Service Level Agreement

Between

The Environmental Management Consolidated Business Center (EMCBC)

and

The Oak Ridge Office of Environmental Management (OREM)

The attached document describes the roles and responsibilities, authorities, and working relationships between the EMCBC and the OREM. This Service Level Agreement shall remain in effect until such time as it is amended by the EMCBC Director and the OREM Manager.

Approved:

Jack R. Craig
Director, EMCBC

9/12/14
Date

Susan M. Cange
Acting Manager, OREM

9/23/14
Date

Introduction

The Department of Energy's (DOE) Assistant Secretary for Environmental Management, (EM), is responsible for the safe, efficient and effective clean-up, stabilization and remediation of nuclear and hazardous waste materials and contamination resulting from Cold War production activities. Activities related to this mission are conducted at many locations around the nation and are typically staffed with federal and contractor personnel that possess technical, business, logistic, and administrative expertise.

The Department's Oak Ridge Office of Environmental Management (OREM) manages the EM cleanup work at the Oak Ridge site. The Oak Ridge Reservation is one of DOE's most unique and complex facilities, encompassing three major sites including the Oak Ridge National Laboratory, the Y-12 Nuclear Security Site, and the East Tennessee Technology Park, and spans almost 34,000 acres. Each site performs a diverse set of missions, but all share a crucial need for environmental clean-up. The EM program addresses this need by removing the hazards left behind from research and defense operations during the Manhattan Project and Cold War. The EM program works daily to reverse decades of environmental contamination and open the door for growth in science, national security, next generation energy and to support economic development for the region.

As one of several DOE business support improvement initiatives, EM has consolidated business and support functions for several EM sites into a Consolidated Business Center (CBC). The EMCBC will provide support to OREM in the functional area of Contracting, Contractor Human Resources Management (CHRM), Cost/Pricing Services, and Cost Estimating, allowing OREM resources to focus on effectively executing the mission.

Through this support, EMCBC will provide the continuous, stable business support services to OREM as defined in this agreement; achieve economies of scale through standardization and streamlined operations; and permit OREM to better utilize its resources for front-line cleanup activities.

The subject Service Level Agreement (SLA) sets forth the respective OREM and EMCBC responsibilities and authorities associated with the various areas of support that EMCBC will provide to OREM.

Purpose

The purpose of this SLA is to identify and describe the functional areas of EMCBC support to OREM.

EMCBC Office of Contracting Support

The Department of Energy (DOE) Senior Procurement Executive approved the establishment of a single EM Head of Contracting Activity (HCA) and delegated that authority to the Deputy Assistant Secretary for Acquisition and Project Management (EM-50) on November 15, 2007. Accordingly, EM-50 has delegated specific HCA functions and responsibilities to the current EMCBC Assistant Director, Office of Contracting on July 27, 2012, and subsequently clarified on March 26, 2013. This delegation gives the Assistant Director EMCBC, Office of Contracting, the title of Federal Procurement Director and includes procurement authority within specified monetary levels for EM activities.

Pursuant to the EM HCA memorandum dated March 26, 2013, the EMCBC Assistant Director, Office of Contracting is the delegated Federal Procurement Director and responsible for EM-funded work for procurement/contract actions at specific offices. A request for a modified delegation authority to include OREM will be requested from the HCA by EMCBC.

While EM-50 is the HCA in support of the OREM mission, the Group Lead of the OREM Procurement and Contracts Group (PCG) is responsible for day-to-day contract administration and oversight of the OREM primary cleanup contracts through Contracting Officers (COs) and Contract Specialists (CSs). The EMCBC Assistant Director, Office of Contracting will provide support to the Manager of OREM in achieving the goals and objectives of OREM and will re-delegate appropriate levels of authority to the OREM PCG to enable the Group Lead's ability to function equally to Operational Division Chiefs assigned at EMCBC.

The EMCBC Office of Contracting Operational Division will provide support in areas including, but not limited to:

- Acquisition Planning and Source Selection Evaluation Boards for contract awards, administration, modification, termination, and closeout;
- Award, administration, modification, and closeout of grants and cooperative agreements;
- Acquisition Planning and Liaison support as requested for entering into agreements committing the Department to the sale of products and other services, including funds-in interagency agreements and other agreements providing reimbursable work for others.

The EMCBC Office of Contracting Policy Division will provide support in areas including, but not limited to:

- Coordinate HCA approval of CO warrants for OREM COs for acquisition, assistance, and sales transactions; coordinate the request and receipt of CO Warrants from the HCA by preparing packages for submission to the HCA; track the OREM CO warrants by maintaining a database containing OREM CO

information; coordinate the termination of CO warrants for those OREM contracting employees who retire, relocate, or no longer require a CO warrant; develop and maintain plans, policies, and procedures applicable to the procurement and acquisition support processes;

- Manage and maintain the Federal Procurement Data Systems (e.g., STRIPES, CPARS, FPDS, etc.) and Subcontracting Reporting System;
- Administer the Small Business Program for new awards and provide post award support to OREM;
- Provide the following Site Acquisition Career Management Program (ACMP) related services as requested:
  - Track the ACMP training requirements and required certification levels of OREM 1101s and 1102s;
  - Assemble packages for the request for certification and re-certification for OREM 1101s and 1102s;
  - Request certification and re-certification for OREM 1101s and 1102s from the Acquisition Career Manager;
  - Notify OREM contracting staff of upcoming training opportunities and requirements;
  - Maintain OREM 1101s and 1102s training history and certification levels in ACMP database;
  - Track the ACMP training requirements and required certification levels of OREM Contracting Officer's Representatives (CORs);
  - Assemble certification and re-certification packages for OREM CORs;
  - Request certification and re-certification for OREM CORs from the Acquisition Career Manager;
  - Maintain a database of OREM CORs with training history and certification levels;
  - Notify OREM CORs of upcoming training opportunities and requirements.

The EMCBC Office of Contracting Policy Division's Contractor Human Resource Management Team (CHRM Team) will provide CHRM program support to OREM for OREM CHRM actions. The specific areas of support are described below:

- Provide dedicated resources in specialty areas of CHRM, including benefits, compensation, work force transition, labor relations, labor standards, reporting requirements, tracking and review of contract deliverables and/or proposals and making recommendations to COs, and coordinating HQ's data calls in the various contractor human resource management program areas;

- Provide oversight of CHRM programs including compensation, benefits, workforce restructuring and labor relations, to include program reviews;
- Provide tracking and review of contract deliverables, and other deliverables required by DOE Order 350.1 and by laws, regulations, etc.;
- Review Contractor Workplace Substance Abuse Plans and required reports;

- Provide COs and other applicable management with recommendation and advice regarding CHRM issues and contract deliverables;
- Coordinate HQ's data calls in the CHRM program areas;
- Prepare and coordinate approval packages for review by the OREM PCG, and approval by the EM HCA in all CHRM functions (including but not limited to workforce restructuring requests, contractor executive compensation requests, collective bargaining economic parameter requests, etc.);
- Track contractor/subcontractor headcount;
- Serve as point-of-contact for contractor data calls within the benefits system;
- Provide CHRM technical support as required by Acquisition Integrated Project Teams (AIPT) and Source Evaluation Boards (SEB);
- Prepare and coordinate responses to Congressional, employee, and stakeholder inquiries;
- Review draft CHRM policies and provide recommendations and/or input to OREM PCG;
- Other duties as assigned.

The EMCBC CHRM Team Lead will receive assignments directly from the COs assigned to EM funded contracts, OREM Management Team and OREM PCG staff and will be responsible for providing a bi-weekly action status report to keep OREM updated. When practicable, OREM personnel shall ensure the EMCBC Assistant Director for the Office of Contracting and the Chief for the Policy and Contractor Human Resources Management Division are copied on all assignments given to the EMCBC CHRM Team Lead. The CHRM Team will also have interface with the OREM designated contractor human resource staff, as required. Any legal support required in the CHRM program areas will be provided by the Oak Ridge Office of Chief Counsel.

Upon OREM request, the EMCBC Office of Contracting Cost & Pricing Division will provide cost and price analysis regarding pre-award proposals, post-award proposals, Requests for Equitable Adjustments, and fee actions such as draft fee plans, payments of Performance Based Incentives, determinations of award/incentive fee earned. The Cost & Pricing division will support OREM procurement teams, Federal Project Directors, and COs as requested in conducting cost/price analysis and in establishing pre-negotiation and final negotiation objectives.

The EMCBC Office of Contracting Independent Review Team will provide the primary independent review function for OREM for sales, contracts, financial assistance, and subcontracting actions within specified monetary levels.

EMCBC Office of Cost Estimating and Project Management Support

The mission of the EMCBC Office of Cost Estimating and Project Management Support (OCE&PMS) is to fully integrate sound cost estimating practices into all of EM's acquisition and project management processes by establishing EM Corporate cost estimating requirements and providing oversight for contractor-developed cost estimates,

preparing Independent Government Cost Estimates to support EM Acquisition Center activities, preparing Independent Cost Estimates to support EM project planning and execution needs, performing Independent Cost Reviews of contractor-developed cost estimates, supporting Risk Management Planning activities, and expanding our role in EM's Life-Cycle Planning processes to facilitate development of environmental liability estimates. This office also serves as the EMCBC's Project Management Organization (PMO), whose role is to improve the overall success of EM's Clean-up projects by establishing standards and templates, providing project support through mentoring and resources, and by supporting the planning and execution of strategic, high risk, high cost, and complex EM Clean-up/Closure projects.

OCE&PMS will provide assistance and support to the Federal Project Director(s)/Site Manager as requested using the EMCBC Corporate Activity Resource Request (CARR) procedure.

Cost Estimating and Analysis Division

The mission of the Cost Estimating and Analysis Division is to provide support in establishing standards, policy, and procedures to ensure that EM cost and schedule estimates are accurate, traceable, and reliable; development of Independent Government Cost Estimates (IGCEs) and provide Independent Cost Estimating (ICE), and Independent Cost Analysis capability to support EM acquisition and project management program requirements; provide independent cost estimating and analysis support to EM management decisions, the EM Acquisition Advisory Board (EMAAB), and EM budget formulation processes; and lead the development and management of cost and schedule databases, methodologies, and tools needed by EM to improve and standardize its cost estimating and analysis capabilities.

The core cost estimating and analysis functions the EMCBC Cost Estimating and Analysis Division may provide to OREM includes:

Acquisition and Contract Management Support;

- Performing life-cycle cost analyses,
- Preparing IGCEs,
- Perform reasonableness or technical review of costs for contractor-submitted proposals,
- Provide cost engineering support to Acquisition-related Source Evaluation Boards or COs,
- Support Contract Close-out activities by capturing actual project costs and integrating actual project cost data to the EM Environmental Cost Analysis System (ECAS),
- Support development of IGCE documentation prepared by others by conducting peer reviews as requested, and
- Support development of ICE and Independent Cost Review documentation prepared by others by conducting peer reviews as requested.

Project Planning and Execution Support;

- Support Federal Project Directors and serve on Integrated Project Teams,
- Provide support and oversight for contractor-developed cost estimates,
- Prepare ICEs,
- Perform ICRs,
- Support risk management planning activities,
- Support the establishment of project-specific EM CE&A Cost Estimating requirements (tailoring), and
- Support performance evaluation activities such as trend & cost variance analysis.

Project Management Support Division

The core project management and control functions the EMCBC Project Management Support Division may provide OREM includes:

- Lead or perform Independent Project Reviews (IPRs) and Project Peer Reviews as requested by OREM;
- Project management and execution support, including Earned Value Management System (EVMS) reviews or surveillances;
- Lifecycle planning support, including maintenance and oversight of baselines; and Project execution reporting support.

OREM Manager

The OREM Manager or designees will provide input to the EMCBC Director and Assistant Director, Office of Contracting, on EMCBC performance appraisals for EMCBC staff whose responsibilities include supporting OREM.

For those areas not delegated by the HCA, the Manager of OREM and the EMCBC Assistant Director, Office of Contracting and EMCBC staff will work together to develop and implement solutions that achieve the objectives established by the Manager of OREM. These areas include, but are not limited to, decisions with respect to administration of OREM contracts (e.g., requests to show cause, contract extensions, etc.).

The OREM PCG, consisting of three COs and two CAs, will continue to perform contract administration functions for existing OREM contracts (UCOR, WAI, and Isotek). Actions include review and approval of Contractor Change Proposals, Requests for Equitable Adjustments, and fee actions such as draft fee plans, payments of Performance Based Incentives, and determinations of award/incentive fee earned.

This SLA should be considered a living document, subject to change with the written agreement of both the Director of the EMCBC and the OREM Site Manager. In the event or an addition or deletion of a service, the change will become effective once

approved by both the Director of the EMCBC and the OREM Site Manager and the SLA will be modified as needed to reflect the change. The SLA may be canceled by the OREM Manager upon 30 day written notice to the EMCBC Director.