

UNITED STATES ATOMIC ENERGY COMMISSION  
**REIMBURSEMENT AUTHORIZATION**

NO.  
 R.A. No. 42  
 to Mod. 112

PAGE 1 OF 1 PAGES

PLANT	LOCATION
Rocky Flats Plant	Rocky Flats, Colorado
CONTRACTOR	
The Dow Chemical Company	
CONTRACT NO.	DATE OF CONTRACT
AT (29-1)-1106	January 18, 1951

The following revision or addition to the approved employment policies and wage and salary schedules of the contractor is approved as an allowable cost, effective March 3, 1975

Revise Appendix A, Part III, Section C., Paragraph 1 to read:

Hourly-Paid Plant Protection Employees shall be covered by this Part III. Payment of wages not in excess of those provided for in the agreement effective November 11, 1974, as amended effective March 3, 1975 between The Dow Chemical Company, Rocky Flats Division and The International Guards Union of America, Local No. 64, and as provided for in Paragraph 2. below, will be allowable. Such agreement is attached as Schedule V and by this reference is hereby made a part of this Appendix. All other costs, such as grievance processing, arbitration, dues deduction, leave provisions and other fringe benefits, incurred pursuant to the provision of said agreement effective November 11, 1974, as amended will be allowable.

US DOE ARCHIVES	
RG	326 - AEC
Collection	General Counsel
Box	227
Folder	Dow Chemical Co
AT (29-1)-1106	
<i>Left Hand Side</i>	

THIS IS A COPY OF THE EXECUTED DOCUMENT

CONTRACTS DIVISION, ALO

APPROVED FOR THE CONTRACTOR BY:	DATE:
<i>H. E. Rowman</i>	MAR 5 1975
NAME: H. E. Rowman	TITLE: General Manager
APPROVED FOR THE ATOMIC ENERGY COMMISSION BY:	DATE:
<i>Herman E. Foster</i>	894
NAME	TITLE: Deputy Manager, Emergency Operations Office, Contracts Officer

UNITED STATES ATOMIC ENERGY COMMISSION  
REIMBURSEMENT AUTHORIZATION

NO  
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To M

PAGE 1 0

PROJECT Rocky Flats Plant	LOCATION Rocky Flats, Colorado
CONTRACTOR The Dow Chemical Company	
CONTRACT NO. AT(29-1)-1106	DATE OF CONTRACT January 18, 1951

The following revision or addition to the approved employment policies and wage and salary schedules of the contractor is approved as an allowable cost, effective November 11, 1974

Revise Appendix A, Part III, Section C., Paragraph 1 to read:

- Hourly-Paid Plant Protection Employees shall be covered by this Part III. Payment of wages not in excess of those provided for in the agreement effective November 11, 1974 between The Dow Chemical Company, Rocky Flats Division and The International Guards Union of America, Local No. 64, and as provided for in Paragraph 2. below, will be allowable. Such agreement, is attached as Schedule V and by this reference is hereby made a part of this Appendix. All other costs, such as grievance processing, arbitration, dues deduction, leave provisions and other fringe benefits, incurred pursuant to the provision of said agreement effective November 11, 1974, as amended will be allowable.

THIS IS A COPY OF THE  
EXECUTED DOCUMENT

CONTRACTS DIVISION, ALO

APPROVED FOR THE CONTRACTOR BY:

DATE: DEC 2 1974

NAME: H. E. Bowman

TITLE: General Manager

APPROVED FOR THE ATOMIC ENERGY COMMISSION BY:

NAME

TITLE

DATE

UNITED STATES ATOMIC ENERGY COMMISSION  
**REIMBURSEMENT AUTHORIZATION**

NO.  
R.A.  
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PAGE 1 OF

PROJECT  
**Rocky Flats Plant**

LOCATION  
**Rocky Flats, Colorado**

CONTRACTOR  
**The Dow Chemical Company**

CONTRACT NO.  
**AT(29-1)-1106**

DATE OF CONTRACT  
**January 18, 1951**

The following revision or addition to the approved employment policies and wage and salary schedules of the contractor is approved as an allowable cost, effective **February 11, 1974**

**Revise Appendix A, Part IV, Section I. to read:**

**I. Community Activities**

The Contractor, with prior approval of the Contracting Officer, may make employees available for work with established community organizations, agencies, and action groups to promote a favorable relationship with the community. The salaries, wages, fringe benefits, travel, and subsistence costs for these individuals while engaged in such approved activities shall be allowable costs to the extent approved by the Contracting Officer.

APPROVED FOR THE CONTRACTOR BY:

DATE:

**JUN 19 1974**

NAME: **J. H. Hanes**

TITLE: **General Manager**

APPROVED FOR THE ATOMIC ENERGY COMMISSION BY--

NAME

**H. C. Donnelly**

**H. C. Donnelly, Manager  
Albuquerque Operations Office  
Contracting Officer**

DATE

**JUL 15 1974**

\*I. Community Activities

The Contractor, with prior approval of the Contracting Officer, may make employees available for work with established community organizations, agencies, and action groups to promote a favorable relationship with the community. The salaries, wages, fringe benefits, travel, and subsistence costs for these individuals while engaged in such approved activities shall be allowable costs to the extent approved by the Contracting Officer.

J. Open House Activities

The Contractor may, with the prior written approval of the Contracting Officer, sponsor open house activities for its employees and their families.

Costs incurred in connection with the open house activities shall be confined to manpower, printing and postage, refreshments, and transportation and such other costs as are approved by the Contracting Officer.

UNITED STATES ATOMIC ENERGY COMMISSION  
**REIMBURSEMENT AUTHORIZATION**

NO. **R. A. No. 30**  
to Mod. 112

PAGE **1** OF **4** PAGES

PROJECT **Rocky Flats Plant** LOCATION **Rocky Flats, Colorado**

CONTRACTOR **The Dow Chemical Company**

CONTRACT NO. **AT(29-1)-1106** DATE OF CONTRACT **January 18, 1951**

The following revision or addition to the approved employment policies and wage and salary schedules of the contractor is approved as an allowable cost, effective **January 7, 1974.**

Revise Appendix A, Part II, Section O. to read:

**O. Vacation Leave**

1. Employees not on the 24-hour platoon schedule will be entitled to vacation as follows:

Years of Service Attained During Calendar Year	Days of Vacation Available on Jan. 1 of Each Year	Maximum Days May Borrow	Maximum Days May Carry Over
0	1 <sup>1</sup>	5	1
1 and 2	15	5	10
3 and 4	16	5	10
5 through 9	20	5	10
10 through 14	22	5	15
15 through 19	23	5	20
20 through 24	27	10	25
25 through 29	28	10	30
30 and over	29	10	35

<sup>1</sup> This vacation may be used any time during the employee's first year of service.

<sup>2</sup> Beginning at age 60 all employees, regardless of years service, will be allowed to carry over up to 45 days of unused vacation each year.

2. Employees who take vacation while working a continuous shift schedule shall receive 42/40 (105%) of their basic salary plus shift allowances and other applicable premiums for all vacation hours taken.

APPROVED FOR THE ATOMIC ENERGY COMMISSION BY—

DATE

NAME

TITLE

**3**

REIMBURSEMENT AUTHORIZATION NO. 36 - Continuation

Contractor The Dow Chemical Co. Contract No. AT(29-1)-1106 Page 2 of 4

3. Employees on the 24-hour platoon shift Schedule A will be entitled to vacation as follows:

Years of Service Attained During Calendar Year	Days of Vacation Available on Jan. 1 of Each Year	Maximum Days May Borrow	Maximum Days <sup>2</sup> May Carry Over
	1	3	1
0	1	3	5
1 and 2	8	3	5
3 and 4	8½	3	5
5 through 9	10½	3	8
10 through 14	11½	3	10
15 through 19	12	5	13
20 through 24	14	5	15
25 through 29	14½	5	18
30 and over	15		

<sup>1</sup> This vacation may be used any time during the employee's first year of service.

<sup>2</sup> Beginning at age 60 all employees on the 24-hour platoon shift Schedule A, regardless of years service, will be allowed to carry over up to 23 days of unused vacation each year.

Vacation pay for each day of vacation taken by employees on the 24-hour platoon shift Schedule A shall equal the amount of money the employee would have received if working full time at his job on the regularly scheduled workday.

4. Employees on the 24-hour platoon shift Schedule B will be entitled to vacation as follows:

Years of Service Attained During Calendar Year	Days of Vacation Available on Jan. 1 of Each Year	Maximum Days May Borrow	Maximum Days <sup>2</sup> May Carry Over
	1	3	1
0	1	3	5
1 and 2	7	3	5
3 and 4	7½	3	5
5 through 9	9½	3	8
10 through 14	10½	3	10
15 through 19	11	5	13
20 through 24	12½	5	15
25 through 29	13	5	18
30 and over	13½		

Approved for Atomic Energy Commission by:

NAME:

TITLE:

REIMBURSEMENT AUTHORIZATION NO. 36 —Continuation

Contractor The Dow Chemical Co. Contract No. AT(29-1)-1106 Page 3 of 4

- 1 This vacation may be used any time during the employee's first year of service.
- 2 Beginning at age 60 all employees on the 24-hour platoon shift Schedule B, regardless of years service, will be allowed to carry over up to 23 days of unused vacation each year.
5. An employee who is normally scheduled to work at least 20, but less than 40 hours per week, will be eligible for vacation prorated to the closest half day on the basis of the ratio of hours actually paid (exclusive of overtime) during the previous calendar year to the hours that would have been paid under a normal 40 hours per week schedule.
6. Except for the vacation days allowed (as hereinbefore provided) as carry over from one calendar year to the next, any vacation must be taken during the calendar year in which the employee becomes entitled to the vacation. However, should an employee be prevented from taking full vacation during a particular calendar year by circumstances making it inequitable that he suffer a loss of vacation as a result thereof, the Supervising Representative of the Contractor may allow the employee an additional carry over to the next calendar year or he may authorize payment in lieu of vacation for the number of vacation days the employee was unable to take as a result of such circumstances. Supervisory employees earning \$2,500 or more per month are excluded from receiving pay in lieu of vacation.
7. If employment is terminated for any reason prior to the date the employee would normally have become eligible for said vacation, the Contractor will take reasonable steps to recover salary paid to such employee for borrowed vacation.
8. An employee leaving the Company for any reason after his first anniversary date will be paid for any unused vacation and in addition will be paid for accrued vacation at the rate of one-twelfth of his next year's vacation allotment for each month worked, rounded to the nearest full month, during the year of separation. In addition to payments for unused and accrued vacation, an employee retiring under a Company retirement plan will be paid accredited vacation pay based on his continuous employment as shown in the following table, except that an employee on the 24-hour platoon schedule will be paid for one-half of the days shown in the following table:

Approved for Atomic Energy Commission by:

NAME:

TITLE:

DATE:

REIMBURSEMENT AUTHORIZATION NO. 36 —Continuation

Contractor The Dow Chemical Co. Contract No. AT(29-1)-1106 Page 4 of 4

<u>S</u>	<u>V</u>	<u>S</u>	<u>V</u>	<u>S</u>	<u>V</u>
0- 59 mo.	0 days	216-227 mo.	3 days	384-395 mo.	10 days
60- 71	4	228-239	0	396-407	5
72- 83	3	240-251	16	408-419	0
84- 95	2	252-263	12	420-431	20
96-107	1	264-275	8	432-443	15
108-119	0	276-287	4	444-455	10
120-131	8	288-299	0	456-467	5
132-143	6	300-311	16	468-479	0
144-155	4	312-323	12	480-491	20
156-167	2	324-335	8	492-503	15
168-179	0	336-347	4	504-515	10
180-191	12	348-359	0	516-527	5
192-203	9	360-371	20	528-539	0
204-215	6	372-383	15		

S - Continuous service at time of retirement.

V - Accredited vacation days pay.

9. Absences allowed under this Section 0. shall be considered hours worked for purposes of computing overtime pay.

APPROVED FOR THE CONTRACTOR BY:

DATE: 12/28/73

NAME: H. E. Bowman

TITLE: Acting General Manager

Approved for Atomic Energy Commission by:

H. C. Donnelly, Manager  
Albuquerque Operations Office  
Contracting Officer

NAME:

H. C. Donnelly

TITLE:

DATE:

APR 1974

\*O. Vacation Leave

1. Employees not on the 24-hour platoon schedule will be entitled to vacation as follows:

<u>Years of Service Attained During Calendar Year</u>	<u>Days of Vacation Available on Jan. 1 of Each Year</u>	<u>Maximum Days May Borrow</u>	<u>Maximum<sup>2</sup> Days May Carry Over</u>
0	1 <sup>1</sup>	5	1
1 and 2	15	5	10
3 and 4	16	5	10
5 through 9	20	5	10
10 through 14	22	5	15
15 through 19	23	5	20
20 through 24	27	10	25
25 through 29	28	10	30
30 and over	29	10	35

<sup>1</sup>This vacation may be used any time during the employee's first year of service.

<sup>2</sup>Beginning at age 60 all employees, regardless of years service, will be allowed to carry over up to 45 days of unused vacation each year.

2. Employees who take vacation while working a continuous shift schedule shall receive 42/40 (105%) of their basic salary plus shift allowances and other applicable premiums for all vacation hours taken.
3. Employees on the 24-hour platoon shift Schedule A will be entitled to vacation as follows:

<u>Years of Service Attained During Calendar Year</u>	<u>Days of Vacation Available on Jan. 1 of Each Year</u>	<u>Maximum Days May Borrow</u>	<u>Maximum <sup>2</sup> Days May Carry Over</u>
0	1 <sup>1</sup>	3	1
1 and 2	8	3	5
3 and 4	8 1/2	3	5
5 through 9	10 1/2	3	5
10 through 14	11 1/2	3	8
15 through 19	12	3	10
20 through 24	14	5	13
25 through 29	14 1/2	5	15
30 and over	15	5	18

<sup>1</sup>This vacation may be used any time during the employee's first year of service.

<sup>2</sup>Beginning at age 60 all employees on the 24-hour platoon shift Schedule A, regardless of years service, will be allowed to carry over up to 23 days of unused vacation each year.

Vacation pay for each day of vacation taken by employees on the 24-hour platoon shift Schedule A shall equal the amount of money the employee would have received if working full time at his job on the regularly scheduled workday.

4. Employees on the 24-hour platoon shift Schedule B will be entitled to vacation as follows:

<u>Years of Service Attained During Calendar Year</u>	<u>Days of Vacation Available on Jan. 1 of Each Year</u>	<u>Maximum Days May Borrow</u>	<u>Maximum Days May Carry Over</u>
0	1 <sup>1</sup>	3	1
1 and 2	7	3	5
3 and 4	7 1/2	3	5
5 through 9	9 1/2	3	5
10 through 14	10 1/2	3	8
15 through 19	11	3	10
20 through 24	12 1/2	5	13
25 through 29	13	5	15
30 and over	13 1/2	5	18

<sup>1</sup>This vacation may be used any time during the employee's first year of service.

<sup>2</sup>Beginning at age 60 all employees on the 24-hour platoon shift Schedule B, regardless of years service, will be allowed to carry over up to 23 days of unused vacation each year.

5. An employee who is normally scheduled to work at least 20, but less than 40 hours per week, will be eligible for vacation prorated to the closest half day on the basis of the ratio of hours actually paid (exclusive of overtime) during the previous calendar year to the hours that would have been paid under a normal 40 hours per week schedule.
6. Except for the vacation days allowed (as hereinbefore provided) as carry over from one calendar year to the next, any vacation must be taken during the calendar year in which the employee becomes entitled to the vacation. However, should an employee be prevented

from taking full vacation during a particular calendar year by circumstances making it inequitable that he suffer a loss of vacation as a result thereof, the Supervising Representative of the Contractor may allow the employee an additional carry over to the next calendar year or he may authorize payment in lieu of vacation for the number of vacation days the employee was unable to take as a result of such circumstances. Supervisory employees earning \$2,500 or more per month are excluded from receiving pay in lieu of vacation.

7. If employment is terminated for any reason prior to the date the employee would normally have become eligible for said vacation, the Contractor will take reasonable steps to recover salary paid to such employee for borrowed vacation.
8. An employee leaving the Company for any reason after his first anniversary date will be paid for any unused vacation and in addition will be paid for accrued vacation at the rate of one-twelfth of his next year's vacation allotment for each month worked, rounded to the nearest full month, during the year of separation. In addition to payments for unused and accrued vacation, an employee retiring under a Company retirement plan will be paid accredited vacation pay based on his continuous employment.

shown in the following table, except that an employee on the 24-hour platoon schedule will be paid for one-half of the days shown in the following table:

<u>S</u>	<u>V</u>	<u>S</u>	<u>V</u>	<u>S</u>	<u>V</u>
0-59 mo.	0 days	216-227 mo.	3 days	384-395 mo.	10 days
60-71	4	228-239	0	396-407	5
72-83	3	240-251	16	408-419	0
84-95	2	252-263	12	420-431	20
96-107	1	264-275	8	432-443	15
108-119	0	276-287	4	444-455	10
120-131	8	288-299	0	456-467	5
132-143	6	300-311	16	468-479	0
144-155	4	312-323	12	480-491	20
156-167	2	324-335	8	492-503	15
168-179	0	336-347	4	504-515	10
180-191	12	348-359	0	516-527	5
192-203	9	360-371	20	528-539	0
204-215	6	372-383	15		

S = Continuous service at time of retirement.

V = Accredited vacation days pay.

9. Absences allowed under this Section O. shall be considered hours worked for purposes of computing overtime pay.

P. Sick Leave

1. No salary deductions are made if salaried employees are absent for reasonable periods due to illness or injury (including



appointments with a doctor or a dentist) if the absence is approved as follows:

<u>Absence Period</u>	<u>Level of Approval</u>
Twenty-four hours or less in a pay period.	Authorized Supervisor.
Forty hours or less, but more than 24 hours, in a pay period.	Supervisor Reporting to the Supervising Representative or to the Assistant General Manager for Operations.
More than 40 hours in a pay period, or more than 40 hours for one illness or injury.	Supervising Representative or his designee(s).

2. Pay to an employee for sick leave will be limited to the

UNITED STATES ATOMIC ENERGY COMMISSION  
REIMBURSEMENT AUTHORIZATION

NO. R.A. No. 35  
To Mod. 112

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PROJECT Rocky Flats Plant LOCATION Rocky Flats, Colorado

CONTRACTOR The Dow Chemical Company

CONTRACT NO. AT(29-1)-1106 DATE OF CONTRACT January 18, 1951

The following revision or addition to the approved employment policies and wage and salary schedules of the contractor is approved as an allowable cost, effective January 1, 1974

Revise Appendix A, Part I, Section B., Paragraph 2. and add new paragraph 3. to read as follows:

- 2. Employees may be refunded a portion of educational costs for courses subject to the following conditions:
  - a. Courses are taken outside of working hours.
  - b. The courses are:
    - (1) Directly related to the individual employee's current position or to a position to which he can reasonably aspire; or
    - (2) Required for attainment of a high school diploma, or leading to a degree in a field relevant to Company interest; or
    - (3) Required for completion of the approved curriculum developed for the particular employee leading to a degree directly related to the employee's current position or to a position to which he can reasonably aspire. Courses not directly related to the employee's current position or to a position to which he can reasonably aspire may be authorized and qualify for the refund if they are required or are qualifying electives in the curriculum developed for the particular employee leading to a degree so directly related.

APPROVED FOR THE ATOMIC ENERGY COMMISSION BY--

DATE

NAME

TITLE

STAMPED

REIMBURSEMENT AUTHORIZATION NO. 35 —Continuation

Contractor Dow Chemical Company Contract No. AT(29-1)-1106 Page 2 of 3

(4) Refresher programs and/or qualifying examinations taken for the purpose of obtaining professional certification or licensing in a discipline that directly relates to the employee's current position or to a position to which he can reasonably aspire.

- c. Employees shall be full-time Contractor employees prior to enrollment.
- d. Each course shall be approved by the Supervisory Representative or his designee(s).
- e. Courses are taken by attendance at or correspondence with a Contractor approved school, college, university or similar institution.
- f. Employees receiving educational assistance under any Federal educational assistance program shall be eligible for refund of a portion of those costs incurred in excess of any assistance so received.
- g. The following costs and expenses only shall be eligible for refund: tuition, required books, laboratory fees, and other mandatory fees charged for enrollment of the employee in courses, the aggregate credit hours of which do not exceed 21 semester hours or 32 quarter hours in any fiscal year.

3. Reimbursements:

- a. Employees who complete approved courses with a grade of "C," "Satisfactory," or better are entitled to 100 percent refund on tuition, mandatory enrollment fees, and required textbooks. "Satisfactory" is interpreted to be not less than a grade of "C" or equivalent as determined by the institution attended.
- b. One hundred percent refund of tuition, mandatory fees, and required textbooks is extended to employees satisfactorily completing approved correspondence courses from approved degree-granting institutions.

Approved for Atomic Energy Commission by:

NAME:

TITLE:

DATE:

REIMBURSEMENT AUTHORIZATION NO. 35 —Continuation

Contractor Dow Chemical Company Contract No. AT(29-1)-1106 Page 3 of 3

- c. Other approved correspondence courses are eligible for a refund of 75 percent of the total cost if a grade of "B" or better is earned, 50 percent for a grade of "C" or "Satisfactory," with a maximum refund of \$200.00 per fiscal year.

APPROVED FOR THE CONTRACTOR BY:

DATE: MAR 20 1974

NAME: *J. H. Hanes*  
J. H. Hanes

TITLE: General Manager

Approved for Atomic Energy Commission by:

NAME:

*Herman E. Roser*  
Herman E. Roser, Deputy Manager,  
Albuquerque Operations Office  
Contracting Officer

DATE:

*4/10/74*

- \*2. Employees may be refunded a portion of educational costs for courses subject to the following conditions:
- a. Courses are taken outside of working hours.
  - b. The courses are:
    - (1) Directly related to the individual employee's current position or to a position to which he can reasonably aspire; or
    - (2) Required for attainment of a high school diploma, or leading to a degree in a field relevant to Company interest; or
    - (3) Required for completion of the approved curriculum developed for the particular employee leading to a degree directly related to the employee's current position or to a position to which he can reasonably aspire. Courses not directly related to the employee's current position or to a position to which he can reasonably aspire may be authorized and qualify for the refund if they are required or are qualifying electives in the curriculum developed for the particular employee leading to a degree so directly related.

- (4) Refresher programs and/or qualifying examinations taken for the purpose of obtaining professional certification or licensing in a discipline that directly relates to the employee's current position or to a position to which he can reasonably aspire.
- c. Employees shall be full-time Contractor employees prior to enrollment.
  - d. Each course shall be approved by the Supervisory Representative or his designee(s).
  - e. Courses are taken by attendance at or correspondence with a Contractor approved school, college, university or similar institution.
  - f. Employees receiving educational assistance under any Federal educational assistance program shall be eligible for refund of a portion of those costs incurred in excess of any assistance so received.
  - g. The following costs and expenses only shall be eligible for refund: tuition, required books, laboratory fees, and other mandatory fees charged for enrollment of the employee in courses, the aggregate credit hours of which

do not exceed 21 semester hours or 32 quarter hours in any fiscal year.

\*3. Reimbursements:

- a. Employees who complete approved courses with a grade of "C," "Satisfactory," or better are entitled to 100 percent refund on tuition, mandatory enrollment fees, and required textbooks. "Satisfactory" is interpreted to be not less than a grade of "C" or equivalent as determined by the institution attended.
- b. One hundred percent refund of tuition, mandatory fees, and required textbooks is extended to employees satisfactorily completing approved correspondence courses from approved degree-granting institutions.
- c. Other approved correspondence courses are eligible for a refund of 75 percent of the total cost if a grade of "B" or better is earned, 50 percent for a grade of "C" or "Satisfactory," with a maximum refund of \$200.00 per fiscal year.

C. Educational Assistance Program for Degree Candidates

1. Adjustment of Work Schedules

Under certain conditions, the work schedules of employees may be adjusted in order for them to obtain course work that is not available to them after working hours. Three major considerations will generally be used to appraise individual situations:

- a. To what extent would rescheduling the employee's work hours affect operations of the department?
- b. How will the additional education help the man with his personal development?

UNITED STATES ATOMIC ENERGY COMMISSION  
**REIMBURSEMENT AUTHORIZATION**

NO.  
R.A. No. 33  
To Mod. 112

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PROJECT Rocky Flats Plant	LOCATION Rocky Flats, Colorado
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CONTRACTOR  
The Dow Chemical Company

CONTRACT NO. AT(29-1)-1106	DATE OF CONTRACT January 18, 1951
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The following revision or addition to the approved employment policies and wage and salary schedules of the contractor is approved as an allowable cost, effective July 1, 1973

Revise Appendix A, Part III, Section B. in its entirety to read as follows:

B. Hourly-Paid Production and Maintenance Employees

Hourly-paid Production and Maintenance employees shall be covered by this Part III. Payments of wages not in excess of those provided for in the agreement effective 11:45 p.m. July 1, 1973, between The Dow Chemical Company, Rocky Flats Division, and the United Steelworkers of America AFL-CIO-CLC, Local Union No. 8031, will be allowable. Such agreement is attached as Schedule II and by this reference is hereby made a part of this Appendix. All other costs, such as grievance processing, arbitration, dues deduction, leave provisions and other fringe benefits incurred pursuant to the provisions of said agreement effective July 1, 1973 will be allowable.



APPROVED FOR THE CONTRACTOR BY: *J. H. Hanes* DATE: FEB 18 1974

NAME: J. H. Hanes TITLE: General Manager

APPROVED FOR THE ATOMIC ENERGY COMMISSION BY: H. C. Donnelly, Manager  
Albuquerque Operations Office  
NAME: *H. C. Donnelly* TITLE: Officer

DATE: MAR 15 1974

\* B. Hourly-Paid Production and Maintenance Employees

Hourly-paid Production and Maintenance employees shall be covered by this Part III. Payments of wages not in excess of those provided for in the agreement effective 11:45 p. m. July 1, 1973, between The Dow Chemical Company, Rocky Flats Division, and the United Steelworkers of America AFL-CIO-CLC, Local Union No. 8031, will be allowable. Such agreement is attached as Schedule II and by this reference is hereby made a part of this Appendix. All other costs, such as grievance processing, arbitration, dues deduction, leave provisions and other fringe benefits incurred pursuant to the provisions of said agreement effective July 1, 1973 will be allowable.

C. Hourly-Paid Plant Protection Employees

1. Hourly-Paid Plant Protection Employees shall be covered by this Part III. Payment of wages not in excess of those provided for in the agreement dated January 4, 1972, and the amendment dated September 20, 1972, effective May 15, 1972, between The

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UNITED STATES ATOMIC ENERGY COMMISSION  
REIMBURSEMENT AUTHORIZATION

NO.  
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PROJECT: Rocky Flats Plant  
LOCATION: Rocky Flats, Colorado

CONTRACTOR: The Dow Chemical Company

CONTRACT NO.: AT(29-1)-1106  
DATE OF CONTRACT: January 18, 1951

The following revision or addition to the approved employment policies and wage and salary schedules of the contractor is approved as an allowable cost, effective See Below

Revise Appendix A, Part VI, Section B. 1. a. to read in its entirety as follows:

3. Pensions

1. The Dow Chemical Company Employees' Retirement Plan

a. The Contractor established "The Dow Chemical Company Pension and Profit Sharing Plan" effective June 1, 1947, which subsequently was amended on various occasions. This plan was replaced December 31, 1969, by "The Dow Chemical Company Employees' Retirement Plan". Changes to the plan have included resolutions adopted by the Contractor's Board of Directors effective on October 6, 1970, December 8, 1970, and January 7, 1971. The Contractor reserves the right to amend, modify, suspend or terminate the plan. Resolutions and amendments approved in writing by the Commission are included under Schedule IV of Appendix A.

APPROVED FOR THE CONTRACTOR BY:

DATE: DEC 27 1973

NAME:

*J. H. Hanes*  
J. H. Hanes

TITLE: General Manager

APPROVED FOR THE ATOMIC ENERGY COMMISSION BY--

NAME

*J. C. Donnelly*

TITLE: Chief

DATE

MAR 25 1974

period of less than five years shall be that portion of the Contractor's share paid for such employee which the employee's years of service with the Contractor at the Rocky Flats Plant bear to the total years of service as an employee of the Contractor.

2. Dividends, return premiums, and other credits and allowances accrued under the group insurance policies shall be applied in reduction of allowable costs under this contract to the extent permitted by law in that proportion which the allowable group insurance costs for each policy bears to total Contractor contributions under each policy for the periods during which such dividends, return premiums, or other credits and allowances accrued.
3. The Contractor will provide the Contracting Officer with such data and information as may be required by the Contracting Officer in order to determine the allowability of costs incurred for group insurance policies.

B. Pensions

1. The Dow Chemical Company Employees' Retirement Plan
  - \*a. The Contractor established "The Dow Chemical Company Pension and Profit Sharing Plan" effective June 1, 1947, which subsequently was amended on various occasions. This

SEALING

plan was replaced December 31, 1969, by "The Dow Chemical Company Employees' Retirement Plan". Changes to the plan have included resolutions adopted by the Contractor's Board of Directors effective on October 6, 1970, December 8, 1970, and January 7, 1971. The Contractor reserves the right to amend, modify, suspend or terminate the plan. Resolutions and amendments approved in writing by the Commission are included under Schedule IV of Appendix A.

- b. Contractor employees transferred to work under this contract from other Divisions or Offices of the Contractor prior to July 1, 1970, who have attained eligibility for participation in this program, and those transferred on or after July 1, 1970, who have a profit-sharing account balance under the Contractor's former Profit-Sharing Plan may continue to accumulate benefit credits under the Program. Employees covered by this Subparagraph b. may not participate in any other pension plan, the cost of which is allowable under this contract.

- c. The Contractor shall be reimbursed for those amounts which it provides for the individual accounts for such transferred employees in accordance with the document and pamphlet included in subparagraph 1. a. of this Section B. This subparagraph will apply only to employees whose entire compensation is directly allowable under this contract.

(The next page is 94.)

UNITED STATES ATOMIC ENERGY COMMISSION  
**REIMBURSEMENT AUTHORIZATION**

NO.  
R. A. No. 32  
To Mod. 112

PAGE 1 OF 4 PAGES

PROJECT: Rocky Flats Plant      LOCATION: Rocky Flats, Colorado

CONTRACTOR: The Dow Chemical Company

CONTRACT NO.: AT(29-1)-1106      DATE OF CONTRACT: January 18, 1951

The following revision or addition to the approved employment policies and wage and salary schedules of the contractor is approved as an allowable cost, effective January 1, 1974.

Appendix A, Schedule I, Part B is revised as follows:

SCHEDULE I  
PART B - SERIES N  
THE DOW CHEMICAL COMPANY  
ROCKY FLATS PLANT  
CONTRACT NO. AT(29-1)-1106

SCHEDULE OF MONTHLY SALARY RANGES FOR  
NONEXEMPT SALARIED CLASSIFICATIONS

JOB CODE	CLASSIFICATION	SALARY RANGE	
		MINIMUM	MAXIMUM
N-100	( ) Clerk 1	\$ 500	\$ 700
101	File Clerk 1		
102	Mail Clerk 1		
103	YOP Clerk 1		
104	Clerical Trainee		
N-110	( ) Operator 1	\$ 500	\$ 700
111	Telecommunications Center Operator 1		
112	Data Entry Operator 1		
113	Switchboard Operator 1		
N-120	Stenographer	\$ 500	\$ 700
N-200	( ) Clerk 2	\$ 549	\$ 769
201	Accounting Clerk 2		
202	Mail Clerk 2		
N-210	( ) Operator 2	\$ 549	\$ 769
211	Telecommunications Center Operator 2		
212	Data Entry Operator 2		
213	Switchboard Operator 2		

APPROVED FOR THE ATOMIC ENERGY COMMISSION BY--

DATE

NAME

TITLE

REIMBURSEMENT AUTHORIZATION NO. 32 —Continuation

Contractor The Dow Chemical Co. Contract No. AT(29-1)-1106 Page 2 of 4

JOB CODE	CLASSIFICATION	SALARY RANGE	
		MINIMUM	MAXIMUM
N-220	Junior Secretary	\$ 549	\$ 769
N-300	( ) Clerk 3	\$ 603	\$ 845
301	Payroll Clerk 3		
303	Order Services Clerk 3		
N-310	( ) Operator 3	\$ 603	\$ 845
311	Telecommunications Center Operator 3		
312	Data Entry Operator 3		
313	Switchboard Operator 3		
N-320	Secretary	\$ 603	\$ 845
N-330	( ) Technical Trainee	\$ 603	\$ 845
N-340	( ) Trainee	\$ 603	\$ 845
351	(Co-op) Trainee		
355	Computer Operator Trainee		
N-400	( ) Clerk 4	\$ 663	\$ 929
401	Payroll Clerk 4		
N-410	( ) Operator 4	\$ 663	\$ 929
411	Telecommunications Center Operator 4		
412	Data Entry Operator 4		
N-420	Senior Secretary	\$ 663	\$ 929
N-430	( ) Technician C	\$ 663	\$ 929
N-440	( ) Specialist C	\$ 663	\$ 929
447	Data Analyst C		
448	Accountant C		
449	Junior Draftsman		
455	Computer Operator C		
457	Nuclear Materials Control Accountant C		
462	Salary Analyst C		
N-500	( ) Clerk 5	\$ 729	\$ 929
501	Senior ( ) Clerk 5		
N-520	Administrative Secretary		

Approved for Atomic Energy Commission by:

NAME:

TITLE:

REIMBURSEMENT AUTHORIZATION NO. 32 —Continuation

Contractor The Dow Chemical Co. Contract No. AT(29-1)-1106 Page 3 of 4

<u>JOB CODE</u>	<u>CLASSIFICATION</u>	<u>SALARY MINIMUM</u>	<u>RANGE MAXIMUM</u>
N-530	( ) Technician B	\$ 729	\$1,021
N-540	( ) Specialist B	\$ 729	\$1,021
541	Nurse		
543	(PC, Metallurgical or Chemical Operations) Scheduler		
544	Industrial Illustrator		
545	Industrial Photographer		
547	Data Analyst B		
548	Accountant B		
549	Draftsman		
551	(Co-op) ( )		
555	Computer Operator B		
562	Summer ( )		
N-620	Confidential Secretary	\$ 801	\$1,121
N-630	( ) Technician A	\$ 801	\$1,121
N-640	( ) Specialist A	\$ 801	\$1,121
641	Head Nurse		
642	Shipment Officer		
643	PC Senior Scheduler		
645	Head ( ) Clerk		
646	Dispatching Officer		
647	Data Analyst A		
648	Accountant A		
649	Senior Draftsman		
650	Junior Programmer		
652	Engineering Analyst A		
655	Computer Operator A		
N-730	( ) Master Technician	\$ 881	\$1,233
N-740	( ) Specialist	\$ 881	\$1,233
741	Associate ( )		
742	Master Locksmith		
743	Planner		
744	Senior Industrial Illustrator		
745	Senior Industrial Photographer		
747	Master Data Analyst		
749	Designer		
750	Programmer		
751	(Co-op) ( )		
752	Engineering Specialist		

Approved for Atomic Energy Commission by:

TITLE:

DATE:

REIMBURSEMENT AUTHORIZATION NO. 32 —Continuation

Contractor The Dow Chemical Co. Contract No. AT(29-1)-1106 Page 4 of 4

JOB CODE	CLASSIFICATION	SALARY RANGE	
		MINIMUM	MAXIMUM
753	Tool Designer		
754	Lead Industrial Illustrator		
755	Computer Operator		
756	Executive Secretary		
759	Forms Analyst		
761	Technical Writer		
762	Summer ( )		
763	Mail Services Group Leader		
N-830	( ) Development Specialist	\$ 968	\$1,356
N-840	Advanced ( ) Specialist	\$ 968	\$1,356
841	Associate ( ) Engineer		
844	Industrial Artist		
849	Advanced Designer		
850	Nuclear Materials Control Accountant		
852	Computer Analyst Engineer		
853	Tool Engineer		

Salary Maximums will depend upon the employee's performance rating as shown in the following table:

<u>Performance Rating</u>	<u>Salary Maximum</u>
S	15% above range maximum
G	100% of range
A**	70% of range

\*\*The salary maximum for employees too new on the job to rate will be the same as for "A" performers.

APPROVED FOR THE CONTRACTOR BY:  
NAME: J. H. Hanes

DATE: DEC 14  
TITLE: General

Approved for Atomic Energy Commission by:  
NAME: H. C. Donnelly TITLE: Contracting Office

Contract AT(29-1)-1106

\*SCHEDULE I  
PART B - SERIES N  
THE DOW CHEMICAL COMPANY  
ROCKY FLATS PLANT  
CONTRACT NO. AT(29-1)-1106

SCHEDULE OF MONTHLY SALARY RANGES FOR  
NONEXEMPT SALARIED CLASSIFICATIONS

<u>JOB CODE</u>	<u>CLASSIFICATION</u>	<u>SALARY RANGE</u>	
		<u>MINIMUM</u>	<u>MAXIMUM</u>
N-100	( ) Clerk 1	\$ 500	\$ 700
101	File Clerk 1		
102	Mail Clerk 1		
103	YOP Clerk 1		
104	Clerical Trainee		
N-110	( ) Operator 1	\$ 500	\$ 700
111	Telecommunications Center Operator 1		
112	Data Entry Operator 1		
113	Switchboard Operator 1		
N-120	Stenographer	\$ 500	\$ 700
N-200	( ) Clerk 2	\$ 549	\$ 769
201	Accounting Clerk 2		
202	Mail Clerk 2		
N-210	( ) Operator 2	\$ 549	\$ 769
211	Telecommunications Center Operator 2		
212	Data Entry Operator 2		
213	Switchboard Operator 2		
N-220	Junior Secretary	\$ 549	\$ 769

\*Revised by R. A. No. 32, Mod. 112  
Effective January 1, 1974

- 2 -

Appendix A  
Schedule I

<u>JOB CODE</u>	<u>CLASSIFICATION</u>	<u>SALARY RANGE</u>	
		<u>MINIMUM</u>	<u>MAXIMUM</u>
N-300	( ) Clerk 3	\$ 603	\$ 845
301	Payroll Clerk 3		
303	Order Services Clerk 3		
N-310	( ) Operator 3	\$ 603	\$ 845
311	Telecommunications Center Operator 3		
312	Data Entry Operator 3		
313	Switchboard Operator 3		
N-320	Secretary	\$ 603	\$ 845
N-330	( ) Technical Trainee	\$ 603	\$ 845
N-340	( ) Trainee	\$ 603	\$ 845
351	(Co-op) Trainee		
355	Computer Operator Trainee		
N-400	( ) Clerk 4	\$ 663	\$ 929
401	Payroll Clerk 4		
N-410	( ) Operator 4	\$ 663	\$ 929
411	Telecommunications Center Operator 4		
412	Data Entry Operator 4		
N-420	Senior Secretary	\$ 663	\$ 929
N-430	( ) Technician C	\$ 663	\$ 929
N-440	( ) Specialist C	\$ 663	\$ 929
447	Data Analyst C		
448	Accountant C		
449	Junior Draftsman		
455	Computer Operator C		
457	Nuclear Materials Control Accountant C		
462	Salary Analyst C		

\*Revised by R.A. No. 32, Mod. 112  
Effective January 1, 1974

Contract AT(29-1)-1106

<u>JOB CODE</u>	<u>CLASSIFICATION</u>	<u>SALARY RANGE</u>	
		<u>MINIMUM</u>	<u>MAXIMUM</u>
N-500 501	( ) Clerk 5 Senior ( ) Clerk 5	\$ 729	\$1,021
N-520	Administrative Secretary	\$ 729	\$1,021
N-530	( ) Technician B	\$ 729	\$1,021
N-540 541 543 544 545 547 548 549 551 555 562	( ) Specialist B Nurse (PC, Metallurgical or Chemical Operations) Scheduler Industrial Illustrator Industrial Photographer Data Analyst B Accountant B Draftsman (Co-op) ( ) Computer Operator B Summer ( )	\$ 729	\$1,021
N-620	Confidential Secretary	\$ 801	\$1,121
N-630	( ) Technician A	\$ 801	\$1,121
N-640 641 642 643 645 646 647 648 649 650 652 655	( ) Specialist A Head Nurse Shipment Officer PC Senior Scheduler Head ( ) Clerk Dispatching Officer Data Analyst A Accountant A Senior Draftsman Junior Programmer Engineering Analyst A Computer Operator A	\$ 801	\$1,121
N-730	( ) Master Technician	\$ 881	\$1,241

Contract AT(29-1)-1106

<u>JOB CODE</u>	<u>CLASSIFICATION</u>	<u>SALARY RANGE</u>	
		<u>MINIMUM</u>	<u>MAXIMUM</u>
N-740	( ) Specialist	\$ 881	\$1,233
741	Associate ( )		
742	Master Locksmith		
743	Planner		
744	Senior Industrial Illustrator		
745	Senior Industrial Photographer		
747	Master Data Analyst		
749	Designer		
750	Programmer		
751	(Co-op) ( )		
752	Engineering Specialist		
753	Tool Designer		
754	Lead Industrial Illustrator		
755	Computer Operator		
756	Executive Secretary		
759	Forms Analyst		
761	Technical Writer		
762	Summer ( )		
763	Mail Services Group Leader		
N-830	( ) Development Specialist	\$ 968	\$1,356
N-840	Advanced ( ) Specialist	\$ 968	\$1,356
841	Associate ( ) Engineer		
844	Industrial Artist		
849	Advanced Designer		
850	Nuclear Materials Control Accountant		
852	Computer Analyst Engineer		
853	Tool Engineer		

Salary Maximums will depend upon the employee's performance rating as shown in the following table:

Revised by R.A. No. 32, Mod. 112  
Effective January 1, 1974

Appendix A  
Schedule I

Contract AT(29-1)-1106

Performance  
Rating

Salary Maximum

S

15% above range maximum

G

100% of range

A\*\*

70% of range

\*\*The salary maximum for employees too new on the job to rate will be the same as for "A" performers.

UNITED STATES ATOMIC ENERGY COMMISSION  
**REIMBURSEMENT AUTHORIZATION**

NO. R. A. No. 31  
 To Mod. 112  
 PAGE 1 OF 1 PAGE

PROJECT: Rocky Flats Plant LOCATION: Rocky Flats, Colorado

CONTRACTOR: The Dow Chemical Company

CONTRACT NO.: AT(29-1)-1106 DATE OF CONTRACT: January 18, 1951

The following revision or addition to the approved employment policies and wage and salary schedules of the contractor is approved as an allowable cost, effective January 1, 1974. Appendix A, Schedule I, Part A, Series RF, Salary Ranges is revised as follows:

Salary Ranges for exempt classifications will be based on the following formula.

Range Median = a + bx

The values of "a" and "b" may be changed from time to time in accordance with Section C, Part II, of this Appendix A.

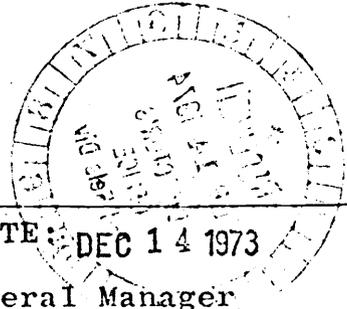
Where (currently): a = \$320.00  
 b = \$ 6.30  
 x = Evaluation Points

Range Maximum = Median plus 20%  
 Range Minimum = Median minus 20%

Salary Maximums will depend upon the employee's performance rating as shown in the following table:

Performance Rating	Salary Maximum
S	15% above range maximum
G	100% of range
A**	70% of range

\*\*The salary maximum for employees too new on the job to rate will be the same as for "A" performers.



APPROVED FOR THE CONTRACTOR BY: J. H. Hanes TITLE: General Manager  
 DATE: DEC 14 1973

APPROVED FOR THE ATOMIC ENERGY COMMISSION BY: H. C. Donnelly, Manager  
 NAME: H. C. Donnelly Albuquerque Operations Office  
 DATE: MAR 1 1974

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Contract AT(29-1)-1106

**\*SCHEDULE I  
PART A - SERIES RF  
THE DOW CHEMICAL COMPANY  
ROCKY FLATS PLANT**

Salary Ranges for exempt classifications will be based on the following formula:

$$\text{Range Median} = a + bx$$

The values of "a" and "b" may be changed from time to time in accordance with Section C, Part II, of this Appendix A.

Where (currently):  
a = \$320.00  
b = \$ 6.30  
x = Evaluation Points

Range Maximum = Median plus 20%  
Range Minimum = Median minus 20%

Salary Maximums will depend upon the employee's performance rating as shown in the following table:

<u>Performance Rating</u>	<u>Salary Maximum</u>
S	15% above range maximum
G	100% of range
A**	70% of range

\*\*The salary maximum for employees too new on the job to rate will be the same as for "A" performers.

UNITED STATES ATOMIC ENERGY COMMISSION  
**REIMBURSEMENT AUTHORIZATION**

NO.  
**R.A. No. 27  
To Mod. 112**

PAGE **1** OF **1** PAGES

PROJECT **Rocky Flats Plant** LOCATION **Rocky Flats, Colorado**

CONTRACTOR  
**The Dow Chemical Company**

CONTRACT NO. **AT(29-1)-1106** DATE OF CONTRACT **January 18, 1951**

The following revision or addition to the approved employment policies and wage and salary schedules of the contractor is approved as an allowable cost, effective **December 3, 1973**

Revise Appendix A, Part II, Section L., Paragraph 1. by adding the following:

A basic workweek, as used in this Section L., includes any regularly scheduled shift overlap not in excess of .6 of an hour per day.

APPROVED FOR THE CONTRACTOR BY: DATE: **DEC 9 1973**

NAME: **J. H. Hanes** TITLE: **General Manager**

APPROVED FOR THE ATOMIC ENERGY COMMISSION BY—  
NAME: **James Foster** TITLE: DATE: **12/11/73**

worked on Sunday.

Such premium shall not apply on an hour for which a premium is payable for overtime or holiday work.

6. Exempt and nonexempt salaried employees required to work an odd scheduled shift Monday through Friday extending a minimum of four weeks may receive premium pay in the amount of \$20 per month in addition to applicable shift premium. Exempt and nonexempt salaried employees required to work an odd scheduled shift whose scheduled workweek includes Saturday and/or Sunday, regardless of hours of work extending a minimum of four weeks shall receive premium pay in the amount of \$35 per month in addition to applicable shift premium.
7. A salaried employee required to work a 24-hour platoon schedule shift shall be excluded from Paragraphs 1., 5. and 6. of this Section K.

L. Requirements for Contracting Officer Approval Respecting Overtime

\*1. Basic Workweek

The basic workweek for employees working a five-day shift is a forty-hour week consisting of five workdays of eight hours each within a designated period of seven consecutive days considered as a unit when pay is computed.

The basic workweek for employees working a continuous shift consists of three weeks of five eight-hour days and one week of six eight-hour days in a four-week cycle.

The basic workweek for employees working the 24-hour platoon shift Schedule A consists of five weeks of three 24-hour days and three weeks of two 24-hour days in an eight week cycle.

The basic workweek for employees working the 24-hour platoon shift Schedule B consists of three weeks of three 24-hour days and six weeks of two 24-hour days in a nine week cycle.

Each 24-hour workday shall consist of ten full duty hours, six standby hours, and eight sleep hours.

A basic workweek, as used in this Section L., includes any regularly scheduled shift overlap not in excess of .6 of an hour per day.

2. Extended Workweek

An extended workweek is a workweek regularly scheduled and established in excess of the normal workweek for a period in excess of four consecutive weeks.

UNITED STATES  
ATOMIC ENERGY COMMISSION  
P.O. BOX 5400  
ALBUQUERQUE, NEW MEXICO 87115

Modification No. 111  
Supplemental Agreement to  
Contract AT(29-1)-1106

SUPPLEMENTAL AGREEMENT

This SUPPLEMENTAL AGREEMENT, effective the 1st day of July, 1971, by and between THE UNITED STATES OF AMERICA (hereinafter called the "Government"), represented by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission"), and THE DOW CHEMICAL COMPANY (hereinafter called the "Contractor"), a corporation organized and existing under the laws of the State of Delaware,

WITNESSETH THAT:

WHEREAS, effective January 18, 1951, the Government and the Contractor entered into Contract AT(29-1)-1106 for the management and operation by the Contractor of the Commission's Rocky Flats Plant and for related work; and

WHEREAS, the said contract has previously been amended by Modification Nos. 1 through 56, 58, 61 through 64, 66 through 71, 73 through 110; and

WHEREAS, the parties desire to further amend the contract to reflect their agreement upon the work to be performed by the Contractor

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during the period July 1, 1971 through June 30, 1972, and the fixed fee to be paid the Contractor for the performance of such work and to make certain other changes in the terms and conditions of the contract as set forth hereinafter; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1954, as amended, and the Federal Property and Administrative Services Act of 1949, as amended;

NOW THEREFORE, the parties agree that Contract AT(29-1)-1106 as previously amended, is hereby further amended in the following particulars only:

1. Paragraph 2.a.(1), ARTICLE V - ALLOWABLE COSTS AND FIXED FEE, is amended to read in its entirety as follows:

"2.a.(1) Fixed Fee. The fixed fee payable to the Contractor for the performance of the work at the Rocky Flats Plant during the period July 1, 1971 through June 30, 1972, is Two Million Ninety-four Thousand Dollars (\$2,094,000.00). In agreeing upon the fixed fee to be paid, the amount and character of the work which the parties contemplated would be performed by the Contractor during the period July 1, 1971 through June 30, 1972, is that reflected in letter F. E. Abbott to Lloyd M. Joshel, dated June 7, 1971, subject, Work Assumptions And Related Estimates of Cost - Negotiation of The Fiscal Year 1972 Scope of Work And Fixed Fee, Contract AT(29-1)-1106, The Dow Chemical Company."

2. ARTICLE XXXIII - UTILIZATION OF CONCERNS IN LABOR SURPLUS AREAS

is amended to read in its entirety as follows:

"ARTICLE XXXIII - UTILIZATION OF LABOR SURPLUS AREA CONCERNS

1. It is the policy of the Government to award contracts to labor surplus area concerns where this can be done consistent with the efficient performance of the contract and at prices no higher than are obtainable elsewhere. The Contractor agrees to use his best efforts to place his subcontracts in accordance with this policy. 'Labor surplus area concerns' for purposes of this article shall be as defined in Paragraph 2. of the article entitled 'Labor Surplus Area Subcontracting Program'.
2. In complying with Paragraph 1. of this article and with Paragraph 2. of the article of this contract entitled 'Utilization of Small Business Concerns' the Contractor in placing his subcontracts shall observe the following order of preference: (1) Certified-eligible concerns with a first preference which are also small business concerns; (2) other certified-eligible concerns with a first preference; (3) certified-eligible concerns with a second preference which are also small business concerns; (4) other certified-eligible concerns with a second preference; (5) persistent or substantial labor

surplus area concerns which are also small business concerns; (6) other persistent or substantial labor surplus area concerns; and (7) small business concerns which are not labor surplus area concerns."

3. ARTICLE XXXIV - LABOR SURPLUS AREA SUBCONTRACTING PROGRAM is amended as follows:

a. Subparagraphs 1.a., 1.e., and 3. are amended by deleting the title "Utilization of Concerns in Labor Surplus Areas" in each place where it appears and substituting therefor the title "Utilization of Labor Surplus Area Concerns".

b. Subparagraph 1.d. is amended to read in its entirety as follows:

"d. Maintain records showing procedures which have been adopted to comply with the policies set forth in this article. Records maintained pursuant to this article will be kept available for review by the Government until the expiration of one year after the award of this contract or for such longer period as may be required by any other article of this contract or by applicable law or regulations."

c. Paragraph 2. is amended to read in its entirety as follows:

"2. A 'labor surplus area concern' is a concern that (1) has been certified by the Secretary of Labor (hereafter

referred to as a certified-eligible concern) regarding the employment of a proportionate number of disadvantaged individuals and has agreed to perform substantially in or near sections of concentrated unemployment or underemployment, in persistent or substantial labor surplus areas, or in other areas of the United States or (2) is a non-certified concern which has agreed to perform a substantial proportion of a contract in persistent or substantial labor surplus areas. A certified-eligible concern shall be deemed to have performed a substantial proportion of a contract in or near sections of concentrated unemployment or underemployment, in persistent or substantial labor surplus areas, or in other areas if the costs that the concern will incur on account of manufacturing or production in or near such sections or in such areas (by itself, if a certified concern, or by certified concerns acting as first-tier subcontractors) amount to more than 25 percent of the contract price. A concern shall be deemed to have performed a substantial proportion of a contract in persistent or substantial labor surplus areas (by itself or its first-tier subcontractors) if the costs that the concern will incur on account of production or manufacturing in such areas amount to more than 50 percent of the contract price."

SEARCHED

Modification  
Contract AT(2)

IN WITNESS WHEREOF, the parties have executed this Supplemental Agreement  
in several counterparts.

THE UNITED STATES OF AMERICA  
BY: U.S. ATOMIC ENERGY COMMISSION

DATE: \_\_\_\_\_

BY: D. C. Donnelly

TITLE: \_\_\_\_\_

THE DOW CHEMICAL COMPANY

DATE: June 21, 1971

BY: /s/ J. M. Leathers

J. M. Leathers  
TITLE: Vice President

CORPORATE CERTIFICATE

I, W. A. Groening, Jr., certify that I am the  
Assistant Secretary of the corporation named as Contract  
herein; that J. M. Leathers who signed this  
Supplemental Agreement on behalf of said corporation was then  
Vice President of said corporation; that this Supplemental  
Agreement was duly signed for and in behalf of said corporation by  
authority of its governing body and is within the scope of its corporate  
powers; and that I have set my hand and the seal of said corporation hereon  
on this 25th day of June, 1971.

/s/ W. A. Groening

(SEAL)

UNITED STATES  
ATOMIC ENERGY COMMISSION  
P.O. BOX 5400  
ALBUQUERQUE, NEW MEXICO 87115

Modification No. 110  
Supplemental Agreement to  
Contract AT(29-1)-1106

SUPPLEMENTAL AGREEMENT

This SUPPLEMENTAL AGREEMENT, effective the 15th day of November 1970, by and between THE UNITED STATES OF AMERICA (hereinafter called the "Government"), represented by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission"), and THE DOW CHEMICAL COMPANY (hereinafter called the "Contractor"), a corporation organized and existing under the laws of the State of Delaware.

WITNESSETH THAT:

WHEREAS, effective January 18, 1951, the Government and the Contractor entered into Contract AT(29-1)-1106 for the management and operation by the Contractor of the Commission's Rocky Flats Plant and for related work; and

WHEREAS, the said contract has previously been amended by Modifications Nos. 1 through 56, 58, 61 through 64, 66 through 71, 73 through 108, and by Letter Modification No. 109; and

WHEREAS, the parties desire further to amend the contract to reflect their agreement with regard to the increased effort to be devoted by the Contractor to the plant engineering function; and

WHEREAS, the parties desire to supersede the aforesaid Letter Modification No. 109 with this Modification No. 110; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1954, as amended, and the Federal Property and Administrative Services Act of 1949, as amended.

NOW THEREFORE, the parties agree that Contract AT(29-1)-1106, as previously amended, is hereby further amended in the following particulars only:

1. Letter Modification No. 109 is superseded in its entirety by this Modification No. 110.
2. a. The Contractor will increase the effort devoted to the plant engineering function, described in the last sentence of Paragraph 1., Appendix B, Scope of Work, to the extent necessary to assure that the Rocky Flats Division will have the capability to provide the Commission the benefits of a professional engineering and construction management system in connection with the design and construction of modifications and additions to the Plant. The Contractor will draw upon its Engineering and Construction Services organization as may be required to achieve the foregoing objective.

- b. The cost for the period November 15, 1970, through June 30, 1971, of the increased effort required by Paragraph 2.a. above is estimated to be \$250,000, which amount is in addition to that the parties estimated as the cost of performing the work under the contract for the current annual period in agreeing upon the scope of work and fixed fee to be paid for said annual period. The parties agree that the increased effort required by this Supplemental Agreement through June 30, 1971, does not constitute a "material change in the amount or character of the work" within the meaning of Article III - CHANGES and that there shall be no adjustment of the Contractor's fixed fee as set forth in Paragraph 2.a. (1) of Article V - ALLOWABLE COSTS AND FIXED FEE for such increased effort.
3. A new Paragraph 6. is added to Article V - ALLOWABLE COSTS AND FIXED FEE, reading as follows:

"6. Costs Involving the Contractor's Engineering and Construction Services Organization

- a. The allowable cost of performing work under the contract at or out of the Contractor's Engineering and Construction Services organization shall be the costs and expenses that are actually incurred by the Contractor, are applicable and properly chargeable, either as directly incident or as allocable through appropriate distribution or

apportionment, to the performance of work under the contract in accordance with its terms and are determined to be allowable as provided in this Paragraph 6.

b. In determining the allowability of the costs described in Paragraph 6.a. above:

(1) All of the provisions of Paragraphs 3., 4., and 5. of the Article V entitled ~~ALLOWABLE~~ COSTS AND FIXED FEE shall be applied except:

(a) The first sentence of Paragraph 3.

(b) Subparagraph 4.h.

(c) Subparagraph 4.p.

(2) The following shall also apply, as though added to Paragraph 4. of the article entitled ~~ALLOWABLE~~ COSTS AND FIXED FEE:

(a) Rentals and leases of land, buildings, and equipment owned by third parties where such items are used in the performance of the contract, except that such rentals and leases when directly chargeable to the contract shall be subject to approval by the Contracting Officer.

- (b) Repairs, maintenance, and inspection of Contractor-owned property used in connection with the performance of this contract, including reasonable standby facilities, which are due to ordinary wear and tear from use and the action of the elements, provided such maintenance and repairs keep the property in efficient operating condition and do not add to its permanent value or appreciably prolong its intended useful life; and major repairs (including replacement) to such property, except that such major repairs when directly chargeable to the contract shall be subject to approval by the Contracting Officer.
  - (c) Reproduction and art work, including such models and mockups as may be approved by the Contracting Officer.
  - (d) Structures and facilities of a temporary nature as approved by the Contracting Officer.
- (3) The following shall also apply, as though added to Paragraph 5. of the article entitled ALLOWABLE COSTS AND FIXED FEE:

- (a) Depreciation in excess of that calculated by application of methods approved for use by the Internal Revenue Services under the Internal Revenue Code of 1954, as amended, including the straight-line, declining balance (using a rate not exceeding twice the rate which would have been used had the depreciation been computed under the straight-line method) or sum-of-the-years digits method, on the basis of expected useful life, to the cost of acquisition of the related fixed assets less estimated salvage or residual value at the end of the expected useful life. Amortization or depreciation of unrealized appreciation of values of assets or of assets fully amortized or depreciated on the Contractor's books of account is unallowable.
- (b) Reconversion, alteration, restoration, or rehabilitation of the Contractor's facilities, except as expressly provided elsewhere in this contract.
- (c) Selling costs, except to the extent they are determined to be reasonable and to be allocable

to the contract. Allocability of selling costs to the contract will be determined in the light of reasonable benefit to the agency program arising from such activities as technical, consulting, demonstration, and other services performed for such purposes as applying or adapting the Contractor's product for agency use.

- (4) Costs described in Subparagraph 4.a., c., and 1. of Article V shall not require Contracting Officer approval or direction if charged to the contract as indirect costs.
- (5) Costs described in Subparagraph 5.q. of Article V need not be approved by the Contracting Officer to be allowable as indirect costs.
- (6) The provisions of Part VII of Appendix A, which Part VII is attached to this Modification No. 110 and hereby added to Appendix A, shall apply.

c. Payments to the Contractor from contract funds for work of Engineering and Construction Services shall be made on the basis of provisional indirect cost rates approved by the Contracting Officer and applied to the direct labor base. Provisional rates for indirect costs will be adjusted periodically to actual as determined by audit

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and approved by the Contracting Officer. All payments made on the basis of provisional indirect cost rates will be adjusted upon determination of actual indirect cost rates."

IN WITNESS WHEREOF, the parties have executed this Supplemental Agreement in several counterparts.

DATE: FEB 23 1971

THE UNITED STATES OF AMERICA  
BY: U.S. ATOMIC ENERGY COMMISSION

BY: *James L. McGowan*

James L. McGowan, Deputy Manager  
Albuquerque Operations Office  
Contracting Officer

DATE: February 25, 1971

THE DOW CHEMICAL COMPANY

BY: *[Signature]*

TITLE: Vice President

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CORPORATE CERTIFICATE

I, W. A. Groening, Jr., certify that I am the Assistant Secretary of the corporation named as Contractor herein; that J. M. Leathers who signed this Supplemental Agreement on behalf of said corporation was then Vice President of said corporation; that this Supplemental Agreement was duly signed for and in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers; and that I have set my hand and the seal of the said corporation hereto on this 1st day of March, 1971.

  
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(SEAL)

PART VII - ENGINEERING AND CONSTRUCTION SERVICES PERSONNEL

A. Coverage

Notwithstanding any other provision of this contract, costs incurred at or out of the Contractor's Engineering and Construction Services organization (hereinafter called "E&CS"), Houston, Texas, for employee compensation, travel and other personnel matters, shall be allowable under this contract in accordance with the provisions of this Part VII.

B. General Provisions

1. Except as otherwise provided in this Part VII, no provision contained in Part I through Part VI of this Appendix A shall be applicable to this Part VII. No provisions contained in this Part VII shall be applicable to such Parts I through VI. The provisions of this Part VII are subject to all provisions of the contract other than Parts I through VI of Appendix A. In the event of conflict between the provisions of this Part VII and any such other provisions of the contract, the former shall control.
2. Allowable personnel costs shall be those costs incurred in accordance with the personnel policies and practices applied consistently to all employees of E&CS except to the extent

that allowability of any such cost may be barred or limited by any other provision of this contract and except as otherwise provided in this Part VII.

C. Salaries and Wages

1. The Contracting Officer's approval is required in each instance of total compensation to an individual employee at an annual rate of \$25,000 or more when it is proposed that a total of fifty percent (50%) or more of such compensation be reimbursed by the Commission. "Total compensation", as used here, includes only the employee's basic salary and bonus and incentive compensation. The effective date of such approval, if given, shall not be prior to the date of the request for such approval except with the approval of the Contracting Officer. The request for such approval shall be made on Form AEC-37 and shall contain all pertinent data justifying the proposed action.
2. No direct charges shall be made against this contract for premium pay for overtime work in excess of 8 hours per week by any employee unless the Contracting Officer's approval for the incurring of such premium pay has been obtained.

D. Travel and Transportation

Travel and transportation costs incurred in connection with the travel of employees in the conduct of work performed under this contract are allowable as expressed herein.

1. General

- a. Except as provided in Sections D.2.b. and D.4.e. below, no expense for commuting between place of abode and the Rocky Flats Plant will be allowed to salaried employees in the normal pursuit of their work.
- b. All travel outside the limits of the continental United States in connection with the performance of work under the contract shall have the prior approval of the Contracting Officer on a case-by-case basis.
- c. All allowable expenses of the types covered by this Section D shall, except as provided in D.1.f. below, be supported by itemized accounts of the expenses submitted by the individuals who incurred them, documented by appropriate receipts such as stubs for transportation tickets, lodging and car rental receipts, etc. Full explanations will be furnished relative to receipts which are lost or are not available.
- d. The term "dependents" as used in this Section D shall mean persons who regularly reside with the employee and are considered to be members of his immediate household.
- e. The term "local travel" as used in this Section D shall mean: (i) travel within a radius of 100 miles of the Rocky Flats Plant and (ii) travel in the vicinity of