

The following document is the Appendix A, Personnel Appendix for Argonne National Laboratory and includes policies and procedures for both ANL-East and ANL-West employees.

September 30, 1999
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Contact No. W-31-109-ENG-38
October 1, 1999 – September 30, 2000

Argonne National Laboratory

Appendix A

Personnel Appendix

Appendix A

TABLE OF CONTENTS

- I. INTRODUCTION
- II. LABOR RELATIONS.....
 - A. Bargaining Climate.....
 - B. Discussion of Bargaining Objectives.....
 - C. Notification of Labor Activity.....
 - D. Allowable Costs.....
 - E. Reports.....
- III. LABOR STANDARDS.....
 - A. Requests for Davis-Bacon Determinations of Coverage.....
 - B. Job Site Audits and Payroll Validation.....
 - C. Record Keeping.....
 - D. Posters.....
 - E. Request for Service Contract Act Determination of Coverage.....
 - F. Reports.....
- IV. REDUCTIONS IN CONTRACTOR EMPLOYMENT
 - A. Work Force Analysis.....
 - B. Work Force Planning Requirement.....
 - C. Notice to Stakeholders.....
 - D. Involuntary Separations.....
 - E. Incentive Plans for Voluntary Separation or Retirement.....
 - F. Severance Pay.....
 - G. Displaced Worker Health Benefits Programs.....
- V. COMPENSATION PROGRAM
 - A. Self-Assessment & DOE Certification.....
 - B. Significant Changes To A Certified System.....
 - C. Annual Compensation Increase Plan (CIP).....
 - D. Elements Of A CIP.....
 - E. Individual Compensation Actions.....
 - F. Variable Pay Plans.....
 - G. Non-Base Lump Sum Payments.....
 - H. Reports.....
- VI. EMPLOYEE BENEFITS
 - A. Benefit Programs Value Study.....
 - B. Value Study Elements.....

TABLE OF CONTENTS
(Continued)

- C. Workers' Compensation.....
- D. Dependent Care Facilities.....
- E. Reduction in Unfunded Liability.....
- F. Reports.....

- VII. DOE CONTRACTOR PENSION PLANS.....

 - A. Basic Requirements.....
 - B. DOE Approval Requirements.....
 - C. Termination Of Operations.....
 - D. Spin-Off Plan.....
 - E. Terminating Plans.....
 - F. Annual Reports.....

- VIII. RISK MANAGEMENT & LIABILITY PROGRAMS.....

 - A. Requirements.....
 - B. Terminating Operations.....
 - C. Successor Contractor Or Insurance Policy Cancellation.....
 - D. Reports.....

- IX. CONTRACTOR WORKPLACE SUBSTANCE ABUSE PROGRAMS.....

 - A. Requirements.....
 - B. Reports.....

- X. EMPLOYEE PROGRAMS

 - A. Employee Assistance Program.....
 - B. Wellness Program.....
 - C. Special Arrangements – Affirmative Action Plan.....
 - D. Employee Recreation.....
 - E. Employee Communications.....
 - F. Awards and Service Dinner.....
 - G. Patent Awards.....
 - H. Cost of Health Services.....
 - I. Paycheck Advances.....

- XI. PROGRAMS INVOLVING EMPLOYEE ABSENCE FROM THE WORK PLACE.....

 - A. Paid Leave.....
 - B. Unpaid Leaves of Absence.....
 - C. Temporary Assignments.....

TABLE OF CONTENTS
(Continued)

XII. EMPLOYEE TRAINING, EDUCATION, AND DEVELOPMENT.....

- A. Training and Development.....
- B. Educational Assistance.....
- C. Personnel Training Programs.....
- D. Payment to Instructors.....
- E. Advanced Degree Program.....

XIII. EMPLOYMENT AND RECRUITING EXPENSE

- A. Employment and Recruiting Expense.....
- B. Temporary Employment Appointment.....
- C. Special Professional Services.....

XIV. RELOCATION AND TRAVEL.....

XV. COMMUNITY PROGRAMS.....

XVI. SECURITY SUSPENSIONS.....

EXHIBIT I – GRADE AND RATE CHANGES.....

EXHIBIT II – COLLECTIVE BARGAINING AGREEMENTS.....

EXHIBIT III – SEVERANCE PAY PLAN DESCRIPTIONS.....

EXHIBIT IV – PAID LEAVE ELIGIBILITY POLICIES.....

EXHIBIT V – NON-BASE LUMP SUM PAYMENTS.....

EXHIBIT VI - DEFINITIONS.....

I. INTRODUCTION

This Personnel Appendix sets forth those Contractor human resource management policies, procedures, practices and those employee related costs (e.g., salaries, fringe benefits, travel, relocation, etc.) deemed reasonable and allowable for reimbursement when incurred in furtherance of contract work.

Within available funding, the Contractor will have the flexibility to establish levels of employment, pay, and benefits for Laboratory employees without DOE review and/or approval, except as otherwise specified in this Appendix or elsewhere in this contract including but not limited to Clause I.78 of this contract. The Contracting Officer shall receive notification of Contractor-initiated changes under Appendix A in those instances where approvals are not required.

The Laboratory shall establish and administer Laboratory personnel policies and procedures and shall provide copies of policy changes to the Contracting Officer prior to implementation within the Laboratory.

The Laboratory shall use its best efforts to provide the scientific, technical, and managerial personnel necessary to maintain a comprehensive scientific Laboratory and to perform the work under this contract, and shall also provide such other personnel as are necessary to operate and maintain the Laboratory Facilities. The individuals comprising the Laboratory personnel are employees of the Contractor. The Contractor agrees to continue to select, supervise and direct the employees, to maintain satisfactory standards of employee competency, conduct and integrity, and to be responsible for taking such action as may be necessary to maintain such standards.

Either Party may request that this Personnel Appendix be revised and the parties hereto agree to give consideration in good faith to any such request. The Personnel Appendix may be modified in writing by mutual agreement of the Contractor and DOE without execution of an amendment to this contract. Such modifications shall be evidenced by execution of written numbered approval letters from the Contracting Officer or his representative. When revisions to this Personnel Appendix are agreed upon, revised pages will be issued by the Laboratory reflecting such changes and will bear the effective date of such changes and the modification number in the upper right-hand corner of each page.

The Personnel Appendix is adopted for the exclusive benefit and convenience of the parties hereto; 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 Appendix. Said reports and/or information shall be furnished to the Contracting Officer or other parties designated by the Contracting Officer. The Contractor recognizes that other data requests may be made from time to time by the Contracting Officer and the Contractor agrees to use good faith efforts in meeting such requests.

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It is understood that no change made by this Appendix can affect any right guaranteed to a bargaining unit employee by the terms of a Collective Bargaining Agreement. Should provisions of this Appendix conflict with the terms of a Collective Bargaining Agreement, the Contractor will endeavor to negotiate appropriate changes in good faith during the next collective bargaining opportunity.

Should conflicts arise between the written provisions of Appendix A of this contract and DOE 350.1, Appendix A will take precedence.

II. LABOR RELATIONS

A. Bargaining Climate

The Laboratory agrees to develop and implement labor relations policies that will promote orderly collective bargaining relationships, equitable resolution of disputes, efficiency and economy in operations, and the judicious expenditure of public funds.

B. Discussion Of Bargaining Objectives

The Laboratory shall meet with the Contracting Officer or designee(s) for the purpose of developing mutually agreed upon bargaining objectives respecting any significant change in existing labor agreements which can be calculated to significantly affect allowable costs under this contract or which could involve other items of special interest to the Government. The Laboratory will consult with the Contracting Officer during the course of negotiations with labor unions, and during the term of resultant contracts, on economic issues and other matters that have a potentially significant impact on work rules, make-or-buy decisions, or other matters that may cause a significant deviation from past customs or practices.

C. Notification Of Labor Activity

The Laboratory shall keep the Contracting Officer advised of significant developments during any negotiations and shall promptly advise (within 24 hours) the Contracting Officer of labor relations developments which involve or appear likely to include such matters as:

Possible strike situations or other job actions affecting the continuity of operations.

Formal action by the National Labor Relations Board or the National Mediation Board (copies of the Board correspondence shall be provided to the Contracting Officer).

Recourse to procedures under the Labor-Management Relations Act of 1947, as amended, or any other Federal or State law.

Any grievance that is potentially precedent setting or of anticipated high cost scheduled for arbitration under a collective bargaining agreement that has the potential for significant economic or other impact.

Any significant issues that may involve review by other Federal or State agencies.

D. Allowable Costs

Costs of wages and fringe benefits to employees represented by collective bargaining units, not in excess of those provided in the Collective Bargaining Agreements, are allowable. All other reasonable costs, such as expenses relating to the grievance process, arbitration and arbitration awards and other costs and expenses incurred pursuant to the provisions of the Collective Bargaining Agreements and revisions thereto, listed in Exhibit II are also allowable.

E. Reports

The Laboratory will provide the Contracting Officer with a settlement summary within 30 to 60 calendar days after formal ratification of the collective bargaining agreement, using the "Report of Settlement" form. The Laboratory shall also submit no later than January 15th of each year of this contract, an annual Collective Bargaining Agreement Calendar.

III. LABOR STANDARDS

A. Requests For Davis-Bacon Determinations Of Coverage

The Laboratory agrees to request Davis-Bacon coverage determinations from the Contracting Officer by submitting proposed work authorizations for contracts in excess of \$2,000 for construction, alteration, or repair, including painting and decorating, of public buildings and public works that involve the employment of laborers and mechanics.

The Laboratory agrees to accomplish the work tasks in accordance with the labor standards determination.

B. Job Site Audits And Payroll Validation

The Laboratory agrees to ensure that subcontractors comply with the Davis-Bacon Act and conduct payroll and job-site audits, as requested or authorized by the Contracting Officer.

C. Recordkeeping

The Laboratory agrees to maintain accurate and complete Davis-Bacon Act payrolls for 3 years from completion of contract for construction work which is performed on site.

D. Posters

The Laboratory agrees to post in a prominent job-site location the following Department of Labor Publications:

WH-1321, Notice to Employees Working on Federal or Federally Financed Construction Projects.

WH-1313, Notice to Employees Working on Government Contracts.

E. Request For Service Contract Act Determination of Coverage

The Laboratory agrees to prepare Standard Form 98, "Notice of Intention to Make a Service Contract and Response to Notice" for all subcontracts subject to the Service Contract Act and forward them to the Contracting Officer.

F. Reports

The Laboratory shall prepare and submit the Davis-Bacon Semi-Annual Enforcement Report to the Contracting Officer by April 15 and October 15 of each year.

IV. REDUCTIONS IN CONTRACTOR EMPLOYMENT

Reductions in employment will be conducted in accordance with the contractor's personnel management policies and practices and in accordance with the Department of Energy's Planning Guidance for Contractor Work Force Restructuring, as revised December 1998, and consistent with DOE Order 350.1, Chapter III, Reductions In Contractor Employment.

A. Work Force Analysis

The Laboratory will regularly analyze its work force requirements to retain employees with the skills, knowledge and abilities necessary to effectively and safely meet assigned and futures missions within budget constraints. The Laboratory will develop appropriate work force transition strategies consistent with restructuring objectives contained in the Department's "Planning Guidance for Contractor Work Force Restructuring."

B. Work Force Planning Requirement

In addition to conducting both short and long term work force planning, the Laboratory will assist the Department in developing a Work Force Restructuring Plan consistent with the objectives of Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (the Act) and the above referenced guidance.

The Work Force Restructuring Plan will be generic in nature; that is, it will identify how employees will be accommodated whenever they are impacted by a reduction-in-force. If necessary, the plan may be modified to address the needs of a particular restructuring action, including the provision of enhanced benefits. When modification to the approved plan is necessary due to changing circumstances, stakeholder input or implementation experience, proposed changes to the established plan shall be submitted for Departmental approval.

C. Notice To Stakeholders

The Laboratory shall provide notifications to employees, the public, and stakeholders, *in* accordance with a schedule approved by the Contracting Officer or his designee for any occurrence in which 100 or more employees will be affected by a reduction-in-force. The above noted stakeholders will be notified of and consulted with concerning the pending action as early as possible following agreement between DOE-CH and the Laboratory of the intended action.

D. Involuntary Separations

The Laboratory will notify the Contracting Officer or his designee of any work force reduction that involves the involuntary separation of 10 or more employees at least 10 workdays prior to such separations. The notification shall include affected job classifications, numbers of employees affected, site affected, union or non union, full or part-time, standard or enhanced benefits, other separations, and actions taken to assist the

employees in finding other employment or otherwise lessen the impact of the involuntary separation.

E. Incentive Plans for Voluntary Separation or Retirement

After appropriate Workforce Planning has been completed, the Contractor may consider voluntary separation incentives to facilitate work force reductions for the purpose of reducing potential involuntary separations. Voluntary separation and retirement incentive plans, accompanied by an appropriate analysis, should be presented to the Contracting Officer at least 2 weeks in advance of the planned action to allow sufficient time for review and approval. Voluntary separation and retirement incentives will be evaluated for their consistency with maintaining critically needed skills. Any request for approval should include a full justification in conformance with this requirement. Reductions designed to increase organizational efficiency involving voluntary separation programs should provide an assessment of the costs and benefits of the proposed incentive. Voluntary separation programs should not be offered to employees at the same time as early retirement programs, except in special circumstances and with prior approval of the Contracting Officer.

F. Severance Pay

Severance payments made to an employee will be reimbursable under this contract when provided in accordance with the Contractor's established severance policies. However, unless specifically otherwise approved by the Contracting Officer:

- a) No employee: (1) who accepts a transfer to another facility, subsidiary, or affiliate of the Contractor, (2) who is offered employment at comparable pay and benefits by a successor Contractor, (3) who resigns, or (4) who is discharged for cause, will be eligible for severance pay.
- b) Severance pay and benefits are not payable when an employee is employed by or receives an offer of employment with a replacement Contractor where continuity of employment with credit for prior length of service is preserved under substantially equal conditions of employment.

Severance payments may be made at the Contractor's option to an employee within a reduction-in-force grouping who is not scheduled for termination but who offers to terminate employment, thereby eliminating the need for terminating another employee involuntarily.

G. Displaced Worker Health Benefits Programs

The allowable costs for the DOE Displaced Worker Health Benefits Program are:

- (a) First Year: The Laboratory's contribution for an active employee.
- (b) Second Year: One half of the Laboratory's COBRA premium.

- (c) Third and subsequent years: Reasonable administrative costs that exceed the 2 percent administrative fee paid by the displaced worker.

V. COMPENSATION PROGRAM

The Laboratory shall develop and implement a compensation program that meets the tests of allowability and reasonableness by Federal Acquisition Regulations 31.205-6 and Department of Energy Acquisition Regulations 970.3102-2, Compensation for Personal Services.

A. Self Assessment & DOE Certification

The Laboratory shall submit to the Contracting Officer for approval, before September 30, 2000, a written Compensation Program self-assessment. DOE will make a good faith reasonable effort to respond on certification within 90 days of receipt of the self-assessment. Until such time that DOE has made a determination on certification, approvals regarding compensation actions are limited to the salary actions for the individuals described in Appendix F of this Contract. The self-assessment will form the basis for DOE's certification of the ANL compensation program and shall include consideration of the following documentation:

A description of the compensation program with relevant market comparisons and a description of the following components:

Philosophy and strategy for all pay delivery programs.

System for establishing a job worth hierarchy.

Method for relating internal job worth hierarchy to external market.

System that links individual and/or group performance to compensation decisions.

Method for planning and monitoring the expenditure of funds.

Method for ensuring compliance with applicable laws and regulations.

System for communicating the programs to employees.

System for internal controls and self-assessment.

System to ensure that reimbursement of compensation, including stipends, for employees who are on joint appointments with a parent or other organization shall be on a pro-rated basis.

DOE and the Contractor shall meet to work out mutually agreeable criteria for the Laboratory's self-assessment.

DOE will evaluate the strategies, data and assumptions made by the Laboratory in the self-assessment to evaluate the acceptability of its compensation practices. DOE's review process may include the use of outside consultants, review of industry benchmarks, best practices and DOE Contractor experience data. However, an important factor in evaluating the acceptability of the compensation system should be how well it meets the strategic hiring and retention needs of the Laboratory, which may result in some variance with industry norms.

If the Contractor compensation system is disapproved or if the Contractor fails to maintain certification, the Contractor shall be required to submit all individual salary actions over \$100K, the annual proposed CIP fund, a plan and schedule for correcting the compensation elements giving rise to lack of certification, and any proposed changes to the compensation program to the Contracting Officer for review and approval until such time as the system is certified.

B. Significant Changes To A Certified System

Significant compensation program design changes implemented subsequent to certification of the Laboratory's compensation program will require Contracting Officer approval.

C. Annual Compensation Increase Plan (CIP)

By August 1 of each year, the Laboratory shall conduct an annual CIP process that includes the elements set forth in D. below. The CIP does not require DOE review and approval unless any of the following conditions are met:

The Laboratory's CIP proposal exceeds the guidelines as set forth in annual approval procedures for CIPs issued by DOE-Headquarters.

The Laboratory uses unapproved surveys or methodology.

The Laboratory fails to meet any mutually agreed upon performance expectations, if any.

The Laboratory fails to secure Board of Governor's approval of the CIP.

The compensation system is disapproved by the Contracting Officer.

D. Elements Of A CIP

The CIP shall include the following components and data:

Comparison of average pay to market average pay.

Information regarding surveys used for comparison.

Aging factors used for escalating survey data and supporting information.

Projection of escalation in the market and supporting information.

Information to support proposed structure adjustments, if any.

Analysis to support special adjustments.

Funding requests for each pay structure to include breakouts of merit, promotions, variable pay, special adjustments, and structure movement.

A discussion of the impact of budget and business constraints on the CIP amount.

Comparison of pay to relevant factors other than market average pay.

Proposed CIP fund totals expressed as a percentage of the payroll as of the day prior to the effective date of the spending authority (September 30 payroll for promotion fund and February 28 payroll for merit fund).

All pay actions granted under the CIP, excluding the costs associated with a posted promotion to the minimum of the new salary range, are fully charged when they occur regardless of the time of year in which the action transpires and whether the employee terminates before year-end.

Specific payroll groups (e.g., exempt, nonexempt) for which CIP amounts are intended shall be defined by mutual agreement between the Contractor and the Contracting Officer.

The Contracting Officer may adjust the CIP amount after approval based on major changes in factors that significantly affect the plan amount (for example, in the event of a major reduction in force or significant ramp-up).

E. Individual Compensation Actions

The Contractor, with the University of Chicago Board of Governor's for Argonne National Laboratory endorsement, will provide to the Contracting Officer for approval the annual recommended salaries, including bonuses for those positions identified as "Key Personnel" in Appendix F of Part III, Section J of this contract. Upon certification of ANL compensation program by DOE, approvals will only be required for the six salary actions of the Laboratory Director, Associate Laboratory Directors and the Chief Operations Officer.

F. Variable Pay Plans

Any proposed establishment of a variable pay plan, must be budget neutral. Such proposal must contain:

The design of the variable pay plan, the funding methodology, and linkage to contract performance measures.

Requirement for approval of a variable pay plan design changes by the Contracting Officer prior to implementation.

Requirement for an annual approval, prior to the performance period, of the total dollar amount of the pool, the eligible positions, and contract performance goals.

Requirement for policy that provides a specific passover rate, i.e., percent of participants who will not receive an incentive.

Requirement for an annual summary report on distributions made under a variable pay plan.

Requirement for pay-at-risk.

G. Non-Base Lump Sum Payments

On an annual basis, the Laboratory may establish a separate pool of funds that would be available to be distributed in non-base lump sum payments to employees subject to the following conditions:

- (a) The pool of funds available for non-base lump sum payments is dependent upon the Contractor's annual performance as determined under Appendix B of this Contract and Exhibit V of this Appendix.
- (b) For FY2000 and 2001, the maximum amount of funds available in the non-base lump sum pool shall not exceed one percent of total non-union base compensation for regular employees. Total available funds and methodology for determining total available non-base lump sum pool beyond FY2001 shall be determined annually by the DOE Contracting Officer in consultation with the Contractor.
- (c) No portion of the non-base lump sum pool is guaranteed. The entire pool is at risk dependent upon Contractor performance.
- (d) All regular non-union employees are eligible to receive a non-base lump sum payment. The non-base lump sum pool will be distributed to Laboratory selected employees based on individual performance as determined during the annual performance appraisal process.
- (e) The non-base lump sum pool shall be budget neutral and funded out of the Laboratory's operating funds (separate from the Compensation Increase Plan Fund).
- (f) The Laboratory's total direct pay (base plus non-base) shall not exceed the average of market total direct pay (base plus non-base) as determined by annual market surveys.

H. Reports

The Laboratory shall provide the Contracting Officer with an annual Contractor Salary-Wage Increase Expenditure Report that includes breakouts for merit, promotion, variable pay, non-base pay (lump sum), special adjustments, and structure movements for each pay structure showing actual against approved amounts.

The Laboratory shall provide a semiannual Report of Compensation which includes: Subtotal dollar amounts for exempt and nonexempt employees; and individual compensation by employee name, position, and amount for each direct report to the top official and individual compensation at \$100,000 and above.

VI. EMPLOYEE BENEFITS

The Laboratory shall develop and implement welfare benefit programs that meet the tests of allowability and reasonableness established by Federal Acquisition Regulations 31.205-6 and Department of Energy Acquisition Regulations 970.3102-2, Compensation For Personal Services.

A. Benefit Programs Value Study

The Laboratory shall submit to the Contracting Officer for approval before September 30, 2000, and every other year thereafter an evaluation of its Benefit Programs using a professionally recognized value study to measure and compare Laboratory benefit programs to other mutually agreed upon "comparator" organizations.

Contracting Officer approval of individual benefit plan changes shall not be necessary if the Laboratory conducts a Value Study every other year which results in a net benefit value of no more than 5 percent above the comparator organizations. Should major benefit changes be proposed in an 'off-cycle' year, the Lab shall either volunteer to participate in the value study and stay within the range of acceptability or submit the changes to DOE for approval prior to implementation. A "major benefit change" is defined as a change in the Contractor's benefit program plan design, eligibility, or cost structure equal to or greater than 2% of the previous year's benefit expenditures.

If the net benefit value is greater than 5 percent above the comparator organizations, the Laboratory shall submit to the Contracting Officer a corrective action plan to achieve conformance with the range of acceptability, unless otherwise justified in writing and approved by the Contracting Officer. The plan shall include specific benefit plan changes and a timetable for implementation and shall be approved by the Contracting Officer. The justification must: (a) demonstrate the effect of the plan changes on the net benefit value, (b) provide the dollar estimate of savings or costs, and (c) provide the basis of determining the estimated savings or cost.

Any methodology changes subsequent to the first Value Study shall be approved by the Contracting Officer, regardless of Contractor transition.

B. Value Study Elements

The Value Study shall meet the following requirements:

The Contractor shall determine a list of no less than 15 participants to be a part of the study. The Contracting Officer shall approve the list prior to the performance of the study.

The Value Study shall include major non-statutory benefit plans offered by the Contractor, including qualified defined benefit and defined contribution retirement and

capital accumulation plans, and death, disability, health, and paid time-off welfare benefit programs.

The Value Study must be performed by a national consulting firm with expertise in benefit value studies.

To the extent the value study does not address post-retirement benefit programs, the Laboratory shall provide separate cost and plan design data on post-retirement benefits other than pensions compared to external benchmarks of a nationally recognized survey source at least once every three years.

C. Workers' Compensation

The Laboratory shall submit to the Contracting Officer for approval all new workers' compensation policies and all initial proposals for self-insurance. The Laboratory shall provide copies to the Contracting Officer of all renewal policies for workers' compensation.

The Laboratory shall have a claims management program that establishes specific guidelines and practices, and ensures:

The Laboratory shall perform a regular review of its workers' compensation program and provide the Contracting Officer with annual status reports on all claims reserves over \$25,000, as well as reserves established on all new claims.

The Laboratory shall conduct an annual review of all claims over \$25,000 in reserves and claims over 2 years old, regardless of reserve amount.

The Laboratory shall establish reserves on all open claims at the end of each policy year but prior to the valuation of claims for the interim premium adjustment report to determine their appropriateness.

The Laboratory shall ensure that all its programs contain provisions for reviewing and conducting medical cost containment programs, such as managed care networks where allowed by statutes.

The Laboratory conducts a sample claims review of open and closed claims during the first 3 years of a contract period for both active and canceled policies with existing claims activity and files a written report to the Contracting Officer.

The Laboratory shall review and verify the accuracy of interim premium adjustment reports and make payment of adjusted premium or request a credit from carrier.

In addition, the Laboratory shall ensure that workers' compensation insurance policies contain the following provisions:

A provision that excludes any claim on the part of the insurance company to be subrogated on payment of loss or otherwise to any claim against the United States.

A provision that, in the event of cancellation or non-renewal by the insurance company, 60 days advance notice shall be given to the Contractor and the Contracting Officer.

A provision limiting the insurance company's right of inspection of the Contractor's records and premises as necessary to comply with DOE's security requirements.

A provision for the right of assignment of the policy to DOE, with payment of all return premiums, premium refunds dividends, or other moneys due or to become due, to be payable to the Government.

Employer's liability coverage, except in cases where the Contractor has an acceptable self-insurance program.

Workers' compensation and employer's liability coverage for its employees in those states that allow statutory immunity for certain types of employers (e.g., nonprofit educational institutions).

A Voluntary Compensation Endorsement (if not automatically provided) that allows for coverage of employees or volunteers who would not otherwise be covered for accidental injury (e.g., employees participating in an athletic event or volunteers at the work site). An additional amendment is necessary to extend Voluntary Compensation Coverage to occupational disease.

Workers' compensation loss income benefit payments, when supplemented by other programs (such as salary continuation, short-term disability) are to be administered so that total benefit payments from all sources shall not exceed 100 percent of the employee's net pay. This provision will be phased in within the first two years of the contract. This two year requirement will not apply to union employees until negotiated into collective bargaining agreements.

Workers' compensation settlement claims up to \$100,000 may be settled without DOE Contracting Officer approval. Claims settlement proposals above that amount need be submitted to the Contracting Officer for approval.

D. Dependent Care Facilities

The Laboratory agrees that its dependent care benefit programs will meet both DOE and ANL employee needs and their respective management objectives based on valid dependent care needs and that the dependent care facility will not be located at a DOE nuclear weapons complex or other hazardous materials site.

In addition, the Laboratory agrees that support costs for labor, materials, and supplies expended for the operation of a dependent care facility shall not be allowable under any circumstances unless the facility is for the exclusive use of DOE and Laboratory employees and except for any expense items such as utilities, maintenance, food, medical services, or supplies already used in support of site operations and readily available. Such uses shall be approved by the Contracting Officer in advance.

Options for employees to finance support costs through Contractor employee welfare benefits programs such as flexible spending accounts are subject to the requirements of this chapter as it relates to welfare benefits.

For costs to be considered allowable, capital costs must be budgeted and accounted for in accordance with DOE requirements related to capital projects. Capital construction of a facility must be validated and approved by the Contracting Officer.

Any agreement between the Laboratory and a dependent care (program) provider must ensure that the Contractor and DOE are held harmless from liability. Property damage liability and bodily injury liability insurance policies must be retained by the dependent care (program) provider organization in an amount appropriate for services provided. The Laboratory and DOE must also be insured under these policies.

The Laboratory and dependent care (program) provider organizations must ensure that the provider organizations operate, maintain, and upgrade any proposed workplace dependent care facility in compliance with Federal, State, and local policies, regulations, and requirements for environment, safety and health.

E. Reduction In Unfunded Liability

The Contractor will identify, develop, and implement a program which will contain or reduce DOE's future unfunded liability for retiree health insurance.

Over the life of this contract, the Contractor will make no changes in retiree benefits which would reasonably be expected to increase the unfunded liability pursuant to Financial Accounting Standard Number 106 without the approval of the Contracting Officer.

F. Reports

The Contractor shall meet the reporting requirement for submission of the Report of Contractor Expenditures for Employee Supplementary Compensation.

VII. DOE CONTRACTOR PENSION PLANS

A. Basic Requirements

Each pension plan covering Laboratory employees shall be a separate pension plan.

B. DOE Approval Requirements

DOE approval is required if the Laboratory proposes to change pension eligibility requirements or to institute a defined benefit retirement plan to replace, or act as a supplement to, the ANL defined contribution retirement plan.

For DOE funded commingled pension plans, the Laboratory shall maintain and provide separate annual accounting of DOE liabilities and assets as for a separate plan and the Laboratory agrees that it shall be liable for any shortfalls in plan assets caused by funding or events unrelated to DOE contracts.

When DOE approval is required, plan changes will be evaluated by DOE, based on the merits of each benefit or proposed change, including the following:

Total compensation.

Pension benefit surveys published by the Bureau of Labor Statistics.

Retirement studies published by consulting firms, educational institutions, or policy groups.

Software models developed by qualified actuaries.

C. Termination Of Operations

Should operations at the Laboratory be terminated, DOE and the Contractor shall establish an effective date for spin off or plan termination and no further work will occur under the prime contract. The Contractor agrees that no further contributions shall be made after this established date.

D. Spin-Off Plan

The Contractor agrees that it will work with DOE and a new Contractor to establish an effective date of spin-off.

E. Terminating Plans

The Contractor agrees that it shall not terminate any pension plan (commingled or site-specific) without notifying the Department at least 60 days prior to the scheduled date of plan termination.

F. Annual Reports

The Laboratory shall submit the following reports annually:

Forms 5500.

Copies of IRS Forms 5500 with Schedules for each DOE-funded pension plan.

Forms 5300.

Copies of all forms in the 5300 series submitted to the IRS that document the establishment, amendment, termination, spin-off, or merger of a plan.

VIII. RISK MANAGEMENT AND LIABILITY PROGRAMS

A. Requirements

For the management and operation of Laboratory, the Contractor shall:

Maintain commercial insurance or self-insurance programs required by law, regulation, and the requirements of the contract.

Not purchase insurance to cover public liability for nuclear incidents without DOE authorization.

Demonstrate that insurance program costs comply with cost limitations and exclusions at FAR 31.205.19, Insurance and Indemnification and will ensure that the liability insurance program is being conducted in the government's best interest and at reasonable cost.

Provide current copies of all insurance policies or insurance arrangements, throughout the contract term, to the Contracting Officer. Ensure that self-insurance programs and reports include the following elements:

Criteria required to justify self-insurance costs.

Demonstration of full compliance with applicable State and Federal regulations and related professional administration necessary for participation in alternative insurance programs.

Safeguards to ensure that third Party claims and claim settlements are processed in accordance with approved procedures.

B. Terminating Operations

The Contractor agrees that if operations terminate, responsible officials shall ensure:

That the government's interests are protected through proper recording of cancellation credits due to policy terminations and/or experience rating.

Continuing policy administration requirements are identified and provided by the terminated Contractor, another DOE Contractor, or a DOE Operations/Field Office.

DOE and any self-insured Contractor reach agreement on handling and settlement of claims incurred but not reported at time of contract termination; otherwise, the Contractor shall retain this liability.

Insurance policies are transferred to DOE through an "assignment" of policies after all claims are closed.

C. Successor Contractor Or Insurance Policy Cancellation

The Contractor agrees that unless otherwise determined by DOE to be in the government's best interests, the Laboratory shall ensure:

That insurance policies of a former DOE Contractor are assumed by the successor.

That the Laboratory will protect the government's interests, through proper recording of all cancellation credits, due to policy termination's and/or experience rating.

That the Laboratory will assist in ensuring that a successor Contractor assume any continued claims administration relating to the former DOE Contractor operation.

That all incurred but not reported claims, at the time of termination, will be reported to and handled by the appropriate insurer.

That the Laboratory will assist in ensuring that any successor Contractors obtain the written approval from the Contracting Officer before any change in program direction; and insurance coverage replacement is implemented.

D. Reports

The Laboratory shall each year of the contract provide the Contracting Officer with annual experience reports for each type of liability (i.e., automobile and commercial general liability) listing the following for each category.

- o The amount paid for each claim.
- o The amount reserved for each claim.
- o The direct expenses related to each claim.
- o A summary for the year showing total number of claims.
- o A total amount for claims paid.
- o A total amount reserved for claims.
- o The total amount of direct expenses.

When applicable, separately identify total policy expenses (e.g., commissions, premiums, and costs for claims servicing) and major claims during the year including those expected to become major claims (e.g., those valued at \$100,000 or greater).

Additional claim and financial experience data may be requested from the policyholder on a case by case.

IX. CONTRACTOR WORKPLACE SUBSTANCE ABUSE PROGRAMS

A. Requirements

The Contractor shall maintain a program that complies with the requirements of 10 CFR Part 707, Workplace Substance Abuse Programs at DOE Sites. Positions that fall within the scope of other agency requirements shall, in addition, comply with the substance abuse program requirements of those agencies. These include the Department of Transportation (DOT), the Nuclear Regulatory Commission (NRC), and the Department of Defense (DOD).

B. Reports

The Contractor shall submit reports and maintain records as follows:

Submit to the Contracting Officer reports consistent with 10 CFR Part 707 on program results and separate reports on each of the lower tier subcontractors, including testing results where there are testing designated positions and for positions subject to requirements of other Federal agencies.

Maintain records in such a manner that permits preparation of a semi-annual report, covering the periods January 1 to June 30, and July 1 to December 31, to be provided within 30 days of the close of each period. These reports should include:

Identification of any testing designated positions and indication or estimation of the number and type for each of the following categories: Personnel Assurance Program, Personnel Security Assurance Program, National Security, Safety and Health and other critical/sensitive positions, and visitors with unescorted access to reactor control areas.

The total number of tests administered for illegal drugs.

The number of tests administered in each testing category (i.e., random, occurrence, reasonable suspicion, return-to-duty, follow-up). Include and identify tests administered under authority of another Federal agency or independent Contractor authority which are used to satisfy DOE requirements.

The number of additional tests administered (e.g., applicants).

The number of tests administered to comply with requirements of other Federal agencies.

The number of individuals who receive a Medical Review Officer-determined positive test by testing and/or drug category.

September 30, 1999
Modification No. M3/5
Contract No. W-31-09-ENG-38
October 1, 1999 – September 30, 2000

The action taken with regard to each individual who received a Medical Review Officer-determined positive test (e.g., referral to employee assistance services, termination, removal from a testing designated position.

Education and training required in 10 CFR 707 for supervisor/managers and employees

Submit for Contracting Officer review and approval in advance the annual costs associated with the Workplace Substance Abuse Program.

X. EMPLOYEE PROGRAMS

A. Employee Assistance Program

The Contractor shall (1) maintain a program of preventive services, education, short-term counseling, coordination with and referrals to outside agencies, and follow-up upon return to work that conforms to the requirements of 10 CFR 707.6, Employee Assistance, Education, and Training; (2) Submit for approval by the Contracting Officer any changes to the employee assistance program implementation plan; (3) Prepare and submit information to DOE concerning Employee Assistance Program services as requested by the Contracting Officer. Such reports shall not include individual identifiers.

B. Wellness Program

Reasonable costs of a Wellness Program to promote employee health and fitness are allowable and may consist of activities such as stress management, smoking cessation, exercise, nutrition, and weight loss.

C. Special Arrangements - Affirmative Action Program

In furtherance of Federal policy to increase opportunities for employment of minority groups, women, handicapped persons, and Vietnam Era Veterans, the Contractor may make special arrangements to facilitate such employment by the Laboratory. The Contractor shall be reimbursed for bus transportation costs incurred in the furtherance of this program. The Contractor may provide financial support to assure bus transportation by private operators is available to transport employees. The employee will pay a reasonable fare for such transportation, but the Contractor may subsidize to the extent necessary to assure continued operation of new bus routes for a period not to exceed six (6) months.

D. Employee Recreation

The costs of recreation, registration fees of employees participating in competitive fitness programs, team activities, and sporting events, except for the costs of employees' participation in company sponsored intramural sports teams or employee organizations designed to improve company loyalty, team work, or physical fitness, are unallowable.

E. Employee Communications

The costs incurred in the publication, printing and distribution of a house organ, handbooks and other employee communication media designed to effectuate better employee relations and understanding of Appendix A and current employment regulations shall be reimbursed and performed in a cost effective manner.

F. Awards And Service Dinner

The Contractor may expend from the Laboratory's operating budget, an amount not to exceed \$30.00 for each regular full-time employee on the payroll September 30 of each year without Contracting Officer approval. The types of awards may include, for example, Length of Service/Retirement Recognition; Safety Awards; Suggestion Program, Special Employee recognition, and other non-performance based awards.

A service award luncheon may be given for those employees who have attained twenty (20) years of service and a combined service award dinner may be given for those employees who have attained twenty-five (25) or more years of service, recognized at five (5) year intervals. The awardee's Division Director/Department Heads and other appropriate management personnel are authorized to attend the luncheon and dinner. Spouses of the awardees may be included for the service award dinner.

G. Patent Awards

An award of \$100 may be made to any Contractor employee, assigned employee, loaned employee, or other affiliate of the Contractor whose development of an invention resulting from the employee's work for the Contractor under the Prime Contract is processed for a United States patent application, up to a maximum of \$300 in awards on any one application.

An award of \$100 may be paid to each such inventor upon the issuance of a United States patent, up to a maximum of \$300 in awards on any one patent.

The Contractor may provide each such inventor with a plaque signifying the issuance of a United States patent.

The Contractor may provide an annual dinner honoring inventors who have been issued United States patents within the preceding year. Spouses of the inventors, appropriate Contractor management officials, and representatives of industry shall also be authorized to attend that dinner.

H. Cost Of Health Services

The Contractor shall be reimbursed for the costs of operating the Health Division for Laboratory employees and directly reimbursed for the cost of health services for DOE site employees, including but not limited to the following: Pre-employment physicals and other medical examinations required to meet Laboratory employment requirements, operation of a health unit which provides medical care for occupational injuries and to provide minor relief for minor physical complaints of employees while at the Laboratory and health examinations provided as a health service for employees.

i. Paycheck Advances

The Laboratory may advance wages to selected employees where necessary to enable them to meet initial needs of employment such as transportation, lodging, and other essential expenses (food, utilities, etc.).

XI. PROGRAMS INVOLVING EMPLOYEE ABSENCE FROM THE WORK PLACE

A. Paid Leave

The Laboratory will provide a reasonable and cost effective paid leave program. Paid leave includes vacation, holiday, sick, jury, bereavement, military, voting and personal leave according to approved Laboratory schedules. Only leave accruals included in the annual benefit value study shall be allowable.

B. Unpaid Leaves Of Absence

The Laboratory will not count periods of approved leave without pay as Contractor service except as approved by the Contracting Officer. The effect of leave without pay on retirement and group insurance plans is governed by the group insurance and retirement plan policies in effect at the time the leave begins in accordance with applicable law and Contractor policy.

C. Temporary Assignments

Assignments Of Laboratory Employees To Other Institutions For Teaching And Research - The Contractor shall be reimbursed for expenditures consistent with Laboratory policy arising out of an employee assignment to another institution for teaching and/or research if the assignment is approved by the other institution and does not exceed one year. Contracting Officer approval is required for deviations from these limitations

Assignments In Accord With A Fellowship Award - The Contractor shall be reimbursed for expenditures consistent with Laboratory policy arising out of an employee assignment to another institution under a fellowship or similar honorary award made by an educational foundation, a similar organization, or the Government. Such assignments must be approved by the Laboratory Director and approved by the Contracting Officer and will be for a period of one year or less. Employees who receive such assignments will be required to return to their employment at the Laboratory upon completion of such an assignment. Contracting Officer approval is required for deviations from these limitations.

Assignments Under An Exchange Program - The Contractor shall be reimbursed for expenditures consistent with Laboratory policy arising out of an employee assignment to another institution under an exchange program as mutually agreed with other institutions. Such assignments will normally be for a period of one year or less and must be approved by the Laboratory Director and coordinated with the Contracting Officer. Contracting Officer approval is required for deviations from these limitations.

Assignment of Laboratory Employees to DOE and other Federal and Non-Federal Entities – Other than listed above, assignments shall be made in accordance with DOE policy.

XII. EMPLOYEE TRAINING, EDUCATION, AND DEVELOPMENT

A. Training And Development

The Laboratory shall establish training, education and development programs which are consistent with Department of Energy requirements and guidance, industry standards, and other Federal, State, and local regulations. These programs shall be implemented in a cost effective, and systematic process which is consistent with the above requirements and with industry practices. These programs shall ensure that employees are well-qualified and competent to manage facilities and meet mission requirements through administrative, professional and technical excellence.

The Laboratory may permit selected employees to attend training classes while receiving full pay in order to enable them to acquire the needed skills to qualify them for more responsible jobs and maintain competence in their fields.

The Laboratory will encourage employees to continue their intellectual or professional development, and as the occasion arises, to revitalize or reorient their activities and will provide the Contracting Officer with information regarding the various training programs and the associated cost as requested.

The cost of lunch while participating in training programs is a reimbursable expense if the training is for at least six (6) hours in a single day and the participants are required to stay in the training facility over the normal lunch period. Refreshments (non-alcoholic beverages and/or snacks) may be served at breaks during training sessions which last at least three (3) hours.

B. Educational Assistance

In furtherance of the objective of maintaining a personnel training program which will improve the efficiency and productivity of Laboratory operations, develop better employees, increase needed skills, or prepare employees for increased responsibilities, the Laboratory may approve and support educational courses taken by employees which in the Laboratory's judgment serve to fulfill this objective.

An employee or a third Party on behalf of an employee may be paid for tuition, required textbooks and fees for courses approved in advance by the Laboratory. Such reimbursement is subject to the following limitations:

Employees must be regular full or part-time employees. Normally, courses will be taken on the employee's own time; however, working hours and pay may be adjusted to permit the employee to attend required courses not available outside of working hours. Courses must be directly related to the employee's current position, prepare the employee for increased responsibility, or otherwise assist in meeting future staffing

needs of the Laboratory. Schools must be accredited in the Directory of Accredited Institutions.

Completed courses require a grade of "C" or better for reimbursement. Employees who resign before completing a course are not eligible for reimbursement, or must reimburse the Contractor for payments already made by the Laboratory.

C. Personnel Training Programs

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

The Division of Educational Programs (DEP) is responsible for conducting the International Atomic Energy Agency (IAEA) Training Courses on Nuclear Power Planning and Implementation and other IAEA-sponsored manpower development courses.

The Division of Educational Programs and the Diversity Action Program Office are responsible for establishing and implementing pre-college programs to encourage students to select careers in science and mathematics and to enhance the instructional capabilities of the affected teachers. These programs are designed to meet the future Department of Energy requirements to develop human resources for its energy research and development programs.

The Division of Educational Programs is responsible for both domestic and international training activities. On behalf of the U.S. Department of State and other non-DOE Federal Agencies, the Division conducts training courses for persons from developing countries. For such courses, the expenses of a welcoming ceremony and of appropriate lunch and dinners for the participants, contributors to the courses as well as non-alcoholic break refreshments and completion ceremony dinners are reimbursable.

The domestic programs sponsored by DOE and non-DOE Federal, State and Local Agencies include students and teachers involved in both long and short term training and science education activities. Seminar series break refreshments for students and scientists at seminars jointly sponsored by DEP and the research divisions are allowable. In addition, the cost of meals and/or break refreshments involving orientation, awards presentations, science education meetings and closing ceremonies are reimbursable for students, teachers, parents and program contributors.

D. Payments to Instructors

The Laboratory may pay appropriate fees to instructors (including Laboratory employees) who conduct after-hours classes for Laboratory employees.

E. Advanced Degree Program

The Contractor may grant academic leave with pay to employees for the purpose of continuing or completing a graduate-level degree related to their work. Such leave will be limited to a total of nine months. This program shall be limited to a lifetime limit of 12 months without the approval of the Contracting Officer.

Eligible employees must have been continuously employed by the Contractor in a regular full time status for three or more years before applying for academic leave.

An employee to whom academic leave is granted is required to furnish a written statement that the employee will return to employment at the Laboratory upon completion of such leave and remain in employment for a minimum of one year. If the employee does not return to the Laboratory, all education costs paid to or for the employee for that academic leave shall be reimbursed to the Laboratory by the employee. Should such employee be transferred to another DOE facility other than the Laboratory within a period equal to the length of the academic leave, the action will be reviewed with the Contracting Officer to determine appropriate action.

Any travel involved will be at the employee's expense.

Status of Employment – Employees on leave under this Article will continue to be Laboratory employees and shall be covered by all applicable provisions of this Appendix.

XIII. EMPLOYMENT AND RECRUITING EXPENSE

A. Employment And Recruiting Expense

Employment Agency fees - The Laboratory may reimburse for the actual cost of employment agency fees charged to the Laboratory in connection with securing personnel for employment at the Laboratory.

Recruiting Expenses - The Laboratory may reimburse consistent with other provisions of this contract, employees traveling for recruiting purposes the actual cost incurred for the following expenses: transportation, lodging, meals and reasonable refreshments purchased for prospective employees and when approved for spouses or representatives of academic institutions, professional societies and other scientific organizations and incidental expenses incurred in recruiting.

Help-wanted Advertising - The Contractor shall be reimbursed for the cost of help-wanted and other recruitment advertising. This activity shall be performed in a cost-effective manner.

B. Temporary Employment Appointments

The University shall be reimbursed for expenditures arising out of temporary appointments (less than 12 months) to the Laboratory in accordance with the following provisions:

A. Temporary Employment Appointments

Personnel of research and education institutions and other persons participating in programs consistent with or contributing to Laboratory programs may be appointed as temporary (less than 12 months) employees of the Laboratory. These appointees may be hired either by the Division of Education Programs or by Human Resources.

The salary of a temporary employee shall be determined in accordance with Laboratory salary policy.

Temporary employees with term appointments greater than 6 months may be allowed to participate in Laboratory insurance and benefit programs to the extent deemed advisable by the Contractor, up to the level of benefits for corresponding regular employees. Contracting Officer approval is required to extend insurance and benefits to temporary employees with term appointments less than 6 months.

Travel, relocation and living expenses incurred by temporary employees as described below and on the attached DEP schedule may be paid, provided the appointee's residence is more than 50 miles away from the Laboratory. The benefits allowed are based upon the type and length of appointment, but will not exceed those outlined for HR (below) and DEP (on attached schedule).

HR APPOINTMENTS

- (1) En route and return travel paid in the same manner as paid to new permanent employees to the Laboratory.
- (2) Actual after arrival lodging and M&IE on a daily basis, the applicable maximum per diem rates in effect for Federal civilian employees at the time of travel not to exceed 14 days. Up to 30 days may be granted on an exception basis as approved by the ANL Director-Human Resources.
- (3) Transportation and storage of employees' goods as follows:

Appointments \leq 6 months

Appointees are only allowed to bring personal effects with them when they transport themselves to the Laboratory. Transportation/storage of goods is not allowed.

Appointments $>$ 6 months $<$ One Year

Transportation of 10% of the poundage indicated in FTR 302-8.2 (currently 18,000 pounds maximum, or 1,800 pounds). Storage of goods for up to 30 days. Up to an additional 30 days may be allowed (total of 60 days with contracting officer approval).

- (4) After the period indicated in #2 above, Visiting Scientist appointments may also be allowed a living allowance of up to \$600 per month for the duration of their assignment to cover the expense of maintaining two residences (if applicable). Only Visiting Scientists who have their salaries based upon their academic salary qualify for this benefit.

DEP APPOINTMENTS

DEP appointments will be paid in accordance with the attached schedule of travel/relocation benefits. (See Attachment 1)

****DEP/ Appointments**
Schedule of Tuition/Relocation Benefits**

Attachment 1

Appointment Title	Benefits Received							
	EnRoute/ Return Travel	Lodging	M&IE	Ship Car	Ship Household	Storage	Stipend	Payroll
Cooperative Education (Co-Ops)	Yes							Yes
Faculty Research (FRP)	Yes	Yes 1	Yes 1					Yes
Faculty Research Leave Appointment (FRLA)								
*** May Receive Site Transfer Benefits, as Negotiated With Appointee's Home Institution***								
Guest Student (No Travel/Relocation Benefits)								
Laboratory-Graduate Appointment (Lab Grads) 4	Yes							Yes
Pre-College Programs High School Students Junior/High School Science & Math Teachers	Yes							Yes
Research Aide	Yes							Yes
Student Research Participation (SRP) Yes	Yes	Yes 2						Yes
Thesis Parts Appointment	Yes	Yes 1	Yes 1					Yes
Attendees at Workshops, Institutes, & Conferences for Students & Faculty	Yes							≤\$200/week
Other DEP Type Appointments International Exchange Students		14 days 3	14 days 3					

- 1 Appointee is paid M&IE plus portion of actual lodging up to daily aggregate M&IE/lodging rate agreed upon with individual. The lodging portion will not exceed the ANL lodging rate for that location. Paid for the duration of the assignment.
- 2 Lodging paid as part of Payroll. Paid for the duration of the assignment.
- 3 In addition to 14 days full lodging and M&IE after arrival, may be paid for 50% of the daily lodging for the remainder of the students stay. Periods of stay ranged from approximately 3-7 months.
- 4 Tuition/fees for these appointees paid directly to the educational institution. Current maximum is \$5,000 per fiscal year. The cap amount paid is reviewed

C. Special Professional Services

The Laboratory may pay fees to persons who deliver lectures, conduct courses or symposia, or perform similar professional services to the Laboratory. The fee per day of service shall not exceed \$1,000 and the total honoraria given an individual may not exceed \$5,000 in a calendar year. Fees shall be based upon the individual's professional standing, the value of the service, the degree of inconvenience to the individual, amount of time devoted to the service, and other relevant factors. In the case of persons from nearby institutions or organizations, the fee may include an amount in lieu of reasonable expenses. Travel expenses which are reimbursable under the provisions of this Appendix may be paid in addition to the fee.

XIV. RELOCATION AND TRAVEL

The Contractor shall operate, and establish policies and procedures in accordance with applicable Department of Energy Acquisition Regulations (DEAR) in the areas of 970.3102-16, Relocation Cost, and 970.3102-17, Travel Cost, and shall be governed by and reimbursed for such relocation and travel expenses for Laboratory personnel and personnel other than Laboratory employees traveling at the request of the Laboratory in connection with an activity within the scope of this Contract.

XV. COMMUNITY PROGRAMS

Subject to prior approval of the Contracting Officer, the costs of participating in community service activities may be allowable to the extent participation does not adversely impact contract performance.

XVI. SECURITY SUSPENSIONS

If the access authorization of an employee is suspended by direction of the Operations Office Manager, the Contractor shall transfer the employee to work not requiring access if such work is available. If a determination is made by the Contractor that no work is available in an uncleared area to which the employee may be transferred, the Contractor shall prepare a written report for the review and concurrence of the Contracting Officer setting forth the reasons for the determination. Subject to the Contracting Officer's concurrence with such determination and a determination that the employee's absence with pay is in the best interests of the Government, the Contractor shall place the employee on leave with pay at his/her base compensation until final disposition of the case under the Department of Energy procedures, 10 CFR Part 710.

In the event the employee whose access authorization has been suspended is transferred to another position where such access authorization is not required, compensation shall, thereafter, be the base wage or salary received by the employee in the position from which transferred, and such compensation shall continue until final disposition of the case under the Department of Energy procedures, 10 CFR Part 710.

EXHIBIT I. - GRADES AND RATE RANGES

Schedule A - Position Grades and Salary Ranges for all Non-union, Non-exempt Positions.

Schedule B - Pay Schedule for Temporary Student Appointments.

Schedule C - Pay Schedule for Temporary Classifications.



Position Grades and Salary Ranges for Non-Union Positions
Effective March 1, 1999
(In effect until superseded)

Classification	Grade	Hourly \$			Monthly \$			Annual \$		
		Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum
Executives	808	107.66	134.58	161.49	18,661	23,327	27,992	223,934	279,918	335,901
	806	84.32	105.40	126.48	14,615	18,269	21,922	175,379	219,224	263,069
	805	75.31	94.13	112.96	13,053	16,317	19,580	156,640	195,800	234,959
	804	67.24	84.05	100.86	11,655	14,568	17,482	139,856	174,820	209,784
	803	61.13	76.42	91.70	10,596	13,245	15,894	127,156	158,945	190,733
	802	55.60	69.49	83.39	9,637	12,046	14,455	115,639	144,549	173,458
	801	50.54	63.17	75.80	8,760	10,950	13,139	105,115	131,394	157,673
	800	47.64	59.55	71.46	8,257	10,322	12,386	99,086	123,858	148,629
Scientific and Engineering	710	44.72	61.49	84.53	7,752	10,659	14,651	93,024	127,908	175,815
	709	39.83	54.77	75.28	6,904	9,493	13,049	82,849	113,917	156,585
	708	34.95	48.06	62.22	6,059	8,330	10,784	72,702	99,965	129,409
	707	30.86	42.43	54.92	5,348	7,354	9,520	64,179	88,246	114,239
	706	27.15	37.33	47.51	4,705	6,470	8,234	56,464	77,638	98,812
	705	23.54	32.37	41.20	4,081	5,611	7,141	48,967	67,330	85,692
	704	20.00	27.50	35.00	3,466	4,766	6,066	41,597	57,196	72,795
	703	17.28	23.75	30.23	2,994	4,117	5,240	35,933	49,408	62,883
	702	15.14	20.82	26.50	2,625	3,609	4,593	31,496	43,308	55,119
	610	49.62	62.02	74.43	8,600	10,751	12,901	103,205	129,006	154,807
Exempt ANL-East and ANL-West	609	43.08	53.86	64.63	7,468	9,335	11,202	89,616	112,020	134,425
	608	37.32	46.64	55.97	6,468	8,085	9,702	77,616	97,020	116,423
	607	32.25	40.31	48.37	5,589	6,987	8,384	67,073	83,841	100,609
	606	28.20	35.25	42.30	4,888	6,110	7,332	58,656	73,320	87,984
	605	24.75	30.94	37.12	4,290	5,362	6,435	51,478	64,347	77,216
	604	21.99	27.49	32.98	3,811	4,764	5,717	45,737	57,171	68,605
	603	19.39	24.23	29.08	3,360	4,201	5,041	40,325	50,407	60,488
	602	17.07	21.34	25.60	2,959	3,698	4,438	35,503	44,379	53,255
	601	15.13	18.91	22.69	2,622	3,277	3,932	31,460	39,324	47,189
	503	23.40	29.25	35.10	4,056	5,070	6,084	48,669	60,836	73,003
Supervisors at ANL-East	502	19.98	24.98	29.97	3,463	4,329	5,195	41,559	51,949	62,339
	501	17.64	22.05	26.46	3,057	3,822	4,586	36,687	45,859	55,031
	500	13.48	16.85	20.22	2,337	2,921	3,505	28,039	35,049	42,059



Position Grades and Salary Ranges for Non-Union Positions
Effective March 1, 1999
(In effect until superseded)

Classification	Grade	Hourly \$			Monthly \$			Annual \$		
		Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum
Journeyman Carpenters Technical ANL-West	404	18.28	22.85	27.41	3,168	3,960	4,752	38,014	47,518	57,022
	310	31.29	39.12	46.94	5,424	6,781	8,137	65,093	81,366	97,639
	309	27.85	34.81	41.77	4,827	6,034	7,241	57,924	72,405	86,886
	308	25.37	31.71	38.05	4,397	5,496	6,595	52,762	65,953	79,144
	307	23.21	29.02	34.82	4,024	5,030	6,035	48,283	60,354	72,425
	306	21.28	26.59	31.91	3,688	4,610	5,532	44,254	55,317	66,381
	305	19.78	24.73	29.68	3,429	4,287	5,144	41,151	51,439	61,727
	304	18.52	23.14	27.77	3,209	4,012	4,814	38,512	48,140	57,768
	303	17.44	21.79	26.15	3,022	3,778	4,533	36,267	45,333	54,400
	302	15.88	19.84	23.81	2,752	3,440	4,128	33,022	41,277	49,533
Non-Exempt ANL-West	201	13.88	17.36	20.83	2,407	3,008	3,610	28,880	36,100	43,321
	210	17.09	21.36	25.63	2,962	3,703	4,443	35,547	44,433	53,320
	209	15.02	18.78	22.53	2,604	3,255	3,906	31,244	39,056	46,867
	208	13.33	16.67	20.00	2,311	2,889	3,466	27,731	34,664	41,596
	207	11.90	14.87	17.85	2,062	2,578	3,094	24,749	30,936	37,123
	206	10.57	13.21	15.86	1,832	2,291	2,749	21,989	27,487	32,984
	205	9.35	11.69	14.03	1,621	2,026	2,432	19,453	24,316	29,179
	204	8.27	10.34	12.41	1,434	1,792	2,151	17,208	21,509	25,811
	203	7.31	9.14	10.96	1,267	1,584	1,900	15,203	19,004	22,804
	110	17.86	22.33	26.80	3,096	3,871	4,645	37,157	46,447	55,736
Non-Exempt ANL-East	109	16.11	20.14	24.16	2,792	3,490	4,188	33,507	41,884	50,261
	108	14.50	18.13	21.75	2,514	3,142	3,771	30,165	37,706	45,247
	107	13.04	16.30	19.57	2,261	2,826	3,391	27,131	33,914	40,697
	106	11.82	14.77	17.72	2,048	2,560	3,072	24,577	30,722	36,866
	105	10.76	13.45	16.14	1,865	2,332	2,798	22,384	27,980	33,576
	104	9.77	12.22	14.66	1,694	2,117	2,541	20,327	25,409	30,491
	103	8.98	11.23	13.47	1,557	1,946	2,335	18,682	23,352	28,023
	102	8.36	10.44	12.53	1,448	1,810	2,172	17,379	21,724	26,068
	101	7.80	9.75	11.71	1,353	1,691	2,029	16,231	20,289	24,347



Argonne National Laboratory

Schedule A

Position Grades and Salary Ranges for AW - Qualification Based Positions
 Effective March 1, 1999
 (In effect until superseded)

08/25/1998

Grade	Classification	STEP 1		STEP 2		STEP 3		STEP 4		STEP 5		Maximum	
		Annual	Hourly										
300HP	Health Physics Technician I, II, III, IV, Senior	\$35,880	\$17.25	\$37,440	\$18.00	\$39,520	\$19.00	\$41,600	\$20.00	\$44,096	\$21.20	\$53,830	\$25.81
300CT	Computer Technician I, II, III, IV, Senior	\$32,822	\$15.78	\$34,923	\$16.79	\$37,149	\$17.86	\$39,520	\$19.00	\$42,037	\$20.21	\$49,234	\$23.6
300NO	Nuclear Facility Operator I, II, III, IV, Senior	\$37,440	\$18.00	\$39,520	\$19.00	\$41,600	\$20.00	\$43,680	\$21.00	\$46,280	\$22.25	\$56,160	\$27.0
300MM	Mechanical Maintenance Technician I, II, III, IV, Sr.	\$37,440	\$18.00	\$39,520	\$19.00	\$41,600	\$20.00	\$43,680	\$21.00	\$46,280	\$22.25	\$56,160	\$27.0
300IC	Instrumentation & Control Technician I, II, III, IV, Sr.	\$37,440	\$18.00	\$39,520	\$19.00	\$41,600	\$20.00	\$43,680	\$21.00	\$46,280	\$22.25	\$56,160	\$27.0

Temporary Student Appointments Pay Ranges
Effective October 1, 1999
 (In effect until superseded)

CO-OP EMPLOYEE AND RESEARCH AIDE*		PAY RANGES		
Discipline	Academic Standing	Hourly \$	Monthly \$	Annual \$
Non-Technical (Business, Humanities, etc.)	Freshman	9.10 - 10.00	1,577 - 1,733	18,928 - 20,800
	Sophomore	9.80 - 10.80	1,699 - 1,872	20,384 - 22,464
	Junior	10.90 - 11.95	1,889 - 2,071	22,672 - 24,856
	Senior	11.70 - 12.90	2,028 - 2,236	24,336 - 26,832
	Masters	12.40 - 13.70	2,149 - 2,375	25,792 - 28,496
	Doctorate	13.10 - 14.40	2,271 - 2,496	27,248 - 29,952
Technical (Biology, Computer Science, Engineering, Mathematics, Physics)	Freshman	10.30 - 11.30	1,785 - 1,959	21,424 - 23,504
	Sophomore	11.00 - 12.30	1,907 - 2,132	22,880 - 25,584
	Junior	11.30 - 13.00	1,959 - 2,253	23,504 - 27,040
	Senior	12.60 - 14.50	2,184 - 2,513	26,208 - 30,160
	Masters	13.40 - 15.40	2,323 - 2,669	27,872 - 32,032
	Doctorate	14.20 - 16.30	2,461 - 2,825	29,536 - 33,904

*Pay rates for CO-OP employees will be based on their current academic year status.

**Pay rates for Research Aides hired during the summer will be based on the academic year completed.

Individual salaries paid may exceed the above guidelines by 20% in situations of extreme market competitiveness & conditions.

CO-OP EMPLOYEE AND RESEARCH AIDE*		PAY RANGES		
Discipline	Academic Standing	Hourly \$	Monthly \$	Annual \$
GEM STUDENT	Senior	13.90 - 15.30	2,409 - 2,652	28,912 - 31,824
	Masters	14.49 - 18.11	2,512 - 3,139	30,139 - 37,669
	Doctorate	15.60 - 19.50	2,704 - 3,380	32,448 - 40,560
HIGH SCHOOL STUDENT AIDE AND TRAINEE**		PAY RATE		
		Hourly \$	Monthly \$	Annual \$
		7.41	1,284	15,413

**Effective June 15, 2000, hourly pay rate for high school student aides and trainees increases to \$7.67.



Postdoctoral and Predoctoral Appointees Salary Guidelines

Effective March 1, 1999

(In effect until superseded)

Classification	Years Since Ph.D.	SALARY GUIDELINES		
		Hourly \$	Monthly \$	Annual \$
Postdoctoral Appointee	0 - 1	17.66 - 24.32	3,061 - 4,216	36,729 - 50,591
	1 - 2	18.72 - 26.75	3,244 - 4,638	38,933 - 55,650
	2 - 3	19.84 - 29.43	3,439 - 5,101	41,269 - 61,215

Classification	Years Since M.S.	SALARY GUIDELINES		
		Hourly \$	Monthly \$	Annual \$
Predoctoral Appointee	0 - 1	15.00 - 20.66	2,600 - 3,581	31,200 - 42,972
	1 - 2	15.89 - 22.73	2,755 - 3,939	33,060 - 47,268
	2 - 3	16.85 - 25.00	2,921 - 4,333	35,052 - 51,996

Note: Individual salaries paid may exceed the above guidelines by 20% in situations of extreme market competitiveness and conditions.

EXHIBIT II. - COLLECTIVE BARGAINING AGREEMENTS

1. Local 73, Building Service Employee's International Union (6/12/99 – 6/15/01)
2. Argonne Lodge No. 742, International Association of Machinists and Aerospace Workers' (AFL-CIO) (11/1/97 – 11/2/01)
3. Local 6-455, Paper, Allied – Industrial, Chemical and Energy Workers' International Union (AFL-CIO) (1/29/99 – 1/25/01)
4. Local 727, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (3/7/98 – 3/8/02)
5. Local 134, International Brotherhood of Electrical Workers' (7/10/96 – 7/14/00)
6. Local 501, United Association of Journeymen and Apprentices of Plumbing and Pipefitting of the United States and Canada (7/11/98 – 7/14/00)
7. District Council No. 30, International Brotherhood of Painters and Allied Trades (7/11/98 – 7/9/00)
8. Local 2-652, Paper, Allied – Industrial, Chemical and Energy Workers' International Union (AFL-CIO) (6/1/98 – 5/31/02)
9. E-TOP Lodge No. 2421, International Association of Machinists and Aerospace Workers' (AFL-CIO) (8/17/98 – 9/8/00)
10. E-TOP Lodge No. 2458, International Association of Machinists and Aerospace Workers' (AFL-CIO) (6/1/98 – 6/9/00)

EXHIBIT III – SEVERANCE PAY PLAN DESCRIPTIONS

ANL Severance Pay Plan for Exempt Employees

Employer Identification Number: 362177139

Plan Number 521

ANL Severance Pay Plan for Non-Exempt Employees

Employer Identification Number 362177139

Plan Number 522

Plans identified are those which are in effect as of September 30, 1999. DOE will be notified of any changes subsequent to September 30, 1999.

EXHIBIT IV - PAID LEAVE ELIGIBILITY POLICIES

<u>Policy</u>	<u>Policy Number</u>
Administrative Leave	4150
Bereavement Leave	4200
Family Leave	4300
Military Leave	4400
Sick Leave	4650
Holidays	4700
Jury Duty	4750
Vacation	4900

Policies identified are those which are in effect as of September 30, 1999 and described in the Human Resources Policy and Procedures Manual. DOE will be notified of any changes subsequent to September 30, 1999.

Exhibit V

Non-Base Lump Sum Payments
(FY 2000 and FY 2001)

	Science	Critical Operations	General Operations	Total Available Bonus
Outstanding	25	50	25	100%
Excellent	10	30	15	55%
Good	0	0	0	0

- The total non-base lump sum payment will be calculated based on the Contractor's performance in specified performance measures as identified in Appendix B of the Prime Contract.
- In the event the Contractor receives a rating of good or below in any Performance Area (Science, Critical Operations, General Operations), the Contractor shall not be entitled to provide any non-base lump sum payment.
- The Critical Operations rating will be a composite rating of all Critical Operations Performance Areas consistent with Appendix B of the Prime Contract.

EXHIBIT VI - DEFINITIONS

Early Retirement Incentive Program is a program that enables an employee to retire when they fall short of prescribed eligibility requirements (e.g., by adding a particular number of years, such as 3, to an employee's age and/or length of service).

Employee is a person hired by and working for the Laboratory.

Exempt Employee is an executive, administrative, or professional employee who is exempt from the provisions of the Fair Labor Standards Act.

Incentive Compensation is a form of non-discretionary compensation that is designed to reward performance and/or motivate an employee toward achieving a specific goal or goals.

Lump Sum Increase is a non-base pay increase that an employee receives in the form of a cash payment.

Merit Pay is a reward to employees based on their performance that is delivered through a merit increase or lump-sum increase. A merit increase is not based on projected or potential performance. A merit increase is provided through the Merit Increase Fund.

Nonexempt Employee is an employee who is covered under and is subject to the provisions of the Fair Labor Standards Act.

Normal Workweek for most employees is forty (40) hours. However, there are some round-the-clock operations such as security and fire prevention that require longer workweeks.

Pay At Risk is defined as a program in which a portion of the expected base pay of expected merit pay becomes contingent on performance.

Payroll Week of each employee commences at midnight Sunday and consists of the next seven-(7) consecutive twenty-four (24) hour periods thereafter.

Promotional Increase is a salary increase warranted by an assignment to a position where there is a measurable increase in job responsibility from the previous position.

Regular Full-Time Employee is an employee whose employment is of an indefinite duration and who is regularly scheduled to work at least forty (40) hours per week.

Regular Part-Time Employee is an employee whose employment is of an indefinite duration and who is regularly scheduled to work less than forty (40) hours per week.

Retirement Incentive Plan is a plan that encourages retirement eligible employees to voluntarily elect to retire in return for certain enhanced benefits (e.g., receipt of severance pay in accordance with the Laboratory's severance pay plan).

Salary Adjustment is any change in the basic rate of pay other than an increase for merit or promotion.

Service means employment with the Contractor from date of hire. Unpaid leaves of absence usually will not be counted. Prior service will not be credited except as otherwise specified in this Appendix. In the application of the provisions of this Appendix, prior service of an employee with the Metallurgical Laboratory, Clinton National Laboratory, the special construction account of The University of Chicago under Prime Contract No. AT-40-1-GEN-42, or time of employees on assignment from The University of Chicago will be considered as equivalent Argonne National Laboratory service for the purpose of qualifications for reimbursable benefits under this Appendix.

Temporary Employee is an employee within this category whose assignment is temporary and whose stated term of appointment normally does not exceed thirty-six (36) months. Employees within this category function as interim replacements to supplement the work force or to assist in the completion of a specific project. Work schedules may be full-time or part-time in nature. Employment beyond any initially stated period does not in any way imply a change in employment category.

Termination means resignation, discharge, lay-off, retirement, death or removal from payroll because of disability (as distinguished from disability absence where the employee is not removed from the payroll).

Voluntary Separation Programs are in general, under a Laboratory reduction-in-force initiative, programs that are:

- a. Open to all employees, either Lab-wide or, perhaps, restricted to a particular organization, e.g., a particular division, project, or program, or a skill mix, who volunteer to be terminated and receive severance pay.
- b. Available to employees who voluntarily sign a "Release" form as part of their election to voluntarily separate their employment in return for acceptance of certain prescribed benefits.

Workday of each employee commences with the time on each calendar day at which the employee is scheduled to start work and runs the next twenty-four (24) hours.