursement for all payments "paid" by the Financial Institution on behalf of the Contractor on a given day. Under this arrangement, the Contractor issues payments for program costs, utilizing controlled disbursement accounts as described above. The Financial Institution will honor the payments presented for collection without pre-funding of accounts. At the close of each business day, on an intraday basis, the Financial Institution will zero balance all sub-accounts with an offsetting charge to the master account to determine the total amount advanced during the day. The Financial Institution will then access the ASAP system, using software furnished by the Treasury's Financial Management Service (FMS), connecting it to the FRB of Richmond to advise Treasury of the amount advanced. The FRB will immediately manage a "draw" against DOE's authorized funds for same day. credit to the Financial Institution's reserve account at its FRB. Funds are provided by a repetitive Fed Wire. The daily draw should bring the Contractor's full chart of government account balances back to zero. To receive same

day credit, the payment request must be received by the FRB of Richmond by 5:45 p.m. Eastern time. The intraday cut-off time established must be sufficient to meet this deadline; however, it should be as late in the day as administratively possible in order to minimize the potential for overdrafts. The amount of the daily drawdown should be sufficient to maintain the account balance net positive and as close to zero as administratively possible. If the Financial Institution as a of excess drawdowns and fails to correct the problem after written notice from DOB, the Financial Institution will be assessed interest on all excess balances at the Federal Funds Rate for the month(s), and the Special Financial Institution Account Agreement will be terminated. Penalties will be remitted to the cognizant DOE finance office.

Normally, the Financial Institution's daily ASAP draw requirement ranges from \$1 Million to \$8 Million and averages approximately \$4 Million. However, at least once per month, upon issue of the monthly payroll, the draw requirement is approximately \$20 Million. The Financial Institution must have sufficient reserves to cover this intraday overdraft pending end of day settlement/reimbursement through the Treasury's ASAP system.

After award, the DOB finance office will provide the Financial Institution with enrollment forms that will permit withdrawal of funds from the ASAP 1031 account at the FRB of Richmond. The Financial Institution will complete the forms and return them to DOE for further processing.

In-house Check Generation

Accept and process paper checks generated in-house by the Contractor. The Contractor uses commercially available, blank check stock to generate its paper checks. Paper checks are printed in-house and distributed daily.

On Line Communication and Processing

Provide a secure, web-based communication and processing system(s) for check imaging display, wire transfer processing, stop payment processing and inquiry, and file transmissions (ACK, EDI, Positive Pay). Unique user identifications and passwords, along with specified authorizations, will be issued for individual personnel as requested by the Contractor.

Positive Pay

Provide positive pay for all controlled disbursement accounts (currently three accounts as described above). Check issues are processed each business day. An approximate average of 2,000 checks are issued each month from the combined controlled disbursement accounts. The Contractor defines the positive pay function as follows: Each business day, the Contractor sends to the Financial Institution, an electronic file containing data representing checks issued or voided on the previous business day. For each controlled disbursement account, file data includes account number, check serial number, and respective amounts. The Financial Institution will provide a web-based product to facilitate transmission of respective files. The check issue and void information will be used by the Financial Institution to create and maintain an outstanding check file. Newly issued checks are accumulated into the outstanding check file. Voided checks are removed from the outstanding check file. As checks are presented to the Financial Institution, the Financial Institution compares the encoded check information to the

outstanding check file. Matching items are considered to be approved for payment and removed from the outstanding check file. Non-matching items are reviewed by the Financial Institution for encoding errors. Encoding errors are corrected by the Financial Institution, and the check is removed from the outstanding check file. Non-matching items not resulting from encoding errors are referred to the Contractor's Treasury Services personnel for resolution. The purpose of this function is to allow the Contractor sufficient time to return any unauthorized payments within 48 hours as provided by the Uniform Commercial Code. In addition to the mechanism for daily file processing for positive pay as described above, the Contractor requires web-based processing capabilities for transmission of manual issues and voids.

Stop-Payment Processing

Provide stop payment capability. Stop payment orders will be placed by the Contractor via the web-based communication and processing system provided by the Financial Institution. Stop payments shall not be labeled or treated as cancellations or voids on the bank reports or on the check inquiry system. Rather, the stop payment items should be clearly identified as such.

Electronic Files Transfer/ EDI Services

Submit Cash Concentration or Disbursement (CCD) and Pre-arranged Payments and Deposits (PPD) formatted payment files to the ACH on a daily basis. The Contractor creates National Automated Clearing House Association (NACHA) compliant CCD and PPD payment files on a daily basis. These files are transferred electronically to the Financial Institution who submits those files on the Contractor's behalf to the ACH.

Translate a payment file from a proprietary format into Corporate Trade Exchange (CTX) format and submit the file to the ACH on a daily basis. The Contractor creates an electronic file in a proprietary format to pay vendors requesting CTX payments via the ACH. These files are transferred to the Financial Institution who reads the file and translates it to a NACHA compliant CTX format and submits the file on the Contractor's behalf to the ACH.

As stated above, all file transfers to and from the Financial Institution will be executed via a secure, web-based platform provided by the Financial Institution.

Checks-Paid File

Provide paid item files, electronically, for each controlled disbursement account, no later than 7:00 a.m. on the first work day of each calendar month following the close of business for the previous month. To accommodate the Contractor's fiscal year end deadlines with DOE, the checks paid file for September business will be needed by 7:00 a.m. on the first calendar day subsequent to the Contractor's last working day in September, whether or not this falls on a work day. Provide individual files for each controlled disbursement account

Testing Environment

Provide a test environment for file transfer transactions during implementation and on an on-going basis. During implementation and in the event program changes are made to the

Contractor's software, system testing is desirable to the point that data files are passed to and reviewed by the Financial Institution.

Provide Magnetic Ink Character Recognition (MICR) document and image quality control services for testing of paper checks as requested by the Contractor on an as- needed basis.

Disaster Recover

Sufficient disaster recovery plans must be in place to insure uninterrupted service to the Contractor's payees.

Account Reconciliation Services/ Information Requirements

Provide, by fax or on-line access, monthly bank statements for all accounts no later than 7:00 a.m. on the first work day of each calendar month following close of business for the previous month. To accommodate the Contractor's fiscal year end deadlines with DOE, statements for the September business will be needed by 7:00 a.m. on the first calendar day subsequent to the Contractor's last working day in September, whether or not this falls on a work day. Official hard copies of the statements should follow in the U.S. mail.

Provide both full and partial reconciliation reports/services for all disbursement accounts. Provide web accessible reports, on a daily basis, providing the following information for all accounts: summary funding and reconciliation totals of daily account activity; daily and cumulative listing of un-matched checks; stop payments placed, revoked, or rejected; cancels/voids or corrected paid items; and same day and previous day balance reporting.

Check Imaging

Provide real-time, on-line access to paid item images via a web-based product. In addition, file(s) of the paid check images shall be routinely provided to the Contractor on CD-Rom.

Wire Transfers and Drafts

Foreign Drafts

Provide Contractor with in-house method for foreign denominated paper draft preparation and printing.

Wires

Contractor makes extensive use of Domestic FedWire transactions and foreign wire transactions using Society for Worldwide Interbank Financial Telecommunications (SWIFT). Financial Institution will provide on-line service for initiating wire transfers. Also, an alternative (manual) method must be available for processing wire transfers in the event of system problems. Contractor requires capabilities for making international wire transfers in U.S. and/or foreign currency denominations. Provide capability for transacting international wires through correspondent U.S. banks and wire transactions going through multiple foreign banks. Provide

same-day clearing of all wire transfers transacted in U.S. currency. Provide real-time foreign exchange rates.

Depository and Cash Services

Depository Services

As described earlier, no deposits are made to any of the government fund accounts with the single exception of the daily draw through **ASAP**. Any deposits made by the Contractor on behalf of DOB must be credited to the Financial Institution's Treasury General Depository Account. All of the deposits are credited and reported daily on the Treasury's *Cashlink* Federal Deposit Reporting System. This system arranges for "same day" sweep of these accounts to the Federal Reserve for credit to the Treasury. Compensation for collection float is paid by the Treasury directly to the Financial Institution as a part of the Financial Institution's agency agreement with the Treasury. Therefore, in order to qualify to perform the services in this proposal, the Financial Institution must have entered into a separate agreement with Treasury's PMS, qualifying as a collection agency.

Although most collections for DOE are directed through a Treasury lockbox system (which is not part of this procurement), the Contractor does receive some direct mail and over-the-counter receipts that must be deposited regularly. As described in the paragraph above, these deposits must be credited to the Treasury General Account rather than to the OFA accounts for the Contractor. The current operating procedure calls for the Contractor to make separate deposits to a commercial clearing account which is part of the Financial Institution's sweep system. This account is subjected to electronic analysis to determine number of items deposited and, using American Bank 's Association (ABA) Routing & T1-ansit designations, establishes assigned float that is then incorporated into the Financial Institution's periodic billing to the Treasury's FMS. The Financial Institution is fully compensated for these services by the Treasury through the FMS billing. Therefore, there should not be any analysis charge assessed for these services under this procurement.

In summary of the above, the Financial Institution must be an "approved" depository agency having an established depository agreement with the Treasury's FMS. The Financial Institution must have access to *Cash/ink* and be willing to accept the Treasury's compensation for deposit and processing and float cost as full payment for depository services rendered. Further, the Contractor requires that returned deposit items, other than "no account," "account closed," or "payment stopped." shall be resubmitted one time before being charged back against the Treasury General Account.

Deposit Verification

The Financial Institution must provide for deposit verification and return of validated deposit receipts to the Contractor.

Change Order Services

The Contractor has limited change order requirements in support of miscellaneous employee services. On a weekly basis and based on a pre-determined schedule, the Financial Institution will provide a change order of cash funds as requested by Contractor.

Monthly Analysis Statement

The Financial Institution will provide the Contractor with an account analysis monthly. The account analysis will include the data necessary for the Contractor and/or the DOE finance office to determine that the costs of the services are commensurate with the level of compensation being provided to the Financial Institution, and that the average daily demand account balance is being maintained net positive and as close to zero as administratively possible.

Data mapping Services- OPTIONAL

Provide data mapping services to convert all input and output data in accordance with specifications as set by the Contractor. Reference the attached document entitled *Contractor's File Layout Specifications*.

SOLICITATION NO. AGS-8
TECHNICAL REPRESENTATIONS AND CERTIFICATIONS (Jul 2005)

The Financial Institution makes the following technical representations and certifications as part of Its offer to provide service under a payments-cleared financing arrangement. (Check parentheses and complete blanks, as appropriate; All information is necessary.)

1. **Financial Institution Fiscal Information**

- a. The Financial Institution is a () national chartered financial institution () state chartered financial institution organized and existing In the State of _____.
- b. The Financial Institution () maintains () does not maintain an account with a Federal Reserve Bank.
- c. The current () Federal () State time deposit reserve requirement for the Financial Institution is ____%.
- d. The Financial Institution () insures () does not insure each time account for \$100,000 under federally approved deposit Insurance. Deposits () are () are not Insured by a Government deposit insurance organization approved by the Department of the Treasury. Explain negative responses, If any, below.
- e. The Financial Institution () has () does not have direct on-line access to the Federal Reserve Communication System (FRCS). Explain negative response, If any, below.
- f. To receive same-day credit from the Federal Reserve, the Financial Institution can ascertain the amount of payments cleared net of the amount of any deposits and submit a payment- request through the FRCS by ___ p.m. Eastern time.

2. **Minority Business Enterprises**

- a. The Financial Institution () operates () does not operate as a minority-owned business enterprise with at least 50 percent ownership by minority group members. (For present purposes, minority group members are Asian Pacific Americans, Black Americans, Hispanic Americans, Indian Tribe, Native Hawaiian Organization, Native American, and Subcontinent Asian American).
- b. The Financial Institution () operates () does not operate as a woman-owned business enterprise with at least 50 percent ownership by women members.

3. **Technical**

- a. Does the Financial Institution currently service and reconcile an account with a payment volume equal to or exceeding the anticipated volume required by the Contractor as stated in the *Schedule of Financial Institution Processing Charges*?

Service: () Yes () No

Reconciliation: () Yes () No

b. What is the highest number of payments serviced and reconciled for a single account?

Service: _____

Reconciliation: _____

TYPED NAME

SIGNATURE

NAME OF FINANCIAL INSTITUTION

DATE

CORPORATE SEAL

SOLICITATION NO. AGS-08 OPTION

The Contractor shall have the option to purchase the services described below:

Option No.: 1
Description: Map data to Contractor-designated file formats
Total Price: \$_____

Completion Date: To be completed within 60 calendar days from date of Option exercise

In the event the Contractor does not exercise the above option at the time of award of the Special Financial Institution Account Agreement for Use with the Payments Cleared Financing Arrangement, or any other date mutually agreed to, the Financial Institution shall be relieved of its obligation to perform these services.

TYPED NAME

SIGNATURE

NAME OF FINANCIAL INSTITUTION

DATE

CORPORATE SEAL

Solicitation NO. AGS-08
DRAFT SPECIAL FINANCIAL INSTITUTION ACCOUNT AGREEMENT FOR USE
WITH THE PAYMENTS-CLEARED FINANCING ARRANGEMENT

Agreement entered into this _____ day of _____, _____, between the **UNITED STATES OF AMERICA**, represented by the Department of Energy (DOE), and **UT-BATTELLE, LLC**, a limited liability company organized and existing under the laws of the State of Tennessee (Contractor). And _____ a financial institution corporation existing under the laws of the State of _____, located at _____ (Financial Institution).

RECITALS

- (a) On the effective date of April 12, 1999, DOE and the Contractor entered into Agreement No. DE-AC05-00OR22725, or a Supplemental Agreement(s) thereto, providing for the transfer of funds on a payments-cleared basis.
- (b) DOE requires that amounts advanced to the Contractor thereunder be deposited in a special demand deposit account at a financial institution covered by the Department of the Treasury-approved Government deposit insurance organizations that are identified in I TFM 6-9000 (see Fig. IX-10).

These special demand deposits must be kept separate from the Contractor's general or other funds, and the parties are agreeable to so depositing said amounts with the Financial Institution.

- (c) The special demand deposit account shall be designated UT-Battelle, LLC, [account title] Account.

COVENANTS

In consideration of the foregoing, and for other good and valuable considerations, It Is agreed that:

- (1) The Government shall have title to the credit balance in said account to secure the repayment of all advance payments made to the Contractor, and said title shall be superior to any lien, title, or claim of the Financial Institution with respect to such accounts.
- (2) The Financial Institution shall be bound by the provisions of said Agreement(s) between DOE and the Contractor relating to the deposit and withdrawal of funds in the above special demand deposit account, which are hereby Incorporated Into this Agreement by reference, but the Financial Institution shall not be responsible for the application of funds withdrawn from said account. After receipt by the Financial Institution of directions from the Contractor, on behalf of DOE, the Financial Institution shall act thereon and shall be under no liability to any party hereto for any action taken in

accordance with the said written directions. Any written directions received by the Financial Institution from the Contractor acting on behalf of DOE and purporting to be signed by, or signed at the written direction of, the Contractor may, Insofar as the rights, duties, and liabilities of the Financial Institution are concerned, be considered as having been properly Issued and filed with the Financial Institution by the Contractor.

- (3) DOE, or its authorized representatives, shall have access to financial records maintained by the Financial Institution with respect to such special demand deposit account at all reasonable times and for all reasonable purposes, including, but without limitation to, the Inspection or copying of such financial records and any or all memoranda, checks, payment requests, correspondence, or documents pertaining thereto. Such financial records shall be preserved by the Financial Institution for a period of six years after the final payment under the Agreement.
- (4) In the event of the service of any writ of attachment, levy of execution, or commencement of garnishment proceedings with respect to the special demand deposit account, the Financial Institution shall promptly notify DOE at:

U.S. Department of Energy
Oak Ridge Operations Office
Post Office Box 2001
Oak Ridge, Tennessee 37831-8759 Fax: (865) 241--2549

- (5) DOE shall authorize funds (In the form of a Letter of Credit) that are Irrevocable to the extent that obligations have been incurred in good faith thereunder by the Contractor to the Financial Institution for the benefit of the special demand deposit account. The Financial Institution agrees to honor upon presentation for payment all payments issued by the Contractor and to restrict Automated Standard Application for Payments (ASAP) withdrawals against the funds authorized to an amount sufficient to maintain the average dally balance in the special demand deposit account in a net positive and as close to zero as administratively possible.

If documentation furnished by the Financial Institution demonstrates that this withdrawal procedure would be Inequitable to DOE or to the Financial Institution, Covenant 5 may be modified upon agreement of all parties concerned. The Financial Institution shall comply with the provisions contained in I TFM 6-2000, which states that payment vouchers (TFS form 5805) ordinarily should not be drawn more frequently than dally or for amounts less than \$5,000 and In no case should they be drawn for more than \$50,000,000 unless otherwise stated in the Letter of Credit. In the event that the balance remaining in the Letter of Credit limitation is not sufficient to cover the checks presented, the Department of the Treasury will, at the specific authorization of DOE, instruct the Federal Reserve Bank to immediately wire a transfer of funds from the Department of the Treasury account to the Financial Institution's account, for the benefit of the Contractor's special demand deposit account, in an amount sufficient to cover the check presented in excess of the available Letter of Credit balance.

The Financial Institution agrees to service the account in this manner based on the requirements and specifications contained in the Contractor's Solicitation No. ____ dated _____. The Financial Institution agrees that per-item costs detailed in the form *Schedule of Financial Institution Processing Charges* and contained in the Financial Institution's proposal dated _____ will remain constant during the term of this Agreement. The Financial Institution shall calculate the monthly fees based on services rendered and Invoice the Contractor. The Contractor shall issue a check or automated clearing house authorization transfer to the Financial Institution in payment thereof.

- (6) The Financial Institution shall post collateral, acceptable under Title 31 CFR 202/Treasury Financial Manual Part 6, Chapter 9000, with the Federal Reserve Bank In an amount equal to the net balances in all of the accounts Included In this Agreement, less the Department of the Treasury-approved deposit Insurance.
- (7) This Agreement, with all Its provisions and covenants, shall be in effect for a term of five Years beginning on the ____ day of _____, _____, and ending on the ____ day of _____, _____.
- (8) DOE, the Contractor, or the Financial Institution may terminate this Agreement at any time within the Agreement period upon submitting written notification to the other parties 90 days prior to the desired termination date. The specific provisions for operating the account during this 90-day period are contained in Covenant 11.
- (9) DOE or the Contractor may terminate this Agreement at any time upon 30 days written notice to the Financial Institution If DOE or the Contractor, or both parties, find that the Financial Institution has failed to substantially perform Its obligations under this Agreement or that the Financial Institution is performing Its obligations in a manner that precludes administering the program In an effective and efficient manner or that precludes the effective utilization of the Government's cash resources.
- (10) Notwithstanding the provisions of Covenants 8 and 9, In the event that the Agreement, referenced In Recital (a), between DOE' and the Contractor Is not renewed or Is terminated, this Agreement between DOE, the Contractor, and the Financial Institution shall be terminated automatically upon the delivery of written notice to the Financial Institution.
- (11) In the event of termination, the Financial Institution agrees to retain the Contractor's special demand deposit account for an additional 90-day period to clear outstanding payment items. During this 90-day period, DOE shall place on deposit In that account sufficient funds to cover all outstanding checks presented for payment.

During the 90-day period, it is further understood that

- (a) The Financial Institution shall maintain collateral In an amount sufficient to collateralize the highest balance in the account, less Federal Deposit Insurance Corporation (FDIC) coverage on the accounts, and that no cost of such collateralization shall accrue to the Contractor or DOE.

- (b) All service charges shall be consistent with the amounts reflected in this Agreement as identified In *Schedule of Financial Institution Processing Charges*.
- (c) No charge will be made for any FDIC or other depository Insurance assessed.
- (d) All terms and conditions of the Financial Institution's proposal dated _____, which are not Inconsistent with this 90-day additional term shall remain in effect.
- (e) This Agreement shall continue in effect, with exception of the following:
 - 1. Letter of Credit (Covenant 5)
 - 2. The term of this Agreement. (Covenant 7)
 - 3. Termination of Agreement (Covenants 8 and 9)

(12)Administration of this Agreement may be transferred, in whole or In part, to DOE or Its designee(s) and to the extent of such transfer and notice thereof to the -Financial Institution, the Contractor shall have not further responsibilities hereunder.

The Financial Institution has submitted the forms entitled *Technical Representations and Certifications (Jul 2005)*, *Schedule of Financial Institution Processing Charges*, and *Option*. These forms have been accepted by the Contractor and DOE and are Incorporated herein with the document entitled *statement of Work dated July 20, 2005*, as an Integral part of this Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

**THE UNITED STATES OF AMERICA
U.S. DEPARTMENT OF ENERGY**

BY: _____

DATE: _____

UT-BATTELLE, LLC

BY: _____

DATE: _____

[TO BE DETERMINED]

BY: _____

DATE: _____

NOTE - The Contractor, if a corporation, shall cause the following Certificate to be executed under its corporate seal, provided that the same officer shall not execute both the Agreement and the Certificate.

CERTIFICATE

I, _____, certify that I am the _____ of the corporation named as Contractor herein; that _____, who signed this Agreement on behalf of the Contractor, was then _____ of said corporation; and that said Agreement was duly signed for and In behalf of said corporation by authority of its governing body and Is within the scope of Its corporate powers.

(Corporate Seal) (Signature)

NOTE- The Financial Institution, if a corporation, shall cause the following Certificate to be executed under Its corporate seal, provided that the same officer shall not execute both the Agreement and the Certificate.

CERTIFICATE

I, _____, certify that I am the _____ of the corporation named as Financial Institution herein; that _____, who signed this Agreement on behalf of the Financial Institution, was then _____ of said corporation; and that said Agreement was duly signed for and in behalf of said corporation by authority of Its governing body and Is within the scope of Its corporate powers.

(Corporate Seal) (Signature)

SOLICITATION NO. AGS-08
LISTING OF ACRONYMS

ABA	American Banker's Association
ACH	Automated Clearing House
ASAP	Automated Standard Application for Payments
CCD	Cash Concentration or Disbursement
Contractor	UT-Battelle, LLC
CTX	Corporate Trade Exchange
DOE	United States Department of Energy
EDI	Electronic Data Interchange
EFT	Electronic Funds Transfer
FDIC	Federal Deposit Insurance Corporation
FMS	Financial Management Service
FRB	Federal Reserve Bank
FRCS	Federal Reserve Communication System
GFA	Government Fund Account
MICR	Magnetic Ink Character Recognition
NACHA	National Automated Clearing House Association
ORNL	Oak Ridge National Laboratory
PPD	Pre-Arranged Payments and Deposits
SOW	Statement of Work
SWIFT	Society for Worldwide Interbank Financial Telecommunications
Treasury	United States Department of the Treasury



Solicitation No. AGS-08
Closing Date October 26, 2005

Part A - Technical Proposal

Oak Ridge National Laboratory
ATTN: Ms. Kathy Collins
P.O. Box 2008
Bldg. 1060COM, MS 6293
Oak Ridge, TN 37831

Bob L. Wrather
Senior Vice President
SunTrust Bank, Inc.
7610 Gleason Drive
Knoxville, TN 37919



SunTrust Bank, Inc.
7610 Gleason Drive
Knoxville, TN 37919
Tel (865) 692-6937
Fax (865) 692-6943

Bob L. Wrather
Senior Vice President
bob.wrather@suntrust.com



October 26, 2005

Ms. Kathy Collins
Oak Ridge National Laboratory
P.O. Box 2008
Bldg. 1060COM, MS 6293
Oak Ridge, TN 37831

Dear Ms. Collins:

SunTrust Bank appreciates the opportunity to present the enclosed banking services proposal in response to your Solicitation No. AGS-08 dated September 22, 2005, including Amendment No. 1 dated October 4, 2005 and Amendment No. 2 dated October 18, 2005, which changes the closing date to October 26, 2005. The services and prices quoted within will remain valid for 180 calendar days subsequent to the closing date of October 26, 2005, and thereafter in accordance with any resulting contract between SunTrust Bank, Inc. and UT-Battelle, LLC.

SunTrust Bank, Inc. is our complete and legal name and our Federal Employer Identification Number (EIN) is 58-0466330.

SunTrust Bank, Inc. meets the following criteria:

1. Possess positive pay service capabilities for controlled disbursement accounts.
2. Possess direct on-line access to the Federal Reserve Communication System (FRCS) to make on-line request for funds.
3. Maintain an account with the Federal Reserve Bank (FRB).
4. Accept all National Automated Clearing House Association (NACHA) Operating Rules and Procedures.
5. Capable of providing foreign denomination drafts and completing foreign denomination transactions using Society for Worldwide Interbank Financial Telecommunications (SWIFT).
6. Able to provide, at no cost, the appropriate deposit insurance and post collateral in accordance with Department of Treasury regulations governing securing of Government accounts.

7. Able to provide electronic transmission of paid check detail for all accounts on a monthly basis and no later than 7:00 a.m. on the first workday of the calendar month following the close of business for the previous month.

8. Able to provide monthly bank statements no later than 7:00 a.m. on the first workday of the calendar month following the close of business for the previous month.

SunTrust Bank, Inc. currently is providing banking services for UT-Battelle, LLC and meeting all necessary criteria.

Please show me as the contact person regarding this proposal. I am an official of SunTrust Bank, Inc. and am authorized to bind my organization in this contract.

Sincerely,

Bob L. Wrather
Senior Vice President
SunTrust Bank, Inc.
7610 Gleason Drive
Knoxville, TN 37919
Phone: 865-692-6937
Fax: 865-692-6943
E-mail: bob.wrather@suntrust.com

SunTrust Bank, Inc.

7610 Gleason Drive
Knoxville, TN 37919

Tel (865) 692-6937

Fax (865) 692-6943

Bob L. Wrather
Senior Vice President

bob.wrather@suntrust.com

SunTrust

October 26, 2005 Ms. Kathy Collins
Oak Ridge National Laboratory
P.O. Box 2008
Bldg. 1060CO MS 6293
Oak Ridge, TN 37831

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SunTrust Bank appreciates the opportunity to present the enclosed banking services proposal in response to your Solicitation No. AGS-08 dated September 22, 2005, including Amendment No. 1 dated October 4, 2005 and Amendment No. 2 dated October 18, 2005, which changes the closing date to October 26, 2005. The services and prices quoted within will remain valid for 180 calendar days subsequent to the closing date of October 26, 2005, and thereafter in accordance with any resulting contract between SunTrust Bank, Inc. and UT-Battelle, LLC.

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Sincerely,

Bob L. Wrather
Senior Vice President
SunTrust Bank, Inc.
7610 Gleason Drive
Knoxville, TN 37919
Phone: 86S-692-6937
Fax: 86S-692-6943
E-mail: bob.wrather@suntrust.com

UT-Battelle, LLC Proposal
Solicitation No. AGS-08 Closing
Date October 26, 2005
Amendment No. 1 Dated October 4, 2005
Amendment No. 2 Dated October 18, 2005
Part A - Technical Proposal

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2. Authorized Representatives

- a. Identify the names, street addresses, telephone numbers, facsimile numbers, and e-mail addresses of persons authorized to act as your representatives.

Relationship Manager

BobWrather

Senior Vice

President Phone:

(865) 692-6937

Fax: (865) 692-6943

Email: bob.wrather@suntrust.com

Bob L. Wrather, Senior Vice President, is a life long resident of the Knoxville area, having grown up in Lenoir City. He has lived in Knoxville for over 35 years and he has been in the banking business for 31 years, 23 of those years with SunTrust. The majority of his career has been with the Commercial/Corporate Banking Division which he managed for several years. He serves as the Specialist for SunTrust's Government and Institutional Division. He has also served as the Regional President for our Loudon County Bank. He attended Middle Tennessee State University and the University of Tennessee and is also a graduate of The Graduate School of Banking of the South (Louisiana State University).

Treasury Management

Officer Mona H. Parsons

First Vice

President Phone:

(865) 692-6903

Fax: (865) 692-6904

Email: mona.parsons@suntrust.com

Mona Parsons, First Vice President, is a Treasury Management Officer in SunTrust's Treasury Management Department. Mona has 34 years of banking experience, 22 of those years with SunTrust.

She began her career at SunTrust Bank in 1984. Prior to joining Treasury Management Services, she was Manager of the Merchant Services Division. She worked with the Governmental/Institutional Banking Division in her role as Manager of SunTrust Merchant Services. For several years prior, Ms. Parsons has held positions with various sales responsibilities. She attended Southside Junior College as well as The University of Tennessee.

Client Service Representatives

Barbara Mahaffey

Phone: (865) 692-6965

Fax: (865) 692-6904

Email: barbara.mahaffey@suntrust.com

Vonda Sparks

Administrative Assistant

Phone; (865) 692-6952

Fax: (865) 692-6904

Email: vonda.sparks@suntrust.com

Barbara and Vonda each have over 20 years of service with SunTrust. They have excellent working knowledge of treasury management operations and deliver a high level of client service to our Treasury Management clients.

The Client Services Department is part of the East Tennessee Treasury Management Team.

Your Client Service Representatives work to ensure that you receive high quality customer service and that our services meet your expectations.

- b. The proposal must be signed-by an official authorized to bind your organization and must be accompanied by a statement to the effect that the proposal is firm for a period of no less than 180 calendar days after the closing date for receipt of proposals.

This proposal for Solicitation NO. AGS-08 (UT-Battelle, LLC) is firm for a period of no less than 180 calendar days after the closing date (October 26, 2005).

3. Organizational Experience/Approach

Provide a brief description of your organization. Demonstrate your understanding of the SOW requirements including the payments-cleared financing arrangement. Discuss your proposed organizational approach for providing the services specified in the SOW.

Our mission is to help people and institutions prosper. We focus on partnerships with our clients and commit to developing an in-depth understanding of their business and industries. SunTrust backs its relationships with nearly two centuries of commitment, leadership and trust. Superior financial strength, paired with ongoing income and earnings momentum, ensures that SunTrust can commit capital - regardless of market conditions.

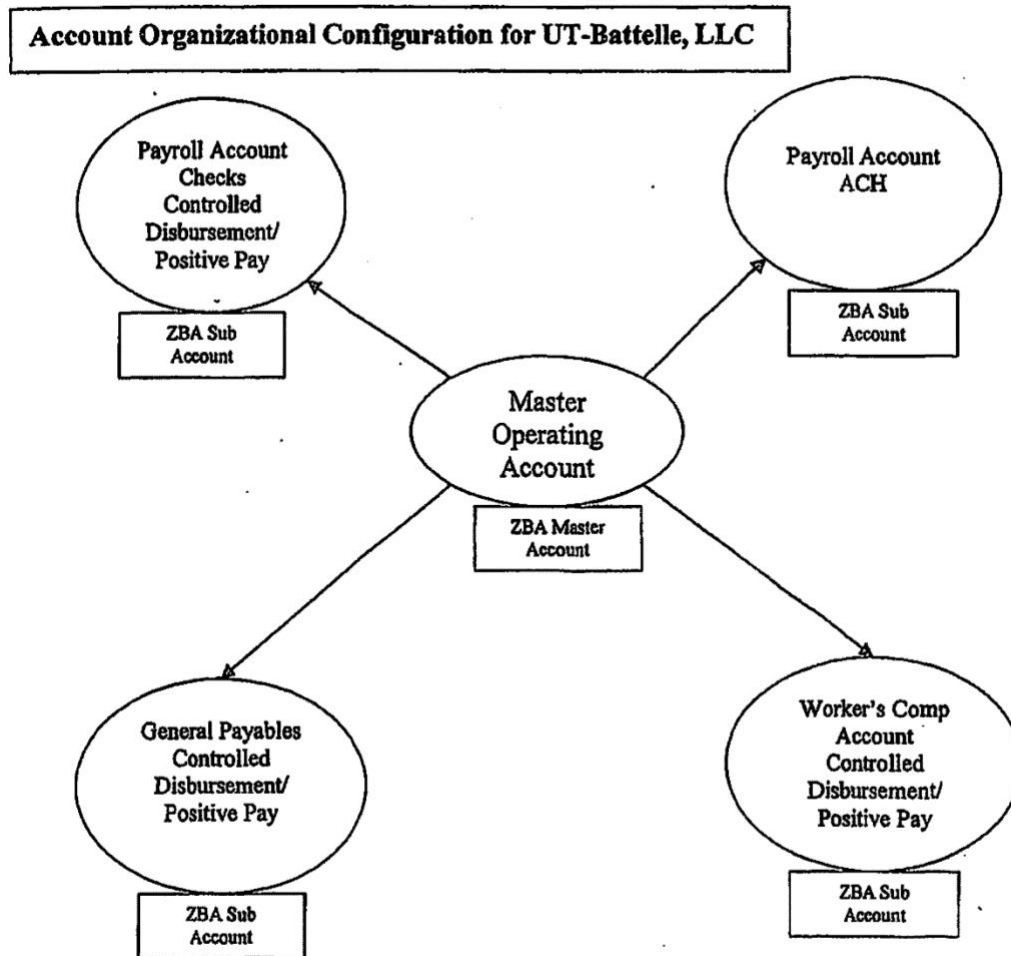
- Assets totaling \$169 billion as of 6/30/05
- Debt **Ratings** of Aa2 (Moody's)/ AA- (Standard & Poor's)
- Equity Market Capitalization over \$26 billion as of 6/30/05
- Ranked seventh on the Top Ten Banks in America list (by asset size)

SunTrust understands the SOW requirements including the payments-cleared financing arrangement. SunTrust is currently meeting all of the requirements of the SOW for UT

Battelle. SunTrust currently utilizes the payments-cleared financing arrangement with UT Battelle.

SunTrust is a treasury-approved government deposit insurance organization as identified in ITFM 6-9000. Accordingly, SunTrust posts collateral with the Federal Reserve Bank in an amount equal to the net balance of federal funds deposited into UT Battelle's master account, less the treasury-approved deposit insurance.

SunTrust is an approved depository agency having an established depository agreement with the Treasury Financial Management System (FMS). SunTrust has established access to Cash Link.



Bank Account Information and Requirements:

1. Describe any problems with timely processing of zero-balance accounts in order to meet the 5:45 p.m. Eastern Time deadline with the U.S. Department of the Treasury (Treasury) (for same-day credit of the daily draw down).

SunTrust has no problem with timely processing of zero-balance accounts in order to meet the 5:45 Eastern Times deadline with the U.S. Department of the Treasury.

SunTrust is currently performing this service for UT-Battelle.

2. Describe any problems with the intraday float to cover items presented pending reimbursement from the Treasury.

SunTrust has no problems with the intraday float to cover items presented pending reimbursement from the Treasury.

3. Do you use Federal Reserve Payor Services? **Yes, SunTrust uses Federal Reserve Payor Services.**
 - For first presentment? **Yes, for first presentment.**
 - For second presentment? **Yes, for second presentment.**
 - Does the information include rejected/damaged Low speed) items? **Yes, the information does include rejected/damaged (low speed) items.**

In-house check generation:

1. Describe any requirements or restrictions you place on customers that print their own paper checks on blank check stock.

Your company's checks provide the fundamental information needed to administer ARP services. Check information is captured electronically by use of magnetic ink character recognition (MICR) encoding on the check. Therefore, your company's careful attention to the MICR quality on your checks is extremely important.

If your company orders checks independently of SunTrust, a reliable printer is necessary. In this case, it is imperative that the stock be tested prior to use in order to safeguard against processing delays and rejected item fees.

The SunTrust check testing process can detect poor quality printing and avoid costly reprinting and service delays. At least one month prior to each new order of checks, please follow the check testing procedures outlined below:

1. Request your company's check vendor to produce a sample of fifteen (15) checks for SunTrust to test. This step should be completed prior to producing an entire check order.
2. Prepare the sample checks for testing by writing or stamping "VOID" on the face of each check and separating the checks from stubs or copies.
3. Forward the sample checks to your company's assigned Treasury Management Implementation Professional or Client Services Representative_ at SunTrust.
4. SunTrust will run your sample checks and deposit tickets through its processing equipment to ensure that the MICR line is readable and all specifications have been satisfied.
5. SunTrust will notify your company of the check and deposit ticket testing results expeditiously. You must receive confirmation that testing was successful prior to using new check or deposit ticket stock.
6. Remember to schedule enough lead-time when reordering checks or deposit tickets to allow for testing and possible reprinting in the event of a test failure.
7. The testing process (Steps 1-5) must be repeated each time you re-order new checks or deposit tickets.

2. Describe any special considerations for paper checks printed by the Contractor and presented to you on the same day since the positive pay file recording the issuance of the check will not be received by you until the day after the check has been issued.

Enter manual checks issued between check cycles and void requests into Online Treasury Manager by 5:00 p.m. eastern time on the same day checks are issued or void requests are made in order to avoid unnecessary exceptions (e.g. Paid-No-Issue).

Online Communication and Processing

Online Treasury Manager is an Internet-based cash management system designed to offer our clients balance reporting (previous day and same day information including account balances, summary level and detailed transactions), electronic report delivery, ACH initiation, wire transfer initiation, same day ACH book transfers, positive pay capabilities and stop payment services. And now, with the installation of a back-office image archive system, Online Treasury Manager can provide online images of many transactions, right from your activity reports.

Through Online Treasury Manager, a client is able to connect to SunTrust from any PC using a standard Web browser, 24 hours a day, seven days a week. By connecting through the Internet, there is no software to install and no upgrades to load. SunTrust provides multiple levels of security, from firewalls to passwords and encryption, to safeguard your company's financial information. In addition, we've given you the ability to control who in your company can access information, as well as who can initiate and approve transactions. You get easy access and the controls you need.

Positive Pay:

The SunTrust Positive Pay service provides a next-day fraud prevention service that matches posted items to your issue records. You will be notified of any exceptions (items that do not match your issue records) and must provide payment decisions (pay or return) by the processing

deadline later that same day. Reverse Positive Pay offers a fraud protection service that allows *you* to perform the matching of posted items against outstanding issue records, rather than the bank. Using this option, your company representative notifies SunTrust of any checks to be returned by the processing deadline.

1. Describe any problems and their solutions created by sending data for multiple accounts in one file.

There are no problems created for SunTrust by sending data for multiple accounts in one file.

2. Describe any problems and their solutions created by the need to process multiple files in one business day.

Processing multiple files per day does not create any problems for SunTrust as long as they are scheduled in a way to avoid one file overlaying another. This usually requires no more than a 15 minute delay between files.

Transmit your check issue information to SunTrust no later than 11:00 p.m. eastern time on the day checks are issued according to your check cycle.

3. Describe any problems and solutions created by sending positive pay data for the previous day (e.g., a check is written 5/1/2005 and hand carried to the vendor, who immediately presents it for payment to you. The positive pay record of the issue will not be sent to you until 5/2/2005).

Enter manual checks issued between check cycles and void requests into Online Treasury Manager by 5:00 p.m. eastern time on the same day checks are issued or void requests are made in order to avoid unnecessary exceptions (e.g. Paid-No-Issue). SunTrust has the capabilities to enter a pop-up message on our teller system to alert the teller of any contact information in regard to paying checks not yet on an issue file.

4. Describe the processing schedule and any time constraints for positive pay on your system.

Daily Responsibilities

Day 1

6:00 a.m. - Client deadline for issue files with same-day teller access. Client faxes issue file transmittal form of control totals.

9:00 a.m.- Client deadline for issue files without same-day teller access. Client faxes issue file transmittal form of control totals.

11:00 a.m.- SunTrust compares checks presented against outstanding issue records. 12:00 p.m. -

10:00 p.m. -Client enters online stop payment requests.

1:00 p.m. Client retrieves online report of current day mismatched items. SunTrust provides access to images of current day mismatched items for payment approval purposes (optional).

Day2

7:00 a.m.-SunTrust provides access to all images (including matched items) from previous-day activity (optional).

12:00 p.m. - Client submits payments decisions for mismatched items (pay or return). Client provides issue records for approved payments.

5:00 p.m. - Client deadline for online manual issue or void input.

5. Describe how you will verify the completeness and accuracy of the data transfer.

As checks are received for payment, SunTrust will match the check serial numbers and amounts to your check issue information and identify any mismatches.

6. Describe how you will resolve any questions regarding the completeness and accuracy of the data transfer.

Each business day, SunTrust will report all mismatched items to your company by 9:00 a.m. eastern time through the Positive Pay module on Online Treasury Manager. SunTrust will manually inspect all mismatched items, correcting any misreads or encoding errors and repairing any damaged checks. All mismatched checks are considered suspect items.

7. Describe how and when non-matching items are resolved.

On the same day, you must notify SunTrust no later than 12:00 p.m. eastern time through the Positive Pay module on Online Treasury Manager with payment decisions (pay or return) on all mismatches.

If payment decisions are not received for the mismatches by the payment decision deadline, the items will be handled in accordance with the default instructions (pay or return) SunTrust has on file for your company (as indicated on the Positive Pay Service Schedule).

Mismatch Reporting and Handling

- 12:00 p.m. ET on Day 2: Client payment decisions are required for all mismatched items.
- This report displays mismatched checks and includes reject reasons (with the exception of stop payments).
- As a same-day process, CPR Operations does not have an opportunity to correct check number misreads and encoding errors prior to reporting.

- In order to assist with the review and handling of mismatched items, the Positive Pay report can filter based on the rejection reason.
- SunTrust will follow a client's default instructions if payment decisions (pay or return) are not received by this deadline.

Stop-Payment Processing:

By using SunTrust's Stop Payment service, you can initiate stop payments requests, cancel stop payments and access stop payment activity reports. You can also enter range stops for a group of checks that may have been lost or stolen. And it all happens on a real-time basis, so you can respond quickly if you need to reissue a check.

1. Describe any time constraints with issuing stop payments.

Stop Payments can be placed or removed online through the Online Treasury Manager Stop Payment Module.

- 12:00 p.m. ET until 10:00 p.m. ET: daily availability for stop payment input.
 - A stop payment can only be accepted if SunTrust has an issue record on file.
 - A missing issue record can indicate that the check has been paid, an issue record has not been received, or the check has been voided.
- A confirmed stop payment placed through Online Treasury Manager is immediately available to SunTrust's teller system.

- If the client anticipates a check may be cashed in a SunTrust branch before the daily upload at 12:00 p.m. ET, then the Client Services Specialist (CSS) can accept stop payment requests.
- The Daily Stop Report lists stop payment requests and removals from the previous business day.
- Stop payments can be included within a client's issue file. This practice is not recommended for clients expecting check cashing at SunTrust branches, due to timing delays in delivery to the teller system.
- If a client delivers an issue and stop record for a check on the same transmission, the stop record is accepted before the issue record. Under this scenario, the check rejects as "No Issue on File" in the CPR system.

Stop payments on CPR accounts are stored in two separate systems, the Demand Deposits (DDA) System and the Controlled Payment (CPR) System. Each system has different stop payment retention periods.

- DDA system stops are valid for 30 months. The SunTrust teller system checks this information for check cashing purposes.
- CPR system stops are not removed when the stop record expires in the DDA system. For extended stop payment protection, a stop payment notation on the check issue record remains in the CPR system until the client chooses to remove the issue record.

Electronic File Transfer/EDI (Electronic Data Interchange) Services

Electronic Data Interchange provides a standard communication vehicle to facilitate business transactions. Files submitted by direct data transmission may be formatted using one of several transaction sets - most commonly ANSI ASC X12 821, 823, 835 or 820. Financial payments are

initiated through the Automated Clearing House (ACB) or as check payments. EDI is used for the supporting information exchange. EDI allows you to take cash discounts or negotiate reduced prices with trading partners while also reducing labor and transaction costs. It enhances security of payment and information transactions and eliminates payment uncertainty, thereby improving cash management. And finally, EDI enables the reengineering of cumbersome, manual processes which equate to lower costs for you.

Cash Concentration or Disbursement (CCD)/Pre-Arranged Payments and
Deposits (PPD) Payments:

1. Describe any problems and solutions created by sending data for CCD and PPD payments on the same account in one file.

SunTrust has no problems with client sending data for CCD and PPD payments on the same account in one file. A file may contain both CCD and PPD payments as long as they are contained in separate batches within the file.

2. Describe any problems and solutions created by sending data for CCD and PPD payments on multiple accounts in one file.

SunTrust has no problem with a client sending data for CCD or PPD payments on multiple accounts in one file. A file may contain both CCD and PPD payments *on multiple accounts*. The file transmission charge will be billed to one of the originating accounts.

3. Describe any problems and solutions created by the need to process multiple CCD/PPD payment files per day.

SunTrust has no problem created by the need to process multiple CCD/PPD payments files per day. The bank may accept any number of ACH files throughout the day.

However, because there are limited processing windows during the day, it is in the client's best interest to consolidate and transmit files according to our processing schedule.

4. Describe the processing schedule and any time constraints for having CCD/PPD files to you for processing.

ABC Corporation Deadline	SunTrust Processing Window	ACH Operator Deposit Deadline	Settlement
3:00 a.m.	4:00 a.m.	2:00 p.m.	1 or 2 days
10:30 a.m.	11:00 a.m.	2:00 p.m.	1 or 2 days
2:30 p.m.	3:00 p.m.	8:00 p.m.	1 or 2 days
5:30 p.m.	6:00 p.m.	8:00 p.m.	1 to 2 days
7:30 p.m.	8:00 p.m.	2:15 a.m.	1 or 2 days

*** One-day settlement payroll files must be received by the 10:30 a.m. deadline to ensure timely processing.**

5. Describe how you will verify the completeness and accuracy of the data transfer. The SunTrust Phone Access Line (PAL) allows clients to enter some basic information through touch-tone phone which provides confirmation for ACH file totals. PAL is available 24 hours a day, seven days a week. To use this automated voice response system, you simply call our toll-free number and enter your identification number and password when prompted, followed by your control totals. The system will provide you with a confirmation number. You should record this number and then immediately transmit your ACH file to SunTrust. Also, this system provides you with the ability to check the status of your file to ensure it has been received by SunTrust. SunTrust will compare the data on the file we

receive from your company with the dollar totals and record count you input to PAL. If these totals balance, we will automatically release the ACH file for processing. If they don't match, we will contact you to resolve the discrepancy before releasing the file.

6. Describe how and when the Contractor is notified of returned items.

Notification of Change requests and return item advices are detailed in the Client Activity Report (CAR). They are available through the Electronic Report Delivery service of Online Treasury Manager at the opening of business the day following receipt of the transaction. In addition to Online Treasury Manager, this report is available by mail, fax or in an electronic file transmission.

The Notification of Change section includes the original item (live entry) information as well as the corrected data, including:

- **Individual name**
- **Individual ID**
- **Trace number**
- **Account number**
- **Reference number**

The Return Item section includes:

- **Return reason code**
- **Transaction code**
- **Amount**
- **Individual name and ID**

- **Transit routing number**
- **Account number**
- **Reference number**

7. Describe how and when returned items are resolved.

Returns received by 2:00 p.m. ET are posted to the account on the day of receipt.

Returns received after that deadline are held and posted the following business day.

Returned items may be re-presented up to two times before final return. ACH re-presentments occur when items that are returned to SunTrust due to insufficient or uncollected funds are automatically re-deposited at your request. No entries are posted to your account at the time of re-presentment.

8. Describe your requirements relating to issuing pre-notes prior to issuing payments.

We do not require pre-notes. However, prior to transmitting live data, we recommend submitting a pre-note file. This ensures timely posting of entries by the receiving bank. The pre-note gives the receiving bank time to verify the accuracy of the routing/transit number, account number and transaction code prior to receiving live payments.

Corporate Trade Exchange (CTX) Payments:

Automated Clearing House (ACH) transactions are commonly used to move funds 'Within a company among various subsidiaries or divisions, and to move funds between unrelated companies in settlement of receivables or payables transactions. These

transactions may be initiated by direct transmission or Online Treasury Manager, and credited or debited to your account.

1. Describe the version of CTI translator you currently use.

SunTrust runs the current version of the VECTORsgi software VECTOR: Advantage. Designed for financial institutions, this software enables SunTrust to accept payment orders from its clients in standard ASC X12 transaction sets, such as ASC X12 820 or 835, or in custom-defined flat file formats, and create NACHA CTX payments.

2. Describe any problems and their solutions created by the need to process multiple CTX payment files per day.

Processing multiple files per day does not create any problems for SunTrust as long as they are scheduled in a way to avoid one file overlaying another. This usually requires no more than a 15 minute delay between files.

3. Describe the processing schedule and any time constraints for having CTX files to you for processing.

The table below shows the cut-off time for EDI clients submitting files for ACH processing.

4:00 a.m.	2:00 a.m.	1 or 2 days
11:00 a.m.	9:30 a.m.	1 or 2 days
3:00 p.m.	1:30 p.m.	1 or 2 days
6:00 p.m.	4:30 p.m.	1 or 2 days
8:00 p.m.	5:30 p.m.	1 or 2 days

* One-day settlement payroll files must be received by the 10:30 a.m. deadline to ensure timely processing.

4. Describe how you will verify the completeness and accuracy of the data transfer.

SunTrust requires control totals for each payment file submitted. The totals may be included in the file as an ASC X12 831 or may be faxed to our EDI Operations area. These totals are verified against the actual processed totals, and any discrepancies are reported to your designated contacts immediately.

5. Describe how and when the Contractor is notified of returned items.

Returned items advices are detailed in the Client Activity Report (CAR). They are available through the Electronic Report Delivery service of Online Treasury Manager at the opening of business (8:00 a.m.) the day following receipt of the transmission. In addition to Online Treasury Manager, this report is available by fax, mail or in an electronic file transmission.

6. Describe how and when returned items are resolved.

Returned items advices are detailed in the Client Activity Report (CAR). They are available through the Electronic Report Delivery service of Online Treasury Manager at the opening of business (8:00 a.m.) the day following receipt of the transmission. In addition to Online Treasury Manager, this report is available by fax, mail or in an electronic file transmission.

7. Describe your requirements relating to issuing pre-notes prior to issuing payments.

Although pre-notifications are not required under NACHA rules, we strongly recommend that they be used to verify the accuracy of data needed for timely posting of entries by the receiving bank.

Electronic File Transfer Methods:

SunTrust has Online File Transfer (OFT) as a safe and secure method of transmitting data over the Internet. OFT is a secure Internet Data Transmission Utility. OFT utilizes Secure Socket Layer (SSL) encryption to establish a secure File Transfer Protocol (FTP) connection between SunTrust and UT-Battelle.

OFT supports scheduled and ad-hoc transmissions. After initial set-up, UT-Battelle would be able to initiate a transmission by clicking on a button on the OFT screen, or the MS Scheduler, which is built into OFT, to facilitate download and/or upload of files in an unattended mode.

1. Describe the minimum hardware platform requirements for the Contractor.

Contractor would need a PC with keyboard, mouse and Internet capabilities.

2. Describe the minimum software platform requirements for the Contractor.

No special software is required by the client if they choose HTTPS as their browser interface. If clients elect to use secure FTP, they must supply their own FTP client software.

Client must run Internet Explorer 6.0 or Netscape Navigator 6.01 browser or higher with Secure Socket Layers or have use of secure File Transmission Protocol client software and use 128 bit encryption on their browser.

3. Describe the security features of the transfer method.

By transmitting files online through the Internet browser HTTPS option or through your own secure FTP client software package, your data files are encrypted when they are transmitted to or from SunTrust, helping to mitigate fraud and loss.

4. How long have you used this transfer method?

SunTrust rolled out our Online File Transfer solution in June 2004.

5. Describe customer usage and reliability of this transfer method.

Customer Usage - We currently have 1100+ companies on Online File Transfer and maintain 1200+ individual IDs for OFT. On our Filebox server, we have 300+ individual IDs. Reliability-We are running on an HP RP7410 server that is split into two VPAR's. One VPAR is in the DMZ and handles our WEB. The other VPAR is in our trusted layer and runs the application and stores the data. This system handles our BTTPS and FTP over SSL traffic. Our other system is a HP Blade server that runs Linux. It supports S/FTP(SSB) and FTP with PGP. It also sits in our DMZ.

Our Internet connection has redundancy to our Orlando data center. We are in the process of building out our failover in our Orlando site and targeting 1Q 2006.

6. Describe the backup transfer method should the preferred method fail or be unavailable.

We encourage clients to maintain their dial-up modems for contingency purposes.

Checks-Paid File:

1. State your schedule of availability for providing the paid items files on the first workday of each month, by 7:00 am. Eastern time, for the previous month.

Contractor is able to access a paid items file via Online Treasury Manager by selecting the desired date range of activity. Contractor can also receive a copy of the bank statement via Online Courier which is emailed to any designated recipients.

Testing Environment:

SunTrust's implementation team works hand in hand with the client to facilitate connectivity testing as well as testing the validity of the client's file formatting in relation to all of our standard file specifications. All standard file specifications are made available to the client.

1. Describe the provisions you have for a test environment as it relates to positive pay, Automated Clearing House (ACH) payments, CTX translation, and account reconciliation.

SunTrust provides for test environments for positive pay, automated clearing house (ACB) payments, CTX translation and account reconciliation. This test environment is an action step in our Implementation Plan. Our implementation team works hand in hand with the client to facilitate connectivity testing as well as testing the validity of the client's file formatting in relation to our standard file specifications.

All of SunTrust's standard file specifications for positive pay, automated clearing house (ACH) payments, CTX translation are made available to the client.

2. Describe the availability of this test environment

This test environment is an action step in our Implementation Plan. The availability time frame would become a choice determined by the client in outlining their Implementation Plan. The test environment would run concurrent with the cut off

schedules for positive pay, automated clearing house (ACH), CTX translation and account reconciliation as if it were a live transmission.

Disaster Recovery:

1. Give an overview of your disaster recovery plan given the scenario where:
 - a. local branch becomes unavailable (i.e., in the event of fire, natural disaster, or other unanticipated event)

All back-up locations meet distance guidelines as suggested by regulatory agencies. This helps to ensure redundancy in staffing and technology for each area of operation. The backup and primary sites do not share any crucial communication linkages which would negatively impact production in a backup site.

- b. your on-line communication system(s) become unavailable for inquiry and/or processing needs

SunTrust encourages clients to maintain their dial-up modems for contingency purposes.

- c. your main processing facility becomes unavailable.

SunTrust has a formal disaster recovery plan in place to back up all day to day processing applications. Work normally processed in a capture location that is disabled, will be processed in one or more of SunTrust's surviving capture sites. Mainframe system backup is located at our hot site in Philadelphia, PA, which is managed by SunGuard Recovery Services. Please see the paragraph below which is the official SunTrust Corporate Contingency Statement.

SunTrust Corporate Contingency Planning Statement of Policy

It is the intention of SunTrust Bank, Inc. to continue service to its customers during unforeseen or extended interruption of primary business functions. The implementation of this policy is the responsibility of SunTrust Banks, Inc., and will be executed by and within each line of business of the corporation, with guidance from SunTrust Corporate Contingency Planning. Every line of business will have a Business Resumption Plan, The Business Resumption Plan will identify the requirements to recover from a disaster and resume operations regardless of size, criticality, or location of the line of business or department Each line of business will update and test their Business Resumption Plan at least once every twelve months.

UT-Battelle would have to have access to the Internet to get to OTM in order to perform daily activities during a disaster. These services could be slow or intermittent depending on the scope of the disaster. SunTrust would notify UT-Battelle via OTM with banner message alerts.

SunTrust surviving capture sites would be utilized as quickly as possible to resume normal business operations in conjunction with each line of business' resumption plan.

2. If Co tractor's file transfer capabilities became interrupted, would we be able to hand-carry a CD, containing any files due to be transferred, to your local branch to be input to your system?

SunTrust could not accept a hand-carried CD because of the security surrounding who has had possession of the CD and the accuracy of the information contained on the CD. However, SunTrust does have a contingency solution as listed.

Each pay period UT-Battelle would create 4 files that would be transmitted to SunTrust:

- 1. ACH ddp production file**
- 2. ACH ddp contingency file**
- 3. Check print production file**
- 4. Check print contingency file**

The transmissions would have different scripts to distinguish between the production files and the contingency files.

The contingency files are warehoused until the next pay period. If circumstances warrant the contingency to be activated, we would process the contingency files. This means that the employees' pay would be based on the previous pay period's processing.

Each pay period, the previous contingency file is replaced with a new contingency file.

Any contingency procedures will be documented. UT-Battelle will notify SunTrust when the contingency mode is warranted.

Account Reconciliation Services/Information Requirements:

Account Reconciliation provides a mechanism where the bank can assist your company in the periodic reconciliation of your disbursement activity. SunTrust's services allow for increased accuracy and timeliness of account information so that you can improve audit control. You will also be alerted more quickly to fraudulent activity and have better response time to these issues. SunTrust offers Full Account Reconciliation or Partial Account Reconciliation depending upon your specific requirements. In addition, services which compliment account reconciliation such as data transmission, sub-accounting, online image or CD-ROM image services are available.

1. Describe your method and schedule of availability for providing bank statements on the first workday of each month, by 7:00 a.m. Eastern time, for the previous month.

SunTrust is currently providing bank statements for UT Battelle on the first work day of each month by 7:00 a.m. ET for the previous month via fax. The bank statements are also available by 7:00 a.m. ET through Online Treasury Manager as long as the client has multi day functionality as well as through our Online Courier Services.

Check Imaging:

SunTrust has installed an image archive system that allows for the capture of various transactions. This back-office system has allowed us to provide online image services to our clients, including paid items, deposit tickets and the related deposited items. Access to this information is provided over the Internet using Online Treasury Manager. The balance reporting, stop payment and positive pay services provide direct access to current images from the existing reports. Historical information, which is currently building to an archive of up to seven years, is accessible through the image services module.

1. Describe the types of paid check image processing available through you.

Check images can be accessed through Online Treasury Manager and from a CD-Rom that is mailed to the Contractor.

2. Describe the various methods of requesting/generating a printed image.

SunTrust has in place an image archive system that allows for the capture of various transactions. This back-office system has allowed us to provide online image services to our clients, including paid items, deposit tickets and the related deposited items. Access to this information is provided over the Internet using Online Treasury Manager. The

balance reporting, stop payment and positive pay services provide direct access to current images from the existing reports.

In addition to our online image service, SunTrust also offers our CD-Rom Imaging Service. Electronic images provide a cost-effective alternative to storing paper checks or requesting check photocopies from SunTrust. You can retrieve and display digitized images of paid checks and truncate delivery of your checks, as images are available on CD-ROM for long-term storage purposes. The flexibility of our service allows you to search for an exact serial number or range, paid dates, amounts or any of these combined. Checks written to a CD-ROM coincide with your bank statement cycle. CD-ROM gives you speedy access to critical check information and provides the ability to retrieve check images (front and back) 24 hours a day, 7 days a week.

3. Describe the retention period(s) for paid check images.

Historical information, which is currently building to an archive of up to seven years, is accessible through the image services module.

4. Describe any hardware and/or software necessary to retrieve, review, and generate a print image of a paid check from the electronic file.

Online Treasury Manager is an Internet-based cash management system designed to offer our clients balance reporting (previous day and same day information including account balances, summary level and detailed transactions), electronic report delivery, ACH initiation, wire transfer initiation, same day ACB book transfers, positive pay capabilities and stop payment services. And now, with the installation of a back-office image archive system, Online Treasury Manager can provide online images of many transactions, right from your activity reports.

Through Online Treasury Manager, a client is able to connect to SunTrust from any PC using a standard Web browser, 24 hours a day, seven days a week. By connecting through the Internet, there is no software to install and no upgrades to load. SunTrust provides multiple levels of security, from firewalls to passwords and encryption, to safeguard your company's financial information. In addition, we've given you the ability to control who in your company can access information, as well as who can initiate and approve transactions. You get easy access and the controls you need.

The SunTrust CD-Rom Check Image Viewer is a Windows based application that enables your workstation to function as an offline application. Using the software, you can search for and view images of checks from the CD's received from SunTrust Bank.

The application provides for logon security, administration of user IDs and valid accounts, allowing the user to view the permitted account information.

System Requirements:

Minimum

Pentium CPU

100 MB of free disk space

64 MB or more of RAM

CD-Rom drive

Recommended

Pentium III CPU

200 MB of free disk space

128 MB or more of RAM

CD-Rom drive

The viewer is compatible with Windows 98, 2000, NT, ME and XP operating systems.

5. Describe CD-Rom imaging formats and accessibility requirements.

The SunTrust CD-Rom Image Viewer supports 2 modes of configuration, which must be decided upon prior to installation, as you will be prompted to define the configuration during installation.

These two modes are:

- 1. Stand-alone - In this mode, the viewer application, and 11 folders and files are installed to a single PC. The PC may be shared by multiple users, if desired.**
- 2. Shared - In this mode, the viewer application is installed to several PCs that are connected together on a network. Application data, which includes user profile information and the list of available volume sets, is shared among several users over the network. Even though the data files (e.g. images index records) are available via the network, the individual CD- Rom containing the images must be loaded in order to retrieve a check image.**

Wire Transfers and Drafts:

SunTrust offers Wire Transfer services, when funds must be moved between financial institutions, especially large-dollar items, for immediate availability. Domestic transfers are initiated through the Federal Reserve's Fedwire Service. International wires are transmitted through the Society for Worldwide Interbank Financial Telecommunications (SWIFT) network. Wire Transfers can be initiated in a secure environment by telephone or Online Treasury Manager using Internet access.

Use repetitive transfers for quick and efficient initiation of payment requests. These are frequent transactions to pre-defined bank accounts and will minimize the amount of information you will have to input each time you transfer funds. Your company will

provide a "repeat code" or template that corresponds to the full payment instructions along with the dollar amount and settlement date for each transfer.

Use non-repetitive transfers (also referred to as free-form transfers) for less frequent transactions. These transactions require complete input of all payment information including debit account, dollar amount, receiving bank name & address, receiving bank account number and beneficiary name.

1. Describe the method for initiating domestic fedwires, international wires, and foreign-denominated paper drafts.

Outgoing transfers may be initiated by the Internet or telephone. The process for initiation, approval and release is described below. For each method, the last step before release is a check for available funds by the automated account balance monitor. If sufficient funds are available, the outgoing wire transfer is released to the Federal Reserve.

Online Treasury Manager

Our premier wire initiation product, Online Treasury Manager, is a password-protected, fully encrypted method for initiating wires and viewing wire activity. Online Treasury Manager enables clients to initiate domestic and international wires, establish repetitive wires and view activity for the current day, or as far back as 186 days. Because this secure product is internet-based, authorized personnel can access it from any web enabled location.

Upon logging into Online Treasury Manager and selecting the wire service, you can choose to enter a wire by selecting specific accounts or by selecting a template. After the information has been entered and reviewed, the wire is released according to approval

procedures set up by your designated Security Administrator. Online Treasury Manager allows separate and distinct input, approval and release functions by up to three users.

SunTrust bank supplies the check stock for UT-Battelle to initiate foreign denominated paper drafts. UT-Battelle currently uses SunTrust's Online Fx product which is a Web-based application that allows UT-Battelle to initiate drafts and wires in foreign currency.

2. Provide your opening hours and the cut-off times for initiating wire transfers to ensure same-day credit.

Intra-district (within Fed district)	8:30 a.m. 4:30 p.m.	8:30 a.m. 5:30 p.m.	n/a	n/a	n/a	n/a	n/a
Inter-district (between Fed districts)	8:30 a.m. 4:30 p.m.	8:30 a.m. 5:30 p.m.	n/a	n/a	n/a	n/a	n/a
Book Transfer/ Internal	8:30 a.m. 4:30 p.m.	8:30 a.m. 5:30 p.m.	n/a	n/a	n/a	n/a	n/a
Drawdown	8:30 a.m. 4:30 p.m.	8:30 a.m. 5:30 p.m.	n/a	n/a	n/a	n/a	n/a
International	8:30 a.m. 4:30 p.m.	8:30 a.m. 5:30 p.m. USD 8:30 a.m. 5:00 p.m. Non-USD	n/a	n/a	n/a	n/a	n/a

3. Describe your process for approving and canceling wire transfers.

Approving Wire Transfers

A combination of four elements (Company ID, Company Password, User ID and User Password) is required to access Online Treasury Manager. This service requires users to create a new password when they access the system for the first time. Passwords must consist of at

least six characters, which must contain at least one alpha and one numeric character. Users must change their passwords every 30 days. Online Treasury Manager prohibits reuse of the previous six passwords.

The Online Treasury Manager Wire Transfer service requires an additional User ID to process wire transfers. The multiple ID and password authentication for Online Treasury Manager, combined with the terlia11' ID for wire transfer initiation provides an additional level of security.

For each account used for wire transfer activity, your Security Administrator will specify the number of approvals required to complete wire transfer requests. You can require 0, 1, 2, or "dynamic" approvals. Dynamic approvals indicate a number of approval levels and a transfer amount range for each. For example, you might require:

- **0 approvals if the transfer amount is under \$100.00**
- **1 approval if the transfer amount is between \$100.01 and \$1,000.00**
- **2 approvals if the transfer amount is greater than \$1,000.00**

In addition to account approval settings., your Security Administrator can also specify the number of approvals for a "bank-defined repetitive template." When you use a bank-defined repetitive, these approval settings override the settings used for the account.

Finally, along with the parameters assigned by the Security Administrator, a PIN authenticated by the Central Wire Facility for each unique user is required for the release of a wire transfer request. Cancel Wire Transfers

To cancel a wire transfer initiated by telephone, your company should call our Central Wire Facility toll-free at 1-800-947-3786. A wire may be cancelled until such time as it is released to the Federal Reserve. After your wire has been released, federal regulations

govern recovery procedures. We will be happy to assist you in reversing any wire that has been released prior to your cancellation request.

A wire transfer initiated by Online Treasury Manager may be cancelled by calling the Central Wire Facility. However, most of these transactions are processed without manual intervention. If the wire has already been released to the Federal Reserve or SWIFT network, you will need to follow the procedures for requesting a reversal.

The Central Wire Facility performs wire cancellations on a best efforts basis and success depends on whether it has been released to the Federal Reserve. To cancel a wire, you must call our Central Wire Facility prior to 5:30 p.m. ET on the day of the initiation.

4. Describe your procedure and time frames for modifying outgoing wires.

SunTrust does not allow modification of wires. The client would have to cancel the wire and then re-enter the corrected wire. Please refer to procedures for canceling a wire transfer as outlined under Cancel Wire Transfer.

Depository and Cash, Services:

SunTrust offers a highly secure and efficient method of handling your daily cash processing. We offer cash vault deposits, money shipments (coin and currency order fulfillment), and customized reporting and tracking in order to be your source for a complete collection solution. The goal of the cash vault is to provide high quality cash processing services that allow your company to concentrate more resources on sales and less on back-office functions. Our cash vault facilities are strategically located throughout the Southeast and Mid-Atlantic region to ensure convenience to your local offices, and are managed by an experienced staff to ensure delivery of quality service with a high level of security, using the latest technology.

1. Are you an approved depository agency having an established depository agreement with the Treasury's Financial Management System (FMS)?

SunTrust is an approved depository agency that has an established depository agreement with the Treasury's Financial Management System (FMS).

2. Do you have established access to *CashLink*?

SunTrust has established access to CashLink and is currently utilizing it for UT-Battelle.

3. Are you willing to perform the depository requirements outlined in the SOW without additional compensation through the resultant Agreement (acceptance of compensation in full through Treasury Agreement)?

SunTrust is willing to perform the depository requirements as outlined in the SOW without additional compensation through the resulted agreement (acceptance of compensation in full through Treasury Agreement).

4. Describe any requirements you may have related to depository services.

All depository accounts with SunTrust Bank are governed by the Rules and Regulations for Depository Accounts that is outlined in detail in our Rules and Regulations brochure. This brochure has been made available in the Appendix as Exhibit A for further reference.

Monthly Analysis Statement

SunTrust mails analysis statements on the 8th business day after the calendar month end. The statements are bulk mailed to the designated address and include the entire calendar

month. The Account Analysis statement is available for access electronically through Electronic Data Exchange (EDI).

Data Mapping Plan (Optional Services):

Provide your proposed Data Mapping Plan.

- (I) If you elect to propose on these optional services at no additional charge to the Contractor, discuss your proposed approach for mapping the data to a Contractor-designated file format. Identify any information that the Contractor must provide to you and the timeframe necessary for providing this information.

SunTrust Bank, Inc. does provide Data Mapping Services (custom programming) to convert all input and output data in accordance with specifications as set by Contractor, UT-Battelle. Since SunTrust Bank, Inc. is the current provider of banking services for UT-Battelle, UT-Battelle's existing files are now formatted to fit the requirements of SunTrust's system. SunTrust Bank, Inc. does not anticipate any file format changes and therefore no additional charges would be incurred. Should UT-Battelle have changes required on their end, additional programming fees could apply. The custom programming fees are billed at \$150.00 per hour of services used.

Implementation Plan and Schedule:

Provide your proposed Implementation Plan and Schedule. At a minimum, identify detailed activities to be performed, start and finish dates for the activities, milestones, testing, and the proposed “go live” date.

SunTrust has staffed its Treasury Implementation Organization specifically to assist clients with the implementation of new services. By providing clients a dedicated, highly

trained resource, we help ensure a smooth transition for any additions or changes to SunTrust services. To implement your SunTrust services, you will first need to execute the appropriate forms and agreements required for the services you have selected. Your Treasury Management Officer will schedule an initial meeting or conference call between UT-Battelle and the Treasury Implementation Professional. During this meeting, we will outline an implementation plan and address all critical business issues including action steps and responsibilities for both SunTrust and UT-Battelle.

The Treasury Implementation Professional will work with you from receipt of your initial request to complete necessary documentation, work with Operations and conduct training. In addition, they will continue to be your point of contact during an initial warranty period following the setup to help ensure you are satisfied with the process. Once you are comfortable with the service, the Treasury Implementation Professional will transition your servicing relationship to a Client Services Specialist.

OPTIONAL: You may provide any additional information that you deem necessary for the complete and accurate evaluation of your proposal.

Remote Check Capture

With SunTrust Remote Check Capture you can deposit checks as late as 5:30 p.m. ET- without leaving your office. With a scanner right at your desktop, you capture the check images and transmit them electronically to SunTrust. You spend less time at the bank and can spend more time focused on your business.

Once the deposit has been transmitted, an electronic receipt can be printed for your records. Images of deposited items can also be searched within deposits that have been completed.

Payroll Card

SunTrust is offering a Payroll Card solution marketed as a "Bank account in a card" through our partnership with Skylight Financial. Skylight provides pre-approved account based services to employees who currently do not have a banking relationship. The Skylight account is an FDIC

insured bank account through SunTrust that seamlessly integrates into existing direct deposit/ACH system. Most of Skylight's clients have reduced their payroll distribution and administrative costs by over 80%, in addition the program provides many other benefits to UT- Battelle including:

- Increased direct deposit participation
- Decreased payroll distribution & administrative expenses
- Decreased check fraud & escheatments

The *Skyline account* conveniently offers UT-Battelle employees significant benefits. Most "unbanked" individuals are forced to operate on a cash-and-carry basis. Their expenses to manage their daily financial needs exceed the costs for those who are traditionally banked. The *Skylight account* offers many additional benefits to your employees, to include:

- Increased financial security
- Elimination of check cashing fees

Access to over two million ATM and point of purchase sales (POS) locations nationwide

4. Past Performance

Describe your experience in providing the services identified in the SOW. Describe your experience with the payments-cleared financing method. Identify up to five clients for which you have provided similar services. Include client's name, address, point of contact (name and telephone number), and volume (average number of monthly transactions and dollar value).

SunTrust is currently meeting all the requirements outlined in the SOW as the current provider of Banking Services for UT-Battelle since 1998.

SunTrust is an approved depository agency with an established depository agreement with the Treasury Financial Management Systems (FMS). SunTrust has established access to CashLink. SunTrust currently utilizes the payments-cleared financing arrangement with UT-Battelle.

SunTrust is a Treasury approved government deposit insurance organization as identified in I TFM 6-9000. Accordingly, SunTrust posts collateral with the Federal Reserve Bank in amount equal to the net balance of federal funds deposited into UT-Battelle's Master account, less the Treasury approved deposit insurance.

Provided below is a list of clients for which we have provided similar services:

1) BWXT Karl Rapp

1099 Commerce Park (865) 576-1796

Oak Ridge, TN 37830

***Volume/dollar value of monthly transactions**

2) ORAU Luke Keith

120 Badger Ave. (865) 241-1286

Oak Ridge, TN 37830

***Volume/dollar value of monthly transactions**

3) Bechtel Jacobs

Lela Ford

PO Box 4699

(865) 241-1218

Oak Ridge, TN 37830

***Volume/dollar value of monthly transactions**

***This is proprietary information that SunTrust is unable to disclose on an individual account level.**

These clients are of comparable in size and services to UT-Battelle.

5. Qualifications and Availability of Key Personnel

Describe the qualifications and experience of the proposed Key Personnel. Provide the names, physical locations, and contact information (mailing address, telephone number, fax number, and e-mail address) for the Key Personnel. At a minimum, Key Personnel shall include: (1) the person(s) who will serve the Contractor's point of contact for the day-to-day activities to be performed and (2) the Project Manager(s) (member of Financial Institution's management) who will be responsible for the overall management and administration of the services to be performed and who possesses the authority to assign personnel, as appropriate, to ensure the successful performance of the services. Identify backups/alternates for each Key Person proposed.

Mutual respect is the hallmark of a SunTrust relationship, and we intend to earn your respect by performing to the highest professional standards. Our Relationship Team will bring together the full resources of SunTrust Bank and the benefits of their respective backgrounds and experience to support UT-Battelle, LLC. Your SunTrust Relationship Team includes the following professionals:

Bob Wrather

Senior Vice President

Relationship Manager

Phone: (865) 692-6937

Fax: (865) 692-6943

bob.wrather@suntrust.com

Bob is your main contact for general SunTrust business and is to be considered the Project Manager. He knows your objectives, your accounts and your business requirements. He consults with you about new services, ensuring your continued satisfaction and brings together the right SunTrust specialists to meet your financial needs.

Bob L. Wrather, Senior Vice President, is a life long resident of the Knoxville area, having grown up in Lenoir City. He has lived in Knoxville for over 35 years and he has been in the banking business for 31 years, 23 of those years with SunTrust. The majority of his career has been with the Commercial/Corporate Banking Division which he managed for several years. He has also served as the Regional President for our Loudon County Bank. He attended Middle Tennessee State University and the University of Tennessee and is also a graduate of The Graduate School of Banking of the South (Louisiana State University).

Jean Martinez

Executive Assistant

Phone: (865) 692-6946

Fax: (865) 692-6943

jean.martinez.@suntrust.com

Jean is Bob's Assistant as well as his backup person. She will work with you in areas related to your loan or investment activity. In general, she responds to any inquires

about your daily account activity, which does not specifically relate to Treasury

Management services.

Jean is originally from Florida and moved to Knoxville in 1999. Jean has 16 years of banking service with 15 of those years with SunTrust Bank. She is a graduate of the University of West Florida.

Mona Parsons

Treasury Management

First Vice President

Phone: (865) 692-6903

Fax: (865) 692-6904

mona.parsons@sun_rust.com

Mona will consult with you about your business needs to develop a customized Treasury Management solution. Mona coordinates the contributions of the Treasury Management services team and keeps you informed about new services, industry trends and solutions and suggestions to optimize your Treasury Management process.

Mona Parsons, First Vice President, is a Treasury Management Officer in SunTrust's Treasury Management Department. Mona has 34 years of banking experience, 22 of those years with SunTrust.

She began her career at SunTrust Bank in 1984. Prior to joining Treasury Management Services, she was Manager of the Merchant Services Division. She worked with the Governmental/Institutional Banking Division in her role as Manager of SunTrust Merchant Services. For several years prior, Ms. Parsons has held positions with various sales responsibilities. She attended Southside Junior College as well as The University of Tennessee.

Jennifer Hamilton

Treasury Management Analyst

Phone: (86S) 692-6954

Fax: (86S) 692-6904

icnnifer.hainilton@suntrust.com

Jennifer will be Mona's backup and she will be able to consult with you about your Treasury Management needs. In the absence of Mona, she will coordinate any Treasury Management services and answer any question you may have concerning the product offerings and services. Jennifer Hamilton, Treasury Management Analyst, is a Banking Officer of SunTrust Bank.

Jennifer has 8 years of experience that have been with SunTrust. She has worked closely with the Treasury Management Officers in handling client relationships with similar SOW requirements as well as in handling problem resolution, pricing analysis and implementing new or changes in services. She is a graduate of the University of Tennessee as well as the University of Phoenix. She holds a Masters of Accounting degree.

Barbara Mahaffey

Client Services Representative

Phone: (86S) 692—6965

Fax: (865) 692-6904

barbara.mahaffey@suntrust.com

Vonda Sparks

Administrative Assistant

Phone:(865)692-6952

Fax: (865) 692-6904

yonda.sparks@suntrust.com

Barbara will coordinate your day-to-day communication with SunTrust. She will help to ensure that our service exceeds your expectations. Also, she will ensure that new services are implemented correctly by SunTrust.

Vonda will help Mona and Jennifer in your Treasury Management needs. She coordinates all activities needed to ensure the process runs smoothly.

Barbara and Vonda each have over 20 years of service with SunTrust. They have excellent working knowledge of treasury management operations and deliver a high level of client service to our Treasury Management clients.

Discuss how the Key Personnel as well as the backups/alternates will be made available to support the SOW requirements.

The key personnel are available to UT-Battelle by either a phone call or email for any need that arises in regard to the SOW requirements or any other problem as are the backups.

6. Bonus Point Criterion

Discuss your ability to allow the Contractor to remain on the cutting edge of technology in order to promote efficiencies, economies, and fraud risk reduction. Provide a brief description of services or changes currently in place, under development, or being considered.

Product Review Team

SunTrust uses a cross-functional Product Review Team (PRT) that has responsibility for identifying new product or product enhancement opportunities, as well as monitoring product quality and client customization, and ensuring that new initiatives are completed on time and within budget.

Each PRT meets monthly to discuss the status of its product(s) in these areas. The team consists of representatives from Product Management, Delivery Services and Planning and Operations.

SunTrust uses a project management discipline when developing new products and services and includes all of these areas, and others as necessary, on the project team.

The PRT prepares a comprehensive Product Plan annually that assists the team in evaluating SunTrust product capabilities relative to the market. The team also identifies and focuses on any product gaps that exist to ensure that the service is competitively positioned in order to meet the needs of our clients.

The senior managers for each of the member groups meet weekly to address issues that require escalation, to foster the teamwork that is vital among these three functional areas and to monitor the status of active development initiatives for all product areas.

Client Advisory Board

SunTrust Treasury Management Services has also established a Client Advisory Board, made up of clients from 25 member companies from various industries, regions and market segments. The purpose of the board is to maintain a forum for ongoing dialogue with our clients to discuss issues and trends that affect them, to help us understand their expectations and to gain insight into how our product design and planned enhancements fit with their business goals. The Board meets twice annually for 1-1/2 days in a comfortable, collegial setting that encourages participants to feel comfortable expressing their opinions about our current services and future plans. Their feedback has, and will continue to have, a direct and tangible impact on many of our strategic product decisions.

7. **Appendix**

- A. Resumes Key Personnel
- B. Product Profiles
- C. Exhibit A



Solicitation No. AGS-08
Closing Date October 26, 2005

Part B - Business Proposal

Oak Ridge National Laboratory
ATTN: Ms. Kathy Collins
P.O. Box 2008
Bldg. 1060COM, MS 6293
Oak Ridge, TN 37831

Bob L. Wrather
Senior Vice President
SunTrust Bank, Inc.
7610 Gleason Drive
Knoxville, TN 37919



UT-Battelle, LLC Proposal
Solicitation No. AGS-08

Closing Date October 26, 2005
Amendment No. 1 Dated October 4, 2005
Amendment No. 2 Dated October 18, 2005
Part B - Business Proposal

Table of Contents

1. Executed and signed copy of Technical Representations and Certifications (July 2005).
2. Executed and signed copy of Schedule of Financial Institution Processing Charges.
3. Executed and signed copy of Option.
4. Description of any additional fees, charges, transition costs, etc. to be charged the contractor (UT-Battelle, LLC), their dollar value, and the frequency of their occurrence or statement of no additional fees will be billed the contractor, UT-Battelle, LLC.
5. Statement of any exceptions to proposal.

SOLICITATION NO. AGS-08
TECHNICAL REPRESENTATIONS AND CERTIFICATIONS (Jul 2005)

The Financial Institution makes the following technical representations and certifications as part of Its offer to provide service under a payments-cleared financing arrangement. (Check parentheses and complete blanks, as appropriate. All Information is necessary.)

1.1 Financial Institution Fiscal Information

- a. The Financial Institution is a () national chartered financial institution (X) state chartered financial Institution organized and existing In the State of Georgia
_____.
- b. The Financial Institution (X) maintains () does not maintain an account with a Federal Reserve Bank.
- c. The current (X) Federal () State time deposit reserve requirement for the Financial Institution Is Q %. Normal rate is 10% but waived for UT Battelle.
- d. The Financial Institution (X) insures () does not insure each time account for \$100,000 under federally approved deposit Insurance. Deposits (X) are () are not Insured by a Government deposit insurance. organization approved by the Department of the Treasury. Explain negative responses, if any, below.
- e. The Financial Institution (X) has () does not have direct on-line access to the Federal Reserve Communication System (FRCS). Explain negative response, if any, below.
- f. To receive same-day credit from_ the Federal Reserve, the Financial Institution can ascertain the amount of payments cleared net of the amount of any deposits and submit a payment request through the FRCS by 4:30 p.m. Eastern time.

1.2 Minority Business Enterprises

- a. The Financial Institution () operates (X) does not operate as a minority-owned business enterprise with at least 50 percent ownership by minority group members. (For present purposes, minority group members are Asian Pacific· Americans, Black Americans, Hispanic Americans, Indian Tribe, Native Hawaiian Organization, Native American, and Subcontinent Asian American).
- b. The Financial Institution () operates (X) does not operate as a woman-owned business enterprise with at least 50 percent ownership by women members.

1.3 Technical

- a. Does the Financial Institution currently service and reconcile an account with a payment volume equal to or exceeding the anticipated volume required by the Contractor as stated In the *Schedule of Financial Institution Processing Charges*?

Service: (x) Yes () No

Reconciliation: (x) Yes () No

b. What Is the highest number of payments serviced and reconciled for a single account?

service: Account Reconciliation

Reconciliation: 10,435

Bob L. Wrather

TYPED NAME

SIGNATURE

SunTrust Bank, Inc.

NAME OF FINANCIAL INSTITUTION

October 26, 2005

DATE

CORPORATE SEAL

**SOLICITATION NO. AGS-08
OPTION**

The Contractor shall have the option to purchase the services described below:

Option No.: 1
Description: Map data to Contractor-designated file formats
Total Price: \$ 150.00 per hour of service used
Completion Date: To be completed within 60 calendar days from date of Option exercise

In the event the Contractor does not exercise the above option at the time of award of the Special Financial Institution Account Agreement for Use with the Payments-Cleared Financing Arrangement, or any other date mutually agreed to, the Financial Institution s all be relieved of its obligation to perform these services.

Bob L. Wrather

TYPED NAME

SIGNATURE

SunTrust Bank, Inc.

NAME OF FINANCIAL INSTITUTION

October 26, 2005

DATE

CORPORATE SEAL

SOLICITATION NO. AGS-08
Closing Date October 26, 2005

Part B – Business Proposal

1.4 Description of any additional fees, charges, transition costs, etc. to be charged the contractor (UT-Battelle, LLC), their dollar value, and the frequency of their occurrence or statement of no additional fees will be billed the contractor, UT- Battelle, LLC.

There will be no additional fees, charges, or transition costs billed unless (1) UT- Battelle implements the contingency plan suggested in lieu of hand carrying a CD to the local branch in the case that the Contractor's file transfer capabilities become interrupted as outlined on page 20 and in question # 2 of Part A of the Technical Proposal or (2) UT- Battelle did have changes, etc. on their file specifications and needed Data Mapping Custom Programming as referred to on page 30 statement #1 of Part A of the Technical Proposal.

These are the additional charges:

- (1) Contingency File Storage: \$100.00 @ month
- (2) Data Mapping: Custom Programming Fee: \$150.00 @ hour of services used billed in the month it occurred

Bob L. Wrather
Senior Vice President
SunTrust Bank, Inc.
7610 Gleason Drive
Knoxville, TN 37919

1.5 There are no exceptions to the proposal for UT-Battelle, LLC.

Bob L. Wrather
Senior Vice President
SunTrust Bank, Inc.
7610 Gleason Drive
Knoxville, TN 37919

SUNTRUST

TREASURY MANAGEMENT MASTER AGREEMENT

1. Introduction. SunTrust Bank offers a full range of treasury management services to our clients. Throughout this master agreement, (a) SunTrust Bank is referred to as - We, • us • or • our, • (b) the treasury management services described in our treasury management terms and conditions referred to below are referred to as the • services, • (c) this master agreement and the other documents described below are together referred to as the • agreement, • (d) the person or entity using one or more of the services is referred to as • you • or 'your' and (e) the individuals identified in any resolution, certificate, delegation of authority or other document that you have given us as having authority to enter into or amend the agreement on your behalf are referred to as your "authorized signers."

When you sign this master agreement you are agreeing to be bound by the terms and conditions of the agreement. The agreement is a legally binding contract that can only be changed as provided in this master agreement.

2. Organization of Agreement. As indicated above, the agreement is made up of several documents, each of which serves a special purpose. The relevant documents and their purposes are as follows:

(a) Treasury Management Terms and Conditions. Our treasury management terms and conditions fall into two categories (i) the general terms and conditions that govern the use of all services and (ii) the specific terms and conditions that govern the use of each individual service. The most recent version of our treasury management terms and conditions is always posted on the following website: www.suntrust.com/treasuryterms. You may access it at any time by visiting the site and opening the document with the password we have given you. We will also give you a printed copy of the current version of those terms and conditions upon request.

(b) Master Agreement. This master agreement describes the structure of the agreement and sets forth certain of the basic contractual provisions relating to your use of the services.

(c) Reference Materials. The reference materials for a service provide details regarding the functionality of that service, as well as certain formatting and other technical requirements that you must follow when using that service. Reference materials may include, without limitation, a user manual, a quick reference guide, a

service demo and/or file formats and specifications. Not every service has reference materials.

(d) Delegation of Authority. A delegation of authority is optional. By using it, you are giving other people within your company authority with respect to the agreement and/or the services.

(e) Service Profiles. A service profile reflects certain instructions you give us regarding your setup for a particular service, such as the account(s) linked to that service, the authorized users for that service and the options you select for that service.

(f) Implementation/Setup Forms. An implementation/setup form is an internal document that we use to record additional information and/or instructions you give us with respect to a particular service.

(g) Online Services and Software Materials. We may grant to you a nonexclusive, nontransferable, limited license or sublicense to use one or more software programs in connection with certain services. There may be a separate license agreement (which may be a "shrink wrap" or "click wrap" agreement and may be with us or a third-party vendor) and/or user manual for some of those software programs. Those software programs and those other items are all part of the software materials. There may also be additional online or "click wrap" terms for the use of the online services. The agreement, online terms and any applicable separate license agreement and user manual set forth the terms and conditions relating to your right to use those online services and software programs as well as important instructions and requirements for their use.

(h) Rules and Regulations. The rules and regulations for deposit accounts that you maintain with us set forth certain general provisions relating to the establishment, maintenance and operation of your deposit accounts.

If there is any inconsistency on a particular issue among the documents that make up the agreement, the documents will control that particular issue in the order set forth from top to bottom above.

Notwithstanding the above, for any accounts of UT-Battelle, LLC which are subject to the Special Financial Institution Account Agreement For Use With The Payments-Cleared Financing Arrangement

between the United States of America, represented by the Department of Energy, UT-Battelle, LLC, and SunTrust Bank, dated January 30, 2008, as amended (the "Account Agreement"). If there is any inconsistency on a particular issue between this agreement and the Account Agreement, the Account Agreement will control that particular issue.

3. **Amendments.** We may change or add to the provisions of this master agreement and any of the general terms and conditions by giving you 30 calendar days' prior notice. We may change or add to the terms and conditions for any individual service by giving you 10 calendar days' prior notice. We may change the information in the implementation/setup forms without giving you notice. If you continue to use a service after any of these changes or additions become effective (or you earlier confirm a service profile for an affected service), you are bound by those changes or additions. If a change or addition is required by applicable law, clearing house rules or funds transfer system rules, or if we believe that the change or addition is necessary for the security or integrity of the systems that we use in providing any services for you, we may give you notice of the change or addition promptly after we make it. In that case, you are bound by the change or addition unless you terminate your use of the relevant service(s) immediately after you receive our notice. We may change or add to the terms of the software

SUNTRUST

profiles are correct, you have successfully completed any required testing or training for the change and we have completed our implementation of the change. In that regard, changes to your setup for a service reflected on a service profile will be implemented either on an 'incremental' basis or a complete replacement basis, as reflected and to the extent indicated in the service profile.

If a change is implemented to your setup for a service on an incremental basis, that change supplements (as an addition, deletion or modification), but does not replace, the information in your setup for that service. For example, if an incremental service profile indicates that it adds a new authorized user for a service, all existing authorized users for that service continue to be authorized users unless you specifically request that we delete one or more of them and that deletion is reflected in a separate

materials or the rules and regulations by following the procedures set forth in those documents.

4. **New Services.** If we agree to provide a new service for you, we will create one or more service profiles reflecting certain instructions you give us regarding your setup for that new service and send or otherwise make them available to you. You may not use that service until you have confirmed (in a manner acceptable to us) that those service profiles are correct, you have successfully completed any required testing or training for that service and we have completed our implementation of your setup for that service. If you attempt to use a new service without satisfying one or more of these conditions, we may refuse to provide that service but, if we do provide it you are bound by the terms of the agreement relating to that service (including, without limitation, the general terms and conditions and the terms and conditions for that new **service**).

5. **Changes to Your Setup.** If we agree to change your setup for a service in response to your instructions and those instructions are of the type reflected on a service profile, we will send or otherwise make one or more service profiles reflecting those instructions available to you. That change will not take effect until you have confirmed (in a manner acceptable to us) that those service

Page 1 of 2

TREASURY MANAGEMENT MASTER AGREEMENT

service profile that you confirm (in a manner acceptable to us).

If a change is implemented to your setup for a service on a complete replacement basis, the information identified in that service profile completely replaces the information in your setup for that service, to the extent indicated in that service profile. In that regard, information can be completely replaced

(a) only for the account(s) identified on the service profile, (b) only for the combination of the account(s) and linked feature(s) of the service identified on the service profile or (c) for all accounts using the service.

For example, if a service profile indicates that it completely replaces all of your previous service profiles for a service with respect to the account(s) identified in that service profile, then only the authorized users identified in that service profile are authorized to use the service

with respect to the Identified account(s). However, none of your service profiles for other accounts using that service are affected and all authorized users listed on them continue to be authorized users with respect to those other accounts.

Alternatively, If a service profile indicates that It completely replaces all of your previous service profiles for the combination of an account and lockbox Identified In that service profile, then only the Image delivery option(s) selected in that service profile will be provided with respect to the combination of the Identified account and lockbox. However, none of your service profiles for other combinations of accounts and lockboxes for that service are affected and all the options Identified on them will apply with respect to any of your accounts using the service.

Image delivery options selected in them will continue to be provided with respect to those other combinations of accounts and lockboxes

Finally, if a service profile Indicates that It completely replaces all of your previous service profiles for a service, then only the options Identified In that service profile will apply with respect to any of your accounts using that service. None of your previous service profiles for that service are effective and none of

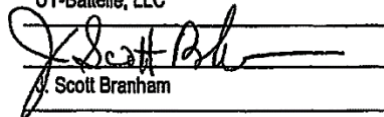
We may refuse to accept letters, e-mails or other forms of communication that Instruct us to change your setup for a service if those Instructions are of the type reflected on a **service** profile. However, you **agree** that we may (at our option) accept an e-mail that purports to be from one of your authorized signers and that instructs us to delete one or more accounts from your setup for a service without **requiring you** to confirm a **service profile** reflecting that Instruction.

6. Electronic Records and Signatures. You consent to the use of electronic records and signatures with respect to your use of the services. Without limiting the types of electronic signatures we may accept, you agree that, If we elect (at our option) to send a service profile to you as an attachment to an e-mail message, you (a) will be deemed to have confirmed that service profile Is correct If we receive an e-mail message to that effect that purports to be from one of your authorized signers, (b) adopt that e-mail message as your electronic signature with the Intent to sign that service profile and (c) will be bound by that service profile to the same extent as If one of your authorized signers had printed, signed and given It to us.

7. Acknowledgement of Receipt and Agreement to be Bound. By signing below (and each time you confirm a service profile), you acknowledge that you have received (or have been given electronic access, Including the necessary password, to) a complete copy of, and that you have read, understand and agree to be bound by all provisions of our treasury management terms and conditions (including, without limitation, those that (a) limit our liability to you, (b) obligate you to Indemnify us, (c) authorize us to rely on authorization codes, (d) waive the right to a Jury trial and (e) require binding arbitration) In the form and with the content then posted on the identified website (as we may update them from time to time) with respect to your use of all services.

Signature. This master agreement has been signed and delivered (which you agree may be by facsimile or e-mail attachment) on your behalf by the person whose name Is printed below. That person represents and warrants to us that he or she Is one of your authorized signers and that you have taken all action required by your organizational documents to authorize him or her to sign and deliver this master agreement (and any other documents we may require with respect to the services) on your behalf. The agreement completely replaces any other ones you have given us in the past with respect to the services, except that any Instructions you have given us under any such past agreements continue to be effective until replaced or deleted In accordance with the agreement Including, without limitation, through a service profile or an Implementation/setup form).

Client Name

Authorized Signer: UT-Battelle, LLC

Print Name: J. Scott Branham
Print Title: Chief Financial Officer

Address:
OAK RIDGE NATIONAL LABORATORY
PO BOX 2008 MS6231
OAK RIDGE TN 37831 231
Building: 4500N Room: J256 Mall Stop: 6231
E-Mail: Branhams@ornl.gov
Phone: 885-241-7614
Fax: 866-678-8348

Date: 5/23/12

UT-Battelle Exhibit 4.xlsx

Schedule of Financial Institution Processing Charges

Service	Account Analysis Monthly Price
DEMAND DEPOSIT SERVICES	
Collection Items - Incoming	\$22.0000
Account Maintenance • Monthly	\$17.0000
Deposits Credited	\$0.8000
Electronic Credits Posted	\$0.1100
Electronic Debits Posted	\$0.1100
Other Miscellaneous Debits	\$0.1100
Items Deposited	\$0.1100
ZERO BALANCE SERVICE	
ZBA Master Account	\$25.0000
ZBA Sub Account	\$10.0000
Controlled PAYMENT SERVICES	
Controlled Payment-Mth Malnt	\$60.0000
Control Payment-Checks Paid	\$0.1100
CPR Auto D/T To Bank/Tran	\$6.0000
CPR Auto D/T To Bank/Rcrd	\$0.0100
Control Payment • Mismatches	\$1.0000
CNTL PYMT Issues • Bank Created	\$15.00
CPR Returned item	\$10.0000
BRANCH: NIGHT DEPOSIT SERVICES	
Branch Cash OTC Deposit/\$1000	\$2.00
Branch Curr Ord/Strap	\$0.00
Branch Coin Order/Roll	\$0.00
Branch Curr Ord/Partial Strap	\$0.30
CASH: VAULT SERVICES	
Cash Vault Monthly Main! 1 LOC	\$35.0000
ARP SERVICES	
Partial Recon- Base Fee	\$60.0000
ARP Auto D/T to Client/Trans	\$5.0000
ARP Auto D/T to Client/Rcrd	\$0.0150
IMAGE DELIVERY SERVICES	
CD-ROM Premium CD	\$32.0000
CD-ROM Images Per Item	\$0.0425
ONLINE COURIER	
OLC ODA Statement	\$5.0000
OLC ACH Returns Report	\$3.0000
ACH-SERVICES	
ACH Monthly Maintenance	\$10.0000
ACH Calendar Monitoring Fee	\$20.0000
ACH Ale Transmissions, Self	\$9.0000
ACH Ale Transmissions, Vendor File	\$8.0000
Consumer PPD Credits Originated	\$0.0400
Consumer PPD Debits Originated	\$0.4000
ACH Addenda Orig	\$0.0200
Corp Credits Orig CCD,CCD+CTX	\$0.0400
ACH Fax Page	\$1.0000
ACH Return Item	\$3.0000
ACHNOItem	\$0.0000
ACH Exception Processing	\$10.0000
ACH Reversals • Item	\$3.0000
OTM ACH Batch Processing Fee	\$5.0000
OTM ACH Addenda Originated	\$0.0150
OTM ACH Corp Pymts Credits Orig	\$0.0400
ACH Exception Processing	\$10.0000
ACH FRAUD CONTROL	
ACH Fraud Control	\$15.0000



Service Glossary

Service Code	Service Description	Definition
9	Negative Collected Charge	Rate-based charge assessed for maintaining a negative collected balance for one or more days during the analysis period.
35	Deposit Assessment Per \$1000	
3005	Other Miscellaneous Debits	Charge for posting a debit to an account
3021	Account Maintenance - Monthly	Fixed charge for maintaining a demand deposit account.
3220	Deposits Credited	Charge for handling and posting a deposit consisting of any combination of coin, currency, checks, food stamps or merchant card drafts
3267	Electronic Debits Posted	Charge for posting an incoming ACH debit to an account.
3268	Electronic Credits Posted	Charge for posting an incoming ACH credit to an account.
3651	Items Deposited	Charge for depositing a check into a SunTrust account. This is a per item fee regardless of where the item is drawn.
3835	Overdraft Items Paid	
3845	Overdraft Itm Paid Not Charged	
3855	Overdraft Item Paid - Waived	
9291	Branch Cash OTC Deposit/\$1000	Charge for processing cash over the counter at the bank's branch office.
12264	Cash Vault Monthly Maint 1 Loc	Monthly Maintenance fee for Cash Vault clients with 1 location.
33269	Control Payment-Checks Paid	Per item charge for item paid against CPR accounts.
33270	Controlled Payment-Mismatches	Per item charge for handling checks drawn on a CPR account that do not match issue records as provided by the client. Some mismatches are a result of paid-no-issue records (PNIs), while other result from encoding errors. Clients are charged for all mismatch item types. Client payment approval (i.e. pay or return) for each mismatch.
33271	Controlled Payment-Mth Maint	Fixed charge for the maintenance of a CPR account. CPR is a same day Positive Pay service with daily matching by the bank of checks presented against the client's check issuance information before payment is made. Mismatch checks are paid / posted or returned, based on the client instructions. Default instructions are enacted if a mismatch payment decision is not received by the decision deadline.
33276	CPR Returned Item	Charge for Returning a Controlled Payment Item, applied to all region/groups
33307	CPR Auto D/T To Bank/Tran	Charge for receiving information from client via a transmission platform not requiring manual intervention. Client requirements and/or communications capabilities dictate the transmission platform. SuperTracs is an example of unattended transmission.
33308	CPR Auto D/T To Bank/Rcrd	Charge for receiving each record of information from client via a transmission platform not requiring manual intervention.
36654	ZBA Master Account	Charge for maintaining zero balance services at the master account level.
36655	ZBA Sub Account	Charge for maintaining zero balance services at the sub-account level.
40381	CD-ROM Premium CD	The CD-ROM Premium CD fee is accessed for the processing of the checks and storage in order to create the CD-ROM deliverable.
40383	CD ROM Images Per Item	The CD-ROM Images Per Item fee is accessed for the processing of the checks in order to create the CD-ROM deliverable.
45320	Wire Trsf Monthly Maint/Acct	Charge for providing funds transfer services. This is a fixed charge that encompasses the cost of maintaining account information on the wire database including repeat codes, standing orders, etc.
45343	W/T Incoming	Charge for handling and posting a Fedwire transfer received for the customer' s account.
45435	Draw Down Request	Charge for initiating a request by telephone to send a Fed message to another bank requesting that a wire transfer be initiated and sent back to credit the client's SunTrust account.
48379	ACH Addenda Orig	Charge for processing reference information associated with the origination of an ACH transaction; charged per-record.
48383	ACH Return Item	Charge for an originated ACH debit or credit transaction returned via the ACH network that is charged back to the originating company's account.

Service Code	Service Description	Definition
48384	ACH NOC Item	Charge for the receipt of a notification of change (NOC) on an ACH transaction originated.
48439	ACH Monthly Maintenance	Per settlement account monthly maintenance for ACH services.
48447	ACH File Transmissions, Self	Per file charge for processing an ACH file sent by direct transmission.
48449	ACH File Transmission, Vendor File	Charge for processing an ACH file from a third party vendor
48458	Consumer PPD Credits Originated	Per-credit charge for processing a PPD (consumer) ACH credit transaction originated by the client.
48460	Corp Credits Orig CCD,CCD+CTX	Per-credit charge for processing a corporate (CCD, CCD+, CTX) credit originated.
54370	ACH Fraud Cntrl Monthly Maint	Monthly maintenance fee per account for accounts set up with ACH Fraud Control (full blocks or authorization filters)
63209	ARP Auto D/T To Client/Tran	Charge for sending information to a client via a transmission platform not requiring manual intervention. Client requirements and/or communications capabilities dictate the transmission platform. SuperTracs is an example of unattended transmission.
63210	ARP Auto D/T To Client/Rcnd	Charge for sending each record of information to a client via a transmission platform not requiring manual intervention.
63455	Partial Recon - Base Fee	Fixed charge for providing partial reconciliation services. Reports provided to the client may include, but are not limited to, a bank statement, listing of paid items, as well as stop payments placed / on file.
73254	OTM/OLC Maintenance Fee	Monthly product access fee applied to each OTM company ID.
73256	OTM/OLC Prior Day Serv/Pr Mnth	Monthly module access fee applied to each OTM company ID with the PRIOR day reporting module.
73258	OTM/OLC Prior Day Per Ac Maint	Monthly account maintenance fee for each account set up for PRIOR day detail and summary information. The same price applies for all Tiers.
73260	OTM/OLC Prior Day Per Item Dtl	Charge applied to each Prior day detail item (transaction) loaded for each OTM company ID. The same price applies for all Tiers.
73262	OTM/OLC Cur Day Serv/Per Mnth	Monthly module access fee applied to each OTM company ID with the SAME day reporting module.
73264	OTM/OLC Cur Day Per Acct Maint	Monthly account maintenance fee for each account set up for SAME day detail and summary information. The same price applies for all Tiers.
73266	OTM/OLC Cur Day Per Item Dtl	Charge applied to each SAME day detail item (transaction) loaded for each OTM company ID. The same price applies for all Tiers.
73268	OTM/OLC Special Rpt Mnth Maint	Monthly module access fee applied to each OTM company ID with the Special Reports module.
73279	OTM/OLC CPR-Rpt(S)/Per Rpt	Fee charged each day a CPR report is loaded for each account (if reported separately) or for multiple accounts (if reported in a consolidated format).
73280	Stop Service/Per Month	Monthly charge per Company ID for stop payment module.
73284	ACH Service/Per Month	ACH Module Fee
73290	Wire Service/Per Month	Monthly charge per Company ID for wire transfer module
73294	Image Item Retrieval/Per Image	Charge each image pulled and viewed on OTM.
73297	OLC DDA Statement	Charge for electronic DDA Statements available through Online Courier.
73298	OLC Analysis Statement	Charge for electronic Account Analysis Statements available through Online Courier
73401	OTM ACH Coll Appl Mthly Fee	N/A
73402	OTM ACH Batch Processing Fee	Charged for each collection application processed per processing window, regardless of the number of batches/files sent in each window.
73405	OTM ACH Addenda Originated	Charged for each ACH addenda record created
73408	OTM ACH Corp Pymts Credits Orig	Per-credit charge for processing a corporate - CCD, CCD+ (including Tax Payments) - ACH credit transaction originated by the client via OTM.
73412	OLC ACH Returns Report	Fee charged for ACH Returns Report available through Online Courier.
73502	Intl W/T Out Non-Rep USD OTM	Charge for processing an OTM-initiated, non-repetitive wire payment to a foreign beneficiary, denominated in a U.S. currency. With non-repetitive transfers the debit account, transferred dollar amount, and the credit instructions may vary.
73505	W/T Out Non-Rep (OTM PC Wire)	Charge for processing a domestic non-repetitive wire transfer initiated through OTM.

Service Code	Service Description	Definition
73507	W/T Internal Non-Rep OTM Wire	Charge for posting and handling an OTM-initiated transfer received for the customer's account from another account within the bank. With non-repetitive transfers, the debit account, transferred dollar amount, and the credit instructions may vary.
78428	EDI Translated Rpt-Faxed Page	Charge for providing EDI reports via facsimile.
78871	EDI Origination Per 1000 Char	Charge for processing formatted payment information from the customer and translating it into an ACH transaction or check printing file.
78873	EDI Translated Rpt-Per Item	Charge per transaction for providing remittance information to customer via mail, fax, or secure email.
78907	EDI Auto D/T To Suntrust/Trans	Charge for electronic file transmission from client, per transmission.
78908	EDI Auto D/T To Suntrust/Rcrd	Charge for electronic file transmission from client, per record transmitted.
78950	EDI 820 Orig Maint	Monthly fee for providing EDI electronic file services.

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS

APPENDIX G

PERFORMANCE EVALUATION AND MEASUREMENT PLAN

Attached to this Appendix G is the current Performance Evaluation and Measurement Plan.



STANDARDS OF PERFORMANCE-BASED FEE FY 2024

UT-BATTELLE PERFORMANCE EVALUATION AND MEASUREMENT PLAN

Management and Operation of the
Oak Ridge National Laboratory

October 2023–September 2024

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INTRODUCTION

This document, the *UT-Battelle Performance Evaluation and Measurement Plan* (PEMP), primarily serves as the U.S. Department of Energy (hereafter referred to as “DOE”) Quality Assurance/Surveillance Plan for the evaluation of UT-Battelle LLC (hereafter referred to as “the Contractor”) performance regarding the management and operations (M&O) of the Oak Ridge National Laboratory (hereafter referred to as “ORNL,” “the Laboratory”) for the evaluation period from October 1, 2023, through September 30, 2024. The performance evaluation provides a standard by which to determine whether the Contractor is managerially and operationally in control of the Laboratory and is meeting the mission requirement and performance expectations/objectives of the Department as stipulated within this document.

This document also describes the distribution of the total available performance-based fee and the methodology for determining the amount of fee earned by the Contractor as stipulated within the clauses in the Prime Contract titled “Determining Total Available Performance Fee and Fee Earned,” “Conditional Payment of Fee, Profit, or Incentives,” and “Total Available Fee: Base Fee Amount and Performance Fee Amount.” In partnership with the Contractor and other key customers, DOE Headquarters (HQ) and the DOE ORNL Site Office (hereafter referred to as “OSO,” the Site Office) have defined the measurement basis that serves as the Contractor’s performance-based evaluation and fee determination.

The Performance Goals (hereafter referred to as “Goals”), Performance Objectives (hereafter referred to as “Objectives”) and set of Notable Outcomes discussed herein were developed in accordance with contract expectations set forth within the contract. The notable outcomes for meeting the Objectives set forth within this plan have been developed in coordination with HQ program offices as appropriate. Except as otherwise provided for within the contract, the evaluation and fee determination will rest solely on the Contractor’s performance within the Performance Goals and Objectives set forth within this plan.

The overall performance against each Objective of this performance plan, to include the evaluation of notable outcomes, shall be evaluated jointly by the appropriate HQ office(s), major customer(s), and/or the Site Office as appropriate. This cooperative review methodology will ensure that the overall evaluation of the Contractor results in a consolidated DOE position taking into account specific notable outcomes as well as all additional information available to the evaluating office. The Site Office shall work closely with each HQ program office or major customer throughout the year in evaluating the Contractor’s performance and will provide observations regarding programs and projects as well as other M&O activities conducted by the Contractor throughout the year.

Section I provides information on how the performance rating (grade) for the Contractor, as well as the performance-based incentives fee earned (if any), will be determined. As applicable, Section I also provides information on the award term eligibility requirements.

Section II provides the detailed information concerning each Goal, its corresponding Objectives, and notable outcomes identified, along with the weightings assigned to each Goal and Objective and a table for calculating the final grade for each Goal.

I. DETERMINING THE CONTRACTOR'S PERFORMANCE RATING, PERFORMANCE-BASED FEE, AND AWARD TERM ELIGIBILITY (as applicable)

The FY 2024 Contractor performance grade for each Goal will be determined based on the weighted sum of the individual scores earned for each of the Objectives described within this document for Contractor/Laboratory Leadership and for M&O. For each Science and Technology (S&T) Goal, an initial weighted sum will be calculated analogously for each evaluating office, and a cost-based weighted

sum of these initial sums will determine the Contractor performance grade. Each Goal is composed of two or more weighted Objectives. Additionally, a set of notable outcomes has been identified to highlight key aspects/areas of performance deserving special attention by the Contractor for the upcoming fiscal year. Each notable outcome is linked to one or more Objectives, and failure to meet expectations against any notable outcome will result in a grade less than B+ for that Objective(s). That is, if the Contractor fails to meet expectations against a notable outcome tied to an Objective under Goal 1.0, 2.0, or 3.0, the DOE Office of Science (SC) program office that assigned the notable outcome shall award a grade less than “B+” for the Objective(s) to which the notable outcome is linked; if the contractor fails to meet expectations against a notable outcome tied to an Objective under Goal 4.0, 5.0, 6.0, 7.0 or 8.0, SC shall award a grade less than “B+” for the Objective(s) to which the notable outcome is linked. Performance above expectations against a notable outcome will be considered in the context of the Contractor’s entire performance with respect to the relevant Objective. The following section describes SC’s methodology for determining the Contractor’s grades at the Objective level.

Performance Evaluation Methodology:

The purpose of this section is to establish a methodology to develop grades at the Objective level. Each evaluating office shall provide a proposed grade and corresponding numerical score for each Objective. (See Figure 1 for SC’s scale.) Each evaluation will measure the degree of effectiveness and performance of the Contractor in meeting the corresponding Objectives.

Final Grade	A+	A	A-	B+	B	B-	C+	C	C-	D	F
Total Score	4.3-4.1	4.0-3.8	3.7-3.5	3.4-3.1	3.0-2.8	2.7-2.5	2.4-2.1	2.0-1.8	1.7-1.1	1.0-0.8	0.7-

Figure 1. FY 2024 Contractor Letter Grade Scale

For the three S&T Goals (1.0 – 3.0) the Contractor shall be evaluated against the defined levels of performance provided for each Objective under the S&T Goals. The Contractor performance under Goal

4.0 will be evaluated using the defined levels of performance described for the four Objectives under Goal 4.0. The descriptions for these defined levels of performance are included in Section II.

It is the DOE’s expectation that the Contractor provides for and maintains M&O systems that efficiently and effectively support the current mission(s) of the Laboratory and assure the Laboratory’s ability to deliver against DOE’s future needs. In evaluating the Contractor’s performance, DOE shall assess the degree of effectiveness and performance in meeting each of the Objectives provided under each of the Goals. For the four M&O Goals (5.0 – 8.0), DOE will rely on a combination of the information through the Contractor’s own assurance systems, the ability of the Contractor to demonstrate the validity of that information, and DOE’s own independent assessment of the Contractor’s performance across the spectrum of its responsibilities. The latter might include but is not limited to operational awareness (daily oversight) activities; formal assessments conducted; “For Cause” reviews (if any); and other outside agency reviews (Office of Inspector General [OIG], General Accountability Office [GAO], Defense Contract Audit Agency [DCAA], etc.).

The mission of the Laboratory is to deliver the S&T needed to support Departmental missions and other sponsors’ needs. Operational performance at the Laboratory meets DOE’s expectations (defined as the grade of B+) for each Objective if the Contractor is performing at a level that fully supports the Laboratory’s current and future science and technology mission(s). Performance that does, or has the potential to, 1) adversely impact the delivery of the current and/or future DOE/Laboratory mission(s);

- 2) adversely impact the DOE and or the Laboratory’s reputation; or 3) fail to provide the competent people, necessary facilities, and robust systems necessary to ensure sustainable performance shall be graded below expectations as defined in Figure I-1.

The Department sets our expectations high and expects performance at that level to optimize the efficient and effective operation of the Laboratory. Thus, the Department does not expect routine Contractor performance to exceed the expectations set for the M&O Goals (5.0 – 8.0). Performance that might merit grades above B+ would need to reflect a Contractor’s significant contributions to the M&O within the system of Laboratories or recognition by external, independent entities as exemplary performance.

Definitions for the grading scale for the Goal 5.0 – 8.0 Objectives are provided in Figure I-1, below:

Letter Grade	Numerical Grade	Definition
A+	4.3-4.1	Significantly exceeds expectations of performance against all aspects of the Objective in question. The Contractor’s systems function at a level that fully supports the Laboratory’s current and future science and technology mission(s). Performance is notable for its significant contributions to the management and operations across the SC system of laboratories, and/or has been recognized by external, independent entities as exemplary.
A	4.0-3.8	Notably exceeds expectations of performance against all aspects of the Objective in question. The Contractor’s systems function at a level that fully supports the Laboratory’s current and future science and technology mission(s). Performance is notable for its contributions to the management and operations across the SC system of laboratories, and/or as been recognized by external, independent entities as exemplary.
A-	3.7-3.5	Exceeds expectations of performance against all aspects of the Objective in question. The Contractor’s systems function at a level that fully supports the Laboratory’s current and future science and technology mission(s).
B+	3.4-3.1	Meets expectations of performance against all aspects of the Objective in question. The Contractor’s systems function at a level that fully supports the Laboratory’s current and future science and technology mission(s). No performance has, or has the potential to, adversely impact 1) the delivery of the current and/or future DOE/Laboratory mission(s), 2) the DOE and/or the Laboratory’s reputation or does not 3) provide a sustainable performance platform.
B	3.0 -2.8	Just misses meeting expectations of performance against a few aspects of the Objective in question. In a few minor instances, the Contractor’s systems function at a level that does not fully support the Laboratory’s current and future science and technology mission or provide a sustainable performance platform.
B-	2.7-2.5	Misses meeting expectations of performance against several aspects of the Objective in question. In several areas, the Contractor’s systems function at a level that does not fully support the Laboratory’s current and future science and technology mission or provide a sustainable performance platform.
C+	2.4-2.1	Misses meeting expectations of performance against many aspects of the Objective in question. In several notable areas, the Contractor’s systems function at a level that does not fully support the Laboratory’s current and future science and technology mission or provide a sustainable performance platform, and/or have affected the reputation of the Laboratory or DOE.
C	2.0-1.8	Significantly misses meeting expectations of performance against many aspects of the Objective in question. In many notable areas, the Contractor’s systems do not support the Laboratory’s current and future science and technology mission, nor provide a sustainable performance platform and may affect the reputation of the Laboratory or DOE.
C-	1.7- 1.1	Significantly misses meeting expectations of performance against most aspects of the Objective in question. In many notable areas, the Contractor’s systems demonstrably hinder the Laboratory’s ability to deliver on current and future science and technology mission and have harmed the reputation of the Laboratory or DOE.
D	1.0-0.8	Most or all expectations of performance against the Objective in question are missed. Performance failures in this area have affected all parts of the Laboratory; DOE leadership engagement is required to deal with the situation and help the Contractor.

Letter Grade	Numerical Grade	Definition
F	0.7-0	All expectations of performance against the Objective in question are missed. Performance failures in this area are not recoverable by the Contractor or DOE.

Figure I-1. Letter Grade and Numerical Grade Definitions for Objectives under M&O Goals

Calculating Individual Goal Scores and Letter Grades:

Each Objective is assigned the earned numerical score by each evaluating office as stated above. For an evaluating office, the Goal score is then computed by multiplying each Objective numerical score under that Goal by the weight assigned to that Objective by that office, and then adding those values together. For Goals 4.0 – 8.0, this determines the overall Goal score. For Goals 1.0 – 3.0, the overall Goal score is calculated by multiplying each evaluating office’s Goal score by the office’s cost-based weight, and then adding them. For the purpose of determining the eight Goal grades, the unrounded raw overall numerical score for each Goal will be rounded to the nearest tenth of a point using the standard rounding convention discussed below following Figure 2, and then will be compared to Figure 1. A set of tables is provided at the end of each Performance Goal section of this document to assist in the calculation from Objective numerical scores to the Goal grade. No overall rollup grade shall be provided.

The eight Performance Goal grades shall be used to create a report card for the Laboratory (see Figure 2, below).

Performance Goal	Grade
1.0 Mission Accomplishment	
2.0 Design, Fabrication, Construction and Operations of Research Facilities	
3.0 Science and Technology Program Management	
4.0 Sound and Competent Leadership and Stewardship of the Laboratory	
5.0 Integrated Safety, Health, and Environmental Protection	
6.0 Business Systems	
7.0 Operating, Maintaining, and Renewing Facility and Infrastructure Portfolio	
8.0 Integrated Safeguards and Security Management and Emergency Management Systems	

Figure 2. Laboratory Report Card

Although rounded to convert to letter grades, the unrounded raw numerical score from each calculation shall be carried through to the next stage of the calculation process. The unrounded raw numerical score for weighted final S&T and weighted final M&O will be rounded to the nearest tenth of a point for purposes of determining fee. A standard rounding convention of x.44 and less rounds down to the nearest tenth (here, x.4), while x.45 and greater rounds up to the nearest tenth (here, x.5).

Determining the Amount of Performance-Based Fee Earned:

SC uses the following process to determine the amount of performance-based fee earned by the Contractor. The overall Goal scores for each S&T Performance Goal shall be used to determine an initial numerical score for S&T (see Table A, below), and the overall Goal scores for each M&O Performance Goal shall be used to determine an initial numerical M&O score (see Table B, below).

S&T Performance Goal	Numerical Score	Weight ¹		
1.0 Mission Accomplishment		≥30%		
2.0 Design, Fabrication, Construction and Operation of Research Facilities				
3.0 Science and Technology Program Management		25%		
Initial S&T Score				

Table A. Fiscal Year Contractor Evaluation Initial S&T Score Calculation

M&O Performance Goal	Numerical Score	Weight		
5.0 Integrated Safety, Health, and Environmental Protection				
6.0 Business Systems				
7.0 Operating, Maintaining, and Renewing Facility and Infrastructure Portfolio				
8.0 Integrated Safeguards and Security Management and Emergency Management Systems				
Initial M&O Score				

Table B. Fiscal Year Contractor Evaluation Initial M&O Score Calculation

These initial scores will then be adjusted based on the numerical score for Goal 4.0 (see Table C, below).

	Numerical Score	Weight		
Initial S&T Score		0.75		
Goal 4.0		0.25		
Final S&T Score				
Initial M&O Score		0.75		
Goal 4.0		0.25		
Final M&O Score				

Table C. Fiscal Year Final S&T and M&O Score Calculation

The percentage of the available performance-based fee that may be earned by the Contractor shall be determined based on the final score for S&T (see Table C) and then compared to Figure 3, below. The final score for M&O from Table C shall then be utilized to determine the final fee multiplier (see Figure 3), which shall be utilized to determine the overall amount of performance-based fee earned for FY 2024 as calculated within Table D.

¹ For Goals 1.0 and 2.0, the weights are based on total fiscal year costs for all evaluating programs distributed between Goals 1.0 and 2.0; however, a minimum weight of 30% for Goal 1.0 is required regardless of cost distribution. For Goal 3.0, the weight is set as a fixed percentage for all laboratories

Overall Final Score for either S&T or M&O from Table C.	Percent S&T Fee Earned	M&O Fee Multiplier
4.3	100%	100%
4.2		
4.1		
4.0	97%	100%
3.9		
3.8		
3.7	94%	100%
3.6		
3.5		
3.4	91%	100%
3.3		
3.2		
3.1		
3.0	88%	95%
2.9		
2.8		
2.7	85%	90%
2.6		
2.5		
2.4	75%	85%
2.3		
2.2		
2.1		
2.0	50%	75%
1.9		
1.8		
1.7	0%	60%
1.6		
1.5		
1.4		
1.3		
1.2		
1.1		
1.0 to 0.8	0%	0%
0.7 to 0.0	0%	0%

Figure 3. Performance-Based Fee Earned Scale

Overall Fee Determination	
Percent S&T Fee Earned	
M&O Fee Multiplier	X
Overall Earned Performance-Based Fee	

Table D. Final Percentage of Performance-Based Fee Earned Determination

The Federal Acquisition Regulations (FAR) requirements for using and administering cost-plus-award-fee contracts were modified to provide for a five-level adjectival grading system with associated levels of available fee.² SC has addressed the FAR Part 16 language by mapping its standard numerical scores and associated fee determinations to the FAR Adjectival Rating System, as noted in Figure 4.

Range of Overall Final Score for S&T from Figure 3.	FAR Adjectival Rating	Maximum Performance-Fee Pool Available to be Earned
3.1 to 4.3	Excellent	100%
2.5 to 3.0	Very Good	88%
2.1 to 2.4	Good	75%
1.8 to 2.0	Satisfactory	50%
0.0 to 1.7	Unsatisfactory	0%

Figure 4. Crosswalk of SC Numerical Scores and the FAR Part 16 Adjectival Rating System

Adjustment to the Letter Grade and/or Performance-Based Fee Determination:

The lack of Performance Objectives and notable outcomes in this plan does not diminish the need to comply with minimum contractual requirements. Although the performance-based Goals and their corresponding Objectives shall be the primary means utilized in determining the Contractor’s performance grade and/or amount of performance-based fee earned, the Contracting Officer may unilaterally adjust the rating and/or reduce the otherwise earned fee based on the Contractor’s performance against all contract requirements as set forth in the Prime Contract. While reductions may be based on performance against any contract requirement, specific note should be made to contract clauses which address reduction of fee, including, Standards of Contractor Performance Evaluation, DEAR 970.5215-1 – Total Available Fee: Base Fee Amount and Performance Fee Amount, and Conditional Payment of Fee, Profit, and Other Incentives – Facility Management Contracts. Data to support rating and/or fee adjustments may be derived from other sources to include, but not limited to, operational awareness (daily oversight) activities; “For Cause” reviews (if any); and other outside agency reviews (OIG, GAO, DCAA, etc.), as needed.

The adjustment of a grade and/or reduction of otherwise earned fee will be determined by the severity of the performance failure and consideration of mitigating factors. DEAR 970.5215-3 Conditional Payment of Fee, Profit, and Other Incentives – Facility Management Contracts is the mechanism used for reduction of fee as it relates to performance failures related to safeguarding of classified information and to adequate protection of environment, health, and safety. Its guidance can also serve as an example for reduction of fee in other areas.

The final Contractor performance-based grades for each Goal and fee earned determination will be contained within a year-end report, documenting the results from the DOE review. The report will identify areas where performance improvement is necessary and, if required, provide the basis for any performance-based rating and/or fee adjustments made from the otherwise earned rating/fee based on Performance Goal achievements.

² See Policy Flash 2010-05, *Federal Acquisition Circular 2005-37*.

II. PERFORMANCE GOALS, OBJECTIVES & NOTABLE OUTCOMES

Background

The current performance-based management approach to oversight within DOE has established a new culture within the Department with emphasis on the customer-supplier partnership between DOE and the laboratory contractors. It has also placed a greater focus on mission performance, best business practices, cost management, and improved contractor accountability. Under the performance-based management system the DOE provides clear direction to the laboratories and develops annual performance plans (such as this one) to assess the contractors' performance in meeting that direction in accordance with contract requirements. The DOE policy for implementing performance-based management includes the following guiding principles:

- Performance objectives are established in partnership with affected organizations and are directly aligned to the DOE strategic goals;
- Resource decisions and budget requests are tied to results; and
- Results are used for managing information, establishing accountability, and driving long-term improvements.

The performance-based approach focuses the evaluation of the Contractor's performance against these Performance Goals. Progress against these Goals is measured through the use of a set of Objectives. The success of each Objective will be measured based on demonstrated performance by the laboratory, and on a set of notable outcomes that focus laboratory leadership on the specific items that are the most important initiatives and highest risk issues the laboratory must address during the fiscal year. These notable outcomes should be objective, measurable, and results-oriented to allow for a definitive determination of whether or not the specific outcome was achieved at the end of the year.

Performance Goals, Objectives, and Notable Outcomes

The following sections describe the Performance Goals, their supporting Objectives, and associated notable outcomes for FY 2024.

GOAL 1.0 Provide for Efficient and Effective Mission Accomplishment

The S&T programs at the Laboratory produce high-quality, original, and creative results that advance S&T; demonstrate sustained scientific progress and impact; receive appropriate external recognition of accomplishments; and contribute to overall research and development (R&D) goals of the Department and its customers.

The weight of this Goal is TBD%.

The "Provide for Efficient and Effective Mission Accomplishment" Goal measures the overall effectiveness and performance of the Contractor in delivering S&T results which contribute to and enhance the DOE's (or other relevant supporting agencies') mission of protecting our national and economic security by providing world-class scientific research capacity and advancing scientific knowledge by supporting world-class, peer-reviewed scientific results, which are recognized by others.

Each Objective within this Goal is to be assigned the appropriate numerical score by the SC Program Offices, other cognizant HQ Program Offices, and other customers as identified below. The Goal score from each HQ Program Office and/or customer is computed by multiplying each Objective numerical score by the associated weight assigned by that Office/customer and summing them (see Table 1.1).

- Office of Accelerator R&D and Production (ARDAP)
- Office of Advanced Scientific Computing Research (ASCR)

- Office of Biological and Environmental Research (BER)
- Office of Basic Energy Sciences (BES)
- Office of Fusion Energy Sciences (FES)
- Office of Isotope R&D and Production (IRP)
- Office of Nuclear Physics (NP)
- Office of Workforce Development for Teachers and Scientists (WDTS)
- Advanced Research Projects Agency – Energy (ARPA-E)
- Office of Cybersecurity, Energy Security, and Emergency Response (CESER)
- Department of Homeland Security (DHS)
- Office of Energy Efficiency and Renewable Energy (EERE)
- National Nuclear Security Administration (NNSA)
- Office of Fossil Energy and Carbon Management (FECM)
- Office of Intelligence (IN)
- Office of Nuclear Energy (NE)
- Nuclear Regulatory Commission (NRC)
- Office of Electricity (OE)

The overall Performance Goal score and grade will be determined by multiplying the Goal score assigned by each of the offices identified above by the cost-based weightings identified for each and then summing them (see Table 1.2, below). The cost-based weights to be utilized for determining the overall score will be determined following the end of the performance period and will be based on actual cost for FY 2024. The overall score earned is then compared to Table 1.3 to determine the overall letter grade for the Goal. The Contractor's success in meeting each Objective shall be determined based on the Contractor's performance as viewed by the SC Program Offices, other cognizant HQ Program Offices, and other customers for which the Laboratory conducts work. Should one or more of the HQ Program Offices choose not to provide an evaluation for this Goal and its corresponding Objectives, the weighting for the remaining HQ Program Offices shall be recalculated based on their percentage of cost for FY 2024 as compared to the total cost for those remaining HQ Program Offices.

Objectives

1.1 Provide Science and Technology Results with Meaningful Impact on the Field

In assessing the performance of the Laboratory against this Objective, the following assessment elements should be considered:

- Performance of the Laboratory with respect to proposed research plans;
- Performance of the Laboratory with respect to community impact and peer review; and
- Performance of the Laboratory with respect to impact to DOE (or other customer) mission needs.

The following is a sampling of factors to be considered in determining the level of performance for the Laboratory against this Objective. The evaluator(s) may consider the following as measured through progress reports, peer reviews, Field Work Proposals (FWPs), Program Office reviews/oversight, etc.:

- Impact of publications on the field, as measured primarily by peer review;
- Impact of S&T results on the field, as measured primarily by peer review;
- Impact of S&T results outside the field, indicating broader interest;
- Impact of S&T results on DOE or other customer mission(s);
- Successful stewardship of mission-relevant research areas;
- Delivery on proposed S&T plans;

- Significant awards (Nobel Prizes, R&D 100, FLC, etc.);
- Invited talks, citations, making high-quality data available to the scientific community; and
- Development of tools and techniques that become standards or widely used in the scientific community.

Letter Grade	Definition
A+	<p>In addition to satisfying the conditions for B+</p> <ul style="list-style-type: none"> • There are <i>significant research areas</i> for which the Laboratory has exceeded the expectations of the proposed research plans in significant ways through creative, new, or unconventional methods that allow greater scientific reach than expected. • S&T conducted at the Laboratory has resolved one of the most critical questions in the field or has changed the way the research community thinks about a particular field through paradigm shifting discoveries that would be considered the most influential discovery of the decade for that field. • S&T conducted at the Laboratory provided major advances that significantly accelerate DOE or other customer mission(s).
A	<p>In addition to satisfying the conditions for B+</p> <ul style="list-style-type: none"> • There are <i>important examples</i> where the Laboratory exceeded the expectations of the proposed research plans in significant ways through creative, new, or unconventional methods that allow greater scientific reach than expected. • All areas of S&T conducted at the Laboratory are of exceptional or outstanding merit and quality. • S&T conducted at the Laboratory has significant positive impact to DOE or other customer missions.
A-	<p>In addition to satisfying the conditions for B+</p> <ul style="list-style-type: none"> • There are <i>important examples</i> where the Laboratory exceeded the expectations of the proposed research plans. • Significant areas of S&T conducted at the Laboratory are of exceptional or outstanding merit and quality. • S&T conducted at the Laboratory significantly impact DOE or other customer missions.
B+	<p>The Laboratory has achieved each of the following objectives:</p> <ul style="list-style-type: none"> • The Laboratory has successfully executed proposed research plans. • S&T conducted at the Laboratory are of high scientific merit and quality. • S&T conducted at the Laboratory advance DOE or other customer missions.
B	<ul style="list-style-type: none"> • The Laboratory has successfully executed proposed research plans. • S&T conducted at the Laboratory advance DOE or other customer missions. <p>BUT the Laboratory fails to meet the conditions for B+ for at least one of the following reasons:</p> <ul style="list-style-type: none"> • S&T conducted at the Laboratory are not uniformly of high merit and quality OR some areas of research, previously supported, have become uncompetitive OR the Laboratory does not produce sufficiently competitive proposals to receive program support at a level commensurate with its unique capabilities.
B-	<p>The Laboratory fails to meet the conditions for B+ for at least one of the following reasons:</p> <ul style="list-style-type: none"> • The Laboratory has failed to successfully execute proposed research plans, but contingencies were in place such that no funding was or will be terminated. OR S&T conducted at the Laboratory does little to advance DOE or other customer missions. • Significant areas of S&T conducted at the Laboratory are not of high merit and quality OR some areas of research, previously supported, have become uncompetitive OR the Laboratory do not produce sufficiently competitive proposals to receive program support at a level commensurate with its unique capabilities.

Letter Grade	Definition
C	<p>The Laboratory fails to meet the conditions for B+ for <i>at least one</i> of the following reasons:</p> <ul style="list-style-type: none"> <i>In several significant aspects, the Laboratory failed to deliver on proposed research plans using available resources such that some funding was or will be terminated OR S&T conducted at the Laboratory failed to contribute to DOE or other customer missions.</i> <i>Significant areas of S&T conducted at the Laboratory are of poor merit and quality OR some areas of research, previously supported, have become uncompetitive AND the Laboratory does not produce sufficiently competitive proposals to receive program support at a level commensurate with its unique capabilities.</i>
D	<p>The Laboratory fails to meet the conditions for B+ for <i>at least one</i> of the following reasons:</p> <ul style="list-style-type: none"> <i>Multiple program elements at the Laboratory failed to deliver on proposed research plans using available resources such that significant funding was or will be terminated.</i> <i>Multiple significant areas of S&T conducted at the Laboratory are of poor merit and quality OR some areas of research, previously supported, have become uncompetitive AND the Laboratory does not produce sufficiently competitive proposals to receive program support at a level commensurate with its unique capabilities.</i> <i>S&T conducted at the Laboratory failed to contribute to DOE or other customer missions.</i>
F	<p>The Laboratory fails to meet the conditions for B+ for <i>at least one</i> of the following reasons:</p> <ul style="list-style-type: none"> <i>Multiple program elements at the Laboratory failed to deliver on proposed research plans using available resources resulting in total termination of funding.</i> <i>Multiple significant areas of S&T conducted at the Laboratory are of poor merit and quality OR some areas of research, previously supported, have become uncompetitive AND the Laboratory does not produce sufficiently competitive proposals to receive program support at a level commensurate with its unique capabilities OR the Laboratory has been found to have engaged in gross scientific incompetence and/or scientific fraud.</i> <i>S&T conducted at the Laboratory failed to contribute to DOE or other customer missions.</i>

1.2 Provide Quality Leadership in Science and Technology that Advances Community Goals and DOE Mission Goals.

In assessing the performance of the Laboratory against this Objective, the following assessment elements should be considered:

- Innovativeness / novelty of research ideas put forward by the Laboratory;
- Extent to which Laboratory staff members take on substantive or formal leadership roles in their community;
- Extent to which Laboratory staff members take on formal leadership roles in DOE, SC, and/or other customer activities;
- Extent to which Laboratory staff members contribute thoughtful and thorough peer reviews and other research assessments as requested by DOE, SC, or other supporting customers; and
- Extent to which Laboratory staff members champion Laboratory and Community goals to foster diversity, equity, inclusion, and accessibility in the work environment and in the S&T field.

The following is a sampling of factors to be considered in determining the level of performance for the Laboratory against this Objective. The evaluator(s) may consider the following as measured through progress reports, peer reviews, FWPs, Program Office reviews/oversight, etc.:

- Willingness to pursue novel approaches and/or demonstration of innovative solutions to problems;

- Willingness to take on high-risk/high payoff/long-term research problems, evidence that previous risky decisions by the principal investigator/research staff have proved to be correct and are paying off;
- The uniqueness and challenge of science pursued, recognition for doing the best work in the field;
- Extent and quality of collaborative efforts;
- Staff members visible in leadership positions in the scientific community;
- Involvement in professional organizations, National Academies panels and workshops;
- Effectiveness in driving the direction and setting the priorities of the community in a research field;
- Success in competition for resources; and
- Extent and quality of efforts to create new opportunities for the support and mentoring of project personnel (students, postdocs, and/or research staff) from demographic backgrounds historically underrepresented in the field.

Letter Grade	Definition
A+	<p>In addition to satisfying the conditions for B+, the following conditions hold for ALL Laboratory staff:</p> <ul style="list-style-type: none"> • Laboratory staff members have <i>leadership positions</i> in professional organizations AND <i>in National Academy or equivalent panels to discuss and determine further research directions</i> • Laboratory staff members have leadership positions in DOE (or in other supporting agencies) sponsored workshops and strategic planning activities, for example, Laboratory staff members chair or co-chair DOE-sponsored or other supporting agency-sponsored workshops and strategic planning activities. • The Laboratory program consistently produces and submits competitive proposals that challenge convention and open significant new fields for research that are well aligned with DOE and/or other supporting agencies mission needs, and the Laboratory has a strong recognized role in setting priorities and driving the direction in key research areas and are internationally recognized leaders in the field. • Laboratory staff hold <i>leadership positions</i> in multi-institutional research collaborations.
A	<p>In addition to satisfying the conditions for B+</p> <ul style="list-style-type: none"> • Laboratory staff members have <i>leadership positions</i> in professional organizations AND <i>staff has contributing role in National Academy or equivalent panels to discuss further research directions.</i> • Laboratory staff members have <i>leadership positions</i> in DOE and/or in other supporting agencies sponsored workshops and strategic planning activities. • The Laboratory program consistently produces and submits competitive proposals that challenge convention and open <i>significant new fields</i> for research that are well aligned with DOE or other supporting agency mission needs and <i>the Laboratory has a strong recognized role in setting priorities and driving the direction in key research areas.</i> • Laboratory staff hold <i>leadership positions</i> in multi-institutional research collaborations.
A-	<p>In addition to satisfying the conditions for B+</p> <ul style="list-style-type: none"> • Laboratory staff members have <i>leadership positions</i> in professional organizations OR <i>staff has contributing role in National Academy or equivalent panels to discuss further research directions.</i> • Laboratory staff members have leadership positions in DOE and/or other supporting agency-sponsored workshops and strategic planning activities. • The Laboratory program consistently submits competitive proposals that challenge convention and open significant new avenues for research that are well aligned with DOE or other supporting agencies mission needs. • Laboratory staff hold leadership positions in multi-institutional research collaborations.

Letter Grade	Definition
B+	<p>The Laboratory has achieved each of the following objectives:</p> <ul style="list-style-type: none"> • Laboratory staff members are <i>active participants</i> in professional organizations, committees, and activities, and take on leadership responsibilities commensurate with experience and expertise. • Laboratory staff members are <i>active participants</i> in DOE and/or other supporting agencies-sponsored workshops and strategic planning activities. • Laboratory staff members contribute thoughtful and thorough peer review in a timely manner, when requested by DOE or other supporting agencies. • The Laboratory program consistently provides competitive proposals that challenge convention and open new avenues for research that are well aligned with DOE or other supporting agencies mission needs. • Laboratory staff are <i>active participants</i> in multi-institutional research collaborations.
B	<ul style="list-style-type: none"> • Laboratory staff members contribute thoughtful and thorough peer review in a timely manner, when requested by DOE and/or other supporting agencies. • The Laboratory program consistently provides competitive proposals that challenge convention and open new avenues for research that are well aligned with DOE and/or other supporting agencies mission needs. <p>BUT the Laboratory fails to meet the conditions for B+ for <i>at least one</i> of the following reasons:</p> <ul style="list-style-type: none"> • Although <i>regular participants</i> in professional organizations, committees, and activities, <i>the extent to which staff take on leadership roles falls short of what would be expected, given the level of experience and expertise of the staff.</i> • Although <i>regular participants</i> in DOE and/or other supported agencies sponsored workshops and strategic planning activities, <i>the extent to which staff take on leadership roles falls short of what would be expected, given the level of experience and expertise of the staff.</i> • Although <i>active members</i> of multi-institutional research collaborations, <i>the extent to which staff take on leadership roles falls short of what would be expected, given the level of experience and expertise of the staff.</i>
B-	<ul style="list-style-type: none"> • Laboratory staff members contribute thoughtful and thorough peer review in a timely manner, when requested by DOE or other supporting agencies. <p>BUT the Laboratory fails to meet the conditions for B+ for <i>at least one</i> of the following reasons:</p> <ul style="list-style-type: none"> • The Laboratory program submits competitive proposals <i>but these either lack innovation or are not well aligned with DOE or other supporting agencies mission needs.</i> • Laboratory staff are <i>infrequent participants</i> in professional organizations, committees, and activities, and <i>the extent to which staff take on leadership roles falls short of what would be expected, given the level of experience and expertise of the staff.</i> • Laboratory staff are <i>infrequent participants</i> in DOE or other supported agencies sponsored workshops and strategic planning activities, and <i>the extent to which staff take on leadership roles falls short of what would be expected, given the level of experience and expertise of the staff.</i> • Although <i>active members</i> of multi-institutional research collaborations, <i>the extent to which staff take on leadership roles falls short of what would be expected, given the level of experience and expertise of the staff.</i>

Letter Grade	Definition
C	The Laboratory fails to meet the conditions for B+ for <i>at least one</i> of the following reasons: <ul style="list-style-type: none"> Laboratory staff members <i>do not reliably</i> contribute thoughtful and thorough peer review in a timely manner, when requested by DOE or other supporting agencies. <i>Some areas of research, previously supported, are no longer competitive.</i> Laboratory staff members are <i>infrequent participants</i> in professional organizations, committees, and activities, <i>AND the extent to which staff take on leadership roles falls short of what would be expected, given the level of experience and expertise of the staff.</i> Laboratory staff members are <i>infrequent participants</i> in DOE or other supported agencies sponsored workshops and strategic planning activities, and <i>the extent to which staff take on leadership roles falls short of what would be expected, given the level of experience and expertise of the staff.</i> Although Laboratory staff members are <i>active members</i> of multi-institutional research collaborations, <i>the extent to which staff take on leadership roles falls short of what would be expected, given the level of experience and expertise of the staff.</i>
D	The Laboratory fails to meet the conditions for B+ because <i>the Laboratory staff are working on problems that are no longer at the forefront of science and are considered mundane.</i>
F	Review has found the Laboratory staff to be <i>guilty of gross scientific incompetence and/or scientific fraud.</i>

Notable Outcomes

- **IRP:** Demonstrate increased retention rates and throughput of material by EMIS technology. (Objective 1.2)

Program Office	Letter Grade	Numerical Score	Weight	Overall Score
Office of Accelerator R&D and Production				
1.1 Impact			50%	
1.2 Leadership			50%	
Overall ARDAP Total				
Office of Advanced Scientific Computing Research				
1.1 Impact			50%	
1.2 Leadership			50%	
Overall ASCR Total				
Office of Biological and Environmental Research				
1.1 Impact			60%	
1.2 Leadership			40%	
Overall BER Total				
Office of Basic Energy Sciences				
1.1 Impact			50%	
1.2 Leadership			50%	
Overall BES Total				
Office of Fusion Energy Sciences				
1.1 Impact			50%	
1.2 Leadership			50%	
Overall FES Total				
Office of Isotope R&D and Production				
1.1 Impact			50%	
1.2 Leadership			50%	
Overall IRP Total				

Table 1.1 – Program Performance Goal 1.0 Score Development

Office of Nuclear Physics				
1.1 Impact			50%	
1.2 Leadership			50%	
Overall NP Total				
Office of Workforce Development for Teachers and Scientists				
1.1 Impact			80%	
1.2 Leadership			20%	
Overall WDTS Total				
Advanced Research Projects Agency – Energy				
1.1 Impact			65%	
1.2 Leadership			35%	
Overall ARPA-E Total				
Office of Cybersecurity, Energy Security, and Emergency Response				
1.1 Impact			50%	
1.2 Leadership			50%	
Overall CESER Total				
Department of Homeland Security				
1.1 Impact			60%	
1.2 Leadership			40%	
Overall DHS Total				
Office of Energy Efficiency and Renewable Energy				
1.1 Impact			60%	
1.2 Leadership			40%	
Overall EERE Total				
National Nuclear Security Administration				
1.1 Impact			59%	
1.2 Leadership			41%	
Overall NNSA Total				
Office of Fossil Energy and Carbon Management				
1.1 Impact			50%	
1.2 Leadership			50%	
Overall FECM Total				
Office of Intelligence				
1.1 Impact			65%	
1.2 Leadership			35%	
Overall IN Total				
Office of Nuclear Energy				
1.1 Impact			50%	
1.2 Leadership			50%	
Overall NE Total				
Nuclear Regulatory Commission				
1.1 Impact			50%	
1.2 Leadership			50%	
Overall NRC Total				
Office of Electricity				
1.1 Impact			50%	
1.2 Leadership			50%	
Overall OE Total				

Table 1.1 – Program Performance Goal 1.0 Score Development (continued)

Program Office	Letter Grade	Numerical Score	Funding Weight (cost)	Overall Weighted Score
Office of Accelerator R&D and Production				
Office of Advanced Scientific Computing Research				
Office of Biological and Environmental Research				
Office of Basic Energy Sciences				
Office of Fusion Energy Sciences				
Office of Isotope R&D and Production				
Office of Nuclear Physics				
Office of Workforce Development for Teachers and Scientists				
Advanced Research Projects Agency – Energy				
Office of Cybersecurity, Energy Security, and Emergency Response				
Department of Homeland Security				
Office of Energy Efficiency and Renewable Energy				
National Nuclear Security Administration				
Office of Fossil Energy and Carbon Management				
Office of Intelligence				
Office of Nuclear Energy				
Nuclear Regulatory Commission				
Office of Electricity				
Performance Goal 1.0 Total				

Table 1.2 – Overall Performance Goal 1.0 Score Development³

Total Score	4.3-4.1	4.0-3.8	3.7-3.5	3.4-3.1	3.0-2.8	2.7-2.5	2.4-2.1	2.0-1.8	1.7-1.1	1.0-0.8	0.7-0
Final Grade	A+	A	A-	B+	B	B-	C+	C	C-	D	F

Table 1.3 – Goal 1.0 Final Letter Grade

³ The final weights to be utilized for determining weighted scores will be determined following the end of the performance period and will be based on actual cost for FY 20232024.

GOAL 2.0 Provide for Efficient and Effective Design, Fabrication, Construction, and Operations of Research Facilities

The Laboratory provides effective and efficient strategic planning; fabrication, construction, and/or operations of Laboratory research facilities; and is responsive to the user community.

The weight of this Goal is TBD%.

The “Provide for Efficient and Effective Design, Fabrication, Construction and Operations of Research Facilities” Goal shall measure the overall effectiveness and performance of the Contractor in planning for and delivering leading-edge specialty research and/or user facilities to ensure that the required capabilities are present to meet today and tomorrow’s complex challenges. It also measures the Contractor’s innovative operational and programmatic means for implementation of systems that ensures the availability, reliability, and efficiency of these facilities, and the appropriate balance between R&D and user support.

Each Objective within this Goal is to be assigned the appropriate numerical score by the SC Program Office as identified in Table 2.1. The Goal score from each Program Office is computed by multiplying each Objective numerical score by the associated weight assigned by that Office and summing them (see Table 2.1).

- Office of Accelerator R&D and Production (ARDAP)
- Office of Advanced Scientific Computing Research (ASCR)
- Office of Biological and Environmental Research (BER)
- Office of Basic Energy Sciences (BES)
- Office of Fusion Energy Sciences (FES)
- Office of Isotope R&D and Production (IRP)
- Office of Nuclear Physics (NP)

The overall Performance Goal score and grade will be determined by multiplying the Goal score assigned by each of the offices identified above by the cost-based weightings identified for each and then summing them (see Table 2.2 below). The cost-based weights to be utilized for determining the overall score will be determined following the end of the performance period and will be based on actual cost for FY 2024. The overall score earned is then compared to Table 2.3 to determine the overall letter grade for this Goal. The Contractor’s success in meeting each Objective shall be determined based on the Contractor’s performance as viewed by DOE HQ Office of Science Program Offices for which the Laboratory conducts work. Should one or more of the HQ Program Offices choose not to provide an evaluation for this Goal and its corresponding Objectives, the weighting for the remaining HQ Program Offices shall be recalculated based on their percentage of cost for FY 2024 as compared to the total cost for those remaining HQ Program Offices.

Objectives

2.1 Provide Effective Facility Design(s) as Required to Support Laboratory Programs (i.e., activities leading up to CD-2)

In assessing the performance of the Laboratory against this Objective, the following assessment elements should be considered:

- The Laboratory’s delivery of accurate and timely information required to carry out the critical decision and budget formulation process;

- The Laboratory’s ability to meet the intent of DOE Order 413.3B, “Program and Project Management for the Acquisition of Capital Assets”.
- The extent to which the Laboratory appropriately assesses risks and contingency needs; and
- The extent to which the Laboratory is effective in its unique management role and partnership with HQ.

The following is a sampling of factors to be considered in determining the level of performance for the Laboratory against this Objective. The evaluator(s) may consider the following as measured through progress reports, peer reviews, FWPs, Program Office reviews/oversight, etc.:

- The quality of the scientific justification for proposed facilities resulting from preconceptual R&D;
- The technical quality of conceptual and preliminary designs and the credibility of the associated cost estimates;
- The credibility of plans, including financing options, for the full life cycle of proposed facilities;
- The leveraging of existing facilities and capabilities of the DOE laboratory complex in plans for proposed facilities; and
- The novelty and potential impact of new technologies embodied in proposed facilities.

Letter Grade	Definition
A+	<p>In addition to satisfying all conditions for B+; the Laboratory <i>exceeds expectations</i> in <i>all</i> of these categories:</p> <ul style="list-style-type: none"> • The Laboratory is recognized by the research community as the leader for making the science case for the acquisition. • The Laboratory takes the initiative to demonstrate and thoroughly document the potential for transformational scientific advancement. • Approaches proposed by the Laboratory are widely regarded as innovative, novel, comprehensive, and potentially cost-effective. • Reviews repeatedly confirm strong potential for scientific discovery in areas that support the Department’s mission, and potential to change a discipline or research area’s direction. • The Laboratory identifies, analyzes, and champions novel approaches for acquiring the new capability, including leveraging or extending the capability of existing facilities and financing and these efforts result in significant cost estimate and/or risk reductions without loss or, or while enhancing capability.
A	<p>In addition to satisfying all conditions for B+, <i>all</i> of the following conditions are also met:</p> <ul style="list-style-type: none"> • The Laboratory is recognized by the research community as a leader for making the science case for the acquisition. • The Laboratory takes the initiative to demonstrate the potential for revolutionary scientific advancement working in partnership with HQ. • The Laboratory identifies, analyzes, and champions, to HQ and Site office, novel approaches for acquiring the new capability, including leveraging or extending the capability of existing facilities and financing.
A-	<p>In addition to satisfying all conditions for B+, <i>all</i> of the following conditions are also met:</p> <ul style="list-style-type: none"> • The approaches proposed by the Laboratory are widely regarded as innovative, novel, comprehensive, and potentially cost-effective. • Reviews repeatedly confirm potential for scientific discovery in areas that support the Department’s mission, and potential to change a discipline or research area’s direction.

Letter Grade	Definition
B+	The Laboratory has achieved each of the following objectives: <ul style="list-style-type: none"> • The Laboratory displays leadership and commitment in the development of quality analyses, preliminary designs, and related documentation to support the approval of the mission need (CD-0), the alternative selection and cost range (CD-1) and the performance baseline (CD-2). • Documentation requested by the programs is provided in a timely and thorough manner. • The Laboratory keeps DOE apprised of the status, near-term plans, and the resolution of problems on a regular basis; anticipates emerging issues that could impact plans and takes the initiative to inform DOE of possible consequences. • The Laboratory solves problems and addresses issues to avoid adverse impacts to the project.
B	The Laboratory fails to meet expectations in one of the areas listed under B+.
B-	The Laboratory fails to meet expectations in several of the areas listed under B+.
C	The Laboratory fails to meet the expectations in several of the areas listed under B+ AND the required analyses and documentation developed by the Laboratory are EITHER not innovative OR reflect a lack of commitment and leadership.
D	The Laboratory fails to meet the expectations in several of the areas listed under B+ AND the Laboratory fails to provide a compelling justification for the acquisition.
F	The Laboratory fails to meet the expectations in several of the areas listed under B+ AND the approaches proposed by the Laboratory are based on fraudulent assumptions; the science case is weak to non-existent, and the business case is seriously flawed.

2.2 Provide for the Effective and Efficient Construction of Facilities and/or Fabrication of Components (execution phase, post CD-2 to CD-4)

In assessing the performance of the Laboratory against this Objective, the following assessment elements should be considered:

- The Laboratory’s adherence to DOE Order 413.3B, “Project Management for the Acquisition of Capital Assets;
- Successful fabrication of facility components by the Laboratory;
- The Laboratory’s effectiveness in meeting construction schedule and budget;
- The quality of key Laboratory staff overseeing the project(s); and
- The extent to which the Laboratory maintains open, effective, and timely communication with HQ regarding issues and risks.

Letter Grade	Definition
A+	In addition to satisfying all conditions for A, <ul style="list-style-type: none"> • There is high confidence throughout the execution phase that the project will be completed <i>significantly</i> under budget and/or ahead of schedule while meeting or exceeding all performance baselines.
A	In addition to satisfying all conditions for B+, <ul style="list-style-type: none"> • The Laboratory has identified and implemented practices that would allow the project scope to be <i>significantly expanded</i> if such were desirable, without impact on baseline cost or schedule. • The Laboratory <i>always</i> provides <i>exemplary</i> project status reports on time to DOE and takes the initiative to communicate emerging problems or issues. • Reviews identify environment, safety, and health practices to be <i>exemplary</i>. • There is high confidence throughout the execution phase that the project will meet its cost/schedule performance baseline.

Letter Grade	Definition
A-	<p>In addition to satisfying all conditions for B+,</p> <ul style="list-style-type: none"> • The Laboratory has identified practices that would allow for the project scope to be expanded if such were desirable, without impact on baseline cost or schedule. • Problems are identified and corrected by the Laboratory promptly, with no impact on scope, cost, or schedule. • The Laboratory provides <i>particularly useful</i> project status reports on time to DOE and regularly takes the initiative to communicate emerging problems or issues. • Reviews identify environment, safety and health practices to <i>exceed expectations</i>. • There is high confidence throughout the execution phase that the project will meet its cost/schedule performance baseline.
B+	<p>The Laboratory has achieved each of the following objectives:</p> <ul style="list-style-type: none"> • The project meets CD-2 performance measures. • The Laboratory provides sustained leadership and commitment to environment, safety and health. • Reviews regularly recognize the Laboratory for being proactive in the management of the execution phase of the project. • To a large extent, problems are identified and corrected by the Laboratory with little, or no impact on scope, cost or schedule. • DOE is kept informed of project status on a regular basis; reviews regularly indicate project is expected to meet its cost/schedule performance baseline.
B	<p>The Laboratory provides sustained leadership and commitment to environment, safety, and health BUT</p> <ul style="list-style-type: none"> • The project fails to meet expectations in <i>one</i> of the remaining areas listed under B+.
B-	<p>The Laboratory provides sustained leadership and commitment to environment, safety, and health BUT</p> <ul style="list-style-type: none"> • The project fails to meet expectations in <i>several</i> of the areas listed under B+.
C	<p>The Laboratory provides sustained leadership and commitment to environment, safety, and health BUT</p> <ul style="list-style-type: none"> • The project fails to meet expectations in several of the areas listed under B+, <p>AND</p> <ul style="list-style-type: none"> • Reviews indicate project remains at risk of breaching its cost/schedule performance baseline. • Reports to DOE can vary in degree of completeness.
D	<p>The project fails to meet conditions for B+ in at least one of the following areas:</p> <ul style="list-style-type: none"> • Reviews indicate project is likely to breach its cost/schedule performance baseline. • Laboratory commitment to environment, safety, and health issues is inadequate. • Reports to DOE are largely incomplete; Laboratory commitment to the project has subsided.
F	<p>The project fails to meet conditions for B+ in at least one of the following areas:</p> <ul style="list-style-type: none"> • Laboratory falsifies data during project execution phase. • Shows disdain for executing the project within minimal standards for environment, safety, or health, • Fails to keep DOE informed of project status. • Recent reviews indicate that the project is expected to breach its cost/schedule performance baseline.

2.3 Provide Efficient and Effective Operation of Facilities

In assessing the performance of the Laboratory against this Objective, the following assessment elements should be considered:

- The availability, reliability, performance, and efficiency of Laboratory facility(ies);
- The degree to which the facility is optimally arranged to support the user community;
- The extent to which Laboratory R&D is conducted to develop/expand the capabilities of the facility(ies);
- The Laboratory’s effectiveness in balancing resources between facility R&D and user support;

- The quality of the process used to allocate facility time to users; and
- The extent to which the facility’s process for allocating facility time provides access to new users, including users from backgrounds and institutions historically underrepresented in the user community.

Letter Grade	Definition
A+	<p>In addition to satisfying all conditions for B+; <i>all</i> of the following conditions are also met:</p> <ul style="list-style-type: none"> • Performance of the facility <i>exceeds</i> expectations as defined before the start of the year in all of these categories: cost of operations, users served, availability, and capability. • The schedule and the costs associated with the ramp-up to steady state operations are <i>significantly less</i> than planned and are acknowledged to be ‘leadership caliber’ by reviews. • Data on environment, safety, and health continues to be exemplary and widely regarded as among the ‘best in class.’ • The Laboratory took extraordinary means to deliver an extraordinary result for the users and the program in the performance/ review period.
A	<p>In addition to satisfying all conditions for B+; <i>all</i> of the following conditions are also met:</p> <ul style="list-style-type: none"> • Performance of the facility <i>exceeds</i> expectations as defined before the start of the year in most of these categories: cost of operations, users served, availability, and capability. • The schedule and the costs associated with the ramp-up to steady state operations are <i>less</i> than planned and are acknowledged to be ‘leadership caliber’ by reviews. • Data on environment, safety, and health continues to be <i>exemplary</i> and widely regarded as among the ‘best in class.’
A-	<p>In addition to satisfying all conditions for B+, <i>one</i> of the following conditions is met:</p> <ul style="list-style-type: none"> • Performance of the facility <i>exceeds</i> expectations as defined before the start of the year in any of these categories: cost of operations, users served, availability, and capability. • The schedule and the costs associated with the ramp-up to steady state operations are <i>less</i> than planned and are acknowledged to be among the best by reviews.
B+	<p>The Laboratory has achieved each of the following objectives:</p> <ul style="list-style-type: none"> • Performance of the facility <i>meets</i> expectations as defined before the start of the year in all of these categories: cost of operations, users served, availability, capability (for example, beam delivery, luminosity, peak performance, etc.). • The schedule and the costs associated with the ramp-up to steady state operations occur as planned. • Data on environment, safety, and health continues to be very good as compared with other projects in the DOE. • User surveys meet program expectations and reflect that the Laboratory is responsive to user needs.
B	<p>The project fails to meet expectations in <i>one</i> of the areas listed under B+.</p>
B-	<p>The project fails to meet expectations in <i>more than one</i> of the areas listed under B+.</p>
C	<p>Performance of the facility fails to meet expectations in <i>many</i> of the areas listed under B+; for example,</p> <ul style="list-style-type: none"> • The cost of operations is unexpectedly high, and availability of the facility is unexpectedly low, the number of users is unexpectedly low, capability is well below expectations. • The facility operates at steady state, on cost and on schedule, but the reliability of performance is somewhat below planned values, or the facility operates at steady state, but the associated schedule and costs exceed planned values. • Commitment to environment, safety, and health is satisfactory.
D	<p>Performance of the facility fails to meet expectations in <i>many</i> of the areas listed under B+; for example,</p> <ul style="list-style-type: none"> • The cost of operations is unexpectedly high, and availability of the facility is unexpectedly low; capability is well below expectations. • The facility operates somewhat below steady state, on cost and on schedule, and the reliability of performance is somewhat below planned values, or the facility operates at steady state, but the associated schedule and costs exceed planned values. • Commitment to environment, safety, and health is inadequate.

Letter Grade	Definition
F	<ul style="list-style-type: none"> The facility fails to operate; the facility operates well below steady state and/or the reliability of the performance is well below planned values. Laboratory commitment to environment, safety, and health issues is inadequate.

2.4 Utilization of Facility(ies) to Provide Impactful S&T Results and Benefits to External User Communities

In assessing the performance of the Laboratory against this Objective, the following assessment elements should be considered:

- The extent to which the facility is being used to perform influential science;
- The Laboratory’s efforts to take full advantage of the facility to generate impactful S&T results;
- The extent to which the facility is strengthened by a resident Laboratory research community whose members push the envelope of what the facility can do and/or are among the scientific leaders of the community;
- The Laboratory’s ability to appropriately balance access by internal and external user communities; and
- The extent to which there is a healthy program of outreach and technical assistance (e.g., proposal writing workshops) to the scientific community.

Letter Grade	Definition
A+	In addition to meeting all measures under A, <ul style="list-style-type: none"> The Laboratory took extraordinary means to deliver an extraordinary result for a new user community.
A	In addition to satisfying all conditions for B+; <i>all</i> of the following conditions are met <ul style="list-style-type: none"> An <i>aggressive</i> outreach programs is in place and has been documented as attracting new communities to the facility; Reviews consistently find that the facility capability or scope of research potential <i>significantly</i> exceeds expectations for example, due to newly discovered capabilities or exposure to new research communities; OR Reviews find that multiple disciplines are using the facility in new and novel ways that the facility is being used to pursue influential science.
A-	In addition to satisfying all conditions for B+, all of the following conditions are met <ul style="list-style-type: none"> A <i>strong</i> outreach program is in place; Reviews find that the facility capability or scope of research potential exceeds expectations for example, due to newly discovered capabilities or exposure to new research communities; OR Reviews document how multiple disciplines are using the facility in new and novel ways and/or that the facility is being used to pursue important science.
B+	The Laboratory has achieved each of the following objectives: <ul style="list-style-type: none"> Reviews find / validate that the facility is being used for influential science; The scope of facility capabilities is challenged and broadened by resident users; The Laboratory effectively manages user allocations; The Laboratory effectively maintains the facility to required performance standards (for example, runtime, luminosity, etc.) A healthy outreach program is in place.
B	The Laboratory fails to meet expectations in <i>one</i> of the areas listed under B+
B-	The Laboratory fails to meet expectations in <i>several</i> of the areas listed under B+
C	The Laboratory fails to meet expectations in <i>many</i> of the areas listed under B+
D	Reviews find that there are few facility users, few of whom are using the facility in novel ways to produce impactful science; research base is very thin.

F	Laboratory staff does not possess capabilities to operate and/or use the facility adequately.
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Notable Outcomes

- **BES/SUF:** Effectively manage and safely execute the STS project scope in compliance with DOE Order 413.3B and consistent with enacted funding. Develop and refine project plans and funding profile/total cost to deliver the best value and preliminary project KPPs. Advance readiness toward CD-2 during this performance period. Performance will be assessed based on the work planned and accomplished during FY 2024. (Objective 2.1)
- **FES:** For the MPEX project, complete the facilities enhancement, gain beneficial occupancy, and initiate assembly of the magnetic support structure. (Objective 2.2)
- **FES:** For the US ITER project, transport the central solenoid Module 5 to the shipping port by June 30, 2024. (Objective 2.2)
- **IRP:** Generate and execute a milestone-based plan to advance the Pm-147 (Nd-146) production route, along with the IRA-funded centrifugal contactors, to expedite increasing availability of Pm-147. (Objective 2.3)

Program Office⁴	Letter Grade	Numerical Score	Weight	Overall Score
Office of Accelerator R&D and Production				
2.1 Provide Effective Facility Design(s)			0%	
2.2 Provide for the Effective and Efficient Construction of Facilities and/or Fabrication of Components			0%	
2.3 Provide Efficient and Effective Operation of Facilities			0%	
2.4 Utilization of Facility(ies) to Provide Impactful S&T Results and Benefits to External User Communities			100%	
			Overall ARDAP Total	
Office of Advanced Scientific Computing Research				
2.1 Provide Effective Facility Design(s)			10%	
2.2 Provide for the Effective and Efficient Construction of Facilities and/or Fabrication of Components			30%	
2.3 Provide Efficient and Effective Operation of Facilities			50%	
2.4 Utilization of Facility(ies) to Provide Impactful S&T Results and Benefits to External User Communities			10%	
			Overall ASCR Total	
Office of Biological and Environmental Research				
2.1 Provide Effective Facility Design(s)			0%	
2.2 Provide for the Effective and Efficient Construction of Facilities and/or Fabrication of Components			0%	
2.3 Provide Efficient and Effective Operation of Facilities			90%	
2.4 Utilization of Facility(ies) to Provide Impactful S&T Results and Benefits to External User Communities			10%	
			Overall BER Total	

Table 2.1 – Program Performance Goal 2.0 Score Development

⁴ A complete listing of the Objectives weightings under the S&T Goals for the SC Programs and other customers is provided within Attachment I to this plan.

Office of Basic Energy Sciences				
2.1 Provide Effective Facility Design(s)			20%	
2.2 Provide for the Effective and Efficient Construction of Facilities and/or Fabrication of Components			25%	
2.3 Provide Efficient and Effective Operation of Facilities			30%	
2.4 Utilization of Facility(ies) to Provide Impactful S&T Results and Benefits to External User Communities			25%	
Overall BES Total				
Office of Fusion Energy Sciences				
2.1 Provide Effective Facility Design(s)			30%	
2.2 Provide for the Effective and Efficient Construction of Facilities and/or Fabrication of Components			70%	
2.3 Provide Efficient and Effective Operation of Facilities			0%	
2.4 Utilization of Facility(ies) to Provide Impactful S&T Results and Benefits to External User Communities			0%	
Overall FES Total				
Office of Isotope R&D and Production				
2.1 Provide Effective Facility Design(s)			15%	
2.2 Provide for the Effective and Efficient Construction of Facilities and/or Fabrication of Components			15%	
2.3 Provide Efficient and Effective Operation of Facilities			60%	
2.4 Utilization of Facility(ies) to Provide Impactful S&T Results and Benefits to External User Communities			10%	
Overall DOE IRP Total				
Office of Nuclear Physics				
2.1 Provide Effective Facility Design(s)			70%	
2.2 Provide for the Effective and Efficient Construction of Facilities and/or Fabrication of Components			0%	
2.3 Provide Efficient and Effective Operation of Facilities			0%	
2.4 Utilization of Facility(ies) to Provide Impactful S&T Results and Benefits to External User Communities			30%	
Overall NP Total				

Table 2.1 – Program Performance Goal 2.0 Score Development (continued)

Program Office	Letter Grade	Numerical Score	Funding Weight (cost)	Overall Weighted Score
Office of Accelerator R&D and Production				
Office of Advanced Scientific Computing Research				
Office of Biological and Environmental Research				
Office of Basic Energy Sciences				
Office of Fusion Energy Sciences				
Office of Isotope R&D and Production				
Office of Nuclear Physics				
Performance Goal 2.0 Total				

Table 2.2 – Overall Performance Goal 2.0 Score Development⁵

⁵ The final weights to be utilized for determining weighted scores will be determined following the end of the performance period and will be based on actual cost for FY 2024.

Total Score	4.3-4.1	4.0-3.8	3.7-3.5	3.4-3.1	3.0-2.8	2.7-2.5	2.4-2.1	2.0-1.8	1.7-1.1	1.0-0.8	0.7-0
Final Grade	A+	A	A-	B+	B	B-	C+	C	C-	D	F

Table 2.3 – Goal 2.0 Final Letter Grade

GOAL 3.0 Provide Effective and Efficient Science and Technology Program Management

The Laboratory provides effective program vision and leadership, strategic planning, and development of initiatives; recruits and retains a quality scientific workforce; and provides outstanding research processes, which improve research productivity.

The weight of this Goal is 25%.

The “Provide Effective and Efficient Science and Technology Program Management” Goal shall measure the Contractor’s overall management in executing S&T programs. Dimensions of program management covered include 1) providing key competencies to support research programs to include key staffing requirements, 2) providing quality research plans that take into account technical risks and that identify actions to mitigate risks, and 3) maintaining effective communications with customers to include providing quality responses to customer needs.

Each Objective within this Goal is to be assigned the appropriate numerical score by the SC Program Offices, other cognizant HQ Program Offices, and other customers as identified below. The Goal score from each HQ Program Office and/or customer is computed by multiplying each Objective numerical score by the associated weight assigned by that Office/customer and summing them (see Table 3.1).

- Office of Accelerator R&D and Production (ARDAP)
- Office of Advanced Scientific Computing Research (ASCR)
- Office of Biological and Environmental Research (BER)
- Office of Basic Energy Sciences (BES)
- Office of Fusion Energy Sciences (FES)
- Office of Isotope R&D and Production (IRP)
- Office of Nuclear Physics (NP)
- Office of Workforce Development for Teachers and Scientists (WDTS)
- Advanced Research Projects Agency – Energy (ARPA-E)
- Office of Cybersecurity, Energy Security, and Emergency Response (CESER)
- Department of Homeland Security (DHS)
- Office of Energy Efficiency and Renewable Energy (EERE)
- National Nuclear Security Administration (NNSA)
- Office of Fossil Energy and Carbon Management (FECM)
- Office of Intelligence (IN)
- Office of Nuclear Energy (NE)
- Nuclear Regulatory Commission (NRC)
- Office of Electricity (OE)

The overall Performance Goal score and grade will be determined by multiplying the Goal score assigned by each of the offices identified above by the cost-based weightings identified for each and then summing them (see Table 3.2 below). The cost-based weights to be utilized for determining the overall score will be determined following the end of the performance period and will be based on actual cost for FY 2024. The overall score earned is then compared to Table 3.3 to determine the overall letter grade for this Goal. The Contractor’s success in meeting each Objective shall be determined based on the Contractor’s performance as viewed by the SC Program Offices, other cognizant HQ Program Offices, and other customers for which the Laboratory conducts work. Should one or more of the HQ Program Offices choose not to provide an evaluation for this Goal and its corresponding Objectives, the weighting for the remaining HQ Program Offices shall be recalculated based on their percentage of cost for FY 2024 as compared to the total cost for those remaining HQ Program Offices.

Objectives

3.1 Provide Effective and Efficient Strategic Planning and Stewardship of Scientific Capabilities and Program Vision

In assessing the performance of the Laboratory against this Objective, the following assessment elements should be considered:

- The quality of the Laboratory’s strategic plan;
- The extent to which the Laboratory shows strategic vision for research;
- The extent to which programs of research take advantage of Laboratory capabilities—research programs are more than the sum of their individual project parts;
- The extent to which the Laboratory undertakes research for which it is uniquely qualified;
- The extent to which the Laboratory’s plans are aligned with DOE or other supporting agency mission goals;
- The extent to which the Laboratory programs are balanced between high-risk/low-risk research for a sustainable program; and
- The extent to which the Laboratory is able to retain and recruit high-quality staff for a sustainable program, including staff from backgrounds historically underrepresented in the field.

The following is a sampling of factors to be considered in determining the level of performance for the Laboratory against this Objective. The evaluator(s) may consider the following as measured through progress reports, peer reviews, FWPs, Program Office reviews/oversight, etc.

- Articulation of scientific vision;
- Development and maintenance of core competencies;
- Ability to attract and retain highly qualified staff;
- Efficiency and effectiveness of joint planning (e.g., workshops) with the outside community;
- Creativity and robustness of ideas for new facilities and research programs;
- Willingness to take on high-risk/high payoff/long-term research problems (evidence that the Laboratory’s previous risky decisions proved to be correct and are paying off); and
- The depth and breadth of Laboratory research portfolio and its potential for growth.

Letter Grade	Definition
A+	<p>In addition to satisfying the conditions for B+, the execution of the Laboratory’s strategic plan has enabled the Laboratory to achieve each of the following:</p> <ul style="list-style-type: none"> • <i>Most</i> of the Laboratory’s core competencies are recognized as world leading. • The Laboratory has attracted and retained world-leading scientists in <i>most</i> programs. • There is evidence that previous decisions to pursue high-risk/high-payoff research proved to be correct and are paying off. • The Laboratory has succeeded in developing new core competencies of <i>outstanding</i> quality in areas both exploratory, high-risk research and research that is vital to the DOE/SC or other supporting department or agency missions.

Letter Grade	Definition
A	<p>In addition to satisfying the conditions for B+, the execution of the Laboratory’s strategic plan has enabled the Laboratory to achieve the following:</p> <ul style="list-style-type: none"> • <i>Several</i> of the Laboratory’s core competencies are recognized as world leading. • The Laboratory has attracted and retained world-leading scientists in <i>several</i> programs. • There is evidence that previous decisions to pursue high-risk/high-payoff research proved to be correct and are paying off. • The Laboratory has succeeded in developing <i>new</i> core competencies of <i>high</i> quality in areas both exploratory, high-risk research and research that is vital to the DOE/SC/other supporting departments or agency missions.
A-	<p>In addition to satisfying the conditions for B+, the execution of the Laboratory’s strategic plan has enabled the Laboratory to achieve at least one of the following:</p> <ul style="list-style-type: none"> • At least one of the Laboratory’s core competencies is recognized as <i>world-leading</i>. • The Laboratory has attracted and retained <i>world-leading</i> scientists in one or more programs. • The Laboratory has a coherent plan for addressing future workforce challenges.
B+	<p>The execution of the Laboratory’s strategic plan has enabled the Laboratory to achieve each of the following objectives:</p> <ul style="list-style-type: none"> • The Laboratory has articulated a coherent and compelling strategic plan that has been developed with input from external research communities and headquarters guidance, which, where appropriate, includes a coherent plan for building smaller research programs into new core competencies; and reallocates resources away from less effective programs. • The Laboratory has demonstrated the ability to attract and retain professional scientific staff in support of its strategic vision. • The portfolio of Laboratory research balances the needs for both high-risk/ high-payoff research and stewardship of mission-critical research. • The Laboratory’s research portfolio takes advantage of unique capabilities at the Laboratory. • The Laboratory’s research portfolio includes activities for which the Laboratory is uniquely capable.
B	<p>The Laboratory fails to satisfy one of the conditions for B+; for example:</p> <ul style="list-style-type: none"> • The Laboratory’s strategic plan is only <i>partially</i> coherent and is not entirely well-connected with external communities. • The portfolio of Laboratory research does <i>not</i> appropriately balance high-risk/ high-payoff research and stewardship of mission-critical research. • The Laboratory has developed and maintained <i>some, but not all</i>, of its core competencies. • The plan to attract and retain professional scientific staff is <i>lacking</i> strategic vision.
B-	<p>The Laboratory fails to satisfy <i>several</i> of the conditions for B+, including at least one of the following:</p> <ul style="list-style-type: none"> • Weak programmatic vision insufficiently connected with external communities. • Development and maintenance of only a few core competencies. • Little attention to maintaining the correct balance between high-risk and mission-critical research. • Inability to attract and retain talented scientists in some programs.
C	<p>The Laboratory fails to satisfy <i>several</i> of the conditions for B+, including at least one of the following reasons:</p> <ul style="list-style-type: none"> • The Laboratory’s strategic plan lacks strategic vision and lacks appropriate coordination with appropriate stakeholders including external research groups. • The Laboratory’s strategic plan does not provide for sufficient maintenance of core competencies. • Plan to attract and retain professional scientific staff is unlikely to be successful or does not focus on strategic capabilities.
D	<p>The Laboratory fails to satisfy <i>several</i> of the conditions for B+, and specifically:</p> <ul style="list-style-type: none"> • The Laboratory has demonstrated little effort in developing a strategic plan. • The Laboratory has done little to develop and maintain core competencies. • The Laboratory has had minimal success in attracting and retaining professional scientific staff.

Letter Grade	Definition
F	The Laboratory has: <ul style="list-style-type: none"> • Made limited or ineffective attempts to develop a strategic plan. • Not demonstrated the ability to develop and maintain core competencies, has failed to propose high-risk/high-reward research and has failed to steward mission-critical areas. • Failed to attract even reasonably competent scientists and technical staff.

3.2 Provide Effective and Efficient Science and Technology Project/Program/Facilities Management

In assessing the performance of the Laboratory against this Objective, the following assessment elements should be considered:

- The Laboratory’s management of R&D programs and facilities according to proposed plans;
- The extent to which the Laboratory’s management of projects/programs/facilities supports the Laboratory strategic plan;
- Adequacy of the Laboratory’s consideration of technical risks;
- The extent to which the Laboratory is successful in identifying/avoiding technical problems;
- Effectiveness in leveraging across multiple areas of research and between research and facility capabilities;
- The extent to which the Laboratory demonstrates a willingness to make tough decisions (i.e., cut programs with subcritical mass of expertise, divert resources to more promising areas, etc.);
- The use of LDRD and other Laboratory investments and overhead funds to improve the competitiveness of the Laboratory; and
- The extent to which the Laboratory management fosters a safe, inclusive, and professional work environment and promotes staff professional development and growth.

The following factor is to be considered in determining the level of performance for the Laboratory against this Objective. The evaluator(s) may consider the following as measured through progress reports, peer reviews, FWPs, Program Office reviews/oversight, etc.

- Laboratory plans that are reviewed by experts outside of lab management and/or include broadly-based input from within the Laboratory.

Letter Grade	Definition
A+	In addition to meeting all expectations under A, <ul style="list-style-type: none"> • The Laboratory has taken extraordinary measures to deliver an extraordinary result of critical importance to DOE or other relevant supporting agency missions, which could include the delivery of a critical technology or insight in response to a National emergency.
A	In addition to satisfying the conditions for B+, <ul style="list-style-type: none"> • The Laboratory’s implementation of project/program/facility plans has led directly to effective R&D programs/facility operations that exceed program expectations in <i>several</i> programmatic areas. Examples are listed under A-.

Letter Grade	Definition
A-	<p>In addition to satisfying the conditions for B+,</p> <ul style="list-style-type: none"> • The Laboratory’s implementation of project/program/facility plans has led directly to effective R&D programs/facility operations that exceed program expectations in <i>more than one</i> programmatic area. Examples of performance that exceeds expectations include: • The Laboratory’s implementation of project/program/facility plans has led directly to significant cost savings and/or significantly higher productivity than expected. • Project/program/facility plans prove to be robust against changing scientific and fiscal conditions through contingency planning. • The Laboratory has demonstrated creativity and forceful leadership in development and/or proactive management of its project/program/facility plans to reduce or eliminate risk. • The Laboratory’s proposals for new initiatives are funded through reallocation of resources from less effective programs. • Research plans and management actions are proactive, not reactive, as evidenced by making hard decisions and taking strong actions. • Management is prepared for budget fluctuations and changes in DOE or other supporting agency program priorities – multiple contingencies are planned for. • LDRD investments, overhead funds, and other Laboratory funds are used to strengthen lab plans and fill critical gaps in the Laboratory portfolio enabling it to respond to future DOE or other relevant supporting agency initiatives and/or national emergencies.
B+	<p>The Laboratory has achieved each of the following objectives:</p> <ul style="list-style-type: none"> • Project/program/facility plans exist for all major projects/programs/facilities. • Project/program/facility plans are consistent with known budgets, are based on reasonable assessments of technical risk, are well-aligned with DOE or other relevant supporting agency interests, provide sufficient flexibility to respond to unforeseen directives and opportunities, and effectively leverage other Laboratory resources and expertise. • The Laboratory has implemented the project/program/facility plans and has effective methods of tracking progress. • The Laboratory demonstrates willingness to make tough decisions (i.e., cut programs with sub-critical mass of expertise, divert resources to more promising areas, etc.). • The Laboratory’s implementation of project/program/facility plans has led directly to effective R&D programs/facility operations. • LDRD investments and other overhead funds are managed appropriately.
B	<ul style="list-style-type: none"> • Project/program/facility plans exist for all major projects/programs/facilities. • The Laboratory has implemented the project/program/facility plans. <p>BUT the Laboratory fails to meet <i>at least one of</i> the conditions for B+.</p>
B-	<ul style="list-style-type: none"> • Project/program/facility plans exist for all major projects/programs/facilities. • The Laboratory has implemented the project/program/facility plans. <p>BUT the Laboratory fails to meet <i>several of</i> the conditions for B+.</p>
C	<ul style="list-style-type: none"> • Project/program/facility plans exist for most major projects/programs/facilities. <p>BUT the Laboratory has failed to implement the project/program/facility plans AND the Laboratory fails to meet <i>several of</i> the conditions for B+.</p>
D	<ul style="list-style-type: none"> • Project/program/facility plans do not exist for a significant fraction of the Laboratory’s major projects/programs/facilities; <p>OR</p> <ul style="list-style-type: none"> • Significant work at the Laboratory is not in alignment with the project/program/facility plans
F	<p>The Laboratory has failed to conduct project/program/facility planning activities.</p>

3.3 Provide Efficient and Effective Communications and Responsiveness to Headquarters Needs

In assessing the performance of the Laboratory against this Objective, the following assessment elements should be considered:

- The quality, accuracy, and timeliness of the Laboratory’s response to customer requests for information;
- The extent to which the Laboratory provides point-of-contact resources and maintains effective internal communications hierarchies to facilitate efficient determination of the appropriate point of contact for a given issue or program element;
- The effectiveness of the Laboratory’s communications and depth of responsiveness under extraordinary or critical circumstances; and
- The effectiveness of Laboratory management in accentuating the importance of communication and responsiveness.

Letter Grade	Definition
A+	In addition to meeting all the expectations under A, <ul style="list-style-type: none"> • The Laboratory’s effective communication and extraordinary responsiveness in the face of extreme situations or a national emergency had a materially positive impact on the outcome of the event and/or DOE or other relevant supporting agency’s mission objectives.
A	In addition to satisfying the conditions for B+, the Laboratory also meets all of the following: <ul style="list-style-type: none"> • Laboratory management has instilled a culture throughout the lab that emphasizes good communication practices. • Communication channels are well-defined, and information is effectively conveyed. • Responses to HQ requests for information from all Laboratory representatives are prompt, thorough, correct and succinct; important or critical information is delivered in real-time. • Laboratory representatives <i>always</i> initiate a communication with HQ on emerging Laboratory issues; headquarters is never surprised to learn of emerging Laboratory issues through outside channels.
A-	In addition to satisfying the conditions for B+, <ul style="list-style-type: none"> • Laboratory management has instilled a culture throughout the lab that emphasizes good communication practices. • Responses to requests for information are prompt, thorough, and economical/succinct at all levels of interaction. • Laboratory representatives <i>often</i> initiate communication with HQ on emerging Laboratory issues. • under critical circumstances, essential information is delivered in real-time.
B+	The Laboratory has achieved each of the following objectives: <ul style="list-style-type: none"> • Staff throughout the Laboratory organization engage in good communication practices. • Responses to requests for information are prompt and thorough. • The accuracy and integrity of the information provided is never in doubt. • Up-to-date point-of-contact information is widely available for all programmatic areas. • Headquarters is always and promptly informed of both positive and negative events at the Laboratory.
B	The Laboratory failed to meet the conditions for B+ <i>in a few instances</i>
B-	The Laboratory fails to meet the conditions for B+ for <i>one</i> of the following reasons: <ul style="list-style-type: none"> • Responses to requests for information do not provide the minimum requirements to meet HQ needs; While the integrity of the information provided is never in doubt, its accuracy sometimes is. • Laboratory representatives do not take the initiative to alert HQ to emerging Laboratory issues.
C	The Laboratory fails to meet the conditions for B+ for <i>one or more</i> of the following reasons: <ul style="list-style-type: none"> • Responses to requests for information frequently fail to provide the minimum requirements to meet HQ needs. • The Laboratory used outside channels or circumvented HQ in conveying critical information. • The integrity and/or accuracy of information provided is sometimes in doubt. • Laboratory management fails to demonstrate that its employees are held accountable for ensuring effective communication and responsiveness. • Laboratory representatives failed to alert HQ to emerging Laboratory issues.

Letter Grade	Definition
D	The Laboratory fails to meet the conditions for B+ for one of the following reasons: <ul style="list-style-type: none"> Laboratory staff are generally well-intentioned in communication but consistently ineffective and/or incompetent. The Laboratory management fails to emphasize the importance of effective communication and responsiveness.
F	The Laboratory fails to meet the conditions for B+ for one of the following reasons: <ul style="list-style-type: none"> Laboratory staff are openly hostile and/or non-responsive to requests for information – emails and phone calls are consistently ignored. Responses to requests for information are consistently incorrect, inaccurate or fraudulent – information is not organized, is incomplete, or is fabricated.

Notable Outcomes

- **ASCR:** Provide for efficient and impactful close-out for the Exascale Computing Project. (Objective 3.1)
- **ASCR:** Contribute to establishing the Integrated Research Infrastructure program, as measured by contributions to the FY 2024 IRI objectives and participation in the initial IRI program governance structure. (Objective 3.1)
- **ASCR:** Ensure that all communications related to Artificial Intelligence between ORNL and SC, DOE, vendors, the Administration and Congress are aligned with DOE/ASCR goals, strategies and guidance. (Objective 3.3)
- **BES:** Successfully execute the search, selection, and transition to a new Associate Laboratory Director for the Neutron Sciences Directorate. (Objective 3.2)
- **IRP:** Generate and execute a milestone-based plan to advance the installation of equipment to enable chemical processing of C-14 to promote domestic supply. (Objective 3.2)

Program Office ⁶	Letter Grade	Numerical Score	Weight	Overall Score
Office of Accelerator R&D and Production				
3.1 Effective and Efficient Strategic Planning and Stewardship			40%	
3.2 Project/Program /Facilities Management			40%	
3.3 Communications and Responsiveness			20%	
Overall ARDAP Total				
Office of Advanced Scientific Computing Research				
3.1 Effective and Efficient Strategic Planning and Stewardship			30%	
3.2 Project/Program /Facilities Management			40%	
3.3 Communications and Responsiveness			30%	
Overall ASCR Total				
Office of Biological and Environmental Research				
3.1 Effective and Efficient Strategic Planning and Stewardship			20%	
3.2 Project/Program /Facilities Management			30%	
3.3 Communications and Responsiveness			50%	
Overall BER Total				

Table 3.1 – Program Performance Goal 3.0 Score Development

⁶ A complete listing of the Objectives weightings under the S&T Goals for the SC Programs and other customers is provided within Attachment I to this plan.

Office of Basic Energy Services				
3.1 Effective and Efficient Strategic Planning and Stewardship			30%	
3.2 Project/Program /Facilities Management			40%	
3.3 Communications and Responsiveness			30%	
Overall BES Total				
Office of Fusion Energy Sciences				
3.1 Effective and Efficient Strategic Planning and Stewardship			35%	
3.2 Project/Program /Facilities Management			35%	
3.3 Communications and Responsiveness			30%	
Overall FES Total				
Office of Isotope R&D and Production				
3.1 Effective and Efficient Strategic Planning and Stewardship			30%	
3.2 Project/Program /Facilities Management			40%	
3.3 Communications and Responsiveness			30%	
Overall DOE IRP Total				
Office of Nuclear Physics				
3.1 Effective and Efficient Strategic Planning and Stewardship			30%	
3.2 Project/Program /Facilities Management			40%	
3.3 Communications and Responsiveness			30%	
Overall NP Total				
Office of Workforce Development for Teachers and Scientists				
3.1 Effective and Efficient Strategic Planning and Stewardship			20%	
3.2 Project/Program /Facilities Management			50%	
3.3 Communications and Responsiveness			30%	
Overall WDTS Total				
Advanced Research Projects Agency – Energy				
3.1 Effective and Efficient Strategic Planning and Stewardship			20%	
3.2 Project/Program /Facilities Management			30%	
3.3 Communications and Responsiveness			50%	
Overall ARPA-E Total				
Office of Cybersecurity, Energy Security, and Emergency Response				
3.1 Effective and Efficient Strategic Planning and Stewardship			20%	
3.2 Project/Program /Facilities Management			45%	
3.3 Communications and Responsiveness			35%	
Overall CESER Total				
Department of Homeland Security				
3.1 Effective and Efficient Strategic Planning and Stewardship			40%	
3.2 Project/Program /Facilities Management			30%	
3.3 Communications and Responsiveness			30%	
Overall DHS Total				

Table 3.1 – Program Performance Goal 3.0 Score Development (continued)

National Nuclear Security Administration				
3.1 Effective and Efficient Strategic Planning and Stewardship			25%	
3.2 Project/Program /Facilities Management			50%	
3.3 Communications and Responsiveness			25%	
Overall NNSA Total				
Office of Energy Efficiency and Renewable Energy				
3.1 Effective and Efficient Strategic Planning and Stewardship			20%	
3.2 Project/Program /Facilities Management			30%	
3.3 Communications and Responsiveness			50%	
Overall EERE Total				
Office of Fossil Energy and Carbon Management				
3.1 Effective and Efficient Strategic Planning and Stewardship			34%	
3.2 Project/Program /Facilities Management			33%	
3.3 Communications and Responsiveness			33%	
Overall FECM Total				
Office of Intelligence				
3.1 Effective and Efficient Strategic Planning and Stewardship			25%	
3.2 Project/Program /Facilities Management			40%	
3.3 Communications and Responsiveness			35%	
Overall IN Total				
Office of Nuclear Energy				
3.1 Effective and Efficient Strategic Planning and Stewardship			20%	
3.2 Project/Program /Facilities Management			30%	
3.3 Communications and Responsiveness			50%	
Overall NE Total				
Nuclear Regulatory Commission				
3.1 Effective and Efficient Strategic Planning and Stewardship			34%	
3.2 Project/Program /Facilities Management			33%	
3.3 Communications and Responsiveness			33%	
Overall NRC Total				
Office of Electricity				
3.1 Effective and Efficient Strategic Planning and Stewardship			20%	
3.2 Project/Program /Facilities Management			40%	
3.3 Communications and Responsiveness			40%	
Overall OE Total				

Table 3.1 – Program Performance Goal 3.0 Score Development (continued)

HQ Program Office	Letter Grade	Numerical Score	Funding Weight (cost)	Overall Weighted Score
Office of Accelerator R&D and Production				
Office of Advanced Scientific Computing Research				
Office of Biological and Environmental Research				
Office of Basic Energy Sciences				
Office of Fusion Energy Sciences				
Office of Isotope R&D and Production				
Office of Nuclear Physics				
Office of Workforce Development for Teachers and Scientists				
Advanced Research Projects Agency – Energy				
Office of Cybersecurity, Energy Security, and Emergency Response				
Department of Homeland Security				
Office of Energy Efficiency and Renewable Energy				
National Nuclear Security Administration				
Office of Fossil Energy and Carbon Management				
Office of Intelligence				
Office of Nuclear Energy				
Nuclear Regulatory Commission				
Office of Electricity				
Performance Goal 3.0 Total				

Table 3.2 – Overall Performance Goal 3.0 Score Development

Total Score	4.3-4.1	4.0-3.8	3.7-3.5	3.4-3.1	3.0-2.8	2.7-2.5	2.4-2.1	2.0-1.8	1.7-1.1	1.0-0.8	0.7-0
Final Grade	A+	A	A-	B+	B	B-	C+	C	C-	D	F

Table 3.3 – Goal 3.0 Final Letter Grade

GOAL 4.0 Provide Sound and Competent Leadership and Stewardship of the Laboratory

This Goal evaluates the Contractor’s Leadership capabilities in leading the direction of the overall Laboratory, the responsiveness of the Contractor to issues and opportunities for continuous improvement, and corporate office involvement/commitment to the overall success of the Laboratory.

In measuring the performance of the above Objectives, the DOE evaluator(s) shall consider performance trends and outcomes in overall Contractor Leadership’s planning for, integration of, responsiveness to, and support for the overall success of the Laboratory. This may include, but is not limited to, the quality of Laboratory Vision/Mission strategic planning documentation and progress in realizing the Laboratory vision/mission; the ability to identify and address the Laboratory’s diversity, equity, inclusion, and accessibility challenges effectively; the ability to establish and maintain long-term partnerships/relationships with the scientific and local communities as well as private industry that advance, expand, and benefit the ongoing Laboratory mission(s) and/or provide new opportunities/capabilities; implementation of a robust assurance system; Laboratory Leadership’s ability to facilitate and effectively manage external engagements and partnerships; Laboratory and Corporate Office Leadership’s ability to instill responsibility and accountability down and through the entire organization; overall effectiveness of communications with DOE; understanding, management, and allocation of the costs of doing business at the Laboratory commensurate with associated risks and benefits; utilization of corporate resources to establish joint appointments or other programs/projects/activities to strengthen the Laboratory; and advancing excellence in stakeholder relations to include good corporate citizenship within the local community.

Objectives:

4.1 Leadership and Stewardship of the Laboratory

By which we mean: The performance of the Laboratory’s senior management team as demonstrated by their ability to do such things as:

- Define an exciting yet realistic scientific vision for the future of the Laboratory,
- Make progress in realizing the vision for the Laboratory, and
- Establish and maintain long-term partnerships/relationships that maintain appropriate relations with the scientific and local communities.

Letter Grade	Definition
A+	The Senior Leadership of the laboratory has made outstanding progress (on an order of magnitude scale) over the previous year in realizing their vision for the laboratory and has had a demonstrable impact on the Department and the Nation. Strategic plans are of outstanding quality, have been externally recognized and referenced for their excellence, and have an impact on the vision/plans of other national laboratories. The Senior leadership of the laboratory may have been faced very difficult challenges and plotted, successfully, its own course through the difficulty, with minimal handholding by the Department. Partners in the scientific and local communities applaud the laboratory in national fora, and the Department is strengthened by this.
A	The Senior Leadership of the laboratory has made significant progress over the previous year in realizing their vision for the laboratory and has through this has had a demonstrable positive impact on the Office of Science and the Department. Strategic plans are of outstanding quality and recognize and reflect the vision/plans of other national laboratories. Faced with difficult challenges, actions were taken by the Senior leadership of the laboratory to redirect laboratory activities to enhance the long-term future of the laboratory. Partners in the scientific and local communities applaud the laboratory in national fora, and the Department is strengthened by this.

Letter Grade	Definition
A-	The laboratory senior management performs better than expected (B+ grade) in these areas.
B+	The Senior Leadership of the laboratory has made significant progress over the previous year in realizing their vision for the laboratory. Strategic plans present long-range goals that are both exciting and realistic. Decisions and actions taken by the lab leadership align work, facilities, equipment and technical capabilities with the laboratory vision and plan. The Senior leadership of the laboratory faced difficult challenges and successfully plotted its own course through the difficulty, with help from the Department. Partners in the scientific and local communities are supportive of the laboratory.
B	The Senior Leadership of the laboratory has made little progress over the previous year in realizing their vision for the laboratory. Strategic plans present long-range goals that are exciting and realistic; however DOE is not fully confident that the laboratory is taking the actions necessary for the goals to be achieved. The Laboratory is not fully engaged with its partners/relationships in the scientific and local communities to maximize the potential benefits these relations have for the laboratory.
C	The Senior Leadership of the laboratory has made no progress over the previous year in realizing their vision for the laboratory or aligning work, facilities, equipment and technical capabilities with the laboratory vision and plan. Strategic plans present long-range goals that are either unexciting or unrealistic. Business plans exist, but they are not linked to the strategic plan and do not inspire DOE's confidence that the strategic goals will be achieved. Partnerships with the scientific and local communities with potential to advance the laboratory exist, but they may not always be consistent with the mission of or vision for the laboratory. Affected communities and stakeholders are mostly supportive of the laboratory and aligned with the management's vision for the laboratory.
D	The Senior Leadership of the laboratory has made no progress or has backslid over the previous year in realizing their vision for the laboratory or in aligning work, facilities, equipment and technical capabilities with the laboratory vision and plan. Strategic plans present long-range goals that are neither exciting nor realistic. Partnerships that may advance the Laboratory towards strategic goals are inappropriate, unidentified, or unlikely. Affected communities and stakeholders are not adequately engaged with the laboratory and indicate non-alignment with DOE priorities.
F	The Senior Leadership of the laboratory has made no progress or has backslid over the previous year in realizing their vision for the laboratory or in or aligning work, facilities, equipment and technical capabilities with the laboratory vision and plan. Strategic plans present long-range goals that are not aligned with DOE priorities or the mission of the laboratory. Partnerships that may advance the Laboratory towards strategic goals are inappropriate, unidentified, and unlikely, and/or the senior management team does not demonstrate a concerted effort to develop, leverage, and maintain relations with the scientific and local communities to assist the laboratory in achieving a successful future. Affected communities and stakeholders are openly non-supportive of the laboratory and DOE priorities.

4.2 Management and Operation of the Laboratory

By which we mean: The performance of the Laboratory's senior management team as demonstrated by their ability to do such things as

- Implement a robust contractor assurance system,
- Understand the costs of doing business at the Laboratory and prioritize the management and allocation of these costs commensurate with their associated risks and benefits,
- Instill a culture of accountability and responsibility down and through the entire organization; and
- Ensure good and timely communication between the Laboratory and SC headquarters and the Site Office so that DOE can deal effectively with both internal and external constituencies.

Letter Grade	Definition
A+	<p>The laboratory has a nationally or internationally recognized contractor assurance system in place that integrates internal and external (corporate) evaluation processes to evaluate risk and is working to help others internal and external to the Department establish similarly outstanding practices. The laboratory understands the drivers of cost at their lab and are prioritizing and managing these costs commensurate with the associated risks and benefits to the laboratory and the SC laboratory system.</p> <p>Laboratory management and processes reflect a sense of accountability and responsibility with is evident down and through the entire organization. Communication between the laboratory and SC headquarters and the Site Office is such that all the national laboratories and the Department as a whole benefits.</p>
A	<p>The laboratory has improved dramatically in the last year in all of the following: building a robust and transparent contractor assurance system that integrates internal and external (corporate) evaluation processes to evaluate risk; demonstrating the use of this system in making decisions that are aligned with the laboratory’s vision and strategic plan; understanding the drivers of cost at their lab, and prioritizing and managing these costs consistent with their associated risks and benefits to the laboratory and the SC laboratory system; demonstrating laboratory management and processes reflect a sense of accountability and responsibility with is evident down and through the entire organization; assuring communication between the laboratory and SC headquarters that is beneficial to both the lab and SC.</p>
A-	<p>The laboratory senior management performs better than expected (B+ grade) in these areas.</p>
B+	<p>The laboratory has a robust and transparent contractor assurance system in place that integrates internal and external (corporate) evaluation processes to evaluate risk. The laboratory can demonstrate use of this system in making decisions that are aligned with the laboratory’s vision and strategic plan. The laboratory understands the drivers of cost at their lab and are prioritizing and managing these costs commensurate with the associated risks and benefits to the laboratory and the SC laboratory system.</p> <p>Laboratory management and processes reflect a sense of accountability and responsibility with is evident down and through the entire organization. Communication between the laboratory and SC headquarters and the Site Office is such that there are no surprises or embarrassments.</p>
B	<p>The laboratory has a contractor assurance system in place, but further improvements are necessary, or the link between the CAS and the laboratory’s decision-making processes are not evident. The laboratory understands the drivers of cost at their lab, but they are not prioritizing and managing these costs as well as they should to be commensurate with the associated risks and benefits to the laboratory and the SC laboratory system. Laboratory management and processes reflect a sense of accountability and responsibility with is mostly evident down and through the entire organization. Communication between the laboratory and SC headquarters and the Site Office is such that there are no significant surprises or embarrassments.</p>
C	<p>The laboratory lacks a robust and transparent contractor assurance system in place that integrates internal and external (corporate) evaluation processes to evaluate risk. The laboratory cannot demonstrate use of this system in making decisions that are aligned with the laboratory’s vision and strategic plan. The laboratory does not fully understand the drivers of cost at their lab, and thus are not prioritizing and managing these costs as well as they should to be commensurate with the associated risks and benefits to the laboratory and the SC laboratory system. Communication between the laboratory and SC headquarters and the Site Office is such that there has been at least one significant surprise or embarrassment.</p>
D	<p>The laboratory lacks a contractor assurance system, doesn’t understand the drivers of cost at their lab, and is not prioritizing and managing costs. SC HQ must intercede in management decisions. Poor communication between the laboratory and SC headquarters and the Site Office has resulted in more than one significant surprise or embarrassment.</p>
F	<p>Lack of management by the laboratory’s senior management has put the future of the laboratory at risk or has significantly hurt the reputation of the Office of Science.</p>

4.3 Advancing Laboratory Diversity, Equity, Inclusion, and Accessibility

By which we mean: The performance of the Laboratory’s senior management team as demonstrated by their ability to do such things as

- Implement an effective Laboratory-wide diversity, equity, inclusion, and accessibility (DEIA) strategy that is data-driven and grounded in evidence-based practices and that shows measurable progress towards achieving DEIA goals;
- Understand the Laboratory’s DEIA challenges and opportunities for improvement through multiple methods of engaging personnel (Laboratory staff, students, and visiting researchers), and internal and external reviews;
- Foster a culture at the Laboratory that encourages all personnel to value a diversity of people, ideas, cultures, and backgrounds and that attracts and retains diverse personnel and that promotes a sense of belonging; and
- Hold all personnel accountable for conducting themselves in a manner that is respectful, ethical, and professional and address issues through timely, fair, and transparent processes.

Letter Grade	Definition
A+	The laboratory has made outstanding progress year over year in advancing its DEIA goals and objectives and can demonstrate, with data, progress in the areas of respectful and inclusive laboratory culture, attracting and retaining a diverse workforce, and equitable decision making. Internal and external review processes provide evidence that the laboratory’s actions are directly contributing to an inclusive, positive, respectful, and professional laboratory culture. The laboratory is attracting and retaining an increasingly diverse workforce across a number of job categories and across its STEM training programs. The laboratory’s senior managers are externally recognized as champions of DEIA in their respective fields. The laboratory has been externally recognized and referenced for their excellence in advancing DEIA in the workplace.
A	The laboratory has made significant progress over the previous year in advancing its DEIA goals and objectives and can demonstrate progress in a number of areas with data. Decisions and actions taken by the lab senior management are informed by evidence-based practices and demonstrate that DEIA principles are foundational to advancing the laboratory’s S&T strategy. Processes established across the laboratory reflect a sense of responsibility and accountability for DEIA across the laboratory at all levels of management. Internal and external review processes are providing evidence that the laboratory’s actions are contributing to an inclusive, positive, respectful, and professional laboratory culture. The laboratory is attracting and retaining an increasingly diverse workforce in a number of job categories, including in the lab’s STEM training programs.
A-	The laboratory senior management performs better than expected (B+ grade) in these areas.
B+	The laboratory has made significant progress over the previous year in advancing its DEIA goals and objectives and can demonstrate this progress with data. The laboratory’s senior management are clear champions of DEIA, which is evident in their communications and in their actions. The laboratory understands its primary DEIA challenges, and major actions taken aligned with the lab’s DEIA strategy are directly addressing those challenges. The laboratory’s internal and external review processes are effective at informing how the laboratory’s actions are contributing to an inclusive, positive, respectful, and professional laboratory culture. Decisions and actions taken by the lab senior management demonstrate that DEIA principles are integrating into laboratory work and decision-making. The laboratory is attracting and retaining an increasingly diverse workforce.

Letter Grade	Definition
B	The laboratory has made little progress over the previous year in advancing its DEIA goals and objectives. The laboratory has clearly articulated its DEIA challenges; however, DOE is not fully confident that the actions taken by the laboratory are sufficiently aligned to address the DEIA challenges. The laboratory has internal and external review processes for assessing laboratory culture, however the laboratory is slow to respond to the DEIA related feedback from DOE-led reviews. Decisions and actions taken by the lab senior management show support for DEIA principles, however DOE is not fully confident that DEIA principles are integrating into laboratory work and decision-making. The laboratory has made little progress in attracting and/or retaining an increasingly diverse workforce.
C	The laboratory has made no visible progress over the previous year in advancing its DEIA goals and objectives, and the lab lacks processes that support a data-driven approach for measuring progress. The laboratory has articulated a set of DEIA challenges, but DOE is not confident the laboratory has conducted the evaluations necessary to fully assess the lab’s DEIA challenges as experienced by laboratory personnel. The laboratory’s internal and external review processes are inadequate for assessing whether the lab is supporting an inclusive, positive, and professional laboratory culture, and/or the laboratory is unresponsive to the DEIA related feedback from DOE-led reviews. The laboratory’s senior management are champions of DEIA in their communications, but laboratory management and staff are not held accountable for implementation of the laboratory’s DEIA goals. The laboratory has made no progress in attracting and/or retaining an increasingly diverse workforce.
D	The laboratory has made no progress or has backslid over the previous year in advancing its DEIA goals and objectives. The laboratory blames external factors (e.g., geographic location, competition with industry, pipeline challenges) as its primary DEIA challenges rather than recognizing the DEIA challenges that exist within the laboratory’s control, resulting in a lab DEIA strategy that is unlikely to guide leadership and staff in advancing DEIA at the laboratory. Decision-making processes regarding hires, promotions, professional and leadership opportunities, and/or or addressing misconduct that do not incorporate DEIA principles may lead to real or perceived inequities among the laboratory workforce, contribute to low morale, and/or lead to regrettable workforce attrition. Lack of focus or prioritization on DEIA supporting initiatives impacts the ability of the laboratory to hire or retain individuals from diverse backgrounds and/or impacts that ability of the laboratory to maintain a workplace culture where everyone can thrive and contribute to the mission.
F	Lack of leadership by the laboratory’s senior management in advancing DEIA at the laboratory has put the laboratory at risk of being unable to attract and retain the diverse, skilled workforce needed to carry out the mission of the laboratory, and/or has significantly hurt the reputation of the Office of Science and the Department of Energy.

4.4 Leadership of External Engagements and Partnerships

By which we mean: the performance of the Laboratory leadership team to achieve the following:

- Establish a vision for shepherding technology transfer and commercialization, education and workforce development, and community-based activities at the Laboratory that align with the Laboratory’s unique expertise, facilities, and technology portfolio with the intent of advancing the DOE mission, national security, and economic prosperity for the United States.
- Implement an effective laboratory-wide technology transfer and commercialization strategy that is data-driven, grounded in evidence-based practices, and shows measurable progress towards achieving goals.
- Broadly deploy laboratory capabilities, intellectual property, and technologies to support and impact industry and other key non-DOE customer needs through Cooperative Research and Development Agreements (CRADA), Strategic Partnership Project (SPP) Agreements, and/or Agreements for Commercializing Technology (ACT), user facility access, and technology based economic development and Intellectual Property (IRP) management and licensing.
- Identify potential partners, implement outreach activities, and manage external engagements that enhance technology transfer and commercialization, education and workforce development,

accomplish community-based objectives and develop feedback loops with industry, academia, and community groups that inform planned and ongoing mission activities in the Laboratory.

- Develop and leverage appropriate relationships with industry, academia, local, state, and federal government, community groups, and tribes (e.g., public-private partnerships and long-term research collaborations) to address barriers to technology transfer, commercialization, and dissemination, and ultimately benefit the Laboratory, DOE, the local and regional population, and the U.S. taxpayer;
- Facilitate regional partnerships and initiatives with industry, academia including HBCUs, MSIs, and community colleges; K–12 schools; local, state, and federal government organizations; regional economic development organizations; community groups and tribes, among other groups (e.g., STEM outreach programs) to improve technology transfer, commercialization, and dissemination, and ultimately contribute to the local economy, workforce development, and community-based activities; and
- Foster a culture of entrepreneurship and community engagement at the laboratory that encourages staff at all levels to consider and implement new initiatives that enhance technology transfer and commercialization, education and workforce development, and community-based activities.

Letter Grade	Definition
A+	<p>Laboratory leadership has an exemplary vision for shepherding technology transfer and commercialization, education and workforce development, and community-based activities at the laboratory that aligns with the laboratory’s unique expertise, facilities, and technology portfolio with the intent of advancing the DOE mission, national security, and economic prosperity for the United States.</p> <p>The laboratory is recognized across the DOE complex for its preeminent leadership and excellence in:</p> <ul style="list-style-type: none"> • identifying, engaging, and leveraging relationships with industry, other labs, academia, local, state, and federal government, community groups, and tribes to drive technology transfer and commercialization, education and workforce development, and community-based activities that benefit the laboratory, DOE, the local and regional population, and the U.S. taxpayer; • facilitating regional partnerships and initiatives that contribute to the local economy, workforce development, and community-based activities; • fostering a culture of entrepreneurship and community engagement at the laboratory that encourages staff at all levels to consider and implement initiatives that enhance technology transfer and commercialization, education and workforce development, and community-based programs. • developing and submitting, as the prime applicant, applications for funding to public and private sector institutions and receiving funding from such institutions for technology transfer and commercialization-related projects; • encouraging multi-lab collaborations and joint technology development partnerships by participating in the development and submission of funding applications; • leveraging funding from public and private sector entities, including philanthropic institutions, to advance and achieve DOE technology transfer and commercialization goals; • supporting regional innovation ecosystems through technical services, education and mentorship programs, and partnerships that support start-up incubation and technology acceleration of DOE-funded technologies and external technologies that support the DOE mission; • partnering with the public and private sectors to develop, contribute to, and review technology transfer and commercialization strategies based on robust market analyses to support the transfer and commercialization of technologies across the research, development, demonstration, and deployment (RDD&D) continuum; and, • contributing as members and serving in leadership positions in the Technology Transfer Working Group (TTWG), the National Laboratory Technology Transfer (NLTT) council, and other working and coordination groups established by DOE Headquarters. <p>The laboratory is recognized across the complex for being highly effective in developing national and regional public and private partnerships that significantly enhance DOE and laboratory outreach efforts and scientific missions. The laboratory staff are strongly encouraged to seek out and pursue potential technology transfer and commercialization, education and workforce development, and community-based activities that are clearly connected and/or complementary to their research and opportunities are available for staff to pursue such activities. The laboratory can demonstrate how this outreach informs its ongoing technology transfer and commercialization, education and workforce development, and community-based efforts and they are at the forefront of technology transfer and commercialization, education and workforce development, and community-based outcomes.</p>
A-	Laboratory leadership performs better than expected (B+ grade) in these areas.

Letter Grade	Definition
B+	<p>Laboratory leadership has a substantive vision for shepherding technology transfer and commercialization, education and workforce development, and community-based activities at the laboratory that aligns with the laboratory’s unique expertise, facilities, and technology portfolio with the intent of advancing the DOE mission, national security, and economic prosperity for the United States.</p> <p>The laboratory demonstrates effectiveness in:</p> <ul style="list-style-type: none"> • identifying, engaging, and leveraging relationships with industry, other labs, academia, local, state, and federal government, community groups, and tribes to drive technology transfer and commercialization, education and workforce development, and community-based activities that benefit the laboratory, the DOE, the local and regional population, and the U.S. taxpayer; • facilitating regional partnerships and initiatives that contribute to the local economy, workforce development, and community-based activities; and • fostering a culture of entrepreneurship and community engagement at the laboratory that encourages staff at all levels to consider and put into effect initiatives that enhance technology transfer and commercialization, education and workforce development, and community-based activities. • developing and submitting, as the prime applicant, applications for funding to public and private sector institutions and receiving funding from such institutions for technology transfer and commercialization, education and workforce development, and community-based related projects; and, • encouraging multi-lab collaborations and joint technology development partnerships by participating in the development and submission of funding applications and receiving funding from public and private sector entities, including philanthropic institutions, to advance and achieve DOE technology transfer and commercialization goals; and, • prioritizing technology transfer by leveraging non-federal funds to support technology transfer and commercialization activities. <p>The laboratory is highly effective in developing national and regional public and private partnerships that significantly enhance DOE and laboratory outreach efforts and scientific missions. The laboratory staff are encouraged to seek out and pursue potential technology transfer and commercialization, education and workforce development, and community-based activities that are clearly connected and/or complementary to their research and opportunities are available for staff to pursue such activities. The laboratory can demonstrate how this outreach informs its ongoing technology transfer and commercialization, education and workforce development, and community-based efforts and they are at the forefront of commercialization, education and workforce development, and community-based outcomes.</p>
B	<p>Laboratory leadership performs below (B+ grade) in these areas. Laboratory leadership supports development of a vision for technology transfer and commercialization, education and workforce development, and community-based activities at the laboratory; however, this vision is not fully realized and requires more work in more than one of the areas described above including, but not limited to, identifying, engaging, and leveraging relationships with potential external partners, facilitating regional partnerships and initiatives that contribute to the local economy, workforce development, and community-based activities, and/or overcoming challenges in capturing intellectual property. The laboratory staff are allowed but not encouraged to seek out and pursue potential technology transfer and commercialization, education and workforce development, and community-based activities. The laboratory has developed few partnerships that will advance DOE and laboratory outreach and technology transfer and commercialization, education and workforce development, and community-based activities, and they have average technology transfer and commercialization, education and workforce development, and community-based outcomes.</p>

C	The laboratory lacks a vision and the mechanisms to implement a strategy to promote technology transfer and commercialization, education and workforce development, and community-based activities at the laboratory and has little success in developing partnerships and there has been limited commercialization, education and workforce development, and community-based outcomes. This is evidenced in part by a lack of participation in funding opportunities and partnership activities that support technology transfer activities.
D	Laboratory leadership lacks a vision and has not supported the mechanisms/resources necessary to develop or implement an external engagement strategy to promote technology transfer and commercialization, education and workforce development, and community-based activities at the laboratory including partnership efforts. Laboratory staff are discouraged from seeking out opportunities to solicit external partner input and are also discouraged from identifying potential activities for technology transfer and commercialization, education and workforce development, and community-based and from engaging in efforts to protect intellectual property.
F	Lack of vision and resources by the laboratory’s senior management has hindered the ability of the laboratory to identify, plan, and engage external partners to develop and promote technology transfer and commercialization, education and workforce development, and community-based activities at the laboratory that align with the laboratory’s unique expertise, facilities, and technology portfolio; this failure has significantly hurt the Department’s ability to achieve its mission.

4.5 Contractor Value-added

By which we mean: the additional benefits that accrue to the Laboratory and the Department by virtue of having this particular M&O contractor in place. Included here, typically, are things over which the Laboratory leadership does not have immediate authority, such as

- Corporate involvement/contributions that facilitate DOE strategic plans and program initiatives and/or deal with operational challenges at the Laboratory;
- Using corporate resources to enhance DOE mission objectives by establishing programs/projects/activities that strengthen the Laboratory (e.g., joint appointments, integrated research initiatives, novel educational opportunities); and
- Providing other contributions that enable the Laboratory to do things that are good for DOE, the Laboratory, and its community and that DOE cannot supply.

Letter Grade	Definition
A+	The laboratory has been transformed as a result of the many, substantial, additional benefits that accrue to the laboratory as a result of this contractor’s support and operation of the laboratory.
A	Over the past year, the laboratory has become demonstrably stronger, better and more attractive as a place of employment as a result of the many, substantial, additional benefits that accrue to the laboratory as a result of this contractor’s support and operation of the laboratory.
A-	The laboratory senior management performs better than expected (B+ grade) in these areas.
B+	The laboratory enjoys additional benefits above and beyond those associated with managing the laboratory’s activities that accrue as a result of this contractor’s support and operation of the laboratory.
B	The laboratory enjoys few additional benefits that accrue as a result of this contractor’s operation of the laboratory; help by the contractor is needed to strengthen the laboratory.
C	The laboratory enjoys few additional benefits that accrue as a result of this contractor’s operation of the laboratory; the contractor seems unable to help the laboratory.
D	The laboratory enjoys few additional benefits that accrue as a result of this contractor’s operation of the laboratory; the contractor’s efforts are inconsistent with the interests of the laboratory and the Department.
F	The laboratory enjoys no additional benefits that accrue as a result of this contractor’s operation of the laboratory; the contractor’s efforts are counter-productive to the interests of the Department.

Notable Outcomes

- None

ELEMENT	Letter Grade	Numerical Score	Objective Weight	Overall Score
Goal 4.0 – Provide Sound and Competent Leadership and Stewardship of the Laboratory				
4.1 Leadership and Stewardship of the Laboratory			30%	
4.2 Management and Operation of the Laboratory			25%	
4.3 Advancing Laboratory Diversity, Equity, Inclusion and Accessibility			10%	
4.4 Leadership of External Engagements and Partnerships			10%	
4.5 Contractor Value-Added			25%	
Performance Goal 4.0 Total				

Table 4.1 – Performance Goal 4.0 Score Development

Total Score	4.3-4.1	4.0-3.8	3.7-3.5	3.4-3.1	3.0-2.8	2.7-2.5	2.4-2.1	2.0-1.8	1.7-1.1	1.0-0.8	0.7-0
Final Grade	A+	A	A-	B+	B	B-	C+	C	C-	D	F

Table 4.2 – Goal 4.0 Final Letter Grade

GOAL 5.0 Sustain Excellence and Enhance Effectiveness of Integrated Safety, Health, and Environmental Protection

The weight of this Goal is 30%.

This Goal evaluates the Contractor’s overall success in deploying, implementing, and improving integrated ES&H systems that efficiently and effectively support the mission(s) of the Laboratory.

- 5.1 Provide an Efficient and Effective Worker Health and Safety Program
- 5.2 Provide Efficient and Effective Environmental Management System

In measuring the performance of the above Objectives, the DOE evaluator(s) shall consider performance trends and outcomes in protecting workers, the public, and the environment. This may include, but is not limited to, minimizing the occurrence of environment, safety and health (ES&H) incidents; effectiveness of the Integrated Safety Management (ISM) system; effectiveness of work planning, feedback, and improvement processes; the strength of the safety culture throughout the Laboratory; the strength of the Nuclear/Facility Safety Programs; the effective development, implementation, and maintenance of an efficient and effective Environmental Management system; and the effectiveness of responses to identified hazards and/or incidents.

Notable Outcomes

- **OSO:** Demonstrate improvements in Lab safety culture—to be measured by management engagement reinforcing Safe Conduct of Research principles and proactive identification and effective management of safety issues. (Objective 5.1)
- **OSO:** Effectively manage and execute the Activity-Based Work Planning and Control project scope outlined in the multi-year Project Management Plan. Performance will be assessed based on accomplishment of the agreed to project activities for FY 2024. (Objective 5.1.)

ELEMENT	Letter Grade	Numerical Score	Objective Weight	Overall Score
Goal 5.0 – Sustain Excellence and Enhance Effectiveness of Integrated Safety, Health, and Environmental Protection.				
5.1 Provide an Efficient and Effective Worker Health and Safety Program			60%	
5.2 Provide an Efficient and Effective Environmental Management System			40%	
Performance Goal 5.0 Total				

Table 5.1 – Performance Goal 5.0 Score Development

Total Score	4.3-4.1	4.0-3.8	3.7-3.5	3.4-3.1	3.0-2.8	2.7-2.5	2.4-2.1	2.0-1.8	1.7-1.1	1.0-0.8	0.7-0
Final Grade	A+	A	A-	B+	B	B-	C+	C	C-	D	F

Table 5.2 – Goal 5.0 Final Letter Grade

GOAL 6.0 Deliver Efficient, Effective, and Responsive Business Systems and Resources that Enable the Successful Achievement of the Laboratory Mission(s)

The weight of this Goal is 25%.

This Goal evaluates the Contractor’s overall success in deploying, implementing, and improving integrated business systems that efficiently and effectively support the mission(s) of the Laboratory.

- 6.1 Provide an Efficient, Effective, and Responsive Financial Management System
- 6.2 Provide an Efficient, Effective, and Responsive Acquisition Management System and Property Management System
- 6.3 Provide an Efficient, Effective, and Responsive Human Resources and Talent Management Systems
- 6.4 Provide Efficient, Effective, and Responsive Contractor Assurance Systems, including Internal Audit and Quality
- 6.5 Demonstrate Effective Transfer of Knowledge and Technology and the Commercialization of Intellectual Assets

In measuring the performance of the above Objectives, the DOE evaluator(s) shall consider performance trends and outcomes in the development, deployment, and integration of foundational program (e.g., Contractor Assurance, Quality, Financial Management, Acquisition Management, Property Management, and Human Resource Management) systems across the Laboratory. This may include, but is not limited to, minimizing the occurrence of management systems support issues; quality of work products; continual improvement driven by the results of audits, reviews, recognized, evidence-based practices, and other performance information; the integration of system performance metrics and trends; the degree of knowledge and appropriate utilization of established system processes, procedures, and data by Contractor management and staff; and benchmarking and performance trending analysis. The DOE evaluator(s) shall consider the Laboratory’s performance in making progress toward comprehensive collection and submission to OSTI of peer-reviewed accepted manuscripts for journal articles (and associated metadata) resulting from DOE-funded research as called for in the [DOE Public Access Plan](#)⁷, and cooperation with the Department in meeting the relevant requirements to provide other forms of scientific and technical information to OSTI, per DOE O 241.1B, Scientific and Technical Information Management. The DOE evaluator(s) shall also consider the stewardship of the pipeline of innovations and resulting intellectual assets at the Laboratory along with impacts and returns created/generated as a result of technology transfer, work for others, and intellectual asset deployment activities.

Notable Outcomes

- **OSO:** Demonstrate effective risk reduction by assessing time and material contracts for opportunities to convert portions of work to fixed price in parallel with performing targeted make or buy analyses that may also yield cost-efficiencies and/or risk mitigation to mission delivery. (Objective 6.2)

⁷ <https://www.energy.gov/downloads/doe-public-access-plan>

ELEMENT	Letter Grade	Numerical Score	Objective Weight	Overall Score
Goal 6.0 – Deliver Efficient, Effective, and Responsive Business Systems and Resources that Enable the Successful Achievement of the Laboratory Mission(s)				
6.1 Provide an Efficient, Effective, and Responsive Financial Management System(s)			18%	
6.2 Provide an Efficient, Effective, and Responsive Acquisition Management System and Property Management System			25%	
6.3 Provide an Efficient, Effective, and Responsive Human Resources and Talent Management Systems			17%	
6.4 Provide Efficient, Effective, and Responsive Contractor Assurance Systems, including Internal Audit and Quality			30%	
6.5 Demonstrate Effective Transfer of Knowledge and Technology and the Commercialization of Intellectual Assets			10%	
Performance Goal 6.0 Total				

Table 6.1 – Performance Goal 6.0 Score Development

Total Score	4.3-4.1	4.0-3.8	3.7-3.5	3.4-3.1	3.0-2.8	2.7-2.5	2.4-2.1	2.0-1.8	1.7-1.1	1.0-0.8	0.7-0
Final Grade	A+	A	A-	B+	B	B-	C+	C	C-	D	F

Table 6.2 – Goal 6.0 Final Letter Grade

GOAL 7.0 Sustain Excellence in Operating, Maintaining, and Renewing the Facility and Infrastructure Portfolio to Meet Laboratory Needs

The weight of this Goal is 20%.

This Goal evaluates the overall effectiveness and performance of the Contractor in planning for, delivering, and operations of Laboratory facilities and equipment needed to ensure that the required capabilities are present to meet today’s and tomorrow’s mission(s) and complex challenges.

- 7.1 Manage Facilities and Infrastructure in an Efficient and Effective Manner that Optimizes Usage, Minimizes Life Cycle Costs, and Ensures Site Capability to Meet Mission Needs
- 7.2 Provide Planning for and Acquire the Facilities and Infrastructure Required to Support the Continuation and Growth of Laboratory Missions and Programs

In measuring the performance of the above Objectives, the DOE evaluator(s) shall consider performance trends and outcomes in facility and infrastructure programs. This may include, but is not limited to, the management of real property assets to maintain effective operational safety, worker health, environmental protection and compliance, property preservation, and cost-effectiveness; planning and executing strategies to promote the resilience and reliability of Laboratory infrastructure; effective facility utilization, maintenance and budget execution; day-to-day management and utilization of space in the active portfolio; maintenance and renewal of building systems, structures and components associated with the Laboratory’s facility and land assets; management of energy use, conservation, and sustainability practices; the integration and alignment of the Laboratory’s comprehensive strategic plan with capabilities; facility planning, forecasting, and acquisition; the delivery of accurate and timely information required to carry out the critical decision and budget formulation process; quality of site and facility planning documents; and Cost and Schedule Performance Index performance for facility and infrastructure projects.

Notable Outcomes

- **OSO:** Improve facility project planning processes to ensure a stable, executable, and defensible construction program including IGPP, GPP, SLI, programmatic and infrastructure projects with the long-term vision of the Lab and management team commitment. (Objective 7.2)
- **OSO:** Continue to effectively execute and successfully deliver the FY 2024 scope for the two SC projects equal to or less than \$50M designated to the Laboratory Director by SC. These are the Craft Resources Support Facility and the Stable Isotope Production Facility. (Objective 7.2)

ELEMENT	Letter Grade	Numerical Score	Objective Weight	Overall Score
Goal 7.0 – Sustain Excellence in Operating, Maintaining, and Renewing the Facility and Infrastructure Portfolio to Meet Laboratory Needs.				
7.1 Manage Facilities and Infrastructure in an Efficient and Effective Manner that Optimizes Usage, Minimizes Life Cycle Costs, and Ensures Site Capability to Meet Mission Needs			40%	
7.2 Provide Planning for and Acquire the Facilities and Infrastructure Required to support the Continuation and Growth of Laboratory Missions and Programs			60%	
Performance Goal 7.0 Total				

Table 7.1 – Performance Goal 7.0 Score Development

Total Score	4.3-4.1	4.0-3.8	3.7-3.5	3.4-3.1	3.0-2.8	2.7-2.5	2.4-2.1	2.0-1.8	1.7-1.1	1.0-0.8	0.7-0
Final Grade	A+	A	A-	B+	B	B-	C+	C	C-	D	F

Table 7.2 – Goal 7.0 Final Letter Grade

GOAL 8.0 Sustain and Enhance the Effectiveness of Integrated Safeguards and Security Management (ISSM) and Emergency Management Systems

The weight of this Goal is 25%.

This Goal evaluates the Contractor’s overall success in safeguarding and securing Laboratory assets that support the mission(s) of the Laboratory in an efficient and effective manner and provide an effective emergency management program.

- 8.1 Provide an Efficient and Effective Emergency Management System
- 8.2 Provide an Efficient and Effective Cyber Security System for the Protection of Classified and Unclassified Information
- 8.3 Provide an Efficient and Effective Physical Security Program for the Protection of Special Nuclear Materials, Classified Matter, Classified Information, Sensitive Information, and Property

In measuring the performance of the above Objectives, the DOE evaluator(s) shall consider performance trends and outcomes in the safeguards and security, cyber security, and emergency management program systems. This may include, but is not limited to, the commitment of leadership to strong safeguards and security, cyber security, and emergency management systems; the integration of these systems into the culture of the Laboratory; the degree of knowledge and appropriate utilization of established system processes/procedures by Contractor management and staff; maintenance and the appropriate utilization of Safeguards, Security, and Cyber risk identification, prevention, and control processes/activities; and the prevention and management controls and prompt reporting and mitigation of events as necessary.

Notable Outcomes

- **OSO:** Establish centralized, continuous monitoring capabilities across the ORNL Operational Technology (OT)/Industrial Control Systems (ICS) network environments to include identification and automated alerting of adverse events by FY 2024. (Objective 8.2)

ELEMENT	Letter Grade	Numerical Score	Objective Weight	Overall Score
Goal 8.0 – Sustain and Enhance the Effectiveness of Integrated Safeguards and Security management (ISSM) and Emergency Management Systems.				
8.1 Provide an Efficient and Effective Emergency Management System			15%	
8.2 Provide an Efficient and Effective Cyber Security System for the Protection of Classified and Unclassified Information			35%	
8.3 Provide an Efficient and Effective Physical Security Program for the Protection of Special Nuclear Materials, Classified Matter, Classified Information, Sensitive Information, and Property			50%	
Performance Goal 8.0 Total				

Table 8.1 – Performance Goal 8.0 Score Development

Total Score	4.3-4.1	4.0-3.8	3.7-3.5	3.4-3.1	3.0-2.8	2.7-2.5	2.4-2.1	2.0-1.8	1.7-1.1	1.0-0.8	0.7-0
Final Grade	A+	A	A-	B+	B	B-	C+	C	C-	D	F

Table 8.2 – Goal 8.0 Final Letter Grade

Attachment I.

Program Office Goal & Objective Weightings Office of Science

	ARDAP	ASCR	BER	BES	FES	IRP	NP	WDTS
	Weight	Weight	Weight	Weight	Weight	Weight	Weight	Weight
Goal 1.0 Mission Accomplishment								
1.1 Impact	50%	50%	60%	50%	50%	50%	50%	80%
1.2 Leadership	50%	50%	40%	50%	50%	50%	50%	20%
Goal 2.0 Design, Fabrication, Construction and Operation of Facilities								
2.1 Design of Facility (the initiation phase and the definition phase, i.e. activities leading up to CD-2)	0%	10%	0%	20%	30%	15%	70%	0%
2.2 Construction of Facility / Fabrication of Components (execution phase, Post CD-2 to CD-4)	0%	30%	0%	25%	70%	15%	0%	0%
2.3 Operation of Facility	0%	50%	90%	30%	0%	60%	0%	
2.4 Utilization of Facility to Grow and Support Lab's Research Base and External User Community	100%	10%	10%	25%	0%	10%	30%	0%
Goal 3.0 Program Management								
3.1 Effective and Efficient Strategic Planning and Stewardship	40%	30%	20%	30%	35%	30%	30%	20%
3.2 Project/Program/Facilities Management	40%	40%	30%	40%	35%	40%	40%	50%
3.3 Communications and Responsiveness	20%	30%	50%	30%	30%	30%	30%	30%

Attachment II.

Program Office Goal & Objective Weightings All Other Customers⁸

	ARPA-E	CESER	DHS	NNSA	EERE	FECM	IN	NE	NRC	OE
	Weights									
Goal 1.0 Mission Accomplishment										
1.1 Impact	65%	50%	60%	59%	60%	50%	65%	50%	50%	50%
1.2 Leadership	35%	50%	40%	41%	40%	50%	35%	50%	50%	50%
Goal 3.0 Program Management										
3.1 Effective and Efficient Strategic Planning and Stewardship	20%	20%	40%	25%	20%	34%	25%	20%	34%	20%
3.2 Project/Program/Facilities Management	30%	45%	30%	50%	30%	33%	40%	30%	33%	40%
3.3 Communications and Responsiveness	50%	35%	30%	25%	50%	33%	35%	50%	33%	40%

⁸ Objective weightings indicated for non-science customers are reflective of FY 2024 weightings and will be updated as those customers provide their weightings. Final Objective weightings will be incorporated, as appropriate, once they are determined by each HQ Program Office and provided to the Site Office. Should a HQ Program Office fail to provide final Objective weightings before the end of the first quarter FY 2024, the preliminary weightings provided shall become final.

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS

APPENDIX H

ANNEX OF INFORMATION AND INTELLECTUAL PROPERTY

Annex on Information and Intellectual Property

Article 1

Subject Matter and Definitions

- 1.1 This Annex covers the dissemination, exchange, use and protection of information and intellectual property pertaining to protectable subject *matter*, in the execution of this Agreement. Unless otherwise provided, the terms in this Annex shall have the same meaning as in this Agreement.
- 1.2 Information shall mean published data, drawings, designs, computations, reports and other documents, documented data or methods of research and development, as well as the description of inventions and discoveries, whether or not protectable, which are not covered by the term intellectual Property as defined in paragraph 1.3 below.
- 1.3 Intellectual Property shall have the meaning defined in Article 2 of the Convention Establishing the World Intellectual Property Organization, done at Stockholm on July 14, 1967. For the purposes of this Annex, Intellectual Property may include confidential information such as know-how or trade secrets provided that they are unpublished, and in written or otherwise documented form, and
 - a) have been held in confidence by their owner,
 - b) are not generally known or available to the public from other sources, and/or are not generally available to the public in printed publications and/or other readable documents,
 - c) have not been made available by their owner to other parties without an
 - d) obligation concerning confidentiality, and
 - e) are not available to the receiving party without an obligation concerning
 - f) confidentiality.
- 1.4 Background Intellectual Property shall mean Intellectual Property that has been or is acquired, developed or produced, before the entry into force of this Agreement, or outside of the scope of this Agreement.
- 1.5 Generated Intellectual Property shall mean Intellectual Property that is generated or acquired with full ownership by a Member, acting through a Domestic Agency or Entity, or by the ITBR Organization or jointly pursuant to and in the course of the performance of this Agreement.
- 1.6 Improvements shall mean any technological advancement to existing Intellectual Property, including derivative works.

- 1.7 Entity or Entities shall mean any entity with which a Domestic Agency or the ITER Organization has entered into a contract for the supply of goods or service for the purpose of this Agreement.

Article 2

General Provisions

- 2.1 Subject to the provisions of this Annex, the Members support the widest possible dissemination of Generated Intellectual Property.
- 2.2 Each Member shall ensure that the other Members and the ITER Organization can obtain the rights to Intellectual Property allocated in accordance with this Annex. Contracts placed by each Member or the ITER Organization with any Entity shall be consistent with the provisions of this Annex. In particular, appropriate public procurement procedures must be followed by all Members and the ITER Organization in order to ensure compliance with this Annex.

The ITER Organization shall properly identify in a timely manner the Background Intellectual Property of the contracting Entities with a view to obtaining for the ITER Organization and the Members access to this Background Intellectual Property in conformity with this Annex.

Each Member shall properly identify in a timely manner the Background Intellectual Property of the contracting Entities with a view to obtaining for the ITER Organization and the Members access to this Background Intellectual Property in conformity with this Annex.

Each Member and the ITER Organization shall ensure access for the ITER Organization and the other Members to inventions and other Intellectual Property generated or incorporated in the execution of the contracts provided that inventors' rights are respected, in conformity with this Annex.

- 2.3 This Annex does not alter or prejudice the allocation of rights between a Member and its nationals. Whether the rights concerning Intellectual Property shall be held by a Member or its nationals shall be determined as between themselves in accordance with their applicable laws and regulations.
- 2.4 If a Member generates or acquires full ownership of Intellectual Property in the course of the execution of this Agreement, the Member shall notify all other Members and the ITER Organization in a timely manner and provide details of such Intellectual Property.

Article 3

Dissemination of Information and Scientific Publications whether or not Copyrighted

Each Member shall be entitled for non commercial uses, to translate, reproduce, and publicly distribute Information directly arising from the execution of this Agreement. All publicly

distributed copies of a copyrighted work prepared under this provision shall indicate the names of the authors of the work unless an author explicitly declines to be named.

Article 4

Intellectual Property Generated or Incorporated by a member, a Domestic Agency or Entity

4.1 Generated Intellectual Property:

- 4.1.1 If protectable subject matter is generated by a Member, a Domestic Agency or Entity in the course of the execution of this Agreement, the Member, the Domestic Agency or Entity shall be entitled to acquire all rights, title and interest in all countries in and to such intellectual property according to applicable laws and regulations.
- 4.1.2 Any Member, acting through a Domestic -Agency or Entity, which has generated Intellectual Property in the course of the execution of this Agreement shall grant on an equal and non-discriminatory basis an irrevocable, non-exclusive, royalty-free license to such Generated Intellectual Property to other Members and the ITER Organization, with the right of the ITER Organization to sub-license, and the right of the other Members to sub-license within their respective territory, for the purposes of publicly sponsored fusion research and development programmes.
- 4.1.3 Any Member, acting through a Domestic Agency or Entity, which has generated Intellectual Property in the course of the execution of this Agreement shall make available on an equal and non-discriminatory basis a non-exclusive license to such Generated Intellectual Property to the other Members for commercial fusion use, with the right to sub-license for such use by such Members' own domestic third parties within such Members' own territory on terms no less favorable than the basis upon which such Member licenses such Generated Intellectual Property to third parties within or outside such Member's own territory. As long as such terms have been offered such license shall not be denied. The above license may be revoked only in case the licensee does not fulfil its contractual obligations.
- 4.1.4 Any Member, acting through a Domestic Agency or Entity, which has generated Intellectual Property pursuant to this Agreement is encouraged to enter into commercial arrangements with the other Members, Domestic Agencies, Entities and third parties in order to allow use of Generated Intellectual Property in fields other than fusion.
- 4.1.5 Members, and their Domestic Agencies or Entities, that license or sub-license Generated or Background Intellectual Property pursuant to this Annex, will maintain records or any such licensing, which records will be available to other Members, such as through the ITER Organization.

4.2 Background Intellectual Property:

- 4.2.1 Background Intellectual Property shall remain the property of the party that owns this intellectual property.

4.2.2 Any Member, acting through a Domestic Agency or Entity, which has incorporated Background Intellectual Property, except confidential information such as know-how and trade secrets into the items provided to the ITER Organization which Background Intellectual Property is required:

- to construct, operate, use or integrate technology for research and development in relation to the ITER facilities,
- to maintain or repair the item provided, or
- when decided necessary by the Council, in advance of any public procurement, shall grant on an equal and non-discriminatory basis an irrevocable, non-exclusive, royalty-free license to such Background Intellectual Property to other Members and to the ITER Organization, with the right of the ITER Organization to sub-license and the right of Members to sub-license to their research institutes and institutes of higher education within their respective territory for the purposes of publicly sponsored fusion research and development programmes.

4.2.3 (a) Any Member, acting through a Domestic Agency or Entity, which has incorporated background confidential information into the items provided to the ITER Organization which background confidential information is required:

- to construct, operate, use or integrate technology for research and development in relation to the ITER facilities,
- to maintain or repair the item,
- when decided necessary by the Council, in advance of any public procurement, or
- for safety, for quality assurance and quality control reasons as required by regulatory authorities,

shall ensure that the ITER Organization has an irrevocable, non-exclusive, royalty-free license available to use such background confidential information including manuals or instructional training materials for the construction, operation, maintenance and repair of the ITER facilities.

(b) When confidential information is made available to the ITER Organization, it must be clearly marked so, and transmitted pursuant to an arrangement for confidentiality. The recipient of such information shall use it only for purposes set forth in 4.2.3 (a) and shall preserve its confidentiality to the extent provided in that arrangement. Compensation for damages arising from the misuse of such background confidential information by the ITER Organization shall be paid by the ITER Organization.

4.2.4 Any Member, acting through a Domestic Agency or Entity, which has incorporated background confidential information such as know how or trade secrets into the items provided to the ITER Organization which background confidential information is required:

- to construct, operate, use or integrate technology for research and development in relation to the ITER facilities,
- to maintain or repair the item provided, or
- when decided necessary by the Council, in advance of any public procurement,

shall use its best efforts to either grant a commercial license to such background confidential information or supply the same items incorporating the background confidential information to the receiving party by means of private contracts with financial compensation for publicly sponsored fusion research and development programmes of a Member on terms no less favorable than the basis upon which such Member license, such background confidential information or supplies the same items to third parties within or outside such Member's own territory. As long as such terms have been offered, such license or supply of such item shall not be denied. The license, if granted, may be revoked only in case the licensee does not fulfil its contractual obligations.

4.2.5 Any Member, acting through a Domestic Agency or Entity, which has incorporated Background Intellectual Property, including background confidential information, in the execution of this Agreement shall use its best efforts to make 6Ure that the component incorporating the Background Intellectual Property is available on reasonable terms and conditions, or use its best efforts to grant on an equal and non-discriminatory basis a non-exclusive license to the other Members for commercial fusion use, with the right to sub-license for such use by such Members' own domestic third parties within such Members' own territory, on terms no less favorable than the basis upon which such Member licenses such Background Intellectual Property to third parties within or outside such Member's own territory. As long as such terms have been offered, such license shall not be denied. The above license may be revoked only in case the licensee does not fulfil its contractual obligations.

4.2.6 Any Member, acting through a Domestic Agency or Entity, is encouraged to make available for commercial purposes other than those set out in article 4.2.5. to the other Members, any Background Intellectual Property incorporated into the items provided to the ITER Organization which Background Intellectual Property was required:

- to construct, operate, use or integrate technology for research and development in relation to the ITER facilities,
- to maintain or repair the item provided, or
- when decided necessary by the Council. in advance of any public procurement

Such Background Intellectual Property, if licensed by the owners to the Members, shall be licensed on an equal and non-discriminatory basis.

4.3 Licensing to Third Parties of Non-Members:

Any license on Generated Intellectual Property granted by the Members to third parties of non-Members shall be subject to the rules on licensing to third parties determined by the Council. Such rules shall be determined by unanimous decision of the Council.

Article 5

Intellectual Property Generated or Incorporated by the ITER Organization

5.1 Generated Intellectual Property:

5.1.1 Where intellectual property is generated by the ITER Organization, in the course of the execution of this Agreement, it shall be owned by the ITER Organization. The ITER Organization shall develop appropriate procedures for the recording, reporting and protection of the Intellectual Property.

5.1.2 Such intellectual property shall be licensed by the ITER Organization to the Members on an equal, non-discriminatory, irrevocable, non-exclusive, royalty-free basis, with the right of the Members to sub-license within their territory for the purpose of fusion research and development:

5.1.3 Generated Intellectual Property that has been developed or acquired by the ITER Organization in the course of the execution of Agreement shall be licensed to the Members on an equal, non-discriminatory, non-exclusive basis for commercial use, with the right to sub-license for such use by such Members' own domestic third parties within such Members' own territory on terms no less favorable than the basis upon which the ITER Organization licenses such Generated Intellectual Property to third parties. As long as such terms have been offered, such license shall not be denied. The above license may be revoked only in case the licensee does not fulfil its contractual obligations.

5.2 Background Intellectual Property:

5.2.1 Provided that it has the pertinent rights, when the ITER Organization incorporates Background Intellectual Property which required:

- to construct, operate, use or integrate technology for research and development in relation to the ITER facilities,
- to create improvements and derivative works,
- to repair and maintain the ITER facilities, or
- when decided necessary by the Council, in advance of any public procurement, the ITER Organization shall make the necessary arrangements in order to sub-license that Background Intellectual Property on an equal and non-discriminatory basis by an irrevocable, non-exclusive, royalty-free license to the Members, with the right of the Members to sub-license within their respective territory for the purpose of fusion research and development. The ITER Organization shall make its best efforts to acquire the pertinent rights.

5.2.2 For Background Intellectual Property, including background confidential information, incorporated by the ITER Organization in the course of the execution of this Agreement, the ITER Organization shall use its best efforts to make available on an equal and non-discriminatory basis a non-exclusive license to the Members for

commercial fusion use, with the right to sub-license for such use by such Members' own domestic third parties within such Members' own territory on terms no less favorable than the basis upon which the ITER Organization licenses such Background Intellectual Property to third parties. As long as such terms have been offered, such license shall not be denied. The above license may be revoked only in case the licensee does not fulfil its contractual obligations.

5.2.3 The ITER Organization shall use its best efforts to make available to the Members any Background Intellectual Property, including background confidential information, for purposes other than those set out in article 5.2.2. Such Background Intellectual Property, if licensed by the ITER Organization to the Members, shall be licensed on an equal and non-discriminatory basis.

5.3 Licensing to third parties of a non-Member:

Any license granted by the ITER Organization to third parties of a non-Member shall be subject to the rules on licensing to third parties determined by the Council. Such rules shall be determined by unanimous decision of the Council.

Article 6

Intellectual Property Generated by the ITER Organization's Staff and other Researchers

- 6.1 Intellectual Property generated by directly employed and seconded staff of the ITER Organization shall be owned by the ITER Organization and treated in corresponding employment contracts or regulations consistent with the provisions set out herein.
- 6.2 Intellectual Property generated by visiting researchers who are participating in the activities of the ITER Organization through an arrangement with the ITER Organization for undertaking specific activities and who are directly involved in general programmes of the ITER Organization exploitation, shall be owned by the ITER Organization unless otherwise agreed by the Council.
- 6.3 Intellectual Property generated by visiting researchers not involved in general programmes of the ITER Organization exploitation shall be subject to an arrangement with the ITER Organization in accordance with conditions established by the Council.

Article 7

Protection of Intellectual Property

- 7.1 When a Member acquires or seeks protection for Generated Intellectual Property developed or acquired by that Member, such Member shall notify in a timely manner and provide details of such protection to all other Members and to the ITER Organization. If a Member decides not to exercise its right to seek protection for Generated Intellectual Property in any country or region, it shall notify the ITER Organization in a timely manner of its decision, and the ITER Organization may then seek to obtain such protection either directly or via the Members.

- 7.2 For Generated Intellectual Property developed or acquired by the ITER Organization, the Council shall adopt, as soon as practicable, appropriate procedures for the reporting, protection and recording of such Intellectual Property for example through the creation of a database to which the Members may have access.
- 7.3 In the event of a joint creation, the participating Members and/or the ITER Organization shall have the right to seek to obtain in co-ownership Intellectual Property in any State they choose.
- 7.4 There shall be co-ownership of Intellectual Property when created by two or more Members or by one or more Members together with the ITER Organization and when the features of such intellectual property are not capable of being separated for the purpose of applying for, obtaining and/or maintaining the force the protection of the relevant intellectual property right. In such a case the joint creators shall agree amount themselves by means of a co-ownership arrangement on the allocation of and the terms of exercising the ownership of the said Intellectual Property.

Article 8

Decommissioning

- 8.1 For the decommissioning phase after the transfer of the facilities to the Host State, the Host Party shall provide to the other Members all relevant information, whether published or not, generated or used during the decommissioning of the ITER facilities.
- 8.2 Intellectual Property generated by the Host State during the decommissioning phase shall not be affected by this Annex.

Article 9

Termination and Withdrawal

- 9.1 The Council shall, as necessary, address any issues relating to the termination of this Agreement or the withdrawal of a Party in so far as they relate to Intellectual Property, that are not fully addressed in this Agreement
- 9.2 The Intellectual Property rights conferred and obligations imposed upon the Members and the ITER Organization by the provisions of this Annex, in particular all granted licenses, shall subsist after the termination of this Agreement, or after the withdrawal of a Party.

Article 10

Royalties

Royalties received from the licensing of Intellectual Property by the ITER Organization shall be a resource of the ITER Organization

Article 11

Settlement of Disputes

Any dispute arising out of or in connection with this Annex shall be settled in accordance with Article 25 of this Agreement

Article 12

Awards to Inventors

The Council shall determine appropriate terms and conditions for the remuneration of the Staff when such Staff generates Intellectual Property.

Article 13

Liability

When negotiating license arrangements, the ITER Organization and the Members shall, as appropriate, include suitable provisions governing their respective liabilities, rights and obligations arising from the execution of those license arrangement.

PART 111 - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J -LIST OF ATTACHMENTS

APPENDIX I

INTELLECTUAL PROPERTY MANAGEMENT PLAN

In accordance with paragraph (a)(3) of the Section H clause entitled “Intellectual Property-BioEnergy Science Center”, attached is the Intellectual Property Management Plan which has been approved by the Department of Energy.

BioEnergy Science Center IP Management Plan

1. Introduction

The principal goals of this intellectual property management plan for the BioEnergy Science Center (BESC) include:

- Broad and rapid dissemination of information among the BESC team members to maximize productivity and progress;
- Timely and equitable distribution of the new technology to researchers in relevant fields including, but not necessarily limited to biofuels development; and
- Effective, coordinated commercialization of technologies through formation of promising start-up ventures as well as licensing to corporate entities pursuing biofuels development.

The BESC is comprised of researchers at the following member institutions which are universities, DOE National Laboratories, a non-profit research foundation, or industrial research partners.

DOE National Labs

- Oak Ridge National Laboratory
- National Renewable Energy Research Laboratory
- Brookhaven National Laboratory

Non-profit Research Foundation

- Samuel Roberts Noble Foundation

Universities

- The University of Tennessee:
- University of Georgia
- Georgia Institute of Technology
- Dartmouth College
- University of California at Riverside
- Washington State University
- University of Minnesota
- Virginia Polytechnic Institute and State University
- North Carolina State University
- Cornell University

Industrial Team Members

- ArborGen, LLC
- Mascoma Corporation
- Verenum Corporation

2. Definitions

- 2.1 The BioEnergy Science Center ("BESC") is a program funded under BESC Funding. The research of BESC is performed by employees of BESC member institutions: Oak Ridge National Laboratory, National Renewable Energy Laboratory, Georgia Institute of Technology, University of Georgia, University of Tennessee, Dartmouth College, ArborGen LLC, Verenum Corporation, Mascoma Corporation The Samuel Roberts Noble Foundation, Inc., Brookhaven National Laboratory, Cornell University North Carolina State University, University of California- Riverside, University of Minnesota. Virginia Polytechnic Institute and State University, and Washington State University, and, such other industry and non-profit participants as may be added from time to time by BESC (collectively referred to as BESC members or member institutions.)
- 2.2 BESC Funding" means the funding for BESC that was awarded by DOE to ORNL under Contract No. DE-AC02-00OR22725 in connection with Funding Opportunity Announcement number DE PS02-06ER64304.
- 2.3 BESC Invention" means an invention conceived or first actually reduced to practice under BESC Funding. Title to BESC Inventions follows inventorship as per Federal law. The BESC member institution which employs the inventors will have the right to elect title to BESC Inventions.
- 2.4 Core Technology'· means the following application areas:
- a) Formation of biomass with reduced recalcitrance
 - b) New tools for biomass characterization
 - c) Microbial/enzymatic hydrolysis of lignocellulose

For the avoidance of doubt, these Core Technology areas do not include applications that are not related to biomass modification for biofuels production. For example, if an invention has applications both in biofuel production and in the pharmaceutical industry or in the non-biofuel specialty chemicals industry, those non-biofuel applications would be outside the core technical areas. Licensing in fields other than the Core Technologies shall be at the discretion of the party or parties owning the invention.

- 2.5 BESC IP" means BESC Inventions, non-patentable materials (including biological materials), mask works, trademarks and copyrighted works that arise under BESC Funding.

3. BESC Commercialization Council

BESC will form a Commercialization Council to oversee rapid dissemination of invention disclosures as well as to consolidate licensing of BESC IP in the Core Technologies to a single, streamlined "one stop shop." The Council will be comprised of one representative from each of the BESC member institutions for as long as that institution is an active member of the BESC, i.e., for the time that member continues to receive BESC Funding. In addition, the invention owner's institution, regardless of its current status as a subcontractor, will be included on the BESC Commercialization Council for purposes of licensing the BESC IP that it owns, solely or jointly.

The function of this Council is to review and evaluate new BESC IP, and consider the technical merit and commercial potential of each. The Council is intended as a forum for discussion regarding further maturation of technologies and sharing of insights about market opportunities. It may also provide recommendations to the IP owners regarding filing of patent applications. This forum will serve as a communications means and a clearing house for distribution of information about BESC inventions throughout the team. The decision to commit resources for patent filing will remain with the owning institution(s),

The progress of any patent application preparation and prosecution will be monitored by this Council. As IP strategies are developed and market analyses are conducted, this group will explore licensing leads and commercialization opportunities in the Core Technology areas. Licensing inquiries will be communicated to the Council by any BESC member who receives such expressions of interest.

ORNL will serve as coordinator for the Commercialization Council.

4. Ownership of inventions

The statutes governing disposition of title to new inventions under Government agreements will be followed:

- i. The Bayh-Dole Act, 35 U.S.C. 200 et seq., requires that Universities, Non-Profits and small business who are participating under a funding agreement (as defined in the Bayh-Dole Act) will have the option to retain title to their own employees' inventions.
- ii. The Federal Non Nuclear Energy Act of 1974, 42 U.S.C. 5908, will govern disposition of title for all other parties, regardless of whether they receive government funding, and it requires that the Government obtains title to new inventions unless a waiver is granted.
- iii. Inventions made by employees of ORNL, NREL and Brookhaven National Laboratory will be subject to the M&O contract terms and conditions with respect to ownership of inventions made by lab employees. The M&O contract generally provides that the lab has the right to elect to retain title to inventions made by their lab employees.

5. Filing of Patent Applications

Each owner institution will protect its BESC Inventions according to its standard practices and is responsible for the costs of any domestic and foreign protection. DOE will have the right to file patent applications if the owner institution does not wish to do so, and has indicated a willingness to use its waiver authority to allow others to file in such situations.

6. IP Management

BESC will provide a simplified means for industry to negotiate licenses and other agreements relating to BESC IP (e.g., CRADA, WFO bailment option) by centralizing these activities with a lead institution (normally ORNL but another BESC member may be designated as the lead by the Commercialization Council, depending on the circumstances), so as to provide a "One Stop Shop." The University of Georgia Research Foundation will be the normal lead institution for

negotiating sponsored research contracts with industrial sponsors on behalf of the BESC members and will distribute funds as appropriate using normal subcontracting mechanisms.

BESC members will enter into a separate inter-institutional (IIA) licensing/royalty-sharing/commercialization agreement with ORNL for the implementation of centralized licensing and subsequent royalty distributions. The IIA will allow ORNL, or another designated lead licensing institution, to negotiate commercial licenses or sublicenses to any/all BESC IP. The IIA will also address the details of royalty distribution from the licensing of bundled or jointly owned patents. Licensing and partnering shall be conducted in a manner that maximizes benefit to the US economy and provides fairness of opportunity with respect to third party access to lab partnering and licensing opportunities. M&O (Management and Operating) contract provisions (e.g., fairness of opportunity, US manufacturing) continue to apply to inventions of NREL ORNL and Brookhaven .

On behalf of the IP owners, the lead licensing institution will manage all licensing matters including contract management, licensing income distribution within BESC (according to allocation decisions made by the BESC IP/Licensing Investment Committee) and to each IP owner, and reporting. The lead licensing institution shall not license BESC IP outside of the Core Technology areas except with the concurrence of the IP owner(s), allowing those owners to license to third parties in fields other than Core Technologies at their sole discretion.

Other activities with third parties relating to access to BESC IP (e.g. NDAs, Material Transfer Agreements, etc.) will be coordinated through the BESC Commercialization Council which will designate a lead institution as needed.

For industrial team members who intend to utilize their own IP in their own commercial activities! such IP will be available for licensing to third parties by a BESC lead licensing institution if the industrial team member is not meeting a contractually agreed to business plan to commercialize such inventions.

7. Licensing in the Core Technology areas

BESC (through ORNL or another team member who may be designated by the Commercialization Council as the lead institution for licensing) will have the capability to license BESC IP and to bail tangible research products, including biological materials in the Core Technology areas. · The lead licensing institution shall not license BESC IP outside of the Core Technology areas, except with the concurrence of the IP owner(s), allowing those owners to license to third parties in fields other than Core Technology areas at their sole discretion.

For licensing of any BESC IP in these Core Technology areas the following licensing principles will apply:

- a) Credible business plans shall be required for all commercial licensing. Before executing any license agreement for a field of use within the Core Technologies, the lead licensing institution will evaluate the capabilities of the potential licensee, and the company must demonstrate that it has the expertise and capital needed to further the development of the technology and successfully bring the technology to market in the fields of use in which a license would be granted. BESC will obtain

information about the potential licensee's plan for the commercialization of the BESC IP through BESC's independent research, discussions or meetings with the potential licensee, and/or a formal business plan. BESC IP in Core Technologies will be licensed on a non-exclusive basis when, in the reasonable judgment of the lead licensing institution, this allows the technology to be adopted most successfully by the market. BESC will license IP to companies only in the fields of use (FOU) in which the company is capable and committed to bringing the technology to market, saving other FOUs for additional licensees; alternatively, BESC may include a provision for mandatory sublicensing of BESC IP to reasonably ensure that various applications can be commercialized rather than remaining fallow.

- b) All potential licensees requesting any degree of exclusivity for BESC IP must demonstrate their capability to successfully bring the technology to market. For any license negotiated on behalf of BESC that grants exclusive rights in BESC IP in any field of use in a Core Technology are 1/2 the licensee must agree to and meet diligence (performance) requirements marking the development and successful market introduction of the technology. If a company fails to meet diligence requirements *it* will be given a reasonable opportunity to comply and the lead licensing institution will negotiate substitute diligence provisions and amend the license. If the licensee is not able to meet these requirements, the license will be reduced to a nonexclusive license or be terminated.
- c) For BESC IP which is within the Core Technologies, BESC members agree that they will not enter into or be subject to any future agreements with third parties which provide preferential licensing of BESC IP to any third party without prior approval by DOE.

8. Licensing Revenue Allocations

Each BESC member institution that is an IP owner of licensed BESC IP is entitled to a percentage of any royalties or other income from such licenses. BESC members agree that for licenses of BESC Inventions in the Core Technology areas a percentage of licensing income as set forth below, will be allocated by BESC for the support of scientific research or education to further the efforts of BESC at the BESC member institutions.

Licensing income from each license in Core Technology areas will be distributed annually as follows ("BESC Distribution"):

- a) A standard 15% administrative fee will go to the lead licensing institution to offset the cost of license administration.
- b) Next, licensing income is used to reimburse IP owners for patent expenses; Until the licensing income reaches \$200,000, the balance of licensing income after expenses will be distributed to JP owner(s). (if there are several co-owners of IP in a license this distribution will be made in a proportionate way as specified in the IIA)
- c) After licensing income reaches \$200,000. 60% of net licensing income received thereafter (after above expenses) is sent to BESC, per DOE requirement; allocation

of these funds to BESC member institution for biofuels-related research is determined by the BESC IP Licensing/Investment Committee.

- d) The remaining 40% of net licensing income is distributed to the IP owner(s); and
- e) any royalty sharing with inventors is made from that remaining 40%.
- f) Any remaining net licensing income may be used by the BESC member institution in accordance with its own policies. subject to restrictions in its M&O contract, Bayh-Dole, etc.
- g) The disposition of royalties or other income including liquidated equity, set forth in c). d) and e) above, remains in effect so long as BESC Funding continues. If the BESC no longer exists due to lack of DOE funding, or for any other termination of BESC, then the special allocation of funds in c). d) and e) is no longer applicable.

Licensing income includes fees (such as license issue fees, license maintenance or milestone fees), royalties, and liquidation of any equity received for the license grant, but for the purpose of clause c) above does not include reimbursement of patent costs by licensees. Furthermore, for purposes of the BESC Distribution, if BESC grants two or more licenses to a specific company for members of the same patent family (i.e., an initial patent application and any subsequent application claiming priority to that application such as conversions, continuations or divisionals, or any patents issuing thereon), the licensing income from those licenses will be aggregated for the purposes of the \$200,000 threshold set forth in clause c). Where the BESC member institution owning such equity has an official policy specifying the time for liquidation of such equity, that official policy shall apply to the timing of the liquidation of such equity. Negotiations for continued utilization of BESC will include a plan for the future management and disposition of any such remaining unliquidated equity.

The royalties described in paragraph a) which comprise the 60% utilized for the support of scientific research or education in support of BESC will be allocated to projects approved by a BESC IP/Licensing Investment Committee.¹ BESC researchers will be invited to propose scientific research and education-related tasks to which these funds may be allocated by this Committee. Allocation decisions by this Committee will be made available for review and comment by BESC team members for at least ten days for review and comment before funds are distributed. The BESC Board of Directors² will monitor the allocation process to assure that research proposals from the researchers employed by the intellectual property owner(s) receive higher priority for this funding.

¹ The BESC IP/Licensing Investment Committee consists of the BESC Program Director, the leads in each of the Scientific Focus Areas, and a representative of each IP owner whose IP was licensed in the Core Technologies.

² The BESC Board of Directors (BOD) consists of representatives of the executive leadership of BESC institutional members plus a group of up to three internationally known R&D leaders with extraordinary entrepreneurial records of achievement or biotechnology industry leaders. This BOD serves (1) to approve BESC strategic directions and annual project and budget plans, (2) to approve annual performance goals for the BESC leadership team and to evaluate the performance of the team, and (3) to support BESC leadership in managing effective interfaces with translational and applied R&D, technology transfer, and commercialization.

Royalties reserved for use in support of BESC research will be tracked so that at the end of the 5 years, remaining funds can be distributed to the IP owners if the BESC contract is not renewed or if other funds to continue BESC are not secured.

9. Information Sharing

It is the intention of the BESC that the fruits of its research be widely and promptly disseminated, with a goal of maximizing the impact of the research and its long-term benefit to the U.S. and to society. Even in those situations in which protection of inventions is desirable, e.g., to induce further commercial development, or is required under specific funding obligations, such inventions are also expected to be widely and promptly disseminated.

AH BESC Team Members have executed a mutual NDA to be able to interact fully with each other. Technical data **will** also be shared appropriately with the other two Bioenergy Research Centers (JBEI and GLBRC) and with any DOE advisory committee assisting with the evaluation of BESC activities. Subject to DOE approval, a list will be mutually developed of the types of data first produced by the BESC that must be immediately released to the public.

To facilitate the mutual exchange of reagents and biological materials among BESC researchers, a master Materials Transfer Agreement will be implemented. Individual transactions for exchange of reagents and other biological materials will be documented electronically using secure information technology.

BESC team members agree to have safeguards in place to manage personal and organizational conflicts of interest that may arise from the licensing of BESC IP.

10. Reporting to DOE

Each BESC member institution shall require its researchers to report all inventions in a manner consistent with reporting of other intellectual property resulting from federally funded research. No later than sixty (60) days from receipt of disclosure, each BESC member institution shall disclose to BESC, through the BESC Commercialization Council all BESC inventions software and tangible research products resulting from BESC Funding.

ORNL will report all such invention disclosures to DOE promptly, along with information about any BESC technology transfer transactions that the team members may have had IP management and technology transfer activities of the BESC in the Core Technology areas are subject to DOE appraisal.

Accepted by:

BESC Member Institution: UT-Battelle, LLC (managing the Oak Ridge National Laboratory)

Date: 11-01-07

PART 111 - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J -LIST OF ATTACHMENTS

APPENDIX J

SENSITIVE FOREIGN NATIONS CONTROLS

Appendix J - Sensitive Foreign Nations Controls

Pursuant to the Clause 952.204-71, *Sensitive Foreign Nations Controls*, this Attachment sets forth the requirements the contractor shall comply with under this contract. (Reference DOE Order 142.3A, or superseding directives.)

Foreign National access to DOE sites, programs, information and technologies will be approved provided the access is needed to support the program objectives of DOE and/or objectives of U.S. national interests.

(a) Definitions

Assignee - A foreign national who has been approved to access a DOE site, information, or technology for a period of more than 30 consecutive calendar days.

Foreign National - A person born outside the jurisdiction of the United States, is a citizen of a foreign government, and has not been naturalized under U.S. law.

Host - The DOE or DOE contractor employee responsible for the day-to-day activities associated with the visit or assignment.

Indices Checks - A procedure whereby a request is made to appropriate U. S. Government agencies to determine whether information exists on a particular foreign national.

Legal Permanent Resident (LPR) - One who has the right to reside permanently and work in the United States. An LPR may also be known as a permanent resident alien or Green Card holder.

Nonsensitive Country National - A foreign national who was born in, is a citizen of, is employed by, or represents a government, company, organization, or institution that is located in a country not on the Sensitive Countries List or the Terrorist Countries List.

Security Plan - A security plan is required to address specific site security concerns relating to foreign national visits or assignments.

Sensitive Countries List - A list of countries to which particular consideration is given for policy reasons during the DOE internal review and approval process for visits and assignments by foreign nationals. Countries may appear on the list for national security, nuclear nonproliferation, or terrorism support reasons. Those countries can be found here, <https://ornl.sharepoint.com/sites/csp/Pages/SensitiveCountryList.aspx>

Sensitive Visit/Assignment - A visit/assignment will be considered sensitive if:

- Sensitive Country (Citizen or Birth)
- Sensitive Subject/Sensitive Areas

- Secured Facilities (Limited Area, Protected Area, Material Access Area or Exclusion Area)
- Represent a company, business, organization or institute from countries identified as sensitive.

Sensitive Country National - A foreign national who was born in, is a citizen of, or is employed by a government, employer, institution or organization, of a sensitive country.

Visit - Access by a foreign national for 30 calendar days or less.

(a) Prior Approvals Relating to Foreign Nationals

- (1) Foreign visits and assignments pertaining to DOE programs must be in accordance with DOE Order 142.3A, or superseding directives and other DOE policies furnished in writing to the contractor. All visits and assignments must be approved in advance by the DOE Approval Authority.
 - (2) Sensitive visits or assignment requests must be submitted in accordance with DOE Order 142.3A in advance in order to allow time for an indices check to be completed.
 - (3) Non-sensitive visits or assignment requests must be submitted 5 days in advance.
- (b) The contracting parties will provide notice to each other when either becomes aware of a change in the Sensitive Countries List and cooperate to keep the List updated.