

2. AMENDMENT/MODIFICATION NO. 0180	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
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6. ISSUED BY NNSA M&O Contracting Branch NA-PAS-211 Albuquerque Complex P.O. Box 5400 Albuquerque NM 87185-5400	CODE 05115	7. ADMINISTERED BY (If other than Item 6) NNSA Sandia Field OFC NA-00-SN Sandia Field Office (MS 0184) P.O. Box 5400 Albuquerque NM 87185-5400	CODE 05005
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8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) National Technology & Engineering Solutions of Sandia, LLC Attn: Richard Sweeney 1515 EUBANK BLVD. SE P.O. BOX 5800, MS-0180, 87185-0180 ALBUQUERQUE NM 871850180	(x)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
	x	10A. MODIFICATION OF CONTRACT/ORDER NO. DE-NA0003525
		10B. DATED (SEE ITEM 13) 12/16/2016

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended. is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
See Schedule

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	D. OTHER (Specify type of modification and authority) FAR 43.103(a), Mutual Agreement of the Parties; DEAR 970.5204-2 Dec 2000 Deviation

E. IMPORTANT: Contractor is not is required to sign this document and return 1 copies to the issuing office.

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

UEI: LUJEP CRT377

The purpose of this modification is to update the budgetary in Appendix C, Section 2.0, paragraph (x) (3) for Retention Incentive and Sign-On Bonus Plans from \$2.7M fixed amount to 0.25% of payroll in any calendar year (see page 2); replace Appendix B, List of Applicable Directives in its entirety with Attachment 1; and replace Appendix L, FY2023 PEMP, in its entirety with Attachment 2 - FY2023 PEMP, Revision 1.

Payment:
Period of Performance: 01/18/2017 to 04/30/2027

Except as provided herein, all terms and conditions of the document referenced in Item 9 A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) Richard Sweeney	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Jerriann B. Weisensel
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED 05/04/2023
16B. UNITED STATES OF AMERICA (Signature of Contracting Officer)	16C. DATE SIGNED 05/05/2023

- 1- Update Appendix C, Personnel Appendix, Section 2.0 *Compensation*, paragraph (x)(3) to reflect a change in the Retention Incentive and Sign-On Bonus Plans budget ceiling from \$2.7M fixed amount to 0.25% of payroll per calendar year:

From:

Subject to the availability of funds, the cumulative budget for these plans shall not exceed \$2.7M in any calendar year. No later than April 1st of each year, the Contractor shall provide a report that includes, but is not limited to: each incentive accepted by employee number; offer to acceptance ratio; duration of the retention period; critical skill or hard-to-recruit talent being addressed; exceptions to policy; retention of employees in these programs; plans to realign the program(s) as mission priorities evolve; and overall program effectiveness.

To:

Subject to the availability of funds, the cumulative budget for these plans shall not exceed 0.25% of payroll per calendar year. No later than April 1st of each year, the Contractor shall provide a report that includes, but is not limited to: each incentive accepted by employee number; offer to acceptance ratio; duration of the retention period; critical skill or hard-to-recruit talent being addressed; exceptions to policy; retention of employees in these programs; plans to realign the program(s) as mission priorities evolve; and overall program effectiveness.

- 2- Replace Appendix B, List of Applicable Directives, in its entirety with Attachment 1.
- 3- Replace Appendix L, *FY2023 Performance Evaluation Management Plan* (PEMP), in its entirety with Attachment 2 - *FY2023 PEMP, Revision 1*.
- 4- All other terms and conditions remain unchanged.

Part III - Section J
APPENDIX B, List of Applicable Directives

In addition to the list of applicable directives referenced below, the contractor shall also comply with supplementary directives (e.g., manuals), which are invoked by a Contractor Requirements Document (CRD) attached to a directive referenced below. All requirements in the CRD, or otherwise invoked by reference, shall be fully implemented no later than 30 days after incorporation into the contract unless otherwise addressed in an NNSA-approved or pending implementation plan.

Number	Date	Title	Mod #
APPH Chapter X Revision 10	9/08/98	Accounting Practices & Procedures Handbook (APPH) Chapter X – Product Cost Accounting	Award
DOE O 140.1A	6/15/20	Interface with the Defense Nuclear Facilities Safety Board	Award M0050 M0097
DOE O 142.2A, Admin Chg. 1	6/27/13	Voluntary Offer Safeguards Agreement and Additional Protocol with the International Atomic Energy Agency	Award
DOE M 142.2-1, Admin Chg. 1	6/27/13	Manual for the Implementation of the Voluntary Offer Safeguards Agreement and Additional Protocol with the International Atomic Energy Agency	Award
DOE O 142.3B, Chg 1 (Ltd Chg)	3/2/22	Unclassified Foreign National Access Program ¹	Award M0018 M0085 M0155
DOE O 144.1 Admin Chg. 1	11/6/09	Department of Energy American Indian Tribal Government Interactions and Policy	Award
DOE O 150.1B	12/21/21	Continuity Programs ²	Award M0166
DOE O 151.1D, Chg 1 (Min Chg)	10/4/19	Comprehensive Emergency Management System	Award M0082
DOE O 153.1A	11/17/22	Departmental Nuclear Emergency Support Team Capabilities	Award M0176
DOE O 200.1A	12/23/08	Information Technology Management	Award
DOE O 205.1C, Chg 1 (LtdChg)	2/3/22	Department of Energy Cybersecurity Program ³	M0072 M0147
NA SD 205.1	7/6/17	Baseline Cybersecurity Program	M0032
DOE M 205.1-3, Admin Chg. 1	12/20/12	Telecommunications Security Manual ⁴	Award

¹ Full implementation will be achieved in accordance with a NNSA-approved implementation plan (IP).

² Full implementation will be achieved by 09/30/2024 in accordance with a NNSA-approved IP.

³ SNL will evaluate NNSA Cyber Security Program Plan releases to ensure requirements are adequately addressed.

⁴ Refer to memorandum from NNSA/HQ/NA-IM-10, Subject: *Cable-confined Testing and Transmitter Review Forms (TRF)*, dated 4/25/12, for clarification to TRF completion Requirements.

Number	Date	Title	Mod #
DOE O 206.1, Chg 1	11/01/18	Department of Energy Privacy Program	Award M0063
NA SD 206.1	06/22/18	Privacy Program	M0050
DOE O 206.2, Chg. 1, (Ltd Chg)	9/2/22	Identity, Credential, and Access Management (ICAM)	Award M0166
NA SD 206.2	4/14/18	Implementation of Personal Identity Verification for Uncleared Contractors ⁵	M0063
DOE O 210.2A	4/08/11	DOE Corporate Operating Experience Program	Award
NAP 220.1	06/19/18	Internal Affairs Program	M0050
DOE O 221.1B	9/27/16	Reporting Fraud, Waste, and Abuse to the Office of Inspector General	Award
DOE O 221.2A	2/25/08	Cooperation With the Office of Inspector General	Award
DOE O 225.1B	3/04/11	Accident Investigations	Award
DOE O 226.1B	4/25/11	Implementation of Department of Energy Oversight Policy	Award
NNSA SD 226.1C	10/1/19	NNSA Site Governance	M0008 M0085
DOE O 227.1A, Admin Change 1	1/21/20	Independent Oversight Program	Award M0100
DOE O 231.1B, Admin Chg. 1	11/28/12	Environment, Safety and Health Reporting	Award
DOE O 232.2A Chg 1 (MinChg)	10/4/19	Occurrence Reporting and Processing of Operations Information	Award M0026 M0082
DOE O 241.1B Chg. 1	4/26/16	Scientific and Technical Information Management	Award
DOE O 243.1C	2/7/22	Records Management Program ⁶	Award M0147
NA SD 251.1B	10/26/20	Directives Management	M0050 M0116
DOE O 252.1A, Admin Chg. 1	3/12/13	Technical Standards Program	Award
DOE O 313.1	11/19/09	Management and Funding of the Department's Overseas Presence	Award
NA SD 350.1	2/5/09	Management and Operating Contractor Service Credit Recognition	Award M0008
DOE O 350.5	10/12/21	COVID Safety Protocols for Federal Contractors	M0128
NAP 401.1	11/24/15	Weapon Quality Policy ⁷ (renumbered from NAP 24A in M0057). Only attachment 3.	Award M0127

⁵ Full implementation will be achieved by 12/2025 in accordance with the NNSA-approved plan.

⁶ Full implementation will be achieved by 09/30/2023 in accordance with the NNSA-approved plan.

⁷ Attachment 3 remains in effect until the DPBPS federal requirements document becomes effective. Attachment 3, Section 3.3, dated 11/24/15, is replaced with Attachment 3, Section 3.3, dated 6/22/17 in accordance with NNSA Guidance and Clarification (G&C) Message 2017-001, and G&C Message 2018-001.

Number	Date	Title	Mod #
			M0151
NAP 401.1A	7/20/21	Weapon Quality Policy	M0127
DOE O 410.2, Admin Chg. 1	4/10/14	Management of Nuclear Materials	Award
DOE O 411.2	1/4/17	Scientific Integrity	M0018
NAP-412.1	2/11/19	Financial Integration	M0072
DOE O 412.1A, Admin Chg. 1	5/21/14	Work Authorization System	Award
NAP 413.1 (recertified)	9/14/22	Data Collection for Cost Estimating	M0057 M0166
DOE O 413.2C, Chg 1	8/2/18	Laboratory Directed Research and Development	Award M0050
DOE O 413.3B, Chg. 6	1/12/21	Program and Project Management for the Acquisition of Capital Assets ⁸	M0018 M0032 M0050 M0116
DOE O 414.1D, Ltd Chg. 2	9/15/20	Quality Assurance	Award M0100
DOE O 415.1, Chg 2	1/13/17	Information Technology Project Management	M0018
NA SD 415.1A	4/27/21	Project Oversight for Information Technology	Award M0151
DOE O 420.1C, Chg. 3 (LtdChg)	11/14/19	Facility Safety	Award M0063 M0082
DOE O 420.2D	9/9/22	Safety of Accelerators ⁹	Award M0176
DOE O 422.1, Chg 4 (Ltd Chg)	2/3/22	Conduct of Operations	Award M0082 M0147
DOE O 425.1D, Chg 2 (Min Chg)	10/4/19	Verification of Readiness to Start up or Restart Nuclear Facilities	Award M0082
DOE O 426.2 Admin Chg. 1	7/29/13	Personnel Selection, Training, Qualification, and Certification Requirements for DOE Nuclear Facilities	Award
NNSA SD 430.1	1/18/17	Real Property Asset Management	M0018
DOE O 433.1B, Admin Chg. 1	3/12/13	Maintenance Management Program for DOE Nuclear Facilities	Award
DOE N 435.1	8/9/11	Contact-Handled and Remote-Handled Transuranic Waste Packaging	Award

⁸ The annual Value Management/Engineering progress report required by paragraph 10. Of the CRD shall be submitted to Program Offices through the SFO.

⁹ Full implementation will be achieved by 04/01/2025 in accordance with a NNSA-approved implementation plan.

Number	Date	Title	Mod #
DOE O 435.1, Chg. 2	1/11/21	Radioactive Waste Management	Award M0116
DOE O 436.1	5/2/11	Departmental Sustainability ¹⁰	Award
DOE O 437.1	12/11/20	Bridge and Tunnel Management	M0116
DOE O 440.2C, Ltd Chg. 3	3/21/23	Aviation Management and Safety	Award M0100 M0180
DOE M 441.1-1 Admin Chg. 1	2/24/16	Nuclear Material Packaging ¹¹	Award
DOE O 442.1B	1/31/19	Department of Energy Employee Concerns Program	M0072
DOE O 442.2, Chg 1 (Pg Chg)	10/5/16	Differing Professional Opinions for Technical Issues Involving Environment, Safety, and Health	Award
DOE N 443.1	1/21/16	Protection of Human Research Subjects in Classified Research	Award
DOE O 443.1C	11/26/19	Protection of Human Research Subjects	Award M0085
DOE O 452.1E	1/26/15	Nuclear Explosive and Weapon Surety Program ¹²	Award
DOE O 452.2F	7/27/20	Nuclear Explosive Safety	Award M0121
NA SD 452.2B	6/23/21	Nuclear Explosive Safety Evaluation Processes	Award M0032 M0127
DOE O 452.3	6/8/05	Management of the Department of Energy Nuclear Weapons Complex	Award
NNSA SD 452.3- 1A	2/25/16	Defense Programs Business Process System ¹³	Award
NNSA SD 452.3- 2	1/19/17	Phase 6.X Process	M0018
NA SD 452.4-1	1/27/22	Nuclear Enterprise Assurance (NEA) ¹⁴	M0151
DOE O 452.4C	8/28/15	Security and Use Control of Nuclear Explosives and Nuclear Weapons	Award
DOE O 452.6A, Chg 1	2/17/21	Nuclear Weapon Surety Interface with the Department of Defense	Award M0116
DOE O 452.7, Chg 1	5/29/20	Protection of Use Control Vulnerabilities and Designs	Award M0093
DOE O 452.8	7/21/11	Control of Nuclear Weapons Data	Award

¹⁰ All references to “14001:2004” shall be replaced with “14001:2015”.

¹¹ Material acquired subject to DOE M 441.1-1 must have an approved container for storage or must have a NNSA-approved plan to develop a container to comply with the requirements, when it comes on site.

¹² Clarification to CRD, Item 7c: Concepts for features are to be developed for consideration.¹³ Changes will be processed as described in Section H, clause H-14(b)(4).

¹³ Changes will be processed as described in Section H, clause H-14(b)(4).

¹⁴ Full implementation will be achieved in accordance with a NNSA-approved implementation plan.

Number	Date	Title	Mod #
DOE O 456.1A	7/15/16	The Safe Handling of Unbound Engineered Nanoparticles	Award
DOE O 457.1A	8/26/13	Nuclear Counterterrorism	Award
DOE O 458.1, Ltd Chg. 4	9/15/20	Radiation Protection of the Public and the Environment	Award M0100
DOE O 460.1D, Chg 1	6/10/22	Hazardous Materials Packaging and Transportation Safety	M0018 M0155
DOE O 460.2B	6/10/22	Departmental Materials Transportation Management	Award M0155
DOE O 461.1C, Chg. 1 (Min Chg)	10/4/19	Packaging and Transportation for Offsite Shipment of Materials of National Security Interest	Award M0085
DOE O 461.2	11/1/10	Onsite Packaging and Transfer of Materials of National Security Interest	Award
DOE O 462.1, Admin Chg. 1	7/10/13	Import and Export of Category 1 and 2 Radioactive Sources and Aggregated Quantities	Award
DOE O 470.3C, Ltd Chg 1	9/9/20	Design Basis Threat (DBT)	Award M0043 M0100
DOE O 470.4B, Admin Chg. 3 (LtdChg)	9/23/21	Safeguards and Security Program	M0018 M0131
NA SD 470.4-2, Admin Change 1	6/16/21	Enterprise Safeguards and Security Planning and Analysis Program	M0050 M0151
DOE M 470.4-4A	10/12/10	Information Security Manual (only Section D and the classified Technical Surveillance Countermeasures Annex.)	Award
DOE O 470.6, Chg 1	1/11/17	Technical Security Program	Award M0032
NA SD 470.6	2/25/22	Technical Security Program ¹⁵	M0155
DOE O 471.1B	3/1/10	Identification and Protection of Unclassified Controlled Nuclear Information	Award
DOE O 471.5	3/29/11	Special Access Program	Award
DOE O 471.6, Admin Chg 3	9/12/19	Information Security ¹⁶	Award M0057
NA SD 471.6	12/9/19	Operations Security Program	M0085
DOE O 471.7	2/3/22	Controlled Unclassified Information ¹⁷	M0151
DOE O 472.2A	6/10/22	Personnel Security	Award M0155
DOE O 473.1A	8/30/21	Physical Protection Program ¹⁸	M0131

¹⁵ Full implementation will be achieved in accordance with a NNSA-approved implementation plan.

¹⁶ Implementation of the “marking of documents in electronic environment requirements” listed in the CRD will be achieved in accordance with the approved plan dated 06/01/2020.

¹⁷ Full implementation will be achieved in accordance with a NNSA-approved implementation plan.

¹⁸ Full implementation will be achieved in accordance with a NNSA-approved implementation plan.

Number	Date	Title	Mod #
DOE O 473.2A	8/30/21	Protective Forces Operations	M0131
NNSA SD 473.3	9/10/14	Enterprise Mission Essential Task List-Based Protective Force Training Program	M0008
DOE O 474.2A	2/7/23	Nuclear Material Control and Accountability ¹⁹	Award M0176
DOE O 475.1	12/10/04	Counterintelligence Program	Award
DOE O 475.2B	10/3/14	Identifying Classified Information	Award
NAP 476.1, Admin Chg. 1	2/9/15	Atomic Energy Act Control of Import and Export Activities (renumbered from NAP 23 in M0057)	Award
DOE O 483.1B, Chg. 2 (LtdChg)	12/13/19	DOE Cooperative Research and Development Agreements	M0072 M0085
DOE O 484.1, Chg 3, (Ltd Chg)	3/21/23	Reimbursable Work for the Department of Homeland Security	Award M0180
DOE O 486.1A	9/4/20	Foreign Government Sponsored or Affiliated Activities	M0072 M0100
DOE O 520.1B, Chg 1 (LtdChg)	11/11/22	Financial Management and Chief Financial Officer Responsibilities	M0116 M0176
DOE O 522.1A	8/2/18	Pricing of Departmental Materials and Services	Award M0050
NAP 540.2	11/22/16	NNSA M&O Off-Site Extended Duty Assignments (renumbered from NAP 31 in M0057)	M0008
DOE O 550.1, Chg. 1 (LtdChg)	12/13/19	Official Travel	Award M0085
DOE O 5639.8A	7/23/93	Security of Foreign Intelligence Information and Sensitive Compartmented Information Facilities	Award
QP 100-1	3/1/13	Quality Requirements to UK and US Procurement Contracts and Loan Authorizations for Research, Design, and Development	Award
NA SD 56XB, Rev. 2	5/10/04	Nuclear Weapon Development and Production ²⁰	M0008
Nevada Field Office (NFO) Order 410.X1, Rev 1	11/15/21	Nevada National Security Site and North Las Vegas Facilities General Use and Operations Requirements	M0018 M0147
NFO O 421.X1, Rev 2	5/4/20	Nuclear Facility Safety Management	M0018 M0097
NSO M 450.X2-1	5/30/07	Underground Nuclear Testing, Test Readiness, and Threshold Test Ban Treaty, Verification	M0018

¹⁹ Full implementation will be achieved in accordance with a NNSA-approved implementation plan.

²⁰ Changes will be processed as described in Section H, clause H-14(b)(4).

**Fiscal Year 2023
DOE/NNSA Strategic Performance Evaluation and Measurement Plan (PEMP)**

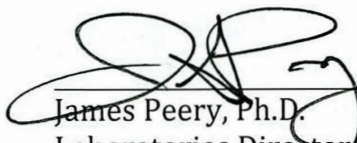
National Technology & Engineering Solutions of Sandia, LLC (NTESS)


MANAGEMENT AND OPERATION OF THE

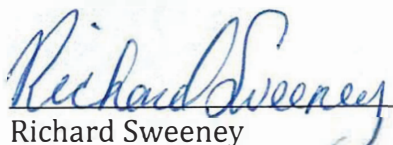
Sandia National Laboratories

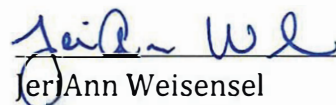
Contract Number: DE-NA0003525

Performance Evaluation Period: October 1, 2022, through September 30, 2023


James Peery, Ph.D.
Laboratories Director
NTESS
4/5/2023
Date


Daryl Hauck, Ph.D.
Field Office Manager
Sandia Field Office
National Nuclear Security Administration
4/5/2023
Date


Richard Sweeney
Senior Manager
Prime Contract & Export Control
NTESS
4/5/23
Date


JerAnn Weisensel
Contracting Officer
Sandia Field Office
National Nuclear Security Administration
4/5/23
Date

FY 2023 PERFORMANCE EVALUATION AND MEASUREMENT PLAN

DOCUMENT REVISION HISTORY

Revision	Date	Change Description
1	4/4/2023	Updated name of Senior Manager for Prime Contract & Export Control on cover page. Revised KO 2.2 to clarify performance expectations.

INTRODUCTION

Sandia National Laboratories is a Federally Funded Research and Development Center owned by the United States Government, under the custody of the Department of Energy (DOE), herein referenced as “Laboratories” and is managed and operated by National Technology and Engineering Solutions of Sandia, LLC (NTESS). Pursuant to the terms and conditions of the Contract, this NNSA Performance Evaluation and Measurement Plan (PEMP) sets forth the criteria by which NNSA will evaluate NTESS performance and upon which NNSA shall determine the amount of award fee earned. The available award fee amounts for FY 2023 are specified in Section B, Supplies or Services and Prices/Costs, of the Contract. This PEMP promotes a strategic Governance and Management Framework in support of the NNSA Strategic Vision. The significant challenges of this Vision require NTESS performance in meeting mission milestones of key mission objectives and support in addressing significant management challenges identified by NNSA.

PERFORMANCE BASED APPROACH

The performance-based approach evaluates NTESS performance through a set of Goals. Each Goal, and its associated Objectives and Key Outcomes (KOs), will be measured against authorized work in terms of cost, schedule, and technical performance, and the respective outcomes, demonstrated performance, and impact to the DOE/NNSA mission.

MISSION

NTESS shall manage, operate, protect, sustain, and enhance the Laboratories’ multi-mission capabilities, while assuring accomplishment of the Laboratories’ primary mission work in nuclear weapons and nuclear non-proliferation research, development, and engineering. NTESS shall facilitate the Laboratories’ capability to project its efforts to participate with the scientific, engineering, and technical communities on both the national and international levels with a high degree of vision, quality, integrity, and technical excellence. NTESS shall engage in the strategic and institutional planning necessary to assure that the Laboratories maintain a posture aimed at anticipating the national technical and scientific needs and dedicated to providing practical solutions. NTESS shall study and explore innovative concepts to minimize or mitigate possible current and future national security threats.

MISSION PERFORMANCE

NTESS is accountable for and will be evaluated on successfully executing program work in accordance with applicable DOE/NNSA safety and security requirements consistent with the terms and conditions of the Contract. Protection of worker and public safety, the environment, and security are essential and implicit elements of successful mission performance. Accordingly, NTESS shall plan safety and security improvements and accomplishments as an integral component of mission performance contributing to meeting the affected programmatic Goals. The model for this PEMP is to rely on NTESS leadership to use appropriate DOE contractual requirements and recognized industrial standards based on consideration of assurance systems, and the related measures, metrics, and evidence. **NTESS is expected to manage in a safe, secure, efficient, effective, results-driven manner, with appropriate risk management and transparency to the government, while taking appropriate measures to minimize costs that do not compromise core objectives and mission performance.** Products and services are expected to be delivered on-schedule and within budget.

INNOVATIVE SOLUTIONS

NTESS will recommend innovative, technology/science-based, systems-engineering solutions to the most challenging problems that face the Nation and the globe. NTESS will also provide evidence to support programmatic needs and operational goals tempered by risk. DOE/NNSA will take into

consideration all major functions including safety and security contributing to mission success. In addition, DOE/NNSA expects NTESS to recommend and implement innovative business and management improvement solutions that enhance effectiveness and efficiency.

CONSIDERATION OF CONTEXT IN PERFORMANCE EVALUATION

The evaluation of performance will consider context, such as unanticipated barriers (e.g., budget restrictions, rule changes, circumstances outside NTESS control), degree of difficulty, significant accomplishments, and other events that may occur during the performance period. A significant safety or security event may result in an overall limitation to adjectival ratings. Such impacts may be balanced by the response to the incident, and by other initiatives to improve overall safety or security performance. NTESS is encouraged to note significant safety and security continuous improvements.

PERFORMANCE RATING PROCESS

DOE/NNSA will review performance throughout the performance evaluation period and provide tri-annual feedback to NTESS highlighting accomplishments and/or issues. At the end of the performance evaluation period, an evaluation of NTESS performance will be completed based on contractor oversight against the criteria in the PEMP. Sources of oversight data include, but are not limited to, DOE/NNSA formal assessments, contractor self-assessments, internal and external audits, inspections, program and project reviews, operational awareness activities, contractor assurance system, etc.

This evaluation will be documented in a Performance Evaluation Report (PER) and will include the performance ratings and award fee earned for the subject performance evaluation period. Objectives and KOs (if any) will be assessed in the aggregate to determine an adjectival performance rating for each Goal. DOE/NNSA will consider NTESS end-of-year self-assessment report in the performance evaluation. The performance ratings will be determined in accordance with FAR 16.401(e) (3) yielding ratings of Excellent, Very Good, Good, Satisfactory, or Unsatisfactory. The Goals will then be considered in the aggregate to provide an overall rating and percentage of award fee earned for the contract. Notwithstanding the overall strategic framework, any significant failure in any goal may impact the overall rating and award fee earned. **Dollar values contained in the PEMP are provided as guidelines for developing a recommendation of fee allocation to the Fee Determining Official (FDO). The final determination as to the amount of fee earned is a unilateral determination made by the FDO.**

NTESS may request a face-to-face meeting with the FDO to highlight its strategic performance at the end of the performance evaluation period. This meeting should occur within the first two weeks after the end of the period.

PEMP CHANGE CONTROL

It is essential that a baseline of performance expectations be established at the beginning of the performance period to equitably measure performance, and that changes to that baseline are carefully managed. Any change to the PEMP requires concurrence by the appropriate program office and the NNSA Senior Procurement Executive prior to the Field Office Manager and Contracting Officer signatures. While recognizing the unilateral rights of DOE/NNSA as expressed in the contract terms and conditions, bilateral changes are the preferred method of change whenever possible.

FEE ALIGNMENT AND "AT-RISK" AWARD FEE ALLOCATION

This table is provided for information only and does not change the terms and conditions of the contract. All goals will receive an adjectival assessment as a part of the Corporate Performance Evaluation Process (CPEP).

Goal	At Risk Fee Amount	At Risk Award Percent
Goal-1: Mission Delivery: Nuclear Weapons	\$3,825,545.60	40%
Goal-2: Mission Delivery: Global Nuclear Security	\$956,386.40	10%
Goal-3: Mission Innovation: Advancing Science and Technology	\$1,434,580.00	15%
Goal-4: Mission Enablement	\$1,912,772.80	20%
Goal-5: Mission Leadership	\$1,434,579.60	15%

UNEARNED FEE

DOE/NNSA reserves the right to withdraw and redistribute DOE/NNSA unearned fees.

Goal-1: Mission Delivery: Nuclear Weapons

Successfully execute the cost, scope, and schedule of the Nuclear Stockpile mission work for Defense Programs work in a safe and secure manner in accordance with DOE/NNSA priorities, Work Authorizations, and Execution/Implementation Plans.

Objectives:

- Objective-1.1: Work as a team across the Nuclear Security Enterprise (NSE) on stockpile modernization and Mobile Guardian Transporter programs scope to 1) achieve and maintain program delivery schedules; 2) lower risk to achieving First Production Unit (FPU), Initial Operational Capability (IOC), and Final Operational Capability (FOC); 3) improve manufacturability and supply chain execution; and 4) control costs.
- Objective-1.2: Execute stockpile surveillance, limited-life component exchanges, assessments, and development studies/capability improvements, weapon program planning/support, and meet transportation and weapon containers activities to meet DoD commitments and deliver the annual stockpile assessment.
- Objective-1.3: Work as a team to support and execute production modernization processes and activities to sustain and improve production capabilities, equipment, and infrastructure for 1) War Reserve production; 2) components (primary, secondary, non-nuclear); 3) strategic materials capabilities; and 4) improve safety margins, technology maturation strategies, and qualification, logistics, and security plans collaboratively across the NSE.
- Objective-1.4: Provide the knowledge and expertise to maintain confidence in the nuclear stockpile without additional nuclear explosive testing by developing, maturing, and applying innovative strategies and technologies to sustain a robust stockpile and improve science and engineering capabilities, facilities, and essential skills to support existing and future nuclear security enterprise requirements. Collaborate with Triad, LLNS, and MSTS to execute subcritical experiments relevant for obtaining data for developing predictive models for improving production, assessing the current stockpile, and certifying the future stockpile in accordance with milestone schedules.

Key Outcome(s): (None)

Goal-2: Mission Delivery: Global Nuclear Security

Successfully execute the cost, scope, and schedule of the authorized global nuclear security mission work in a safe and secure manner to include the Defense Nuclear Nonproliferation, Nuclear Counterterrorism and Counterproliferation, and Incident Response missions in accordance with DOE/NNSA priorities, Work Authorizations, and Execution/Implementation Plans.

Objectives:

- Objective-2.1: Support efforts to secure, account for, and interdict the illicit movement of nuclear weapons, weapons-useable nuclear materials, and radioactive materials.
- Objective-2.2: Support U.S. national and nuclear security objectives in reducing global nuclear security threats through the innovation of unilateral and multi-lateral technical capabilities to detect, identify, and characterize: 1) foreign nuclear weapons programs, 2) illicit diversion of special nuclear materials, and 3) global nuclear detonations.
- Objective-2.3: Support efforts to achieve permanent threat reduction by managing and minimizing excess weapons-useable nuclear materials and providing nuclear materials for peaceful uses.
- Objective-2.4: Support efforts to prevent proliferation, ensure peaceful nuclear uses, and enable verifiable nuclear reductions to strengthen the nonproliferation and arms control regimes.
- Objective-2.5: Sustain and improve nuclear counterterrorism, counterproliferation, and forensic science, technology, expertise and associated Nuclear Emergency Support Team (NEST) capabilities; execute unique radiological and nuclear (RN) emergency response missions; implement policies and procedures in support of RN incident response and nuclear forensics missions; and assist international partners/organizations.

Key Outcomes:

- KO 2.1: Meet space nuclear detonation detection mission-related performance requirements, milestones, and delivery dates.
- KO 2.2: Develop an updated plan for WMD Device Disablement for integration into an overall cross-Laboratories WMD Device Defeat Strategic Plan. Complete hardware development of key national capabilities for prompt nuclear forensics and continue critical experimental and training infrastructure support to NA-80 programs.

Goal-3: Mission Innovation: Advancing Science and Technology

Successfully advance national security missions through innovation by expanding the frontiers of Science, Technology, and Engineering (ST&E). Execute transformative and leading-edge Research and Development (R&D) by creating a vibrant, creative, environment that leverages effective partnerships (including Strategic Partnership Projects (SPP)) and technology transfer endeavors. Effectively manage high-impact DOE Work and Laboratory Directed Research and Development (LDRD) and Technology Transfer in a safe and secure manner consistent with DOE/NNSA priorities, Work Authorizations, and Execution/Implementation Plans.

Objectives:

- Objective-3.1: Execute a research strategy that is clear and aligns discretionary investments (e.g., LDRD with Laboratories strategy and supports DOE/NNSA priorities).
- Objective-3.2: Ensure that research is relevant, enables the national security missions, and benefits DOE/NNSA and the Nation.
- Objective-3.3: Ensure that research is transformative, innovative, leading edge, high quality, and advances the frontiers of science and engineering.
- Objective-3.4: Maintain a healthy and vibrant research environment that enhances technical workforce competencies and research capabilities.
- Objective-3.5: Research and develop high-impact technologies through effective partnerships and technology transfer mechanisms that support the Laboratories strategy, DOE/NNSA priorities and impact the public good; and ensure that reporting, publishing, and information management requirements of federally funded scientific research and development are implemented (via DOE's Public Access Plan) and per DOE Scientific and Technical Information Management directive (DOE O 241.1B).
- Objective-3.6: Pursue and perform high-impact work for DOE that strategically integrates with the DOE/NNSA mission, and leverages, sustains, and strengthens unique science and engineering capabilities, facilities, and essential skills.

Key Outcome(s): None

Goal 4: Mission Enablement

Effectively and efficiently manage the safe and secure operations of the Sandia National Laboratories in accordance with cost, scope, and schedule while maintaining an NNSA enterprise-wide focus; demonstrating accountability for mission performance and management controls; successfully executing cyber, technical, informational, and physical security requirements, and assure mission commitments are met with high-quality products and services while partnering to improve the site infrastructure. Performance will be measured by the contractor's assurance system, NNSA metrics, cost control, business and financial operations, project baselines, implementation plans, assessments, and audit results, etc., with a focus on mission enablement.

Objectives:

- Objective-4.1: Deliver effective, efficient, and responsive Environment, Safety, and Health (ES&H), Quality (including weapon quality), and radioactive waste management. Advance DOE/NNSA's climate resiliency and sustainability goals with a focus on maximizing energy efficiency and supporting Carbon Pollution-Free energy objectives.
- Objective-4.2: Deliver mission capabilities through the planning, design, acquisition, operation, maintenance, recapitalization, and disposition of facilities and infrastructure. Execute design and construction projects to achieve the scope on schedule and on budget.
- Objective-4.3: Deliver effective, efficient, and responsive safeguards and security, including assigned enterprise initiatives.
- Objective-4.4: Deliver efficient, effective, responsible, and transparent financial management operations and systems including financial integration reporting; budget formulation and execution; programmatic cost estimates; and internal controls.
- Objective-4.5: Deliver efficient and effective management of legal risk and incorporation of best legal practices.
- Objective-4.6: Deliver effective, efficient, and responsive information technology systems and cybersecurity that provides for a comprehensive mission and functional area delivery through the completion of the implementation factors established in the NA-IM Information Technology and Cybersecurity Program Execution Guidance, and adaptive day-to-day information technology and cybersecurity operations to support, protect, and defend mission/business systems and networks.
- Objective-4.7: Deliver effective, efficient, and responsive site emergency management programs in support of the DOE/NNSA Emergency Management Enterprise.
- Objective-4.8: Deliver efficient, effective, and compliant business operations including, but not limited to, procurement, human resources, and property systems, in support of NNSA missions. Focus areas to include: achievement of small business and socioeconomic goals; support provided to the NSE Workforce Recruitment Strategy; and strategic management of integrated recruiting, retention, and diversity programs.

Key Outcomes:

- KO 4.1: Plan and execute the Enhanced Capabilities for Subcritical Experiments portfolio projects in accordance with approved scope and baselined cost and schedule milestones; risk management; cost estimating and cost control; notification to NNSA of variances to Level 3 WBS elements exceeding 10%.
- KO 4.2: Execute the Emergency Operations Center project construction within cost, scope, and schedule and in accordance with the NA-1 approved pilot approach.
- KO 4.3: Effectively work in coordination with the NNSA Production Office (NPO) M&O Contractor to meet the West End Protected Area Reduction (WEPAR) project Performance Measurement Baseline and complete applicable NA-70 projects necessary to enable the WEPAR project to achieve approved milestones.
- KO 4.4: Plan and execute the Microsystems Engineering, Science and Applications (MESA) Complex Extended Life Program (ELP) projects in accordance with federally approved scope, cost, and schedule baselines.
- KO 4.5: Achieve CD-1 for the Power Sources Capability project and award preliminary design.
- KO 4.6: Award critical sub-contracts by the end of FY23 to support the Combined Radiation Environment for Survivability Testing (CREST) Conceptual Design activities necessary to achieve CD-1 approval on-schedule.

Goal-5: Mission Leadership

Successfully demonstrate leadership in supporting the direction of the overall DOE/NNSA mission, cultivating a Performance Excellence Culture that encompasses all aspects of operations and continues to emphasize safety and security, improving the responsiveness of NTESS leadership team to issues and opportunities for continuous improvement internally and across the Enterprise, and parent company involvement/commitment to the overall success of the Sandia National Laboratories and the Enterprise.

Objectives:

- Objective-5.1: Define and implement a realistic strategic vision for the Laboratory in alignment with the NNSA Strategic Vision, which demonstrates enterprise leadership and effective collaborations across the NNSA enterprise to ensure DOE/NNSA success.
- Objective-5.2: Demonstrate performance results through the institutional utilization of a Contractor Assurance System and promoting a culture of critical self-assessment, transparency, and accountability through the entire organization, while also leveraging parent company resources and expertise.
- Objective-5.3: Develop and implement a National Security Enterprise-wide partnership model that enhances collaboration, reinforces shared fate, and enables mission success including transformation of the stockpile and the enterprise.
- Objective-5.4: Exhibit professional excellence in performing roles/responsibilities while pursuing collaborative opportunities for continuous organizational and enterprise learning and demonstrated improvements that will improve productivity, grow the capacity to execute mission, and manage, rather than avoid, risk. Pursue innovations to increase agility and resilience while controlling costs.
- Objective-5.5: Demonstrate leadership in driving enhanced and sustainable formality and rigor of operations through proactive implementation of effective and efficient measures to minimize operational upsets that have potential to impact mission.
- Objective 5.6: LLC Leadership takes decisive action, as a cooperative partner of NNSA, to attract and retain the workforce needed to achieve the nuclear security enterprise missions, with particular emphasis on critical and under-resourced skill sets, reaching back to parent company resources, as necessary.

Key Outcome(s): None

FAR 16.401(e)(3) AWARD FEE ADJECTIVAL RATINGS AND SUPPLEMENTAL DEFINITIONS

Excellent	91%-100%	<p>Contractor has exceeded almost all of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.</p> <p><i>This performance level is evidenced by at least one significant accomplishment, or a combination of accomplishments that significantly outweigh very minor issues, if any. No significant issues in performance exist.</i></p>
Very Good	76% - 90%	<p>Contractor has exceeded many of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.</p> <p><i>This performance level is evidenced by accomplishments that greatly outweigh issues. No significant issues in performance exist.</i></p>
Good	51% - 75%	<p>Contractor has exceeded some of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.</p> <p><i>This performance level is evidenced by accomplishments that slightly outweigh issues. No significant issues in performance exist.</i></p>
Satisfactory	No greater than 50%	<p>Contractor has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.</p> <p><i>This performance level is evidenced by issues that slightly outweigh accomplishments.</i></p>

Unsatisfactory	0%	<p>Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.</p> <p><i>This performance level is evidenced by issues that significantly outweigh accomplishments, if any.</i></p>
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Definitions:

An **Accomplishment** is an achievement or success in the performance of contract requirements that exceeds standards or expectations. Examples might be performing full contract requirements under budget while meeting or beating schedule baselines or performing additional scope within the initial cost targets with no negative effect on requirements or other programs, indicating continued performance improvement.

An **Issue** is a point in question or a matter that raises concerns regarding successful performance of contract requirements within scope, cost (budget), and schedule baselines or concern of negative effect on requirements or other programs, indicating a decline in performance that needs attention and improvement.