

Revision 1.0

# Project Hanford Management Contract (Contract No. DE-AC06-96RL13200)

## Contract Management Plan



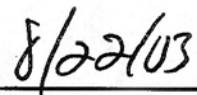
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## CONTRACT MANAGEMENT PLAN FOR THE PROJECT HANFORD MANAGEMENT CONTRACT (PHMC)

### Purpose

The purpose of this Contract Management Plan (CMP) is to provide guidance to Richland Operations Office (RL) employees involved with the management and administration of the contract. Such guidance should be a useful tool to help the DOE ensure that FHI and RL comply with all terms and conditions that govern the Contract. This CMP was developed with the guiding principles that it:

- (1) Shall be a useful tool for administering the contract.
- (2) Shall be an executive summary of the roles and responsibilities of the contracting parties.
- (3) Shall identify who is responsible for various contract administration activities.
- (4) Shall be flexible and adapt to changing circumstances.

This CMP does not include every action that the RL will need to complete to make the contract successful. However, this CMP summarizes the higher-level requirements, deliverables, and tasks necessary, and describes the overall process within which the tasks are performed.

This CMP is intended solely to provide guidance to Government employees and should not be construed to create any rights or obligations on the part of any person or entity, including the Contractor and its employees. It is not intended to be either prescriptive or inclusive of all actions necessary to support and/or administer the contract. It describes what the various contract management processes are and how they fit together, but does not contain all of the step-by-step details of those processes. For the most part, these details are contained in [RL Integrated Management System](#) (RIMS) processes and procedures and specific desk instructions and documents. Appropriate links to these details are included in the CMP. Familiarization with this CMP and its related links is vital to all RL employees involved in contract management, and each staff member involved in overseeing the PHMC is required to read the [PHMC Current Contract](#).

### 1.0 Background

The PHMC is a performance-based contract that emphasizes results/outcomes. The Government's objective is for the Contractor to complete the contract's work scope in a timely and effective manner that meets the terms of the contract. The Contractor is given the responsibility of achieving end results and the freedom of determining generally how the results are achieved. The contract is a performance-based cost-plus-award-fee contract. The PHMC and its Performance Incentives (PIs) task the Contractor with performing cleanup work safely, efficiently, and in a timely manner. The Contractor earns fee by accomplishing scheduled cleanup tasks with available funding. All potential fee is at risk, and a sizable amount of potential fee is tied to the successful completion of unfunded work. To earn fee for the

unfunded portion, the Contractor will need to perform the work with funds made available through innovation and other cost savings. To earn any fee, the Contractor must successfully perform the specific outcomes listed in the contract's Performance Incentives. The Performance Incentives are multi-year requirements in which the Contractor is given freedom and responsibility for technical, cost, and schedule baselines to accomplish the work and for managing and maintaining them in accordance with their approved project control system. The Contractor is also responsible for full and effective implementation of an Integrated Safety Management System (ISMS) with full environment, safety, and health (ES&H) quality assurance compliance.

The government is responsible for providing designated Government Furnished Items/Services (GFI/S) to enable performance in accordance with contract [PHMC Section C](#), Statement of Work (SOW).

Earned fee may be reduced for failures to perform in accordance with these contract clauses:

- E.1, Inspection of Services
- E.4, Inspection of Supplies
- I.28, Small Business Subcontracting Plan
- I.20, Conditional Payment of Fee, Profit, and Other Incentives -- Facility Management Contracts

## **2.0 Identification of Key Contract Management Team Members, Authorities and Limitations**

Successful management and administration of this contract requires the coordinated efforts of a variety of RL personnel. Some of these key personnel include: the RL Manager and senior staff; Contracting Officer (CO); Contracting Officer's Representatives (CORs); Contract Specialists (CSs); and subject matter experts. This CMP delineates the roles and responsibilities of these team members and describes their interaction on key contract administration duties.

### **RL Manager**

The RL Manager is the Head of Contracting Activity (HCA) for RL. All procurement authority at RL flows from DOE Headquarters through the HCA. The HCA is also a Contracting Officer (CO). All actions that require CO authority are executed by the HCA or by COs appointed by the HCA. As specified in the contract clause I.20, Conditional Payment of Fee, the RL Manager has unilateral determination authority to reduce earned fees if the Contractor does not meet minimum contract requirements for ES&H, Safeguards and Security, Level of Performance, and Cost Control.

### **Contracting Officer**

Contracts may be entered into and signed on behalf of the Government only by COs. The CO has the responsibility and authority to administer the contract and make related determinations and findings. Pursuant to Section G.7, Modification Authority, only the CO is authorized to accept non-conforming work; waive any requirement of the contract; or modify any term or condition of the contract. COs are identified, with their authorities and limitations, in the [CO/COR List](#).

### **Contracting Officer's Representative**

The COR has primary responsibility for providing technical direction to the Contractor and also performs contract management, performance oversight and contract administration activities with support of appropriate RL management and staff. Other CORs may be designated at the discretion of the RL Manager to execute specific functional roles and responsibilities in support of the contract. The designated COR(s) for the PHMC Contract can be found in the [CO/COR List](#).

The COR is responsible for providing technical and/or administrative direction to the Contractor, in accordance with clause G.6, Contracting Officer's Representative (COR) Technical Direction - Notification of Changes, and the COR's Letter of Designation including the following:

- Provide performance oversight to ensure the products and services for which the COR is responsible are delivered by the Contractor in accordance with the terms and conditions of the contract, including quality.
- Perform inspection and acceptance of work, as required.
- Conduct periodic reviews, audits, and surveillances of the Contractor to ensure compliance with the contract, as required.
- Perform periodic reviews of the Contractor to evaluate provisional and progress payments, and recommend final fee.

### **3.0 Contract Identification**

|                           |   |
|---------------------------|---|
| Contractor name:          | Fluor Hanford, Inc.   |
| Contract number:          | DE-AC06-96RL13200   |
| Contract title:           | Project Hanford Management Contract (PHMC)  |
| Performance period:       | August 6, 1996 through September 30, 2006   |
| Total contract value:     | Through Modification M166 dated November 27, 2002, the total estimated funding through September 30, 2006 is \$7,880,395,036.52 |
| Contract type:            | Cost-plus-award-fee with performance based incentives   |
| Contractor key personnel: | Contractor Key Personnel are listed in contract Section J, Appendix A: <a href="#">PHMC Section J</a>                           |

#### 4.0 Methodologies for Developing, Negotiating, Approving, and Monitoring Performance-Based Objectives, Measures, Expectations, and Fee/Profit Arrangements

Various RL organizational elements have contract management responsibilities and ownership for actions associated with this contract.

##### Project Execution

- The Assistant Manager for Planning & Integration (AMI) serves as the champion for the Environmental Management (EM) and Integrated Planning (IP) Management Systems, and ensures these management systems align with the RL mission, vision and strategies. The complete list of AMI responsibilities, accountabilities, and authorities are found in [AMI](#).
- The Assistant Manager for Safety & Engineering (AMSE) is responsible for Safety, Engineering, and Quality Assurance requirements and Operational Awareness. The complete list of AMSE responsibilities, accountabilities, and authorities are found in [AMSE](#).
- The Assistant Manager for the River Corridor (AMRC) monitors and evaluates contractor progress/performance against the Hanford Performance Management Plan (HPMP), EM Corporate Performance Measures (Gold Chart), and DOE approved/accepted contractor baseline for HPMP Strategic Initiative #1, Restore the Columbia River Corridor by 2012, Deactivation, Decontamination, Decommissioning and Demolishing of the Fast Flux Test Facility (FFTF) Tri-Party Agreement Milestones, Defense Nuclear Facilities Safety Board (DNFSB) commitments, CERCLA Records of Decision (RODs) and permit requirements. The AMRC verifies/evaluates completion of work and provides status to AMI for integration, and provides recommendations for contract actions to COR/CO/HCA. The complete list of AMRC responsibilities, accountabilities, and authorities are found in [AMRC](#).
- The Assistant Manager for Central Plateau (AMCP) including the Office of Spent Nuclear Fuels (SFO), monitors contractor progress/performance against the Hanford Performance Management Plan (HPMP), EM Corporate Performance Measures (Gold Chart), and DOE approved contractor baseline for these HPMP Strategic Initiatives--
  - Strategic Initiative 3-- Accelerate Stabilization and De-Inventory of Nuclear Materials
  - Strategic Initiative 4--Accelerate Waste Disposal
  - Strategic Initiative 5--Accelerate Central Plateau Cleanup, and
  - Strategic Initiative 6--Accelerate Cleanup and Protection of Hanford Groundwater.

The AMCP also monitors contract performance in meeting assigned external milestones and commitments [e.g. Tri-Party Agreement Milestones, Defense Nuclear Facilities Safety Board (DNFSB) commitments, Gold Chart], and provides recommendations for contract actions to COR/CO/HCA. The complete list of AMCP and SFO responsibilities, accountabilities, and authorities are found in [AMCP](#) and [SFO](#).

- The Assistant Manager for Infrastructure and Closure (AMC) supports the Environmental Management cleanup at Hanford including transition to long-term stewardship and land transfer. The AMC also provides support or services to RL, the Office of River Protection (ORP), and the PNNL Site Office (PNISO) in the areas of safeguards and security,

emergency services and preparedness, occupational medical services, real estate and personal property management, infrastructure and site services. The complete list of AMC responsibilities, accountabilities, and authorities are found in [AMC](#).

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### **Compliance Controls**

- The Office of Assistant Manager for Safety & Engineering (AMSE) is responsible for establishing the authorization basis for operation, identifying requirements and standards, implementing Integrated Safety Management, and providing technical subject matter expertise for nuclear and facility safety and engineering support to ensure the safety and health of the workers and the public. AMSE ensures work is performed safely, efficiently, and in compliance with radiological, nuclear, occupational safety, conduct of operations, and process safety requirements. The AMSE also ensures that quality programs are in place and implemented, and manages the RL authorization basis.

### **RL Program Management and Control**

These organizations are the integration and control elements that provide baseline, contract management, business management, policy and budgeting functions:

- The Assistant Manager for Planning & Integration (AMI) is responsible for strategic analysis, top-level requirements management, configuration management, baseline integration, baseline change control, risk management, variance management, performance measurement and reporting, and vadose zone management. AMI verifies and evaluates completion of work in accordance with applicable contract terms and conditions.
- The Assistant Manager for Administration and Chief Financial Officer (AMA) develops and oversees crosscutting business and administrative functions, such as submitting and supporting the RL budget, managing the budget and funds process, and maintaining the finance system. AMA also provides resource management and Management Information System management. [AMA](#)
- The RL Procurement Division (PRO) provides cost/price analysis support in addition to industrial relations and labor management guidance and advice to the RL Contracting Officers. The Contracting Officers manage all contractual interface activities with the Contractors. [PRO](#)

### **Other Administration Parties**

These organizations provide industrial relations and contract audit functions:

- The Office of Independent Oversight (OIO) is the lead RL organization responsible for oversight of the following Contractor activities: aviation safety, accident investigation, conduct of operations, Defense Nuclear Facilities Safety Board interface, improvement actions management -- including corrective actions, independent self-assessments, internal audit, lessons learned, management self-assessments, occurrence reporting, and the Price Anderson Amendment Act program. [OIO](#)

- The Office of Associate Manager for Science & Technology (AMT) has leadership responsibilities for the Hanford Site science and technology mission, performing a management role in the Tanks Focus Area, a DOE Office of Environmental Management national program, and overseeing operations at the Volpentest HAMMER Training and Education Center. AMT also provides guidance, reviews, and approves Contractor proposals and Technical Task Plans (TTPs) for Environmental Management (EM) Science & Technology work scope.
- The Defense Contract Audit Agency (DCAA), under the authority, direction, and control of the Under Secretary of Defense (Comptroller), is responsible for performing contract audits for the Department of Energy, and providing accounting and financial advisory services regarding contracts and subcontracts for RL contract administration activities. These services are provided in connection with negotiation, administration, and settlement of contracts and subcontracts.
- The Office of Site Services (OSS) is responsible for managing Hanford infrastructure systems such as water, sewer, electricity, communications networks, environmental monitoring (radiological, chemical, and biological), reporting radiological releases to the public, biological control, laboratory management, and transportation. [SSD](#)
- The Office of the Chief Counsel (OCC) provides legal advice and assistance as necessary in connection with negotiation, administration, and settlement of contracts and subcontracts, and all other aspects of the RL mission. [OCC](#)
- The Office of Safeguards and Emergency Services (SES) manages the Hanford security and emergency services including the Hanford Patrol, Hanford Fire Department (Emergency Medical and HAZMAT Response), material control and accountability, Hanford Personnel Security, and directs Safeguards and Security Program Planning. SES provides support to ORP and the PNSO in the areas of safeguards and security, emergency preparedness, and emergency services, [SES](#)
- The Office of Communications (COM) provides oversight of Contractor communication with stakeholders, public and Indian nations, manages RL intergovernmental relations with Congress, Washington and Oregon officials, and local government. COM also coordinates RL and ORP responses to Freedom of Information Act requests. [COM](#)

## **RL Facility Representatives**

RL Facility Representatives assist the RL Manager, CO, and COR in providing oversight of operations to ensure that the facilities are operated in a safe, healthful, and environmentally acceptable manner in accordance with requirements. Facility Representatives, along with other RL employees, have “Stop Work” authority in cases of imminent danger in accordance with [PHMC Section H](#) clause H.11, Shutdown Authorization. Facility Representative implementation procedures are provided in the [Facility Representative Instructions](#).



## 5.0 Key Contract Vulnerabilities or Performance Risk Areas Inherent in the Contract

The [HPMP](#) is the overall strategy for reducing risk to workers, the public, and the environment. RL progress in achieving major goals are tracked in the [Gold Chart](#). A Hanford site-wide risk management plan is currently being updated. The plan will include risk areas inherent in the PHMC. When the effort is complete, a link to the document and associated RIMS cross-cutting procedures will be added to this CMP. It is expected that the final site-wide risk-management plan will consider tangible and intangible risks such as:

- radiological risks to workers, public, and environment
- safeguards and security
- nuclear criticalities/explosions, spills, and fires
- operational accidents
- third party liability
- environmental liability
- timely delivery of government furnished equipment, information, data, etc., discussion of impacts on performance, cost, and/or schedule, and delivery of delivery of GFI/GFS (e.g. shipping containers, final site disposition of wastes, etc.)
- agency reputation
- program liability
- operations interruptions
- pollution
- 
- uncertainty in the future outcome of a specific task, milestone, or deliverable
- coordination with other sites necessary to ensure timely agreements, shipments, receiverships, or other support needed
- completion (or non-completion) of one or more critical milestones that could impact the next phase of performance (e.g., preliminary or final designs, constructions, procurement of long-lead items, regulatory approvals, Environmental Protection Agency (EPA) milestones, etc.
- major performance areas (e.g., waste management, science, ES&H, environmental clean up; project management, cost controls, etc.) that may have a level of risk or uncertainty to successfully achieving performance

## 6.0 Post-Contract Liabilities

Post-contract liabilities include site Pension and Retiree Medical expenses. The Contractor is tasked with prudently managing these benefits and it is DOE policy that, to the greatest extent possible, no new employees are added to the pool of employees eligible for these post contract benefits. Since completion of all site work will extend beyond the performance period of the PHMC, management of these programs will be transferred to successor Contractor(s).

## 7.0 Inspection and Acceptance Process

DOE is implementing a tailored performance evaluation approach that focuses on areas of greatest significance and risk while relying on a planned approach to ensure that the balance of

the Contractor's overall performance is addressed. RL's tailored approach to evaluation is based on:

- an understanding of the performance-based nature of the contract,
- knowledge of the Contractor's baseline in response to the SOW,
- awareness of the type and level of associated risks and hazards,
- insight on the technical and management approaches to mitigating programmatic risks and controlling hazards, and
- familiarity with the Contractor's approved management systems (particularly integrated safety management and project management control).

Increased evaluation efforts are placed on those areas where there are indications of poor or suspect Contractor performance indicated by Contractor self assessment or by Integrated Project Team (IPT) surveillance and analysis. The level of review is reduced when there are indications that the Contractor's performance is strong and the Contractor's self-assessment and corrective action programs are effective.

In general, DOE's intent is to minimize the level of Government involvement and allow the Contractor to perform to, or exceed, the contract requirements. DOE's goal is to reduce evaluations when the Contractor demonstrates an effective self-assessment program that includes self-identification, taking appropriate corrective actions, and successful follow-on action to prevent recurrence and improve performance. If the Contractor's performance is deficient, and it appears that the Contractor's management processes have not produced the desired result(s), DOE can increase evaluations in order to protect the Government's interests.

## **8.0 Key Performance Metrics**

Contractor progress and earned fee are determined by Contractor success in meeting end states specified in Appendix D Performance Incentives [Performance Objectives, Measures, Expectations and Incentives](#), as well as compliance with minimum contract requirements. All work must be performed in accordance with applicable Law, Regulation, and/or DOE Directive. Failures in contract performance as defined in the Conditional Payment of Fee may be the basis in reduction of fee. The contract Inspection of Services clause is also the basis for Contractor rework for performance that does not meet contract requirements.

## **9.0 Contract Transition Planning**

Not applicable. This updated Plan is for a contract that has now been in effect for approximately 7 years. Transition actions are not required.

## **10.0 Contractor Employee Claims System**

The Procurement Division is responsible to ensure that the Contractor conducts expedient reporting and processing of employee compensation claims. RIMS Procedures concerning this function are at this site-- [RL Oversight of Contractor Human Resource Programs](#)

## **11.0 Non Value-Added Directives/Requirements**

Removal of non-value added requirements is on-going. This effort, begun in FY2000, has resulted in reducing the number of DOE Directives in the contract from 156 in modification M110 (09/28/00) to 76 in mod M176 (03/17/03). RL procedures for directives/requirements management are listed in RIMS at this link-- [Requirements Management](#).

## **12.0 Major Contractor Milestones, Deliverables, Reporting Requirements, and Performance Incentives**

Cleanup activities conform with TPA and DNFSB commitments. Performance Based Incentives are generally multi-year incentives. Specific PBI schedule milestones are in Section J, Appendix D, [Performance Objectives, Measures, Expectations and Incentives](#). Tri-Party Agreement Milestones are in RIMS at [TPA Milestones](#); Defense Nuclear Facilities Safety Board Milestones are in RIMS at [DNFSB Milestones](#). Other contract deliverables are identified in the Statement of Work (SOW).

## **13.0 Contract Change Control Process**

The structure for managing change control relating to scope, cost, and schedule, as well as mitigating variances to approved scope, cost, or schedule is explained in the RIMS procedure Baseline Change Control. [Baseline Change Control](#)

## **14.0 Fee Administration and Invoice Review**

Contract clauses concerning payments and fee include:

H.22 Payments and Advances,

H.33, Performance Objectives, Measures, Expectations, and Fee Distribution,

H.35, Provisional Payment of Fee for Comprehensive and Annual PBI's, and

I.20, Conditional Payment of Fee, Profit, and Other Incentives -- Facility Management Contracts

Link to Contract Section H -- [PHMC Section H](#)

Link to Contract Section I -- [PHMC Section I](#)

The fee on the PHMC is administered primarily through multi-year Performance Based Incentives (PBIs), where requirements are established in one fiscal year but the final completion date extends into a future fiscal year. A PBI is an individual agreement that sets forth performance objectives, measures, expectations and related fee distributions, and which is incorporated into the contract at Section J, Appendix D [Performance Objectives, Measures, Expectations and Incentives](#). All of the Contractor's available fee pool is allocated to PBIs. In addition, the Contractor has the opportunity to earn Super Stretch fee for completing Super Stretch Performance Based Incentives (SSPBIs). Final fee determinations for SSPBIs are made, and fees are paid, upon completion of performance as defined in individual SSPBIs. Fee for super stretch performance is outside of the available fee pool.

A Provisional Payment is a conditional payment of fee for partial completion of a multi-year PBI, conditioned upon the successful completion of a subsequent event as set forth in the PBI. Upon

successful completion of the subsequent event, the provisional payment of fee will become a final payment of fee. If the Contractor fails to successfully complete the subsequent event upon which the provisional payment of fee is conditioned, the Contractor shall refund to the Government the provisional payment(s) received associated with the missed performance based event.

A Progress Payment will be a final payment of fee based upon final completion of an element of a multi-year PBI, as defined in the individual PBI. In general, progress incentives will have greater intrinsic value to the Government than provisional goals.

For any expectation to be considered performed, work must meet the criteria in the PBI and must be accomplished within the approved cost and schedule thresholds specified in the PBI, if any, as modified through the Change Control Process. The process for administering PBIs and SSPBIs is outlined in Clause H.33, Performance Objectives, Measures, Expectations, and Fee Distribution. At the conclusion of the appropriate performance period, the Government will evaluate the Contractor's overall performance to determine the fee earned. This evaluation will be a consideration of (1) incentive fee determinations by the RL Manager, (2) invoking Clause B.7, Option Exercise, Reduction of Term, (3) in the DOE decision whether to terminate the contract for default, and (4) whether to invoke the Conditional Payment of Fee Clause.

Under Clause I.20 "Conditional Payment of Fee", the RL Manager may unilaterally reduce earned fees for failure to meet minimum requirements of the ES&H safety management systems or for failures in Safeguards and Security systems. This unilateral right also extends to a catastrophic event, failures to comply with the SOW, or cost performance failures. Further RL guidance is found in the RIMS procedure for Conditional Payment of Fee--[Evaluation and Reporting - Conditional Payment of Fee](#)

The contract allows the Contractor to draw funds each month from a "checks-paid method of payments cleared financing arrangement", a special bank account agreement, also known as the letter of credit arrangement. This arrangement requires the contractor to submit an invoice for costs that are withdrawn from the bank account each month. Data supporting monthly invoices are gathered electronically in the HANDI system and are reviewed by RL technical personnel. The procedures for invoice review and approval, including review of HANDI data generated under this contract, are included in Procurement Division Procedure PRO-020 Rev. 1, Invoice Processing -- [Invoice Processing](#)

## **15.0 Unique Contract Terms and Conditions**

The Government has a responsibility to enable contract performance by ensuring that GFI/S are available, timely and of the required quality. GFI/S is described in the contract SOW. GFI/S examples include providing approvals of Contractor submittals, approval of authorization basis and regulatory decision documents and reports; and approval of management products and controls deliverables. If GFI/S are not furnished as specified in the contract, the Contractor may be due an equitable adjustment in target cost.

### **Required government responses and approvals**

In the course of performing the contract, the Contractor is required to obtain the Government's review and/or approval of numerous documents and management systems. It is imperative that

the Government provides appropriate responses within timeframes specified by the contract. It is expected that DOE and the Contractor will use a collaborative process to ensure that key documents, such as authorization basis and regulatory decision documents and reports, are developed in a quality manner meeting applicable requirements and are timely and efficiently reviewed and approved. It is also expected that reviews of key Contractor management system documentation, such as the integrated safety management system description and Project Management Plan, will be conducted with the Contractor prior to formal submittal by the Contractor for review and approval.

A new process for defining and managing GFI/S is being established in the RIMS. Specific government responses and approvals supporting the PHMC contract deliverables and actions will be identified in the RL GFI/S List, including schedule commitment and DOE responsibility information. In the interim, a link to the FHI list of GFI/S is provided. [GFI/S](#)

### **Government Furnished Equipment and Facilities**

RIMS Procedures concerning Asset and Inventory Management are at this site-- [Asset and Inventory Management](#). These procedures apply to Real Estate and Real Property, DOE Personal Property, Government Motor Vehicles, Transportation, and Office Services. This site also includes links to these RL programs--Cultural Resources, Energy and Utilities Management, Life Cycle Asset Management, Transportation Management Program, and Aviation Management and Safety.

## **16.0 Contractor Litigation Management**

The Department of Energy established regulations covering contractor legal management requirements. The RIMS crosscutting process was established to assist personnel in controlling and overseeing litigation costs for which contractors seek reimbursement under the terms of their contracts, including general legal services. It also provides information for instances when the Richland Operations Office retains legal counsel for litigation where legal costs over the life of the matter are expected to exceed \$100,000. This crosscutting process is maintained by the Office of Chief Counsel and is at this site -- [Litigation Management - Contractor](#).

## **17.0 Agreements**

### **Mutual Aid Agreements**

The Contractor and/or RL are parties to agreements and understandings with Federal, State, and Local Government Agencies, corporations, universities, and hospitals. These Agreements are listed in Contract Section J, Appendix C, section J.C.2.8 Mutual Aid Agreements.

## **18.0 Contract Records**

All records acquired or generated by the contractor in performing this contract shall be the property of the Government except for those defined as "contractor-owned" in contract clause I.167 "Access to and Ownership of Records (DEAR clause 970.5204-3). These records shall be delivered to the Government or otherwise disposed of at contract completion or termination, as directed by the Contracting Officer. [PHMC Section I](#) Additional Contractor requirements concerning records management are found in clauses H.20, "Information" and H.21, "Privacy

Act Systems of Records". [PHMC Section H](#) The Contract Clause entitled "Access to and Ownership of Records" addresses records management with respect to occupational health records and radiation exposure records:

## **24.0 Contract Communication Process**

### **Formal communications with the Contractor**

All formal direction to the Contractor is issued by the RL Manager (as Contracting Officer), or as delegated, the Contracting Officer or the Contracting Officer's Representative (COR) within designated authority. Such direction should be in writing, but may be provided orally in meetings, briefings, phone, or video conferencing. A written record of direction should be created for such oral directions. All formal written correspondence to the Contractor should include the contract number within the subject line. Correspondence will include the following statement, where applicable--"The Government considers this action to be within the scope of the existing contract and therefore, the action does not involve or authorize any delay in delivery or additional cost to the Government, either direct or indirect."

The following caveat should be included within the body of correspondence issued by CORs:

"If in my capacity as a Contracting Officer's Representative (COR), I provide any direction which your company believes exceeds my authority, you are to immediately notify the Contracting Officer and request clarification prior to complying with the direction."

The Contracting Officer must be on concurrence for all correspondence to the Contractor (e.g. technical direction by the COR) and receive a copy when issued. Only the Contracting Officer has the authority to interpret the contract terms and conditions or make changes to the contract. A list of COs/CORs is identified in the [CO/COR list](#) found in RIMS.

To ensure correspondence control, all formal correspondence should be addressed to the Contractor's local principal executive and shall cite the contract number and applicable contract provision in the letter's subjectline. .

Formal communication from the Contractor should follow a formal contract correspondence tracking system with commitments appropriately assigned and tracked for timely completion.

### **Informal communications with the Contractor**

Informal communications can occur between an RL employee and any Contractor employee. This type of communication is non-binding for both the Government and the Contractor and does not constitute contract direction (i.e., formal communication). Informal communication can take the form of electronic mail, retrievable databases, telephone, facsimile, presentations, meetings, and other means.

Informal communications between RL and Contractor staff are needed for proper oversight coordination. This communication should be constructive in nature. Avoid requesting information obtainable by other means. In their informal communications, RL employees need to avoid the impression the communications are formal. Particularly, when COs or CORs are engaging in informal communications, they must be careful to identify those communications as non-binding. CORs should inform the Contractor as to whether or not the communications or portions thereof are formal or informal. More specific expectations for RL interfaces with Contractors are described in the RIMS [Contract Management](#) and [Contractor Oversight and Evaluation Planning](#) crosscutting processes.

### **Non-RL Communications**

The Contractor will be required to communicate with other than RL staff in conjunction with its responsibilities and work scope. The following parties most likely to be involved are: DOE-Headquarters; other Federal agencies and offices including the Environmental Protection Agency and Government Accounting Office; the Defense Nuclear Facilities Safety Board; other Hanford Contractors; Hanford Advisory Board; State agencies and officials including the Washington State Departments of Ecology & Health; Tribal Nations; and the general public. Because these entities are outside of the contractual relationship between the Contractor and RL, their communications to the Contractor may not be construed as contractual direction to change the scope or terms and conditions of the contract. It is expected, however, that these "stakeholder" communications are coordinated or monitored by the CO, COR, or responsible IPT participant as described in RIMS [Intergovernmental Affairs](#) and [Public Affairs](#) crosscutting processes.