


AWARD/CONTRACT		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)		RATING DO-C9	PAGE OF PAGES 1 29		
2. CONTRACT (Proc. Inst. Ident.) NO W91CRB-06-C-0043		3. EFFECTIVE DATE 15 Sep 2006		4. REQUISITION/PURCHASE REQUEST/PROJECT NO.			
5. ISSUED BY US ARMY RDECOM ACG CTR - W91CRB 4118 SUSQUEHANNA AVENUE ABERDEEN PROVING GROUND MD 21005-3013		CODE W91CRB	6. ADMINISTERED BY (If other than Item 5) See Item 5				
7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, state and zip code) APPLIED RESOURCES, INC. MARGARET BRANDIS 1700 N. MOORE STREET SUITE 1500 ARLINGTON VA 22209			8. DELIVERY [] FOB ORIGIN [X] OTHER (See below)				
CODE 0W444			9. DISCOUNT FOR PROMPT PAYMENT				
FACILITY CODE			10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN:				
11. SHIP TO/MARK FOR CODE See Schedule		12. PAYMENT WILL BE MADE BY DFAS INDIANAPOLIS - HQ0347 ATTN: DFAS-IN AKA 6899 EAST 66TH STREET INDIANAPOLIS IN 46249-1325					
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: [] 10 U.S.C. 2304(c)() [] 41 U.S.C. 253(c)()		14. ACCOUNTING AND APPROPRIATION DATA See Schedule					
15A. ITEM NO.	15B. SUPPLIES/ SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT		
SEE SCHEDULE							
15G. TOTAL AMOUNT OF CONTRACT					\$2,378,956.00		
16. TABLE OF CONTENTS							
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CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE							
17. [] CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award contract, (b) the solicitation, if any, and (c) such provisions representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)			18. [X] AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number W91CRB-06-R-0043 REF: PROPOSAL DTD 8/22/06 & 9/16/06 including the addition or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award contract. No further contractual document is necessary.				
19A. NAME AND TITLE OF SIGNER (Type or print)			20A. NAME AND TITLE OF CONTRACTING OFFICER CAROL J. TYREE / CONTRACT SPECIALIST TEL: 410-306-1461 EMAIL: Carol.Tyree@apg.army.mil				
19B. NAME OF CONTRACTOR		19C. DATE SIGNED	20B. UNITED STATES OF AMERICA		20C. DATE SIGNED 15-Sep-2006		
BY _____ (Signature of person authorized to sign)			BY  (Signature of Contracting Officer)				

Section B - Supplies or Services and Prices

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT Dollars, U.S.	UNIT PRICE	AMOUNT
0001	SUPPORT SERVICES				
	CPFF				
	The Contractor shall provide non-personal services in accordance with the Statement of Work entitled Threat Systems Support for 16 months from date of award.				
	FOB: Destination				
			ESTIMATED COST		(b) (4)
			FIXED FEE		
			TOTAL EST COST + FEE		\$2,378,956.00
	ACRN AA				\$190,616.73
	CIN: 00000000000000000000000000000000				

STATEMENT OF WORK

STATEMENT OF WORK

**Threat Systems Support
9/15/06**

1.0 MISSION

1.1 U.S. weapon systems are designed to engage and defeat enemy systems. To help improve their performance during actual combat, Congress mandated that they be operationally tested in a realistic manner to assess their effectiveness and suitability to support our war fighters. The Director, Operational Test and Evaluation (DOT&E) is charged with certifying to Congress and the Secretary of Defense that weapon systems meet these criteria.

1.2 The Test and Evaluation Threat Resource Activity (TETRA), a field activity assigned to DOT&E, is responsible for performing threat resource analysis to help insure that U.S. weapons can be successfully tested against threats that are both realistic and affordable.

2.0 BACKGROUND

2.1 The Office of the Secretary of Defense (OSD) reorganized Test and Evaluation (T&E) responsibilities in June 1999. As a result of this reorganization, TETRA (then named the Threat Systems Office) was reassigned to DOT&E. Although the core functional responsibilities were unchanged, the organizational realignment promoted a closer working relationship with the DOT&E Action Officers responsible for independent test oversight. As a result, the TETRA refocused many activities to better support the DOT&E staff.

3.0 SCOPE

The contractor shall provide technical and programmatic support to the Director, Operational Test and Evaluation for threat systems support.

3.1 Threat Systems Working Group Support. The contractor shall identify technical areas of concern that could benefit from a more in-depth analysis of issues and provide specific subject matter experts to TETRA. Upon approval from TETRA, the contractor shall form working groups composed of outside experts, government officials, and other members to research and report on the identified issue areas. The contractor shall support the working group's efforts by coordinating meetings, conference calls, visits, etc.; developing agendas, white papers, and other materials; preparing formal reports; and providing other support as needed. The contractor shall have the capability to support multiple working groups at the same time.

3.2 Threat Systems Technical Support. The contractor shall provide technical and programmatic support to DOT&E. Support includes program and financial management support; threat resource oversight; and direct support to the business management office managing test and evaluation funding distribution, obligation and expenditure.

3.3 Quick Reaction Capability for Specialized Studies, Analyses, and other Mission-Related Functions. The contractor shall have the capability to draw on diverse technical expertise, either through in-house corporate resources or quick reaction subcontracting/ consultants, to meet needs for specialized services, support, material, and studies in support of TETRA.

3.4 Travel. Contractor personnel may be required to travel to various locations within the CONUS and OCONUS. All travel required shall be approved by the Contracting Officer Representative (COR) prior to travel. All travel will be performed in accordance with the Joint Travel Regulations (JTR).

4.0 TECHNICAL REQUIREMENTS

The TETRA requires technical and programmatic support under this contract to assist staff in performance of their mission requirements.

5.0 QUALITY CONTROL PLAN

The Government requires the contractor to accomplish review and inspection to ensure that services provided under the contract conform to contract quality requirements before they are tendered to the Government. Government inspection shall be performed within thirty (30) days of receipt. Results of all Government inspections/approvals will be reported to the contractor. The absence of a formal response (comments or approval) shall indicate approval after the thirty (30) day review period.

6.0 DELIVERABLES, SCHEDULES, AND REPORTING

The contractor shall submit the following reports on a monthly basis to the Contracting Officer's Representative (COR) and the Contracting Officer (CO):

CDRL 001: Monthly Expenditure Report

CDRL 002: Monthly Status Report

The contractor shall submit the following draft and final reports to the COR, tasking Point Of Contact, or Action Officers, as appropriate.

CDRL 003: Technical Information Report

CDRL 004: Computer Software End Items, As Required

7.0 ORGANIZATIONAL CONFLICT OF INTEREST

Offerors and providers will be excluded from this contract that have significant involvement in development of systems that are under, or will be under, DOT&E oversight.

8.0 PERIOD OF PERFORMANCE

The contract will be cost plus fixed fee (CPFF) with a period of performance of sixteen (16) months.

9.0 SECURITY CLEARANCES/ACCESS

The Contractor shall maintain a TOP SECRET facility clearance issued by the Defense Security Service (DSS). All employees designated to perform on this SOW must be U.S. citizens and those associated with providing technical support or working in government spaces must hold the minimum of a SECRET personnel security clearance. Certain employees may require a TOP SECRET security clearance and may be required to maintain their eligibility for access to Sensitive Compartmented Information (SCI) current. The Contractor shall maintain a DSS-certified safeguarding capability to at least the SECRET level. The Contractor shall be required to hand carry classified material between government offices and the Contractor's site. Specific security instructions are detailed in the DD 254 associated with this Statement of Work.

10.0 PERSONNEL QUALIFICATIONS

It is anticipated that the following positions will be required on a full-time basis upon award. Work will be performed predominately at the Contractor's site in Arlington, VA.

10.1 Senior Specialist II – must have a BA with 25 years of relevant experience related to the Statement of Work.

10.2 Senior Specialist I – must have a BA with 20 years of relevant experience related to the Statement of Work.

10.3 Senior Analyst I – must have a BA with 15 years of relevant experience related to the Statement of Work.

10.4 Analyst II – must have a BA with 8 years of relevant experience related to the Statement of Work.

10.5 Analyst I – must have a BA with 1 year of relevant experience related to the Statement of Work.

11.0 CONTRACTOR MANPOWER REPORTING

The Contractor shall perform manpower reporting as follows:

The Contractor shall report all contractor manpower (including subcontractor manpower) required for performance of this contract using the format provided at the following web address:

<https://contractormanpower.army.pentagon.mil> The Contractor shall include the following:

- a. Contracting Office, Contracting Officer, Contracting Officer's Representative
- b. Contract number, including task and delivery orders
- c. Beginning and ending dates covered by reporting period
- d. Contractor name, address, phone number, e-mail address, identity of contractor employee entering data
- e. Estimated direct labor hours (including subcontractors)
- f. Estimated direct labor hours paid this reporting period (including subcontractors)
- g. Total payments (including subcontractors)
- h. Predominant Federal Service Code (FSC) reflecting services provided by contractor (and separate predominant FSC for each subcontractor if different)
- i. Estimated data collection cost
- j. Organizational title associated with the Unique Identification Code (UIC) for the Army Requiring Activity. (The Army requiring activity is responsible for providing the contractor with it UIC for the purposes of reporting this information.)
- k. Locations where the contractor and subcontractors perform the work (specified by zip code in the United States and nearest city, country, when in an overseas location, using standardized nomenclature provided on the website.)
- l. Presence of deployment or contingency contract language.
- m. Number of contractor and subcontractor employees deployed in theater this reporting period (by country).

The Contractor shall also provide the estimated total cost (if any) incurred to comply with this reporting requirement. The reporting period shall be the period of performance not to exceed 12 months ending 30 September of each government fiscal year and must be reported by 31 October of each calendar year.

The Contractor may use a direct XML data transfer to database server or fill in the fields on the website. The XML direct transfer is a format for transferring files from a contractor's system to the secure web site without the need for separate data entries for each required data element at the web site. The specific formats for the XMS direct transfer may be downloaded from the web site.

Section E - Inspection and Acceptance

CLAUSES INCORPORATED BY REFERENCE

52.246-5

Inspection Of Services Cost-Reimbursement

APR 1984

Section F - Deliveries or Performance

DELIVERY INFORMATION

CLIN	DELIVERY DATE	QUANTITY	SHIP TO ADDRESS	UIC
0001	POP 15-SEP-2006 TO 14-JAN-2008	N/A	N/A FOB: Destination	

CLAUSES INCORPORATED BY REFERENCE

52.242-15	Stop-Work Order	AUG 1989
52.242-15 Alt I	Stop-Work Order (Aug 1989) - Alternate I	APR 1984

Section G - Contract Administration Data

ACCOUNTING AND APPROPRIATION DATA

AA: 97604601180P680458902574PTAM69926S19TCB97TSST012123
AMOUNT: \$190,616.73
CIN 000000000000000000000000000000: \$190,616.73

CLAUSES INCORPORATED BY FULL TEXT

AMCAC 52.0242-4001, INSTRUCTIONS TO PAYING OFFICE AND AMINISTRATIVE CONTRACTING OFFICE (AUG 1999)

a. The Contracting Office representative is:

Name: CAROL J. TYREE

Organization Code: AMSRD-ACC-CC

Telephone Area Code and Number: 410-306-1461 DSN: 458-1461

FAX: 410-306-3758 Email: carol.tyree@apg.army.mil

b. Payment to the contractor shall be made in accordance with FAR Subpart 32.11, Electronic Funds Transfer.

c. Paying Office Information:

Telephone Inquiries: DFAS Columbus – South Entitlement Operations, 1-800-756-4571

FAX: 866-473-5429

Contractor shall submit payment request using the following method(s) as mutually agreed to by the Contractor, the Contracting Officer, the contract administration office, and the payment office.

Wide Area Workflow (WAWF) (see instructions below)

Web Invoicing System (WInS)(<https://ecweb.dfas.mil>)

American National Standards Institute (ANSI) X.12 electronic data interchange (EDI) formats (<http://www.X12.org> and <http://www.dfas.mil/ecedi>)

Other (please specify) _____

DFAS POC and Phone: DFAS COLUMBUS 1-866-473-5429

WAWF is the preferred method to electronically process vendor request for payment. This application allows DOD vendors to submit and track Invoices and Receipt/Acceptance documents electronically. Contractors electing to use WAWF shall (i) register to use WAWF at <https://wawf.eb.mil> and (ii) ensure an electronic business point of contact (POC) is designated in the Central Contractor Registration site at <http://www.ccr.gov> within ten (10) calendar days after award of this contract/order.

WAWF Instructions

Questions concerning payments should be directed to the Defense Finance and Accounting Service (DFAS) [Contracting Office fill in DFAS location here as indicated on your purchase order/contract] at [Contracting Office fill in DFAS vendor pay phone number here] or faxed to [Contracting Office fill in DFAS vendor pay fax phone number here]. Please have your purchase order/contract number ready when calling about payments.

You can easily access payment and receipt information using the DFAS web site at <http://www.dfas.mil/money/vendor>. Your purchase order/contract number or invoice number will be required to inquire about the status of your payment.

The following codes and information will be required to assure successful flow of WAWF documents.

TYPE OF DOCUMENT [Check the appropriate block]

- Commercial Item Financing
- Construction Invoice (Contractor Only)
- Invoice (Contractor Only)
- Invoice and Receiving Report (COMBO)
- Invoice as 2-in-1 (Services Only)
- Performance Based Payment (Government Only)
- Progress Payment (Government Only)
- Cost Voucher (Government Only)
- Receiving Report (Government Only)

- Receiving Report With Unique Identification (UID) Data (Government Only)

UID is a new globally unique "part identifier" containing data elements used to track DoD parts through their life cycle.

- Summary Cost Voucher (Government Only)

CAGE CODE: 0W444]

ISSUE BY DODAAC: W91CRB

ADMIN BY DODAAC: W91CRB

INSPECT BY DODAAC: [Enter Inspector's DODAAC here if applicable]

ACCEPT BY DODAAC: [Enter Acceptor's DODAAC here if applicable]

SHIP TO DODAAC: N/A

LOCAL PROCESSING OFFICE DODDAC: [Enter LPO DODAAC here if applicable]

PAYMENT OFFICE FISCAL STATION CODE: HQ0347

EMAIL POINTS OF CONTACT LISTING: (Use Group e-mail accounts if applicable)

INSPECTOR: (b) (6)

ACCEPTOR: (b) (6)

RECEIVING OFFICE POC: (b) (6)

CONTRACT ADMINISTRATOR: carol.tyree@apg.army.mil

CONTRACTING OFFICER: carol.tyree@apg.army.mil

ADDITIONAL CONTACT: [Enter email address(es) here]

For more information contact [Enter Contract Specialist's and/or Contracting Officer's name, email and phone here]

Section H - Special Contract Requirements

CLAUSES INCORPORATED BY FULL TEXT

AMCAC 52.0242-4003, GOVERNMENT-CONTRACTOR RELATIONSHIPS (SEP 1999)

a. The Government and the contractor understand and agree that the services to be delivered under this contract by the contractor to the Government are non-personal services and the parties recognize and agree that no employer-employee or master-servant relationships exist or will exist under the contract between the Government and the contractor and/or between the Government and the contractor's employees. It is therefore, in the best interest of the Government to afford the parties a full and complete understanding of their respective obligations.

b. Contractor personnel under this contract shall not:

(1) be placed in a position where they are appointed or employed by a Federal Officer, or are under the supervision, direction, or evaluation of a Federal Officer, Military or Civilian.

(2) be placed in a staff or policymaking position.

(3) be placed in a position of command, supervision, administration or control over DA Military or Civilian Personnel, or personnel of other contractors, or become a part of the Government organization.

(4) be used for the purpose of avoiding manpower ceilings or other personnel rules and regulations of DA or the Civil Service Commission.

(5) be used in administration or supervision of military procurement activities.

c. Employee Relationship:

(1) The services to be performed under this contract do not require the contractor or its employees to exercise personal judgment and discretion on behalf of the Government, but rather the contractor's employees will act and exercise personal judgment and discretion on behalf of the contractor.

(2) Rules, regulations, directions, and requirements that are issued by command authorities under their responsibility for good order, administration, and security are applicable to all personnel who enter the installation, or who travel on Government transportation. This is not to be construed or interpreted to establish any degree of Government control that is inconsistent with a non-personal services contract.

Section I - Contract Clauses

CLAUSES INCORPORATED BY REFERENCE

52.202-1	Definitions	JUL 2004
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	APR 1984
52.203-6	Restrictions On Subcontractor Sales To The Government	JUL 1995
52.203-7	Anti-Kickback Procedures	JUL 1995
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	JAN 1997
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity	JAN 1997
52.203-12	Limitation On Payments To Influence Certain Federal Transactions	SEP 2005
52.204-2	Security Requirements	AUG 1996
52.204-4	Printed or Copied Double-Sided on Recycled Paper	AUG 2000
52.204-7	Central Contractor Registration	OCT 2003
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	JAN 2005
52.211-15	Defense Priority And Allocation Requirements	SEP 1990
52.215-2	Audit and Records--Negotiation	JUN 1999
52.215-8	Order of Precedence--Uniform Contract Format	OCT 1997
52.215-10	Price Reduction for Defective Cost or Pricing Data	OCT 1997
52.215-12	Subcontractor Cost or Pricing Data	OCT 1997
52.215-15	Pension Adjustments and Asset Reversions	OCT 2004
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions	JUL 2005
52.215-19	Notification of Ownership Changes	OCT 1997
52.219-8	Utilization of Small Business Concerns	MAY 2004
52.219-14	Limitations On Subcontracting	DEC 1996
52.222-3	Convict Labor	JUN 2003
52.222-21	Prohibition Of Segregated Facilities	FEB 1999
52.222-26	Equal Opportunity	APR 2002
52.222-35	Equal Opportunity For Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	DEC 2001
52.222-36	Affirmative Action For Workers With Disabilities	JUN 1998
52.222-37	Employment Reports On Special Disabled Veterans, Veterans Of The Vietnam Era, and Other Eligible Veterans	DEC 2001
52.222-39	Notification of Employee Rights Concerning Payment of Union Dues or Fees	DEC 2004
52.222-48	Exemption from Application of Service Contract Act Provisions - Contractor Certification	JUN 2006
52.223-5	Pollution Prevention and Right-to-Know Information	AUG 2003
52.223-6	Drug-Free Workplace	MAY 2001
52.225-13	Restrictions on Certain Foreign Purchases	FEB 2006
52.227-1	Authorization and Consent	JUL 1995
52.227-2	Notice And Assistance Regarding Patent And Copyright Infringement	AUG 1996
52.227-3	Patent Indemnity	APR 1984
52.232-8	Discounts For Prompt Payment	FEB 2002
52.232-11	Extras	APR 1984
52.232-17	Interest	JUN 1996
52.232-23 Alt 1	Assignment of Claims (Jan 1986) - Alternate 1	APR 1984

52.232-25	Prompt Payment	OCT 2003
52.232-33	Payment by Electronic Funds Transfer--Central Contractor Registration	OCT 2003
52.233-1	Disputes	JUL 2002
52.233-3	Protest After Award	AUG 1996
52.233-4	Applicable Law for Breach of Contract Claim	OCT 2004
52.236-13	Accident Prevention	NOV 1991
52.237-2	Protection Of Government Buildings, Equipment, And Vegetation	APR 1984
52.242-3	Penalties for Unallowable Costs	MAY 2001
52.242-13	Bankruptcy	JUL 1995
52.243-2	Changes--Cost-Reimbursement	AUG 1987
52.244-2	Subcontracts	AUG 1998
52.244-6	Subcontracts for Commercial Items	FEB 2006
52.246-25	Limitation Of Liability--Services	FEB 1997
52.248-1	Value Engineering	FEB 2000
52.249-4	Termination For Convenience Of The Government (Services) (Short Form)	APR 1984
52.249-14	Excusable Delays	APR 1984
52.251-1	Government Supply Sources	APR 1984
52.253-1	Computer Generated Forms	JAN 1991
252.201-7000	Contracting Officer's Representative	DEC 1991
252.204-7000	Disclosure Of Information	DEC 1991
252.204-7003	Control Of Government Personnel Work Product	APR 1992
252.204-7004 Alt A	Central Contractor Registration (52.204-7) Alternate A	NOV 2003
252.204-7005	Oral Attestation of Security Responsibilities	NOV 2001
252.205-7000	Provision Of Information To Cooperative Agreement Holders	DEC 1991
252.209-7004	Subcontracting With Firms That Are Owned or Controlled By The Government of a Terrorist Country	MAR 1998
252.223-7004	Drug Free Work Force	SEP 1988
252.226-7001	Utilization of Indian Organizations and Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns	SEP 2004
252.227-7016	Rights in Bid or Proposal Information	JUN 1995
252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends	JUN 1995
252.227-7030	Technical Data--Withholding Of Payment	MAR 2000
252.227-7037	Validation of Restrictive Markings on Technical Data	SEP 1999
252.232-7003	Electronic Submission of Payment Requests	MAY 2006
252.243-7002	Requests for Equitable Adjustment	MAR 1998
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD Contracts)	NOV 2005
252.245-7000	Government-Furnished Mapping, Charting, and Geodesy Property	DEC 1991

CLAUSES INCORPORATED BY FULL TEXT

52.216-7 ALLOWABLE COST AND PAYMENT (DEC 2002)

(a) Invoicing.

(1) The Government will make payments to the Contractor when requested as work progresses, but (except for small business concerns) not more often than once every 2 weeks, in amounts determined to be allowable by the

Contracting Officer in accordance with Federal Acquisition Regulation (FAR) subpart 31.2 in effect on the date of this contract and the terms of this contract. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this contract.

(2) Contract financing payments are not subject to the interest penalty provisions of the Prompt Payment Act. Interim payments made prior to the final payment under the contract are contract financing payments, except interim payments if this contract contains Alternate I to the clause at 52.232-25.

(3) The designated payment office will make interim payments for contract financing on the 30TH (Contracting Officer insert day as prescribed by agency head; if not prescribed, insert "30th") day after the designated billing office receives a proper payment request.

In the event that the Government requires an audit or other review of a specific payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the specified due date.

(b) Reimbursing costs. (1) For the purpose of reimbursing allowable costs (except as provided in subparagraph (b)(2) of the clause, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term "costs" includes only--

(i) Those recorded costs that, at the time of the request for reimbursement, the Contractor has paid by cash, check, or other form of actual payment for items or services purchased directly for the contract;

(ii) When the Contractor is not delinquent in paying costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for--

(A) Supplies and services purchased directly for the contract and associated financing payments to subcontractors, provided payments determined due will be made--

(1) In accordance with the terms and conditions of a subcontract or invoice; and

(2) Ordinarily within 30 days of the submission of the Contractor's payment request to the Government;

(B) Materials issued from the Contractor's inventory and placed in the production process for use on the contract;

(C) Direct labor;

(D) Direct travel;

(E) Other direct in-house costs; and

(F) Properly allocable and allowable indirect costs, as shown in the records maintained by the Contractor for purposes of obtaining reimbursement under Government contracts; and

(iii) The amount of financing payments that have been paid by cash, check, or other forms of payment to subcontractors.

(2) Accrued costs of Contractor contributions under employee pension plans shall be excluded until actually paid unless--

(i) The Contractor's practice is to make contributions to the retirement fund quarterly or more frequently; and

(ii) The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any contribution remaining unpaid shall be excluded from the Contractor's indirect costs for payment purposes).

(3) Notwithstanding the audit and adjustment of invoices or vouchers under paragraph (g) of this clause, allowable indirect costs under this contract shall be obtained by applying indirect cost rates established in accordance with paragraph (d) of this clause.

(4) Any statements in specifications or other documents incorporated in this contract by reference designating performance of services or furnishing of materials at the Contractor's expense or at no cost to the Government shall be disregarded for purposes of cost-reimbursement under this clause.

(c) Small business concerns. A small business concern may receive more frequent payments than every 2 weeks.

(d) Final indirect cost rates. (1) Final annual indirect cost rates and the appropriate bases shall be established in accordance with Subpart 42.7 of the Federal Acquisition Regulation (FAR) in effect for the period covered by the indirect cost rate proposal.

(2)(i) The Contractor shall submit an adequate final indirect cost rate proposal to the Contracting Officer (or cognizant Federal agency official) and auditor within the 6-month period following the expiration of each of its fiscal years. Reasonable extensions, for exceptional circumstances only, may be requested in writing by the Contractor and granted in writing by the Contracting Officer. The Contractor shall support its proposal with adequate supporting data.

(ii) The proposed rates shall be based on the Contractor's actual cost experience for that period. The appropriate Government representative and the Contractor shall establish the final indirect cost rates as promptly as practical after receipt of the Contractor's proposal.

(3) The Contractor and the appropriate Government representative shall execute a written understanding setting forth the final indirect cost rates. The understanding shall specify (i) the agreed-upon final annual indirect cost rates, (ii) the bases to which the rates apply, (iii) the periods for which the rates apply, (iv) any specific indirect cost items treated as direct costs in the settlement, and (v) the affected contract and/or subcontract, identifying any with advance agreements or special terms and the applicable rates. The understanding shall not change any monetary ceiling, contract obligation, or specific cost allowance or disallowance provided for in this contract. The understanding is incorporated into this contract upon execution.

(4) Failure by the parties to agree on a final annual indirect cost rate shall be a dispute within the meaning of the Disputes clause.

(5) Within 120 days (or longer period if approved in writing by the Contracting Officer) after settlement of the final annual indirect cost rates for all years of a physically complete contract, the Contractor shall submit a completion invoice or voucher to reflect the settled amounts and rates.

(6)(i) If the Contractor fails to submit a completion invoice or voucher within the time specified in paragraph (d)(5) of this clause, the Contracting Officer may--

(A) Determine the amounts due to the Contractor under the contract; and

(B) Record this determination in a unilateral modification to the contract.

(ii) This determination constitutes the final decision of the Contracting Officer in accordance with the Disputes clause.

(e) Billing rates. Until final annual indirect cost rates are established for any period, the Government shall reimburse the Contractor at billing rates established by the Contracting Officer or by an authorized representative (the cognizant auditor), subject to adjustment when the final rates are established. These billing rates--

(1) Shall be the anticipated final rates; and

(2) May be prospectively or retroactively revised by mutual agreement, at either party's request, to prevent substantial overpayment or underpayment.

(f) Quick-closeout procedures. Quick-closeout procedures are applicable when the conditions in FAR 42.708(a) are satisfied.

(g) Audit. At any time or times before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of cost audited. Any payment may be (1) Reduced by amounts found by the Contracting Officer not to constitute allowable costs or (2) Adjusted for prior overpayments or underpayments.

(h) Final payment. (1) Upon approval of a completion invoice or voucher submitted by the Contractor in accordance with paragraph (d)(4) of this clause, and upon the Contractor's compliance with all terms of this contract, the Government shall promptly pay any balance of allowable costs and that part of the fee (if any) not previously paid.

(2) The Contractor shall pay to the Government any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to costs for which the Contractor has been reimbursed by the Government. Reasonable expenses incurred by the Contractor for securing refunds, rebates, credits, or other amounts shall be allowable costs if approved by the Contracting Officer. Before final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment shall execute and deliver--

(i) An assignment to the Government, in form and substance satisfactory to the Contracting Officer, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract; and

(ii) A release discharging the Government, its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, except--

(A) Specified claims stated in exact amounts, or in estimated amounts when the exact amounts are not known;

(B) Claims (including reasonable incidental expenses) based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that the claims are not known to the Contractor on the date of the execution of the release, and that the Contractor gives notice of the claims in writing to the Contracting Officer within 6 years following the release date or notice of final payment date, whichever is earlier; and

(C) Claims for reimbursement of costs, including reasonable incidental expenses, incurred by the Contractor under the patent clauses of this contract, excluding, however, any expenses arising from the Contractor's indemnification of the Government against patent liability.

(End of clause)

52.232-22 LIMITATION OF FUNDS (APR 1984)

(a) The parties estimate that performance of this contract will not cost the Government more than (1) the estimated cost specified in the Schedule or, (2) if this is a cost-sharing contract, the Government's share of the estimated cost specified in the Schedule. The Contractor agrees to use its best efforts to perform the work specified in the Schedule and all obligations under this contract within the estimated cost, which, if this is a cost-sharing contract, includes both the Government's and the Contractor's share of the cost.

(b) The Schedule specifies the amount presently available for payment by the Government and allotted to this contract, the items covered, the Government's share of the cost if this is a cost-sharing contract, and the period of performance it is estimated the allotted amount will cover. The parties contemplate that the Government will allot additional funds incrementally to the contract up to the full estimated cost to the Government specified in the Schedule, exclusive of any fee. The Contractor agrees to perform, or have performed, work on the contract up to the point at which the total amount paid and payable by the Government under the contract approximates but does not exceed the total amount actually allotted by the Government to the contract.

(c) The Contractor shall notify the Contracting Officer in writing whenever it has reason to believe that the costs it expects to incur under this contract in the next 60 days, when added to all costs previously incurred, will exceed 75 percent of (1) the total amount so far allotted to the contract by the Government or, (2) if this is a cost-sharing contract, the amount then allotted to the contract by the Government plus the Contractor's corresponding share. The notice shall state the estimated amount of additional funds required to continue performance for the period specified in the Schedule.

(d) Sixty days before the end of the period specified in the Schedule, the Contractor shall notify the Contracting Officer in writing of the estimated amount of additional funds, if any, required to continue timely performance under the contract or for any further period specified in the Schedule or otherwise agreed upon, and when the funds will be required.

(e) If, after notification, additional funds are not allotted by the end of the period specified in the Schedule or another agreed-upon date, upon the Contractor's written request the Contracting Officer will terminate this contract on that date in accordance with the provisions of the Termination clause of this contract. If the Contractor estimates that the funds available will allow it to continue to discharge its obligations beyond that date, it may specify a later date in its request, and the Contracting Officer may terminate this contract on that later date.

(f) Except as required by other provisions of this contract, specifically citing and stated to be an exception to this clause--

(1) The Government is not obligated to reimburse the Contractor for costs incurred in excess of the total amount allotted by the Government to this contract; and

(2) The Contractor is not obligated to continue performance under this contract (including actions under the Termination clause of this contract) or otherwise incur costs in excess of (i) the amount then allotted to the contract by the Government or, (ii) if this is a cost-sharing contract, the amount then allotted by the Government to the contract plus the Contractor's corresponding share, until the Contracting Officer notifies the Contractor in writing that the amount allotted by the Government has been increased and specifies an increased amount, which shall then constitute the total amount allotted by the Government to this contract.

(g) The estimated cost shall be increased to the extent that (1) the amount allotted by the Government or, (2) if this is a cost-sharing contract, the amount then allotted by the Government to the contract plus the Contractor's corresponding share, exceeds the estimated cost specified in the Schedule. If this is a cost-sharing contract, the increase shall be allocated in accordance with the formula specified in the Schedule.

(h) No notice, communication, or representation in any form other than that specified in subparagraph (f)(2) above, or from any person other than the Contracting Officer, shall affect the amount allotted by the Government to this contract. In the absence of the specified notice, the Government is not obligated to reimburse the Contractor for any costs in excess of the total amount allotted by the Government to this contract, whether incurred during the course of the contract or as a result of termination.

(i) When and to the extent that the amount allotted by the Government to the contract is increased, any costs the Contractor incurs before the increase that are in excess of (1) the amount previously allotted by the Government or, (2) if this is a cost-sharing contract, the amount previously allotted by the Government to the contract plus the Contractor's corresponding share, shall be allowable to the same extent as if incurred afterward, unless the

Contracting Officer issues a termination or other notice and directs that the increase is solely to cover termination or other specified expenses.

(j) Change orders shall not be considered an authorization to exceed the amount allotted by the Government specified in the Schedule, unless they contain a statement increasing the amount allotted.

(k) Nothing in this clause shall affect the right of the Government to terminate this contract. If this contract is terminated, the Government and the Contractor shall negotiate an equitable distribution of all property produced or purchased under the contract, based upon the share of costs incurred by each.

(l) If the Government does not allot sufficient funds to allow completion of the work, the Contractor is entitled to a percentage of the fee specified in the Schedule equalling the percentage of completion of the work contemplated by this contract.

(End of clause)

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

www.arnet.gov/far

(End of clause)

252.251-7000 ORDERING FROM GOVERNMENT SUPPLY SOURCES (NOV 2004)

(a) When placing orders under Federal Supply Schedules, Personal Property Rehabilitation Price Schedules, or Enterprise Software Agreements, the Contractor shall follow the terms of the applicable schedule or agreement and authorization. Include in each order:

(1) A copy of the authorization (unless a copy was previously furnished to the Federal Supply Schedule, Personal Property Rehabilitation Price Schedule, or Enterprise Software Agreement contractor).

(2) The following statement: Any price reductions negotiated as part of an Enterprise Software Agreement issued under a Federal Supply Schedule contract shall control. In the event of any other inconsistencies between an Enterprise Software Agreement, established as a Federal Supply Schedule blanket purchase agreement, and the Federal Supply Schedule contract, the latter shall govern.

(3) The completed address(es) to which the Contractor's mail, freight, and billing documents are to be directed.

(b) When placing orders under nonmandatory schedule contracts and requirements contracts, issued by the General Services Administration (GSA) Office of Information Resources Management, for automated data processing equipment, software and maintenance, communications equipment and supplies, and teleprocessing services, the Contractor shall follow the terms of the applicable contract and the procedures in paragraph (a) of this clause.

(c) When placing orders for Government stock, the Contractor shall --

(1) Comply with the requirements of the Contracting Officer's authorization, using FEDSTRIP or MILSTRIP procedures, as appropriate;

(2) Use only the GSA Form 1948-A, Retail Services Shopping Plate, when ordering from GSA Self-Service Stores;

(3) Order only those items required in the performance of Government contracts; and

(4) Pay invoices from Government supply sources promptly. For purchases made from DoD supply sources, this means within 30 days of the date of a proper invoice (see also Defense Federal Acquisition Regulation Supplement (DFARS) 251.105). For purchases made from DoD supply sources, this means within 30 days of the date of a proper invoice. The Contractor shall annotate each invoice with the date of receipt. The Contractor's failure to pay may also result in the DoD supply source refusing to honor the requisition (see DFARS 251.102(f)) or in the Contracting Officer terminating the Contractor's authorization to use DoD supply sources. In the event the Contracting Officer decides to terminate the authorization due to the Contractor's failure to pay in a timely manner, the Contracting Officer shall provide the Contractor with prompt written notice of the intent to terminate the authorization and the basis for such action. The Contractor shall have 10 days after receipt of the Government's notice in which to provide additional information as to why the authorization should not be terminated. The termination shall not provide the Contractor with an excusable delay for failure to perform or complete the contract in accordance with the terms of the contract, and the Contractor shall be solely responsible for any increased costs.

(d) Only the Contractor may request authorization for subcontractor use of Government supply sources. The Contracting Officer will not grant authorizations for subcontractor use without approval of the Contractor.

(e) Government invoices shall be submitted to the Contractor's billing address, and Contractor payments shall be sent to the Government remittance address specified below:

Contractor's Billing Address [include point of contact and telephone number]:

Government Remittance Address SEE BLOCK 12 OF THE CONTRACT

(End of clause)

Section J - List of Documents, Exhibits and Other Attachments

ATTACHMENT 1

CONTRACT DATA REQUIREMENTS LIST										Form Approved CMB No. 0704-0188	
<i>Public reporting burden for this collection of information is estimated to average 110 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-2302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, DC 20503. Please DO NOT RETURN your form to either of these addresses. Send completed form to the Government Issuing Contracting Officer for the Contract. PR No. listed in Block E.</i>											
A. Contract Line Item No. 0001				B. Exhibit				C. Category			
D. System/Item. Threat Systems Support						E. Contract/PR NO. W91CRB-06-C-0043			F. Contractor		
1. Data Item No. 001		2. Title of Data Item: Monthly Expenditure Report					3. Subtitle:				
4. Authority (Data Acquisition Document No.)						5. Contract Reference			6. Requiring Office		
7. DD 250 Req	9. Dist Statement Required		10. Frequency Monthly	12. Date of First Submission See Blk 16		14. Distribution					
8. APP Code	N/A		11. As of Date See Blk 16	13. Date of Subsequent Submission See Blk 16		a. Addressee		b. Copies			
16. REMARKS Blocks 11-13: 1 st Report due 15 days after end of 1 st month. Due at 1-month intervals thereafter. Government will specify media (hardcopy, disk, etc.). Contractor format acceptable upon COR approval.								Draft		Final	
								Reg	Repro		
						COR		x			
		KO		x							
		15. TOTAL									
1. Data Item No. 002		3. Title of Data Item: Monthly Status Report					3. Subtitle:				
4. Authority (Data Acquisition Document No.)						5. Contract Reference			6. Requiring Office		
7. DD 250 Req	10. Dist Statement Required		10. Frequency Monthly	12. Date of First Submission See Blk 16		14. Distribution					
8. APP Code	N/A		11. As of Date See Blk 16	13. Date of Subsequent Submission See Blk 16		a. Addressee		b. Copies			
16. REMARKS Blocks 11-13: 1 st Report due 15 days after end of 1 st month. Due at 1-month intervals thereafter. Government will specify media (hardcopy, disk, etc.). Contractor format acceptable upon COR approval.								Draft		Final	
								Reg	Repro		
						COR		x			
		KO		x							
		15. TOTAL									
1. Data Item No. 003		4. Title of Data Item: Technical Information Report					3. Subtitle:				
4. Authority (Data Acquisition Document No.)						5. Contract Reference			6. Requiring Office		
7. DD 250 Req	11. Dist Statement Required		10. Frequency See Blk 16	12. Date of First Submission See Blk 16		14. Distribution					
8. APP Code	N/A		11. As of Date See Blk 16	13. Date of Subsequent Submission See Blk 16		a. Addressee		b. Copies			
16. REMARKS Blocks 10-13: Due IAW Government notification that a report is required. Government								Draft		Final	
								Reg	Repro		
						COR		x			

15. TOTAL			

G. PREPARED BY	H. DATE	I. APPROVED BY	J. DATE
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CONTRACT DATA REQUIREMENTS LIST

Form Approved
CMB No. 0704-0188

Public reporting burden for this collection of information is estimated to average 110 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-2302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, DC 20503. Please DO NOT RETURN your form to either of these addresses. Send completed form to the Government Issuing Contracting Officer for the Contract. PR No. listed in Block E.

A. Contract Line Item No. 0001			B. Exhibit		C. Category			
D. System/Item. Threat Systems Support				E. Contract/PR NO. W91CRB-06-C-0043		F. Contractor		
1. Data Item No. 004		5. Title of Data Item: Computer Software End Items			3. Subtitle: ---		Formatted: Bullets and Numbering	
4. Authority (Data Acquisition Document No.)				5. Contract Reference See Block 16		6. Requiring Office MST		
7. DD 250 Req	12. Dist Statement Required	10. Frequency ASREQ	12. Date of First Submission N/A		14. Distribution		Formatted: Bullets and Numbering	
8. APP Code		11. As of Date N/A	13. Date of Subsequent Submission		a. Addressee		b. Copies	
16. REMARKS Blocks 4: All software documentation and report documentation/word processing files shall be prepared in accordance with tasking. Block 10: Delivery is due at the end of the task.							Draft	Final
							Reg	Repro
					COR		X	
					15. TOTAL			
1. Data Item No.		6. Title of Data Item:			3. Subtitle:			
4. Authority (Data Acquisition Document No.)				5. Contract Reference		6. Requiring Office		
7. DD 250 Req	13. Dist Statement Required	10. Frequency	12. Date of First Submission		14. Distribution			
8. APP Code		11. As of Date	13. Date of Subsequent Submission		a. Addressee		b. Copies	
16. REMARKS							Draft	Final
							Reg	Repro
					15. TOTAL			
1. Data Item No.		7. Title of Data Item:			3. Subtitle:			
4. Authority (Data Acquisition Document No.)				5. Contract Reference		6. Requiring Office		
7. DD 250 Req	14. Dist Statement Required	10. Frequency	12. Date of First Submission		14. Distribution			
8. APP Code		11. As of Date	13. Date of Subsequent Submission		a. Addressee		b. Copies	
16. REMARKS							Draft	Final
							Reg	Repro
					15. TOTAL			

			15. TOTAL		
G. PREPARED BY	H. DATE	I. APPROVED BY		J. DATE	

ATTACHMENT 2

DEPARTMENT OF DEFENSE CONTRACT SECURITY CLASSIFICATION SPECIFICATION			1. CLEARANCE AND SAFEGUARDING		
(The requirements of the DoD Industrial Security Manual apply to all aspects of this effort)			a. FACILITY CLEARANCE REQUIRED TOP SECRET		
			b. LEVEL OF SAFEGUARDING REQUIRED TOP SECRET		
2. THIS SPECIFICATION IS FOR: (X and complete as applicable)			3. THIS SPECIFICATION IS: (X and complete as applicable)		
<input checked="" type="checkbox"/>	a. PRIME CONTRACT NUMBER		<input checked="" type="checkbox"/>	a. ORIGINAL (Complete date in all cases)	Date (YYMMDD)
<input type="checkbox"/>	b. SUBCONTRACT NUMBER		<input type="checkbox"/>	b. REVISED (Supersedes all previous specs)	Revision No. Date (YYMMDD)
<input type="checkbox"/>	c. SOLICITATION OR OTHER NUMBER	Due Date (YYMMDD)	<input type="checkbox"/>	c. FINAL (Complete Item 5 in all cases)	Date (YYMMDD)
4. IS THIS A FOLLOW-ON CONTRACT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO. If Yes complete the following					
Classified material received or generated under _____ (Preceding Contract Number) is transferred to this follow-on contract					
5. IS THIS A FINAL DD FORM 254? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO. If Yes complete the following					
In response to the contractor's request dated _____, retention of the identified classified material is authorized for the period of _____					
6. CONTRACTOR (Include Commercial and Government Entity (CAGE) Code)					
a. NAME, ADDRESS, AND ZIP CODE		b. CAGE CODE	c. COGNIZANT SECURITY OFFICE (Name, Address, and Zip Code)		
APPLIED RESOURCES, INC. PO BOX 9461 ARLINGTON VA 22219-9461		OW444	Defense Security Service 1340 Braddock Place, 5 th Floor Alexandria, VA 22314		
7. SUBCONTRACTOR					
a. NAME, ADDRESS, AND ZIP CODE		b. CAGE CODE	c. COGNIZANT SECURITY OFFICES (Name, Address, and Zip Code)		
8. ACTUAL PERFORMANCE					
a. LOCATION		b. CAGE CODE	c. COGNIZANT SECURITY OFFICE (Name, Address, and Zip Code)		
APPLIED RESOURCES, INC. 1700 NORTH MOORE STREET SUITE 1500 ARLINGTON VA 22209		OW444	Defense Security Service 1340 Braddock Place, 5 th Floor Alexandria, VA 22314		
9. GENERAL IDENTIFICATION OF THIS PROCUREMENT					
THREAT SYSTEMS SUPPORT					
10. THIS CONTRACT WILL REQUIRE ACCESS TO:			11. IN PERFORMING THIS CONTRACT, THE CONTRACTOR WILL:		
a. COMMUNICATIONS SECURITY (COMSEC) INFORMATION	YES	NO	a. HAVE ACCESS TO CLASSIFIED INFORMATION ONLY AT ANOTHER CONTRACTOR'S FACILITY OR A GOVERNMENT ACTIVITY	YES	NO
b. RESTRICTED DATA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	b. RECEIVE CLASSIFIED DOCUMENTS ONLY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. CRITICAL NUCLEAR WEAPON DESIGN INFORMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	c. RECEIVE AND GENERATE CLASSIFIED MATERIAL	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. FORMERLY RESTRICTED DATA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	d. FABRICATE, MODIFY, OR STORE CLASSIFIED HARDWARE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. INTELLIGENCE INFORMATION:			e. PERFORM SERVICES ONLY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(1) Sensitive Compartmented Information (SCI)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	f. HAVE ACCESS TO U.S. CLASSIFIED INFORMATION OUTSIDE THE U.S., PUERTO RICO, U.S. POSSESSIONS AND TRUST TERRITORIES	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(2) Non-SCI	<input checked="" type="checkbox"/>	<input type="checkbox"/>	g. BE AUTHORIZED TO USE THE SERVICES OF DEFENSE TECHNICAL INFORMATION CENTER (DTIC) OR OTHER SECONDARY DISTRIBUTION CENTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f. SPECIAL ACCESS INFORMATION	<input type="checkbox"/>	<input checked="" type="checkbox"/>	h. REQUIRE A COMSEC ACCOUNT	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g. NATO INFORMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	i. HAVE A TEMPEST REQUIREMENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h. FOREIGN GOVERNMENT INFORMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	j. HAVE OPERATIONS SECURITY (OPSEC) REQUIREMENTS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i. LIMITED DISSEMINATION INFORMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	k. BE AUTHORIZED TO USE THE DEFENSE COURIER SERVICE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
j. FOR OFFICIAL USE ONLY INFORMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	l. OTHER (Specify. Authorize ADP (Collateral & SCI) at contractor's facility with proper accreditation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
k. OTHER (Specify)	<input type="checkbox"/>	<input checked="" type="checkbox"/>			

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Previous editions are obsolete

12. PUBLIC RELEASE Any information (classified or unclassified) pertaining to this contract shall not be released for public dissemination except as provided by the Industrial Security Manual or unless it has been approved for public release by appropriate U.S. Government authority. Proposed public release shall be submitted for approval prior to release

Direct Through (Specify):

NO PUBLIC RELEASE OF SCI OR INTELLIGENCE MATERIAL AUTHORIZED.

to the Directorate for Freedom of Information and Security Review, Office of the Assistant Secretary of Defense (Public Affairs)* for review. *In the case of non-DoD User Agencies, requests for disclosure shall be submitted to that agency.

13. SECURITY GUIDANCE. The security classification guidance needed for this effort is identified below. If any difficulty is encountered in applying this guidance or if any other contributing factor indicates a need for changes in this guidance, the contractor is authorized and encouraged to provide recommended changes; to challenge the guidance or classification assigned to any information or material furnished or generated under this contract; and to submit any questions for interpretation of this guidance to the official identified below. Pending final decision, the information involved shall be handled and protected at the highest level of classification assigned or recommended. (Fill in as appropriate for the classified effort. Attach, or forward under separate correspondence, any document/guides/extracts referenced herein. Add additional pages as needed to provide complete guidance.

1. Security Manager For This Contract:

Contract Monitor For This Contract:

(b) (6)
Missile & Space Intelligence Center
Attn: MST
Redstone Arsenal, Al 35898-5500

(b) (6)

2. Specific Security Classification Guides Will Be Issued With Each Task Order As Required.

3. Additional Performance (Collateral Only)

Applied Resources, Inc (02MW8)
1525 Perimeter Parkway Suite 210
Huntsville, Al 33560
CAGE Code: 02MW8

Defense Security Service
2300 Lake Park Drive, Suite 250
Smyrna, Ga 30080-7606

See attachment for additional security/guidance requirements comments # 4 through #21.

COMSEC Account is not required. (Hand receipt is acceptable for STU-III equipment.)

Sections 14 and 15 do not apply to 02MW8.

14. ADDITIONAL SECURITY REQUIREMENTS. Requirements, in addition to ISM requirements, are established for this contract. (If Yes, identify the pertinent contractual clauses in the contract document itself, or provide an appropriate statement which identifies the additional requirements. Provide a copy of the requirements to the cognizant security office. Use Item 13 if additional space is needed.)

Yes No

SCI MATERIALS IN SCIF

15. INSPECTIONS. Elements of this contract are outside the inspection responsibility of the cognizant security office. (If Yes, explain and identify specific areas or elements carved out and the activity responsible for inspections. Use Item 13 if additional space is needed.)

Yes No

SCI MATERIALS IN SCIF

16. CERTIFICATION AND SIGNATURE. Security requirements stated herein are complete and adequate for safeguarding the classified information to be released or generated under this classified effort. All questions shall be referred to the official named below.

a. TYPED NAME OF CERTIFYING OFFICIAL
CAROL J. TYREE

b. TITLE
CONTRACTING OFFICER

c. TELEPHONE (include Area Code)
410-306-1461

d. ADDRESS (include ZIP Code)
USARDECOMAC

17. REQUIRED DISTRIBUTION

a. CONTRACTOR

4118 Susquehanna Ave Aberdeen Proving Ground, MD 21005	<input type="checkbox"/>	b. SUBCONTRACTOR
	X	c. COGNIZANT SECURITY OFFICE FOR PRIME AND SUBCONTRACTOR
	<input type="checkbox"/>	d. U.S. ACTIVITY RESPONSIBLE FOR OVERSEAS SECURITY ADMINISTRATION
		e. ADMINISTRATIVE CONTRACTING OFFICER SSG Redstone
	X	f. OTHERS AS NECESSARY ARI-Huntsville
e. SIGNATURE		

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Continuation of Comments in Block 13:

- (4) Material produced under this contract will be classified in accordance with source material up to and including TOP SECRET or as provided in a referenced Security Classification Guide (SCG). A bibliography of source material will be included in all reports and/or end products produced under this contract. In the absence of source material, a tentative classification, up to and including TOP SECRET will be assigned to the material.
- (5) Date to be completed: 30 November 2007
- (6) Item 10e(2) – This contract requires access to intelligence information as described by DCID 1/7 dated 9 Aug 96. All collateral intelligence material will be handled in accordance with DCID 1/7 which is incorporated within the NISPOM. See Attachment # 1 for instructions, which are made a part of this DD Form 254.
- (7) Foreign national employees are not authorized access to information resulting from or used in the performance of this contract.
- (8) Items 10a & 11b – The use of STU-III equipment is required for all telephonic transmission of classified information, and for any sensitive, unclassified information discussed by the contractor with other parties involved in this contract. STU-III terminals should be acquired as plant equipment as defined in DOD 5220.22.S, COMSEC Supplement to the NISPOM. COMSEC accounts and/or CCI Agreements shall be established in accordance with DOD 5220.22S. "Sensitive Unclassified Information" defined as information covered by the Privacy Act of 1974, any company proprietary information, and other information the disclosure of which could reasonably be expected to adversely affect U.S. Government interests.
- (9) Upon completion of this contract, all materials provided to the contractor will be returned to the Government unless written exception is provided to the contractor. Materials generated by the contractor may be returned or destroyed as directed. All items approved for retention will be specifically listed in the approval letter.
- (10) Contractor generated or government furnished technical reports, classified or unclassified, will NOT be furnished to the Defense Technical Information Center (DTIC). Contractor generated technical reports will bear the statement, "Not authorized for release to the Defense Technical Information Center per DOD Instruction 5100.38."
- (11) All Material provided to the contractor under this contract are for the exclusive use of this contract.
- (12) This contract requires access to Special Compartmented Information (SCI). The Director, Defense Intelligence Agency, has exclusive security responsibility for all SCI classified material released to or developed under the contract and held within the contractor SCIF(s). This authority is exercised through the Director, Test and Evaluation Center, 4850 Mark Center Drive, Alexandria, VA 22311. The M-1 manual and all regulations, manuals, and directives stated therein provide necessary guidance for physical, personnel, and information security measures and is a part of the SCI specifications for this contract. The Defense Security Service (DSS) is relieved of security/inspection responsibility for all SCI material or information released to the contractor under this contract, but retains responsibility for all non-SCI classified material released to the contractor or developed under this contract held with the contractor's SCIF. For making and classification guidance of SCI information developed by this contract refer to the following as applicable:

DOD 5105.21-M-1, SCI Security Manual, Administrative Security

DOD TS-5105.21-M-2, SCI Manual, Communications Intelligence Policy dtd Jul 85

DOD TS-5105.21.M-3, TK Policy dtd Nov 85

DCID 1/21, Physical Security Standards for Construction of Sensitive Compartmented Information Facility, dtd 29 Jul 94

- (13) The Contract Monitor (CM) for the SCI portion of this contract is designated in block 13 of the DD Form 254.
- (14) Names of contractor personnel requiring access to SCI will be submitted to the SCI contract monitor in accordance with M-1 Manual for approval.
- (15) As personnel are indoctrinated for SCI access the contractor will establish and maintain a current SCI access list of those employees performing on this contract. A copy of this list will be furnished to the SCI CM. This listing will be updated on an annual basis, with it being furnished to the SCI CM & supporting SSO by 15 Jan each year.
- (16) SCI performance for this contract will be accomplished at MSIC's facilities or at another appropriately accredited SCI Facility (SCIF) designated by the contract monitor.
- (17) Contractor Special Security Officers must coordinate with the SCI CM/SSO prior to subcontracting any portion of the SCI effort involved in this contract.
- (18) All DD Form 254(s) prepared for subcontractors/MFO's involving access to SCI under this contract effort must be forwarded thru the SCI CM to the supporting SSO for review and concurrence prior to the award of the subcontract.
- (19) Contractor will not make reference to SCI access, even unclassified acronyms, in any public publication.
- (20) The contractor will coordinate through the SCI CM to the supporting SSO at least 5 working days in advance, of any business visits that involve the passing of SCI access(es). (Note: Emergency exception will be handled on a case-by-case basis.) The SCI CM will certify need-to-know and approve passage of clearances by the supporting SSO. Government approval is required for contractor SCI visit/perm certs regardless of the type of SCI billet the individual occupies.
- (21) Contractor personnel accessed to SCI information required in the performance of this contract are subject to random selection for the Counterintelligence Scope Polygraph Examination in accordance with DOD Directive 5210.48. Failure of selected individuals to submit to polygraph examination may result in their SCI access being terminated.

ATTACHMENT 1
To the DD254

1. Intelligence material released to your company does not become the property of your company and may be withdrawn at any time.
2. A record will be maintained of all intelligence material (regardless of classification) released to your company.
3. An annual verification of all intelligence materials released under this contract will be conducted. Further, such verification will be conducted upon the anniversary day of the contract, or on mutually agreed date, and DIA/MSIC (or other agencies issuing intelligence material) be furnished a copy of the verification list for retention approval. The objective of this requirement is not only to afford the required security protection for intelligence data, but should be viewed as an opportunity to return documents no longer needed or superseded.
4. Reproduction of complete intelligence documents released to your company will not be accomplished without the written permission of the issuing agency. Extracts may be reproduced from intelligence material for exclusive use on this contract without written permission. Intelligence materials generated by your organization may be reproduced without written permission exclusively for this contract.
5. When written permission is received to reproduce intelligence materials accountability for such reproductions will be in the same manner as pertains to the originals.
6. Prior to granting an employee access to the intelligence materials, employees will be briefed on his/her obligation to safeguard the information; and the employee will be debriefed when access to the material is terminated.
7. The Government contract monitor will concur with selection of those employees who require access to the intelligence material. Records will be maintained which identify by name and title all employees so authorized. Requirement for additions or personnel changes should be provided to the Government contract monitor prior to access to the intelligence materials.
8. No authorization is granted to release intelligence material to any activity, employee, or other person not directly engaged in provided services under the contract unless specific written authorization for such release is received from the Contracting Officer. This prohibition precludes release without authority to another contractor (including a subcontractor), Government Agency, private individual, or organization.

ATTACHMENT 3

COST BREAKDOWN:

<u>ARI SITE CATAGORY</u>	<u>RATES</u>	<u>HOURS</u>	<u>TOTAL</u>
Sr. Specialist 2	(b) (4)	2,930	(b) (4)
Sr. Specialist 1	(b) (4)	1,900	(b) (4)
Sr. Analyst 1	(b) (4)	1,896	(b) (4)
Analyst 2	(b) (4)	3,325	(b) (4)
Analyst 1	(b) (4)	<u>1,203</u>	(b) (4)
		11,254	

<u>GOV'T SITE CATAGORY</u>	<u>RATES</u>	<u>HOURS</u>	<u>TOTAL</u>
Sr. Specialist 1	(b) (4)	534	(b) (4)
Sr. Analyst 1	(b) (4)	743	(b) (4)
Analyst 2	(b) (4)	1,631	(b) (4)
Analyst 1	(b) (4)	<u>1,413</u>	(b) (4)
		4,321	
Total Fixed Fee:		15,575	
TRAVEL & G&A:			
ODCs & G&A:			