

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>			1. CONTRACT ID CODE	PAGE OF PAGES 1 2
2. AMENDMENT/MODIFICATION NUMBER 0116	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQUISITION NUMBER 22FE000096	5. PROJECT NUMBER (If applicable)	
6. ISSUED BY Strategic Petroleum Reserve Project SPRO U.S. Department of Energy 900 Commerce Road East US 492 New Orleans LA 70123	CODE 892435	7. ADMINISTERED BY (If other than Item 6) Strategic Petroleum Reserve Project SPRO U.S. Department of Energy 900 Commerce Road East US 492 New Orleans LA 70123	CODE	01601
8. NAME AND ADDRESS OF CONTRACTOR (Number, street, county, State and ZIP Code)			(X)	9A. AMENDMENT OF SOLICITATION NUMBER
				9B. DATED (SEE ITEM 11)
			(X)	10A. MODIFICATION OF CONTRACT/ORDER NUMBER DE-FE0011020
				10B. DATED (SEE ITEM 13) 09/187/2013
CODE	FACILITY CODE			

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended.  is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

Net Increase: \$22,000,000.00

See Schedule

**13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS.  
IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.**

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
<input type="checkbox"/>	
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input checked="" type="checkbox"/>	D. OTHER (Specify type of modification and authority) See Block 14

**E. IMPORTANT:** Contractor  is not  is required to sign this document and return \_\_\_\_\_ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Unilateral Modification pursuant to the authority of FAR 1.108(d); Clause H.2 Modification Authority and I.132, DEAR CLAUSE 970.5232-3 Obligation of Funds.

Reference Section B, B.4: Pursuant to I.132, DEAR CLAUSE 970.5232-3 Obligation of Funds: The total funds obligated to this contract has increased by \$22,000,000.00, from \$2,628,137,791.53 to \$2,650,137,791.53. This obligation will fund 15 percent of the \$144M FY 2022 Annual Operating Plan covering labor and non-labor through December 2021 and approximately half of Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Justin Daniel Dudenhefer
15B. CONTRACTOR/OFFEROR	16B. UNITED STATES OF AMERICA
15C. DATE SIGNED	16C. DATE SIGNED 10/22/2021
(Signature of person authorized to sign)	Signature on File (Signature of Contracting Officer)

Previous edition unusable

**CONTINUATION SHEET**

REFERENCE NO. OF DOCUMENT BEING CONTINUED

PAGES

DE-FE0011020

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NAME OF OFFEROR OR CONTRACTOR

Fluor Federal Petroleum Operations, LLC

ITEM NO.	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<p>January 2022 labor.</p> <p>Reference Section J, Attachment A -Advanced Understanding on Certain Contractor Cost: Revision 7 to the Advanced Understanding is hereby incorporated. (See Attached.)</p> <p>Payment: OR for SPRO U.S. Department of Energy Oak Ridge Financial Service Center P.O. Box 6017 Oak Ridge TN 37831 Period of Performance: 04/01/2014 to 03/31/2024</p>				

Contract No. DE-FE0011020

Revision 7

Modification 0116

**DEPARTMENT OF ENERGY  
STRATEGIC PETROLEUM RESERVE**

**CONTRACT NO. DE-FED0011020**

**ATTACHMENT A  
ADVANCED UNDERSTANDING ON CERTAIN CONTRACTOR COSTS  
REVISION 7**

**REVISION HISTORY**

<b>Revision No.</b>	<b>Revision Date</b>	<b>Revision Description</b>
0	07/22/2014	Original
1	01/27/2015	Revised: work schedules (4.1); involuntary separations (4.12); pay in lieu of notice (4.14); vacation accrual rollover (7.2.6); signing bonuses (13.2d); and editorial changes throughout document.
2	06/26/2015	Revised: Added Section 17.0, <i>Knowledge Online</i> Use and Rights
3	10/02/2015	Revised: Removal of subparagraph 7.2.7. Section 7.2, Vacation, to remove conflict with the Vacation Procedure, Publications Number ASR3600.12.
4	02/21/2018	Revised: Removed subparagraph 4.9, <i>Emergency Response Team (ERT) Hazardous Duty Pay</i> to align with current practice where ERT duties are incorporated into each employee's job description, and incorporated into the base salary – eliminating the need for an additional stipend.
5	02/05/2019	Revised: Section 7.4.4., <i>Civic Leave</i> , to remove the limit of number of employees authorized to serve within the total annual limit of 640 hours of civic leave.
6	06/11/2020	Revised: Section 7.3; <i>Sick Leave</i> , to revise sick leave accrual prior to December 30, 2018, and add section Section 7.4; <i>Personal and Sick Leave</i> , to incorporate language for new Personal and Sick Leave Procedure, Publication Number AAA9020.11790, Section 11.1, paragraph 2; <i>Pollution, Safety and Environmental Awards, Incentives and Meetings</i> , to add new section for Earth Day, Section 11.5, paragraph 3; <i>Memberships, Registrations, and Licenses</i> , to remove annual submission of membership, registrations and licenses list to Contracting Officer for review and approval, Section 16.1; <i>Loan of Employee</i> , to remove funding in advance of work performance.

7	10/22/2021	Update Paragraph 15
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## **ATTACHMENT A - Advance Understanding on Certain Contractor Costs**

### **1.0 INTRODUCTION**

In accordance with Section H.39 entitled, Advanced Understandings, this attachment sets forth the basis for allowability of costs associated with expenditures that have cost implications under the Contract, that are not identified in other documents requiring the review and approval of the Contracting Officer or cost implications that need to be introduced prior to submittal of deliverable documents. Unless a date is provided within an item of cost identified below, all items noted within this document are considered to be applicable for the contract periods defined in Section F, Period of Performance. This will be a living document that will be changed according to contract or regulatory changes or interpretations throughout the period of performance, as necessary, upon agreement of the parties. Furthermore, in the event that a conflict exists between this document and the FAR/DEAR, FAR/DEAR provisions shall prevail.

This Advance Understanding also sets forth the basis for determining the allowability of Contractor and Assigned Personnel (from affiliate companies or under teaming subcontractor arrangements) and certain Contractor human resources management policies and related expenses which have cost implications under this Contract, and are not covered explicitly in the FAR and DEAR cost principles. This understanding is intended to cover the majority of the human resources costs incurred by the Contractor for work performed by employees assigned to work tasks authorized by Fluor Federal Petroleum Operations (FFPO) in accordance with this Contract. Only those items of personnel costs and related expenses that are set forth herein or specifically referenced in this Advance Understanding are allowable costs by advance understanding under this Contract, to the extent that these costs do not conflict with any other Contract clause. Costs not specifically addressed in this advance understanding will be treated in accordance with applicable FAR/DEAR cost principles.

Either DOE or the Contractor may request revisions to this Advance Understanding and the parties agree to give consideration to any such request. Revisions to this Advance Understanding shall be accomplished by executing a Reimbursement Authorization or a contract modification approved by the Contracting Officer or designated representative.

This Advance Understanding is adopted for the exclusive benefit and convenience of the Department of Energy (DOE) and Contractor, and nothing contained herein shall be construed as conferring any right or benefit upon past, present, or future employees of the Contractor, or upon any other third party.

The Contractor shall promptly furnish all reports and information required or otherwise indicated in this Advance Understanding to the Contracting Officer.

The Contractor shall hire, manage, and direct the work force. Persons employed by the Contractor shall be and remain employees of the Contractor and shall not be deemed employees of the Department of Energy or the Government; however, nothing herein shall require the establishment of any employer-employee relationship between the Contractor and consultants or others whose services are utilized by the Contractor for the work hereunder. The Contractor shall establish effective management review procedures and internal controls to assure that the limits set forth herein are not exceeded, and that areas which require prior approval of the Contracting Officer or designated representative are reviewed and approved prior to incurrence of costs.

The Contractor may utilize assigned personnel (under teaming arrangements with the three pre-selected teaming subcontractors, MRIGlobal, Booz Allen Hamilton, and ASRC Petroleum Operations and Maintenance [APOM]) to perform work under the Strategic Petroleum Reserve (SPR) M&O contract. Other Corporate Affiliate Personnel may also be assigned to perform work under the contract as directed by FFPO.

## 2.0 DEFINITIONS

1. **Adjustment:** A change in salary required to establish either internal or external equity for a given position.
2. **Assigned Personnel:** Employees of FFPO's pre-selected Teaming Subcontractors assigned to perform work under the SPR M&O contract.
3. **Average Rate:** The rate determined by dividing the weekly straight-time pay by the number of hours worked during the payroll week when an employee works at more than one basic rate or more than one shift differential rate during a payroll week.
4. **Away location:** A work location other than the employee's regular work location.
5. **Basic Earnings:** The amount obtained by multiplying the number of hours worked by the basic rate.
6. **Basic Rate/Job Rate/Basic Salary:** Rate of pay per hour, per week, or per month, exclusive of any premium, bonus, stipend or similar such compensation, established for each job classification in accordance with the approved wage and salary schedules.
7. **Basic Workday:** An 8-hour day.
8. **Basic Workweek:** A 40-hour workweek.
9. **Casual Overtime:** Uncompensated overtime worked at the discretion of an exempt employee.
10. **Call-In:** An employee is considered called in if he/she: (1) is contacted after leaving the parking lot and before the start of his/her next regular shift; (2) is requested to report at a time when previously scheduled to be off; or (3) is requested to and does report for work in less than 4 hours after the call.
11. **Change of Classification:** The placement of an employee in a new classification due to reassignment without change in salary range.
12. **Contracting Officer:** A DOE official with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the Contracting Officer acting within the limits of their authority as delegated by the Contracting Officer.
13. **Contractor/Company:** Fluor Federal Petroleum Operations, LLC (FFPO).
14. **Affiliate Personnel:** Employees assigned to the SPR M&O contract who are employees of an FFPO affiliated company, such as, Fluor Federal Services, Inc. Corporate Affiliate personnel remain on the pay and benefits programs of the affiliated company.

15. **Corporation:** Fluor Federal Services, Inc., Fluor Corporation, and other Fluor affiliated companies.
16. **Demotion:** The permanent placement of an employee in a lower-rated job classification.
17. **Domestic Partner:** An individual who is neither married to an employee nor related by blood or marriage to the employee; is the employee's spousal equivalent or shares a domestic life with the employee; and shares a residence with the employee.
18. **Employee:** A person hired by and working for the Contractor.
19. **Exempt Employees:** Executive, Administrative and Professional employees who are exempt from certain provisions of the Fair Labor Standards Act.
20. **Floating Holiday:** An 8-hour holiday chosen by each individual employee with the concurrence of his/her supervisor.
21. **Full-Time Service Employee:** An FFPO employee working on a regular 40 hour per week schedule entitled to company benefits.
22. **Holiday Pay:** A payment made to eligible employees because of a holiday, whether or not the employee performs work on the holiday.
23. **Hours Worked:** Actual time worked excluding paid and unpaid time off (vacation, sick & other leaves, holidays) but including travel time beyond the normal home to work commute. Time spent on call typically does not qualify. Meal breaks are excluded if the time is used primarily to the employee's benefit.
24. **Immediate Family:** Employee's spouse or domestic partner; father, mother, step-father, or step-mother of the employee or the employee's spouse; brother or sister of the employee or the employee's spouse (domestic partner); children or step-children of the employee or the employee's spouse (domestic partner); grandparents and grandchildren of the employee or the employee's spouse (domestic partner); and any other relative living in the employee's household.
25. **Incentive Plans:** programs that award upon clearly defined organization and individual goals and measures.
26. **Merit Increase:** An increase in the salary of an employee within the established rate range for his/her job classification, which is given for ratings of "meets expectations/3", "exceeds expectations/4" or "outstanding/5", performance.
27. **Non-Exempt Employees:** Employees subject to the provisions of the Fair Labor Standards Act, Service Contract Act, and who are compensated on an hourly basis.
28. **Non-regular Work Schedule:** A work schedule that can change from week to week in order to provide 24-hour coverage.
29. **On-Call:** Not time worked unless employees actually perform work or are so restricted that they can't reasonably use the time for their own purposes. Having to be available by phone or pager is not sufficient to require treatment as time worked.



30. **Overtime Pay:** A payment in addition to straight-time pay for all hours worked in excess of 40 hours within a payroll week.
31. **Overtime Premium:** The difference between a nonexempt employee's regular rate of pay for the shift involved and the higher rate paid for overtime. It does not include shift premium.
32. **Part-time Service Employee:** An FFPO employee working on a regularly scheduled basis, but less than 30 hours per week.
33. **Payroll Day:** The 24-hour workday extending from midnight to midnight. Exception: Payroll day may vary from midnight to the 24-hour period beginning with the regularly assigned starting time of an employee's work shift.
34. **Payroll Week:** Seven consecutive days (168 hours) extending from 12:01 a.m. Monday to midnight the following Sunday. Exception: Payroll week may vary from 12:01 a.m. Monday to the beginning and ending time of an approved shift cycle.
35. **Predecessor Contractor:** DM Petroleum Operations Company (DM).
36. **Promotion:** The permanent placement of an employee in a higher rated job classification due to an increase in the character or scope of his/her job assignment.
37. **Reclassification:** A change of job level, up or down, through formal evaluation of an existing job.
38. **Regular Rate:** Basic rate plus any applicable shift differential.
39. **Regular Work Schedule:** A work schedule of Monday through Friday, 8-hour days in New Orleans, Monday through Thursday or Tuesday through Friday (NO site only) 10-hour days at the sites and New Orleans, alternate work schedule 9-80 in New Orleans, 12-hour rotating shifts for site operation personnel.
40. **Regularly Scheduled Shift:** The normal hours of working time in each payroll day established for each employee by the employee's supervisor/manager.
41. **Straight-time Pay/Straight-time Earnings:** Amount obtained by multiplying the number of units of time worked by the straight-time rate per unit of time.
42. **Shift Tie-Ins:** Worked time overlapped during shift relief that goes beyond 12 hour shift.
43. **Straight-time Rate:** The rate of pay per hour, or per annum obtained by adding the applicable shift differential rate to the basic rate for the job classification assigned at the time the work is performed.
44. **Teaming Subcontractor(s):** The three pre-selected teaming subcontractors FFPO called out and imbedded in FFPO's proposal for this SPR M&O contract. The three Teaming Subcontractors are Booz Allen Hamilton, MRIGlobal, and ASRC Petroleum Operations and Maintenance (APOM).

45. **Termination:** Voluntary separation, discharge, layoff, retirement, death, verified entry into the United States Armed Service, and/or removal from the payroll because of disability (as distinguished from disability absence where the employee is not removed from the payroll.)

### 3.0 PAY POLICIES

#### 3.0 GENERAL PROVISIONS

The objective of the compensation program is to provide a level of total compensation [direct pay (base and non-base salary) and benefits] which, within available funds, attracts, retains, rewards and motivates a quality work force necessary to accomplish the goals and objectives of the M&O contract with DOE/SPR; maintains a total compensation comparable with competitive markets; is consistent with the value and internal equity of each employee category; relates total cash compensation to team performance and individual performance and position in the salary range; and results in payment of total compensation to individual employees conforming to the standards of reasonableness as contemplated by FAR Subpart 31.205-6 and DEAR Subpart 970.3102-05-6.

In establishing or modifying compensation levels, the Contractor will be guided by the following considerations subject to the availability of funds:

1. The Contractor is a competitor in the local and regional labor market area for non-exempt personnel, and will adopt and maintain equitable compensation levels and benefit policies and practices commensurate with other comparable employers in the area within applicable Federal laws and regulations.
2. The Contractor recruits its exempt personnel from local, regional and national labor markets. Accordingly, compensation and benefit levels will be commensurate, equitable, and competitive with comparable positions in the industries and employment markets in which the SPR operates and competes.

#### 3.1 JOB EVALUATION PROCESS

All positions administered under the Contractor's Salary Administration Program will be evaluated and classified into multiple job ranges classified as Administrative, Technical, Professional or Management. All jobs shall be described, evaluated and fitted into a performance evaluation system acceptable to the Contracting Officer. Job descriptions and the basis for evaluations shall be made available for Contracting Officer review upon request.

#### 3.2 SALARY ADMINISTRATION

The Contractor shall submit all written compensation procedures and practices that implement the organization's compensation administration program for approval by the Contracting Officer. Modifications to these compensation procedures and practices shall also be submitted to the Contracting Officer for approval and shall not be binding for reimbursement purposes until approved by the Contracting Officer.

1. Range Minimum and Maximum Rates; A wage or salary range with a minimum and a maximum for each job has been established. Except as provided in subsequent sections, wage or salary payments will fall between the approved minimum and maximum of the

rate ranges for each position. Salary ranges are based on market reference values gathered from surveys of comparable jobs in the appropriate market area and internal equity considerations. Salary ranges are adjusted periodically to reflect the movement of salaries for comparable positions at other organizations in the private sector. The salary ranges are managed within the range.

2. Salaries Above the Salary Range; An employee's rate may be established in excess of the maximum of the range for the applicable job classification when his/her job classification has been moved from a higher rate range and placed in a lower rate range. Employees whose salaries have reached the maximum for the range will receive merit awards in a lump sum payment that will not adjust the base salary.
3. Hiring Rates;. Individuals are employed at wage or salary rates commensurate with the assigned job classification taking into consideration previous training, experience, and other factors such as market requirements, where applicable.
4. Performance Appraisals; Although other factors may be considered, performance must be the principle basis for recommending an increase in pay for an employee. The Contractor will establish and maintain an appropriate pay for performance system with increases based on performance level and salary range by position.
5. Salary Increases; Within the limits of fiscal resources available each year, the Contractor will strive to develop and maintain compensation programs that will attract and retain competent and productive employees and that facilitate achievement of objectives and business strategies in support of DOE missions in a cost effective manner. Pay adjustments will reflect performance measurements, including proficiency, effectiveness, and productivity. Employee performance appraisals will be made at periodic intervals; however, no salary increases should be implied or assumed to be paid to all employees on an annual basis.
6. Promotions; The Contractor may promote employees from one level to another as warranted and may grant a salary increase to accompany the promotion. The salary increase accompanying a promotion will be based upon merit and internal alignment. Annual promotional funding will be included in the Compensation Increase Plan (CIP) request as a discrete line item. The request for promotional funding will be based upon actual use for the prior year and anticipated future use, such as classification restructuring.
7. Demotions; An employee, who has been voluntarily placed in a lower-rated job classification where his or her salary exceeds the maximum of the lower rate range, may experience a reduction in pay commensurate with the salary for the lesser position. An employee who by virtue of poor performance is demoted may receive a salary reduction aligned with the responsibilities of the lesser position with pay commensurate with the salary of the lesser position. An employee who is demoted based on a company reorganization, will have pay adjusted commensurate with the salary of the lesser position. Any employee who is demoted will only be eligible for salary increases as appropriate based on personal performance and the market-based salary range.
8. Salary Approvals; Consistent with Acquisition Letter 2013-04 entitled Contractor Executive Compensation, the approval of the Head of the Contracting Activity (HCA) is required for contractor compensation of senior executives. The term "senior executive" means (1) the contractor's Chief Executive Officer, or an individual acting in a similar

capacity, and (2) the contractor's four most highly compensated employees in management positions other than the Chief Executive Officer.

9. Full-time service employees who are FFPO employees; including FFPO Key persons as defined in Section I.95, DEAR 952.215-70; Key Personnel; are included in the FFPO CIP as submitted and approved by the Contracting Officer on annual basis.
10. Corporate Affiliate Personnel who are assigned in a full-time role to the SPR,(not transferring to FFPO) including Corporate Affiliate Personnel assigned as key persons as defined in Section I.95, DEAR 952.215-70; will participate in their respective company's compensation increase program however, their labor base increases will be included in the FFPO CIP.
11. The contractor shall propose and provide supporting documentation, per DOE Form 3220.5, on the base salary portion of total compensation 30 days in advance of the effective date, and 45 days in advance for base salary actions (including allowable variable pay) of the senior executives.
12. Incentive/Retention Compensation Bonuses; See section IV.N.
13. Time and Attendance; Time and attendance records are recognized as the basis of non-exempt pay and leave computations in accordance with the Fair Labor Standards Act (FLSA). Attendance records will be maintained for exempt employees through time recording to accommodate paid leave recording.
14. Temporary Upgrade; Eligible non-exempt employees who temporarily perform work in a job of a higher-level classification than their normal job may be compensated per the Temporary Upgrade Procedure with the increase in responsibilities.

### 3.3 COMPENSATION INCREASE PLAN AUTHORIZATION

Each fiscal year, the Contractor shall develop a Compensation Increase Plan (CIP) based upon such factors as national and local surveys, area rates, and such other criteria as may be pertinent to the establishment of competitive salaries for the Contracting Officer's review and approval.

1. FFPO Employees
  - a. During the fourth quarter of each fiscal year, the Contractor will develop and submit the CIP for the Department of Energy (DOE) review and approval for the fund year of October 1 through September 30.
  - b. The CIP will be stated as a percentage of the most current available projected eligible base payrolls.
  - c. Adjustments to the general office salary ranges will be submitted for approval via the CIP submission.
  - d. All changes in salary schedules will be submitted to DOE as soon as possible. The fund consists of a percentage of payroll at the end of the prior salary year (expressed as an annualized amount) and shall be the maximum allowed for granting increases for employees based on the components of merit, adjustments and reclassifications, and

promotions. All such increases are charged to the fund on an annualized basis, the total of which shall not exceed the approved overall fund. However, no component shall exceed the planned amount without prior notification to DOE.

- e. Once an individual's salary increase is charged to the fund, reuse of that amount, (i.e., recovery), for any other purpose during the salary year is unallowable.
- f. If an individual terminates before receiving an increase, the amount of money allocated for that individual may remain in the fund.
- g. Each component of the fund, i.e., adjustments and reclassification, merit, and promotion, shall be broken out as subtotals.
- h. The dollar amount of the fund shall be subject to review and adjustment by the Contracting Officer upon a significant reduction in Contractor employment levels, as in a reduction in force.
- i. A report of the expenditures under each approved CIP for the preceding annualized fund year will be provided to DOE by October 31.
- j. The Contractor shall also provide a copy of the annual developed salary guidelines prepared for supervisory use, indicating the parameters for granting various increases based on employee performance and current salary position as part of the CIP plan.
- k. Salary Planning and associated cost reimbursement will be in accordance with the Corporate Affiliate Personnel or Assigned Personnel respective company's compensation increase program as reviewed and agreed to by the DOE Contracting Officer.

## **4.0 ANCILLARY PAY COMPONENTS**

### **4.0 WORK SCHEDULE ASSIGNMENTS**

1. Employees will typically be assigned to one of the following work schedules
  - a. Default Schedule; 5 work days of 8 hours each, Monday through Friday
  - b. Alternate Work Schedule (AWS); 8 days of 9 hours each Monday through Thursday, 8 hours one Friday, the opposite Friday off (applies to New Orleans only)
  - c. 4-10 Schedule; 4 work days of 10 hours
  - d. Special Projects (5-10) Schedule; 5 work days of 10 hours.
  - e. Operations Schedule;. 12-hour work days with rotating shifts for 24-hour coverage (applies to sites only).

### **4.1 OVERTIME**

1. Computation of Overtime

- a. Exempt Employees will not be eligible for overtime pay except for management approved overtime required for special projects; OR supervision of subcontractor or craft employees.
2. Nonexempt Employees:
    - a. Overtime will be paid to non-exempt Contractor employees in compliance with the provisions of the Fair Labor Standards Act, Title 29, Part 778 of the Code of Federal Regulations. The Contractor will submit for the Contracting Officer's approval policies and procedures for the payment of overtime. These procedures will establish a structured, approving authority and accountability assignments.
    - b. For time worked in a full-pay status in excess of 40 hours in a workweek, an employee will be paid one and one-half times the regular hourly rate.
    - c. For time worked on a seventh consecutive day in the workweek, an employee will be paid two times the regular hourly rate if the employee was in full-pay status in each of the first six consecutive days and accumulated a total of 44 hours or greater during that period.
    - d. Full-pay status includes work; holidays; jury duty; witness service; and bereavement or MPT.
  3. Overtime Assignment for Non-exempt Employees
    - a. Every employee is expected to work overtime at management direction whenever work requirements or emergencies necessitate the employee's services.
    - b. Overtime should be distributed equitably among employees who regularly perform the type of work required and, to the extent possible it should be assigned to workers who volunteer. Employees required to work overtime will be given as much advance notice as practical under the circumstances.
    - c. Overtime assignments normally will be limited to employees who worked, or were available to work all assigned shifts in that work week. Exceptions may be made only in those instances when:
      - d. The employee's absence is properly excused (such as for vacation, holiday, or for a compelling reason beyond the employee's control)
      - e. The workload requires that the employee be called for overtime work without regard to previous attendance, and then only when specifically approved by a supervisor at least two supervisory levels above the employee performing the work.

#### 4.2 SHIFT DIFFERENTIAL

The appropriate shift premium will be paid only to hourly employees regularly scheduled to work day and night shifts.

#### 4.3 SHIFT TIE-INS, EARLY ARRIVAL, LATE DEPARTURE

Hourly/Nonexempt employees should not be allowed to commence work before the start of their shift or continue work after the end of their shift unless authorized for overtime. Site operations personnel required to provide shift tie-ins will be paid 0.3 hour.

#### 4.4 TRAVEL PAY

1. All time spent in actual work-related travel by non-exempt employees is classified as time worked and, as such, is subject to the normal overtime provisions.
2. Pay for travel time to offsite training will normally be based on the following schedule:
  - a. When the travel is on a regularly scheduled day of work, the basic or alternate workday hours are paid at the employee's base rate.
  - b. When travel is on a regularly scheduled day of rest the employee will receive pay for the actual hours.

#### 4.5 HOLIDAY WORKED

1. Compensation for non-exempt employees required to work on a holiday will be as follows:
  - a. An eligible, full-time employee receives 8 hours pay for each holiday, and in addition, will receive pay at not less than the employee's regular rate for the number of hours worked on the day the holiday occurs.
  - b. Eligible, part-time scheduled employees receive holiday pay for the number of hours they normally would have worked if the holiday falls on one of their scheduled workdays, and in addition, will receive pay at not less than the employee's regular rate for the number of hours worked on the day the holiday occurs.
2. Exempt employees who are required by their schedule to work on a holiday shall schedule a day off in lieu of the holiday during the two-week pay period in which the holiday is observed with supervisor/manager/director approval.
3. Corporate affiliates whose corporate holiday schedule is less than FFPO, will be reimbursed as allowable holiday costs for the difference in days, and will not be required to charge their corporate pay banks for the additional days.

#### 4.6 REPORT PAY

1. Full-time non-exempt employees who are called in, and work according to the following conditions will receive a minimum of 4 hours pay at their regular hourly rate for each such work period:

- a. For one or more additional, separate work periods on the same day
  - b. On a day of rest or a holiday
  - c. Prior to shift start (beginning pre-shift and working into the normally scheduled shift).
2. Non-exempt employees who leave work of their own volition or because of incapacity (other than industrial injury) or are discharged or suspended after beginning work will be paid only for the number of hours actually worked during that day.

#### 4.7 EXEMPT EMERGENCY PAY

Exempt employees who are required to remain onsite in supervision of hourly employees due to a declared site emergency, such as hurricane evacuation, will be given a duty pay allowance. Compensation will begin on the initial day that they are required to remain onsite and continue for each 24-hour period that they do not leave the site, until they are released. The contractor will provide the Contracting Officer with a semiannual report that delineates all Exempt Emergency Pay issued during the preceding 6-month period. Compensation dollar amounts are referenced in the ASR3500.4, Compensation Premium Procedure.

#### 4.8 EMERGENCY COMMAND VEHICLE (ECV) OPERATOR

FFPO Emergency Preparedness (EP) identified the requirements for an emergency command vehicle (ECV) to be utilized by the Emergency Management Team (EMT) to respond to Operational Emergencies, provide field deployment for Incident Command, and serve as a staging facility for press and responding agencies to support SPR sites in emergency response and recovery. Personnel from several directorates are trained as ECV Operators. ECV Operators are required to pass a written and skills test before receiving a LA commercial driver's license Class B. The Emergency Preparedness Department will maintain a pool of ECV Operators ready to deploy once given the order. The ECV Operators will assist with vehicle set up of communications and satellite systems and support the EOC until released from the event. These personnel will be trained on the set up of the ECV ECN communications and data systems, deployment of the satellite dish, computers, video teleconferencing and other electronic capabilities, as well as ECV specific driver training. To ensure availability of ECV Operators, all Operators have been issued pagers and are subject to immediate recall. Compensation dollar amounts are referenced in the ASR3500.4, Compensation Premium Procedure.

#### 4.9 OPERATIONS CONTROL CENTER (OCC) DUTY OFFICER (DO)

The purpose of the Duty Officer (DO) is to ensure abnormal events at the SPR are reported accurately and in a timely manner. The SPR DO program has been established to meet this requirement twenty-four hours a day, including weekends and holidays, which eliminates the needs of having a twenty-four hours OCC. Compensation dollar amounts are referenced in the ASR3500.4, Compensation Premium Procedure.

#### 4.10 ELMWOOD EMERGENCY RESPONSE DUTY ROSTER

The purpose of the Elmwood Emergency Response Duty Roster is to provide a coordinated emergency response capability for the SPR Elmwood Administrative buildings and warehouse when the facilities are secured and closed for business. The rotational roster will serve as the



alarm service notification point of contact. The designee shall then arrive to unlock the buildings to allow dispatched local law enforcement, fire fighters, and other responders for the assessment and safeguarding of the buildings. Elmwood Emergency Notification Roster participants will be expected to remain in close proximity to the SPR buildings during their assigned tour of duty and shall reside within 20 minutes driving time of the facility to ensure a timely response. Compensation dollar amounts are referenced in the ASR3500.4, Compensation Premium Procedure.

#### 4.11 INVOLUNTARY SEPARATIONS

The Contracting Office or his designee will be notified in advance of all Contractor driven involuntary separations, except in the case of termination for cause.

Any work force reduction that involves the involuntary separation of 10 or more employees requires that the contracting officer or his designee be notified at least 10 work days prior to such separations. This notification shall include affected job classifications, numbers of employees affected, and actions taken to assist the employees find other employment or otherwise lessen the impact of the involuntary separation.

Any workforce reduction anticipated to impact 50 employees, through involuntary separation, in a 12-month period will be subject to the requirements defined in the memorandum from Steven Chu, dated May 5, 2011: Authorize Changes to Workforce Restructuring Policy.

#### 4.12 PAY IN LIEU OF NOTICE

The employer may elect to provide an employee two-weeks notice; or pay two weeks salary in lieu of notice and release the employee immediately.

#### 4.13 SEVERANCE PAY

If approved by the Contracting Officer, a Voluntary Separation Program may be put in place to accomplish planned reductions in force. The Contractor may make severance payments equal to two weeks pay per year of service (not to exceed \$25,000). In addition, the Contractor may pay the standard employer portion of contribution for the first three months of medical plan COBRA coverage as long as the employee signs up for COBRA and pays their portion of the premium. Receipt of pay and medical plan premium assistance related to the severance program will be predicated upon the receipt of a duly executed release, approved by FFPO General Counsel from each respective employee.

#### 4.14 PERFORMANCE BASED INCENTIVES

Incentive/Retention Compensation Bonuses. FFPO's incentive/retention compensation bonus plan includes identified management and critical skill/specialty positions (to include FFPO and Corporate Affiliate Personnel as appropriate) to be rewarded based on annually established stretch goals and milestone achievements. Justification of the identified positions will be included. Identified positions will be required to be at the project for the entire period identified in individual agreement or will forfeit the incentive. FFPO will be submitting an Incentive Performance Plan for training and mentoring of employees into specialized skill positions – the plan will reward the mentor and mentee. This plan will provide a means for specialized skills and institutional knowledge to be passed on to ongoing employee base. The plan may include incentives to provide support on part-time basis after retirement. Any such

Incentive/Retention Compensation Plan will be submitted to DOE for Contracting Officer approval. In addition, any performance based incentives will be fully funded in advance.

## **5.0 RETIREMENT, INSURANCE, AND OTHER BENEFITS**

The Contractor shall submit all written summary plan descriptions that implement the organization's retirement and insurance programs for approval by the Contracting Officer. Modifications to these programs shall also be submitted to the Contracting Officer for approval and shall not be binding for reimbursement purposes until approved by the Contracting Officer.

### **5.0 SERVICE CREDITS**

"Service Credits" is the term used to describe, for each employee at any time, the continuous period, or the total of those periods for which, under the Contractor's Service Credit Rules, employment credit in one or more divisions, subsidiaries, or departments is allowable. In addition, all employees of the predecessor Contractor who became employees of the Contractor within 10 days after the transfer date are credited with their past services with the predecessor Contractor for all benefit plans of the Contractor, in computing total allowable "Service Credits."

1. Corporate Affiliate Personnel or Teaming Subcontractor Personnel transferring employment into FFPO will retain their parent company hire-in or seniority date for purpose of vacation eligibility and benefit plan eligibility.
2. Service Credits for the purposes of vacation accrual and eligibility may be provided to new hires at the discretion of the Contractor.

### **5.1 RETIREMENT PLAN**

The Contractor will be reimbursed for all costs paid from operating funds, involved in implementing, administering, and funding the approved Contractor Retirement and Savings Plan. Administrative costs associated with the effective administration of the plan include such items as publicizing, enrolling, maintaining records, and providing employees with assistance in understanding and collecting their benefits. The Contractor will obtain approval from the Contracting Officer prior to making any change to the Contractor Retirement and Savings Plan.

1. All FFPO employees, assigned to work under this contract are eligible to participate in the Contractor's retirement and savings plan. The plan is a defined contribution plan offering participants a variety of investment vehicles compliant with Section 404(c) of ERISA.
2. The Contractor will contribute an amount equal to 3.6 percent of participant's base compensation each month. This amount will be placed into a separate retirement account and is vested immediately.
3. Participants will be given the opportunity to contribute a percentage of their compensation as specified within the plan document to a 401(k) income deferral plan each month. This amount will be through payroll deduction and deposited into a separate elective account in the plan. The Contractor will contribute \$1 to the 401k plan for each dollar of the first 4 percent of base compensation the participants contribute to the 401k plan. This amount is

deposited into a separate company matching account each month. Company matching contributions are vested at 100 percent.

4. The Contractor reserves the right to change or discontinue the retirement and savings plan, subject to such written agreements as may be made by the Contractor and subject to the Contracting Officer's approval. However, any change in this plan or the discontinuance of the plan will not in any way adversely affect the pension benefits of employees who have retired under this plan prior to the effective date of such change or discontinuance.
  5. Any dividends or other credit attributable to payments made to the retirement and savings plan will be used to reduce the costs of the plan.
  6. All accounting for DOE funds shall be at market value on an accrual basis.
- 5.2 HEALTH AND WELFARE BENEFITS

The employee benefits plans, and related costs, will be approved by the Contracting Officer for application to employees working on this contract and are reimbursable.

The Contractor will continue the program in place, with no reduction in benefit value unless changes are warranted by changes in law such as the Health Care Reform Act or related regulations.

Typically, the plans may be continued from year to year without further DOE approval. However, any change in benefits, funding provisions, or costs shared by employees must be submitted to the Contracting Officer for approval 60 days prior to proposed implementation.

Allowable costs are those incurred for Contractor employees under the plans named below which have been approved by the Contracting Officer, including carriers' charges for administration, claims, taxes, and risk charges. DOE will reimburse the Contractor for 100 percent of the company's group insurance program. The Contractor agrees to promptly provide data requested by the Contracting Officer to justify costs incurred. Any amendments to the plans which impact benefit levels or employer costs will require Contracting Officer approval.

- Life Insurance
- Accidental Death and Dismemberment Plan
- Business Travel Accident Plan
- Medical, Dental, Vision Plans
- Short-Term Disability
- Long-Term Disability
- Voluntary Life Insurance and Accidental Death and Dismemberment
- Long-Term Care Insurance (Voluntary)
- Medical and Dependent Care Flexible Spending Accounts

1. Benefits on Leave of Absence

Employee benefits during leave of absence are handled as follows:

- a. If the employee is on a sick leave of absence, insurance coverage stays in effect. Should the employee be in unpaid status, the employee will be responsible to pay the employee contribution to FFPO on a bi-weekly basis to maintain coverage. Non-payment will result in cancellation of benefits and ineligible for COBRA coverage.
- b. If the employee is on a personal leave of absence under 30 days, the employee will be responsible to pay the employee contribution to FFPO on a bi-weekly basis to maintain coverage. Non-payment will result in cancellation of benefits and ineligibility for COBRA coverage. If the personal leave of absence is over 30 days, active coverage will be cancelled and COBRA will be offered for eligible employees.

5.3 STATUTORY PROVISIONS

1. Coverage for eligible employees shall be in accordance with the federal and States of Louisiana, Mississippi, and Texas law.
2. Costs of Contractor payments for eligible employees plus related administrative expenses shall be paid as a direct contract expense.
3. Statutory provisions include but are not limited to State Unemployment Taxes, FICA and Medicare Insurance, and Workers Compensation.

## **6.0 LABOR RELATIONS**

6.0 COLLECTIVE BARGAINING

The Contractor shall meet with the Contracting Officer or designee for the purpose of reviewing the Contractors Bargaining objectives prior to negotiations of any collective bargaining agreement or revision thereto and shall consult with Contracting Officer regarding appropriate economic bargaining parameters including those for pension and medical benefits costs, prior to the Contractor entering into the collective bargaining process. During the collective bargaining process, the Contractor shall notify the Contracting Officer before submitting or agreeing to any collective bargaining proposal which can be calculated to affect allowable costs under this contract or which could involve other items of special interest to the government. During the collective bargaining process, the Contractor shall consult with the Contracting Officer before proposing or agreeing to changes in any pension or other benefit plans.

## **7.0 LEAVE WITH PAY**

The Contractor may grant all employees leave with pay as provided in this document. Such leave with pay will be made in accordance with the Contractor's procedures approved by the Contracting Officer.

## 7.0 HOLIDAYS

1. Each employee may be granted time off on each of the following holidays and paid therefore at the rate of 8 hours pay at the basic hourly equivalent rate.
  - New Years Day
  - Martin Luther King Day
  - Memorial Day
  - Independence Day
  - LaborDay
  - Thanksgiving Day
  - Christmas Day
  - (3) Floating Holidays - employee-by-employee basis with manager approval
2. Annually, by November 1st, the Contractor will provide the Contracting Officer a list of specific days designated as the holidays for the coming year.
3. For any of the designated holidays, the Contractor may substitute and observe an alternate day as the holiday for any particular year provided there is not significant additional premium cost or additional pay for time not worked. Such planned substitution will be submitted to the Contracting Officer for approval of the holiday affected by April 1<sup>st</sup> of each year.
4. A full time employee who is on the active payroll on the day of the holiday will receive pay if;
  - a. The employee works the last scheduled day before and after the holiday.
  - b. The employee is absent from both the last scheduled day before and the first schedule day after the holiday, and the employee uses available vacation or sick leave credits equal to a full day, or otherwise receives full pay for at least one of these days; or
  - c. The employee is absent from both the last scheduled day before and first scheduled day after the holiday, and furnishes proof satisfactory to the Contractor that because of illness or injury (including physical incapacity because of pregnancy), the employee was unable to work on either of such days and, excluding days for which full pay was received or were charged to available sick leave credits, the absence previous to the holiday by reason of the illness or injury has not exceeded 30 calendar days.
  - d. An employee on the inactive payroll (leave of absence) on the day of the holiday is eligible for holiday pay if the employee uses available vacation credits covering a full day for each regular workday of the period between the last day worked and the holiday, or the employee is on a medical, Family Sick Leave, or pregnancy leave of absence (not receiving Extended Disability Leave Plan benefits) and, excluding full days charged to available vacation or sick leave credits, the period

- of absence previous to the holiday by reason of illness or injury has not exceeded 30 calendar days.
- e. An employee whose termination (other than layoff) is effective at the end of the day preceding, or who is hired to report on the day following the holiday, is not eligible for holiday pay. Employees placed on layoff or who enter military service with reporting requirements that preclude working on the first workday following a holiday, and whose last day of work is the last workday preceding a holiday, are paid for such holiday and any consecutive holidays.
  - f. Employees on assignment away from their home locations observe the holidays designated.
  - g. Employees on assignment away from their home locations on a day observed as a holiday at the away location, but not designated as a holiday for their home locations are given time off with pay if they are prevented from performing their work assignment because of the closure of the facility for holiday observance.
  - h. Corporate Affiliate Personnel and Assigned Personnel will follow the designated FFPO holidays and costs will be allowable for days not covered under their respective company's time off schedule. For personnel to be covered under this provision, they must be working full-time on the FFPO/DOE contract.
- 5. A holiday is not counted as a day of military pay differential, suspension, vacation, or sick leave, when the holiday occurs during such period of absence.
  - 6. Employees under disciplinary suspension on the workday immediately before and/or after a holiday are eligible for holiday pay provided they qualify under the preceding provisions. The scheduled days immediately before and/or after the suspension period are used in lieu of scheduled days immediately before and/or after the holiday in determining holiday pay eligibility.

## 7.1 VACATION

- 1. It is intended by FFPO to adopt the Vacation plan in place. Within law and regulations, the incumbent Contractor shall agree to transfer the accrued time off balances with appropriate funding to FFPO. Credited service for PTO accruals shall include service with predecessor DOE SPR contractors as defined by existing policies.
- 2. Length of service for employees shall mean continuous employment with Fluor Federal Services, Booz Allen Hamilton, MRI Global, APOM , and other corporate affiliates, as well as recognized credited service with the predecessor DOE SPR M&O contractor, prior to employment by FFPO. Service credit will be applied in accordance with this Contract and FFPO's service credit policies regarding leave accrual, severance pay, benefit eligibility, and other benefit programs.
- 3. The vacation eligibility date of an employee is the anniversary date of the employee's latest hire-in date, except that former employees who are rehired with reinstatement rights retain their previous vacation eligibility dates or per employment agreement.

4. Vacation will be accrued at the maximum rate listed in the applicable U.S. Department of Labor Area Wage Determination for all covered positions identified in Section J, Appendix E.
5. All full-time employees of the Contractor are awarded annual vacation credits in accordance with the approved Vacation publication number ASR3600.12.
6. Previously awarded annual vacation credits which remain unused on any eligibility date will be carried to the following year up to a maximum equal to 1 times the full annual credit award.
7. Vacations are to be taken as time off, and there will be no pay in lieu of time off unless special circumstances are identified that would negatively affect site/project operation. Exceptions must be approved by APM, Business Operations.
8. Holidays occurring while on vacation are not deducted from the employee's vacation credits.
9. Upon termination, regardless of the reason, an employee will be paid for all awarded but unused credits in the employee's annual vacation account, including any credits carried over from prior years.

7.2 SICK LEAVE (*applicable only to Sick Leave accrued to December 30, 2018*)

Sick leave payments will be made to employees under the Contractor's procedure approved by the Contracting Officer for Sick Leave accrued to December 30, 2018. Use of this previously accrued leave shall include, but not be limited to, the following:

1. The Contractor will provide its employees sick leave for absences when the employee's ability to work is adversely affected by illness or injury.
2. Sick leave credit, which is unused, will be accumulated from year to year up to a maximum of 1,000 hours.
3. There will be no payoff of unused sick leave credit upon termination.
4. Use of sick leave.
  - a. An employee becomes eligible to use sick leave credit as soon as credits have been awarded.
  - b. Use of sick leave is authorized only in the event of absence due to:
5. Illness or injury causing incapacity of the employee, including the period of authorized medical or pregnancy leaves of absence or medical/dental appointments for treatment.
6. Routine medical or dental examination of the employee when such can only be arranged during working hours.

7. Caring for a spouse (domestic partner), son, daughter, or parent who is ill or injured or has a medical necessity that can only be attended to during working hours.
  8. Use of sick leave is subject to approval by the employee's supervisor.
- 7.3 PERSONAL AND SICK LEAVE (*applicable to Personal and Sick Leave accrued effective January 1, 2019*)

Personal and Sick leave payments will be made to employees under the Contractor's procedure approved by the Contracting Officer for Personal and Sick Leave accrued effective January 1, 2019. Use of this leave shall include, but not be limited to, the following:

1. The Contractor will provide its employees Personal and Sick leave for absences when:
  - a. the employee's ability to work is adversely affected by illness or injury, personal business and
  - b. short term site closures due to inclement weather.
2. Accumulation of Personal and Sick leave credit.
  - a. Full-time employees will be awarded 80 hours of Personal and Sick leave credits annually. Employees will accrue Personal and Sick leave credits biweekly corresponding to their respective pay periods. Employees who have been employed less than a full year will accrue Personal and Sick leave credits proportional to the number of pay periods remaining in the pay calendar year.
  - b. Part-time employees who are scheduled to work at least 20 hours per week will accrue Personal and Sick leave credits in proportion to the average number of hours they work. They will accrue credits biweekly corresponding to their respective pay periods.
  - c. Personal and Sick leave credit, which is unused, will be accumulated from year to year up to a maximum of 1,000 hours.
  - d. There will be no payoff of unused Personal and Sick leave credit upon termination.
3. Use of Personal and Sick leave.
  - a. An employee becomes eligible to use Personal and Sick leave credit as soon as credits have been awarded.
  - b. Use of Personal and Sick leave is authorized only in the event of absence due to:
    - 1) Illness or injury causing incapacity of the employee, including the period of authorized medical or pregnancy leaves of absence or medical/dental appointments for treatment.
    - 2) Routine medical or dental examination of the employee when such can only be arranged during working hours.



3) Caring for a spouse (domestic partner), son, daughter, or parent who is ill or injured or has a medical necessity that can only be attended to during working hours.

4) Personal business.

5) Short term site closures due to inclement weather.

4. Use of Personal and Sick leave is subject to approval by the employee's supervisor.

#### 7.4 OTHER LEAVE WITH PAY

Employees may be excused from work for extenuating personal circumstances which, in the opinion of the Contractor, warrants an excused absence and will not interfere with the Contractor's operations.

##### 1. Bereavement Leave

In the event of a death in the immediate family, leave of up to 3 days with pay will be granted, not to exceed 24 hours. These hours are to be taken within a reasonable time not to exceed 30 days from the day of the death or day of the funeral.

##### 2. Professional License Examination

Salaried employees may be granted time off with pay to take a professional license examination that is directly related to the employee's job responsibilities or beneficial to both the Contractor and the employee.

##### 3. Jury Duty

- a. An employee who is called for jury duty may be protected against loss of pay for the period of time needed to fulfill the obligation.
- b. Employees who have been called to be selected or to serve on a jury impaneled by a civil authority are authorized time off with pay.

##### 4. Civic Leave

- a. An employee elected or appointed to a nonpaying governmental position may be granted reasonable amounts of time off with pay when the employee's service requires intermittent absence from work. The Project Manager or his designee, with prior review and comment by the APM of Business Operations must approve time off with pay for Government service. A reasonable amount of time is defined as between 1 day and 1 week per month.
- b. Contractor employees may be paid civic leave to give reimbursed assistance to generally recognized community service organizations, provided such leave does not hinder the contract work and total civic service hours do not exceed 640 hours per calendar year, unless approved by the DOE Contracting Officer. Hours paid for under

this provision do not count as hours worked in the calculation of overtime and premium pay.

5. Blood Donors

- a. Employees who are requested by the Contractor to donate blood for which employees receive no outside compensation, will be protected against loss of pay up to a maximum of the employee's assigned shift for the day involved.
- b. Employees who donate blood during an on-site, contractor-sponsored blood drive are eligible to take up to 4 hours off with pay on the same day in which the employee donates blood with the supervisor/manager approval.
- c. Hours paid for under this provision do not count as hours worked in the calculation of overtime and/or premium pay.

6. Witness Service

- a. An employee who appears as a witness in court or other hearing, or gives a deposition for one of the following will be paid in accordance with a Contractor procedure approved by the Contracting Officer in response to a:
  - Request from the Contractor or at the request of its attorneys
  - Request from the DOE or at the request of its attorneys
  - Request from the Government or its agencies when requested or approved by DOE
  - Subpoena, as limited by the Contractor's procedure
- b. Travel costs are paid as travel on Contractor business and may include out of state travel.
- c. Hours paid for under this policy may count as time worked by employees in the calculation of overtime and/or premium pay.
- d. An employee will not be granted time off with pay for absence from work due to witness service, if the employee (1) is called as a witness against the company or its interest, (2) is called as a witness on his or her own behalf in an action in which he or she is a party, and the company is not a party, (3) voluntarily seeks to testify as a witness, or (4) is a witness in a case arising from or related to the employee's outside employment or business activities.

## 8.0 LEAVE WITHOUT PAY

Unpaid leave of absences as provided for under the Family Medical Leave Act will be approved if the employee is eligible for the leave. The employee will be expected to use all available form of pay, such as sick pay and vacation pay; before moving to unpaid status. Military Leave is addressed in the next section.

Unpaid personal leave of absence may be granted if it will not interfere with the Contractor's operation, will not exceed 90 days and there is reasonable expectation the employee will return to work. The employee is required to use all available forms of paid leave prior to moving to unpaid status. Should the employee not return to work within 90 days, the employee shall be terminated back to last day of active work. Benefit coverage is described in section C.

## **9.0 MILITARY LEAVE**

The Contractor shall comply with federal and state laws, rules, and regulations in protecting employees who are members of the U.S. Armed Forces. Temporary or extended military leave shall be authorized for employees. Such leave of absence will be made in accordance with a Contractor's procedure approved by the Contracting Officer.

### **9.0 TEMPORARY MILITARY LEAVE FOR TRAINING**

The Contractor shall grant annual military leave to any employee who is a member of the National Guard or a reserve unit of the U.S. Armed Forces. Employees may receive this pay for a maximum of two work-weeks in any calendar year. Pay for such leave shall not exceed the employee's straight-time hourly rate for nonexempt employees or basic salary for exempt employees for the period of leave.

### **9.1 EXTENDED MILITARY LEAVE**

An employee, who enters into active duty with the U.S. Armed Forces directly from the Contractor, shall be granted extended military leave. Employment rights will be extended up to ninety (90) days after the employee's date of honorable discharge or separation from such service. The Contractor shall also grant military leaves of absence to employees who are members of the National Guard or a reserve unit of the U.S. Armed Forces when they have been ordered, either verbally or in writing, to report for duty.

## **10.0 TRAINING AND EDUCATION**

### **10.0 GENERAL PROVISIONS**

1. The purpose of training and education programs shall be to increase employee skills and efficiency, develop techniques for the solution of operating problems, to prepare participants for additional responsibilities and to enhance opportunities for career advancement.
2. The objective of training shall be to enhance employee development within a reasonable period of time. Training must be relevant to the goals of the SPR, and shall be provided only when there is a reasonable expectation that the employee shall remain in the employ of the SPR performing DOE related work for a sufficient period of time to provide a fair return for the training costs.
3. The Contractor shall establish written procedures outlining the goals and objectives of the training program.

## 10.1 TRAINING

1. The Contractor may conduct or permit employees to attend special training programs and courses, other than on-the-job training courses, which are directly related to the employee's work and from which the Contractor may derive potential benefits. Expenditures for training courses considered necessary to develop and maintain an effective work force, will be an allowable cost.
2. Reasonable costs of in-house training including necessary equipment, materials, and instructor personnel are allowable.
3. Employees may be selected by the Contractor to participate in job related training courses away from SPR facilities. Allowable costs for such programs shall include travel and subsistence expenses in accord with FFPO policy, and the cost of tuition, fees, and course materials.

## 10.2 EDUCATION

1. All regular full-time employees with a minimum of one (1) year's service are eligible for reimbursement of tuition, fees, and books for course of study following successful completion thereof.
2. Courses must be approved in advance and are expected to be taken outside of working hours. They must be related to present or probable future work assignments or a job-related course of an approved degree program in an educational discipline related to the occupation, in which the employee is working or can reasonably be expected to work.
3. Refunds may be made to employees for the successful completion of recognized correspondence courses which relate directly to their job assignments and for which prior company approval was granted.
4. If the expenses eligible for reimbursement are covered by a scholarship, fellowship, or a governmental assistance program of any kind, including Veterans Administration payments, the employees' reimbursements are offset by the amounts of other such assistance.

# 11.0 EMPLOYEE PROGRAMS

## 11.0 MORALE AND MOTIVATION PROGRAMS

The Contractor may initiate morale and motivation programs to promote goodwill among its employees when appropriate. DOE reimbursement of the costs of these programs will be limited to 0.31 percent of the total burdened straight-time labor budget. All meals will be offset by deducting meal per diem for any employee on travel status.

1. Approved Morale/Motivation Program Awards and Incentives
  - a. Savings Bond Drive & United Way. This program defrays costs of departmental incentives provided to organizations that meet annual goals of participation.

- b. Employee Service Program. Provides for the distribution of non-cash tokens of recognition for continuous service with the Contractor and the SPR Service awards such as plaques, pins, desk accessories, shields, etc. are presented to employees who have completed continuous service at the SPR in five year increments with the first award being given on the completion of the first five years. This item also includes the "25 Year SPR Service Recognition Program" which provides for the distribution of non-cash tokens of recognition at a luncheon held annually for recipients with the contractor project manager. Employees who have completed 25 years of recognized service on the SPR are eligible for participation and recognition. All expenses associated with the 25 Year Service Recognition event will be charged to this program.
    - c. Performance Improvement Recognition Program and Conference - The objectives of this program are to stimulate awareness and participation in PI initiatives and to recognize significant achievements which benefit the SPR through the PI program. Cash and non-cash awards are made for levels of accomplishment based on project impact on business and safety practices as well as savings to SPR operations.
2. Pollution; Safety and Environmental Awards, Incentives, and Meetings.
  - a. New Orleans Safety Program is designed to recognize New Orleans based employees for meeting or exceeding programmatic goals associated with corporate Safety.
  - b. Pollution Prevention Program is designed to recognize all Contractor employees who have demonstrated success in the achievement of pollution prevention goals.
  - c. Environmental Advisory Committee (EAC) quarterly meetings with committee members and other companies where pastries and coffee are typically provided as a industry standard.
3. Behavioral Safety Management Incentive Program allows for the purchase of motivational items to enhance employee awareness and encourage the recognition and elimination of unsafe behavior
4. Voluntary Protection Program incentive is used to improve employee motivation to work safely and understand the SPR Safety Management System.
5. Clean Gulf Conference. Provides for participation in the annual Clean Gulf Conference through operation of a display booth and distribution of non-cash giveaways to other conference attendees.
6. Drawdown Readiness Assurance Program. This program includes motivational items distributed to SPR employees in support of Drawdown Readiness Exercises.
7. Site Safety Incentive Award Program. This program includes motivational items distributed to SPR employees for outstanding contributions to safety and/or promotion of safety culture on the site.
8. Fire Protection and Emergency Management Exercises and Awareness. Allows for meals during meetings for mutual aid coordination and exercises. Also allows for Fire Prevention Week awareness items are to reinforce fire safe practices at work and at home.

9. Security Awards and Incentives
  - a. Security Recognition and Awareness. Provides for the distribution of non- cash tokens to increase employee awareness of security on the SPR through OPSEC.
  - b. Security Exercises. Provides for the furnishing of meals for Local Law Enforcement Association meetings and for FTX exercises.
  - c. Integrated Safeguards and Security Management (ISSM) Motivation Program. Provides for the distribution of non-cash tokens to improve existing systems, expand individual awareness, and reinforce the need for each individual to accept ownership of security issues.
  - d. Women's Business Council and Other Procurement Trade Fairs. Provides for participation at meetings and luncheons in furtherance of FFPO's Diversity Subcontracting Program. Also, to purchase small give-away items for related Procurement trade fairs.
  - e. Earth Day. Provides for participation and celebration of this annual event through events and non-cash giveaways to SPR employees.
10. The allocation of monies for these programs will be at the discretion of the Contractor. The Contractor will submit to the Contracting Officer for approval its criteria for eligibility to receive the above awards including a brief description outlining the nature and extent of each program. The proposed annual budget will be submitted to and approved by the Contracting Officer on a fiscal year basis. The Contractor will submit to the Contracting Officer annual reports itemizing expenditures for each of the above employee programs. Both monetary awards and non-monetary awards will be administered in accordance with a Contractor procedure approved by the Contracting Officer.
  1. Other Morale/Motivation Program Awards, Incentives, and Items
    - a. Non-monetary awards, incentives, and/or promotional items such as, but not limited to, T-shirts, mugs, mouse pads, food, post-it cubes, pins, pens, ribbons, safety tire gage kits, caps, polo shirts, patches, pads, calendars, bags, windbreakers, long sleeve shirts, flashlights, jackets, cups, gift certificates, etc., that are acquired for distribution under this contract must, as a minimum meet the following:
      - Be necessary and appropriate to achieve contract requirements
      - Be allowable and reasonable in accordance with the allowable cost clause of the contract
      - Be approved by the APM noted in the authorized signature document
    - b. The Contractor will submit to the Contracting Officer quarterly reports itemizing expenditures for the above.
    - c. Annual Audits of incurred Cost performed by Internal Audit will include the review of a sample of the cost of all Other Morale/Motivation Program, Awards, Incentives, and Item reported to DOE during the four quarters of the Fiscal Year.

#### 11.1 PATENT AWARDS

Except for an invention for which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely on the employee's own time, all inventions which are conceived, developed, or first actually reduced to practice, either alone or with others during the term of employment and for 6 months thereafter shall be the exclusive property of the employer.

Patent awards will be administered in accordance with the Contractor's DOE-approved employee performance improvement program.

#### 11.2 PROTECTIVE CLOTHING

Employees who are required to wear special clothing, shoes, and protective equipment for various reasons such as safety, housekeeping, protection from harmful chemicals, etc., will be furnished such items at no cost to the employees. Laundering of such special clothing may be done at no cost to the employees. Safety glasses or goggles will be provided to those employees who are required to wear them to satisfy job safety requirements. Employees may be reimbursed for clothing and personal effects damaged or destroyed on premises as a result of fire, explosion, or other similar incidents.

#### 11.3 COMMUNICATIONS

The Contractor recognizes the need to keep its employees regularly informed of its general activities. One method used to accomplish this is through regular or periodic employee publications. Other media to be used include, but are not limited to, hotlines, workplace meetings, the SPR Intranet, and general mailings to employees and their families at their homes. Bulletin boards are used as a medium for informing employees promptly as to changes in policy, procedures, and matters of general interest. The Contractor provides uniform bulletin boards for posting such notices. Control of the material displayed thereon is the responsibility of Human Resources. The cost of providing these communications is allowable.

#### 11.4 MEMBERSHIPS, REGISTRATIONS, AND LICENSES

1. The reasonable cost of one (1) annual membership in trade, business, technical, and professional organizations per employee is allowable, as approved by the Contractor's Directorate level managers. Independent of any one employee, the Contractor's membership in the local Chamber of Commerce is allowed to promote small business bidders for subcontract work. Provisions for multiple membership must be approved by the Contractor's Project Manager.
2. Fees for professional and technical licensing or registration, and examination fees for professional and technical licensing provided the license or registration is relevant to an employee's function at the Contractor, are allowable. For those employees whose work requires a Commercial Drivers License, the license will be an allowable cost.

3. Contracting Officer review and approval of Contractor memberships, registrations, and licenses is not required, if the Contractor does not exceed the annual approved budget for these costs.

#### 11.5 EMPLOYEE ASSISTANCE PROGRAMS

Costs of an Employee Assistance Program will be allowable as approved by the Contracting Officer.

#### 11.6 PHYSICAL EXAMINATIONS

1. The Contractor will prepare a procedure that implements the Occupational Safety and Health Administration examinations for all candidates for employment, all identified employees, and eligible DOE employees. The following services will be performed:
  - a. Protecting employees against health hazards in the work environment and assisting management in placing employees and candidates for employment in work that does not cause undue hazard to themselves, other workers, site facilities, site environments, and general environment or the public.
  - b. Providing continuing medical surveillance of employees and their job tasks and work environments and ensuring the early detection, treatment, and rehabilitation of ill or injured employees.
  - c. Applying preventive medical measures to maintain employees' good physical and mental health and encouraging employees to maintain their physical and mental health.
2. The Contractor, in a procedure approved by the Contracting Officer, will identify their employees in a craft or group requiring a physical examination, the frequency of examination, and extent of examination. The cost of health examinations and physicals required of prospective employees and active employees will be allowable expense.

## 12.0 TRAVEL AND RELOCATION

1. The contractor may pay transportation, lodging, meals, incidentals, relocation, and other expenses for employees or other persons required to travel or to move in conjunction with the performance of work under this contract. Use of the alternate approach, Unaccompanied Status, requires Contracting Officer approval in each instance (see SPR Relocation Addendum attached.) Allowable costs for travel and relocation include actual and reasonable costs according to Public Law 103-355 (Federal Acquisition Streamlining Act of 1994), applicable provisions of the FAR and DEAR, the Federal Travel Regulations for per diem rate allowance guidance, the Internal Revenue Service auto allowance, and standard industry practice. Reimbursement of travel and relocation expenses will be made in accordance with the Contractor's procedures developed from the pertinent regulations and standard industry practice as approved by the Contracting Officer. The Contractor may deviate in specific instances where it is determined to be economically advantageous to the DOE and to the extent such deviations conform to pertinent regulations and law. The Contractor will maintain records based on its determinations to deviate in specific instances sufficient for audit review.



2. When the Contractor requires employees to work at domestic locations of significant distance from their regular assignment location or in a foreign country, on a temporary or permanent basis, compensation may include allowances to address the incremental increase in the cost of living. The intent is to keep employee's compensation and standards of living reasonably whole so that they suffer neither a significant financial loss nor gain because of the assignment.
3. Relocation costs are those incidents to (1) the permanent change of duty station of an existing employee and (2) the recruitment of a new employee.
4. Reasonable and necessary expenses incurred in the recruitment of personnel consistent with applicable provisions of the DEAR and FAR and standard industry practice are reimbursable.
5. In accordance with General Services Administration Joint Travel Regulations Section 302.17, Relocation Tax Income Allowance and Federal Travel Regulations, gross-up relocation expense reimbursements to mitigate adverse tax impacts to employees receiving allowable reimbursement for these expenses is an allowable cost under the contract.

### **13.0 RECRUITING**

1. The Contractor may incur reasonable costs for recruitment of personnel hired as FFPO.
2. Expenses of recruiting personnel shall include, but not be limited to, items such as:
  - a. Costs of advertising, search firms, agency and consultant fees.
  - b. Travel and subsistence for interviewee, interviewer, and recruiting contact paid in accordance with the Travel Section of this Appendix.
  - c. Costs associated with pre-employment screening.
  - d. Signing bonus may be used for recruitment up to \$10,000 without DOE approval. Signing bonus' are not to exceed 10% of offered salary, and actual amount not to exceed \$25,000, and may include requirement of employment of 180 days prior to payment, upon approval of the Contracting Officer.
3. New employees, or transferees, shall be paid for costs of travel and shipment of household goods in accordance with the Travel and Relocation section of this Attachment.
4. Offers of employment may include vacation matching based on industry experience or experience in any capacity on a DOE facility.

### **14.0 CONSULTANTS**

1. Consultant services will be authorized in accordance with the Contractor's procedure approved by the Contracting Officer.
2. Consultant agreements with individuals for the performance of services connected with work under this contract may be entered into by the Contractor provided the Contracting Officer approval has been obtained on the following:

- a. The forms used by the Contractor in contracting for consultant services.
- b. Consultant fees in excess of \$600 per day.
- c. Travel expenses in excess of those allowed employees traveling on contract work.
- d. Consultation time is greater than 60 days per year.

## **15.0 CORPORATE AFFILIATE PERSONNEL AND ASSIGNED PERSONNEL**

15.1 FFPO may utilize Corporate Affiliate Personnel and Assigned Personnel (hereafter individually and collectively "Reachback") to perform work on the contract on a limited basis for the short-term use of highly specialized professionals for specific tasks or projects. All Reachbacks will be handled as a procurement action and not a human resources action.

Due to the short-term duration, Reachbacks, employees of either FFS (or other Fluor affiliate) or the Teaming Subcontractor company, will not become direct FFPO employees. Such Reachbacks will be assigned on a short-term basis and will not be eligible to participate in the FFPO benefits plans and only participate in the benefits programs of FFS, other Fluor affiliate company, or the Teaming Subcontractor company. All directly allocable and fully burdened costs of such Reachbacks are billed to FFPO per their employing company's disclosed government cost accounting practices, without fee.

All Reachbacks will follow all facility safety, quality, security, technical and other facility and project specific and general policies, requirements and procedures applicable to FFPO employees in the performance of their work.

Home Office Expense allocations to FFPO are unallowable under the contract in accordance with Contract clause H.18. FFPO is a stand- alone Government-Owned Contractor-Operated (GOCO) Cost Accounting Standards (CAS) business segment and receives Home Office Expense allocations which are not reimbursable under clause H.18.

Reachbacks employed by other Fluor affiliate companies will invoice FFPO using Fluor approved government billing rates. G&A will be allowed for Fluor Affiliate employees occupying permanent positions with the M&O organization on a provisional basis. Department of Energy will request an OIG Audit opinion and based on that audit determination, adjustments will be made. The G&A for Fluor Affiliate employees assigned under an approved reach back task is an allowable cost.

Reachbacks from the three Teaming Subcontractors may be assigned to perform work at the SPR in the same manner as Fluor affiliate Reachbacks. Billings to FFPO will be in accordance with the terms and conditions of the subcontracts established with the teaming subcontractors.

15.2 FFPO may utilize secondment in limited circumstance for long term employees. FFPO must obtain prior written approval from both the Contracting Officer and the Director of Acquisition for DOE. Notwithstanding the foregoing, FFPO may utilize secondment without prior written approval for the follow classifications of employees, however, notification to the Contracting Officer, Director of Acquisition, and the Contractor Industrial Relations Specialist will be required:

- FFPO Project Manager
- FFPO Assistant Project Managers

- FFPO General Counsel

## 16.0 SPECIAL EMPLOYEE ACTIVITIES

### 16.1 LOAN OF EMPLOYEE

#### 1. Temporary Assignment

- a. With the prior approval of the Contracting Officer, the Contractor may temporarily assign FFPO employees to locations and organizations outside the SPR. Such assignments may be to federal, state, and local government, non-profit organizations, private sector partners, or other customers.
- b. Such assignments will be in the best interest of the DOE and the SPR.
- c. The term of these assignments will be determined to best meet the needs and obligations of the specific request but normally will be two years or less. The cost of the assignment to the SPR may be up to 100 percent. The terms and conditions of cost reimbursement will be identified in the DOE approval letter.
- d. Employees on temporary assignment remain full-time employees of FFPO.

#### 2. Assignments within the Corporation

- a. The Contractor may assign, at no cost to the Government, individuals working under this Contract to other Fluor companies and Teaming Subcontractor companies on a non-interference basis as determined by the Contractor. Assignments longer than eight hours within one week or weekly recurring assignments require Contracting Officer approval.
- b. Costs associated with FFPO employees assigned under 2.a., above, will be funded by the Fluor or Teaming Subcontractor company with costs payable upon invoicing. Such costs will be on a full-cost recovery basis including imputed fringe benefits and G&A.

#### 3. Community Involvement and Outreach

The Contractor shall provide a corporate outreach program that demonstrates responsible and effective corporate citizenship and community involvement by coordinating the volunteer activities of its employees. The Contractor may make individual employees available to work as volunteers with or for governmental, quasi-government and other organizations in the SPR metropolitan areas toward achieving civic and quality of life goals (e.g. environmental and energy related programs and studies; community technology assistance; job creation and economic development; bond drives, charitable drives (e.g. United Way), school boards, university regents, city/county/state/tribal government; volunteers, and contributions). These activities shall be coordinated through the corporate outreach/community involvement organization.

## 17.0 KNOWLEDGE ONLINE USE AND RIGHTS

DEAR 970.5227-1 RIGHTS IN DATA-FACILITIES (DEC 2000) is incorporated into Fluor Federal Petroleum Operations, LLC's (FFPO's) prime contract as Clause I.120. This clause governs the use and rights pertaining to Fluor Corporation's *Knowledge OnLine*<sup>SM</sup> database

proposed for exclusive use by FFPO employees as a tool to better assist them in the performance of their contractual duties.

The purpose of this Advanced Understanding is to memorialize the Department of Energy's (DOE) and FFPO's (hereinafter the "Parties") interpretation of the clause with respect to Fluor Corporation's intellectual property rights in *Knowledge OnLine<sup>SM</sup>* and the cost allowability associated with providing FFPO employees with access to *Knowledge OnLine<sup>SM</sup>*.

*Knowledge OnLine<sup>SM</sup>* is a database comprised of proprietary technical information, procedures, best practices, lessons learned and other relevant technical documents compiled and developed by Fluor Corporation at its own expense prior to the start of FFPO's prime contract on April 1, 2014. Much of the underlying information contained in *Knowledge OnLine<sup>SM</sup>* is based on past projects and is considered and treated as business sensitive/confidential.

Accordingly, the Parties agree that *Knowledge OnLine<sup>SM</sup>* falls within the definition of paragraph (a)(4) of the Clause and the Government's rights to use, duplicate, or disclose limited rights data are as set forth in the Limited Rights Notice of subparagraph (e) of this clause.

For ease of reference, the applicable sections are as follows:

(a) Definitions. (4) Limited rights data, as used in this clause, means data, other than computer software, developed at private expense that embody trade secrets or are commercial or financial and confidential or privileged. The Government's rights to use, duplicate, or disclose limited rights data are as set forth in the Limited Rights Notice of subparagraph (e) of this clause.

(e) Rights in Limited Rights Data. Except as may be otherwise specified in this Contract as data which are not subject to this paragraph, the Contractor agrees to and does hereby grant to the Government an irrevocable, nonexclusive, paid-up license by or for the Government, in any limited rights data of the Contractor specifically used in the performance of this Contract, provided, however, that to the extent that any limited rights data when furnished or delivered is specifically identified by the Contractor at the time of initial delivery to the Government or a representative of the Government, such data shall not be used within or outside the Government except as provided in the "Limited Rights Notice" set forth. All such limited rights data shall be marked with the following "Limited Rights Notice":

(b) Limited Rights Notice

These data contain "limited rights data," furnished under Contract No. with the United States Department of Energy which may be duplicated and used by the Government with the express limitations that the "limited rights data" may not be disclosed outside the Government or be used for purposes of manufacture without prior permission of the Contractor, except that further disclosure or use may be made solely for the following purposes:<sup>[1]</sup>

(a) Use (except for manufacture) by support services contractors within the scope of their contracts;

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<sup>1</sup> For purposes of this Advanced Understanding, the subject Contract is DE-FE0011020

(b) This "limited rights data" may be disclosed for evaluation purposes under the restriction that the "limited rights data" be retained in confidence and not be further disclosed;

(c) This "limited rights data" may be disclosed to other contractors participating in the Government's program of which this Contract is a part for information or use (except for manufacture) in connection with the work performed under their contracts and under the restriction that the "limited rights data" be retained in confidence and not be further disclosed;

(d) This "limited rights data" may be used by the Government or others on its behalf for emergency repair or overhaul work under the restriction that the "limited rights data" be retained in confidence and not be further disclosed; and

(e) Release to a foreign government, or instrumentality thereof, as the interests of the United States Government may require, for information or evaluation, or for emergency repair or overhaul work by such government. This Notice shall be marked on any reproduction of this data in whole or in part.

(End of Notice)

A limited number of identified FFPO users will be provided a token to access *Knowledge OnLine<sup>SM</sup>*. No software shall be installed on DOE/Government computers and no official limited rights data will be furnished or delivered to the Government. As stated previously, *Knowledge OnLine<sup>SM</sup>* is intended to provide reach-back support and to leverage Fluor Corporation's extensive project experience to enable FFPO users the ability to better perform their duties. FFPO users can collaborate with other Fluor users through asking questions and contributing unclassified/ non-restricted data and information. FFPO will notify the DOE Contracting Officer prior to uploading any SPR information into *Knowledge OnLine<sup>SM</sup>*.

Given the volume of data which is contained in *Knowledge OnLine<sup>SM</sup>* and the fact that FFPO employees would access *Knowledge OnLine<sup>SM</sup>* through use of a token and secure Fluor Corporation website, it is not possible to "stamp" or otherwise mark *Knowledge OnLine<sup>SM</sup>* on the individual data it contains with the prescribed "Limited Rights Notice". Therefore, it is the Parties intention that this Advanced Understanding shall serve as the required "Limited Rights Notice" for *Knowledge OnLine<sup>SM</sup>*.

To gain access to *Knowledge OnLine<sup>SM</sup>*, FFPO intends to enter into a Master Services Agreement (or MSA) with Fluor which sets forth the terms and costs associated with providing *Knowledge OnLine<sup>SM</sup>* to FFPO users. The costs include tokens and minimal Fluor setup and administrative costs. At present, the estimated cost for 100 FFPO users is \$34,000 for the first year and \$25,000 per year in subsequent years. Costs correspond to the number of users and will be adjusted downward in the event of fewer selected FFPO users. Because of the substantial benefit to the SPR program and nominal costs associated with providing and administering the tokens, FFPO and DOE agree that subject to audit verification, the costs are reasonable and are properly allowable under FAR Part 31 and the prime contract.