ORGANIZATIONAL CONFLICTS OF INTEREST (OCI) MANAGEMENT PLAN

Submitted By:

James Eanes   5/7/14
James L. Eanes   Date
Sr. Manager, Contracts and Export Control
Sandia Corporation

Approved By:

JoAnn Wright   5/13/2014
JoAnn Wright   Date
Contracting Officer
DOE/NNSA Sandia Field Office

Exceptional service in the national interest

Sandia National Laboratories

SANDIA CORPORATION

DEPARTMENT OF ENERGY · UNITED STATES OF AMERICA

NNSA
National Nuclear Security Administration

Sandia Corporation

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1.0   INTRODUCTION

Sandia National Laboratories (SNL) is a Department of Energy/National Nuclear Security Administration (DOE/NNSA) government owned, contractor operated Federally Funded Research and Development Center (FFRDC) managed by Sandia Corporation (Sandia) under a Management and Operating (M&O) Contract between Sandia and DOE/NNSA (hereinafter referred to as the Contract). Sandia's sole purpose is the management and operation of SNL.

Sandia, a wholly owned subsidiary of Lockheed Martin Corporation (LMC)*, is dedicated to a structured program to operate in the public interest with objectivity and independence and to be free from organizational conflicts of interest (OCI). To this end, Sandia will maintain an OCI program to avoid, neutralize, or mitigate OCI.

As a DOE/NNSA FFRDC, Sandia has access, beyond that which is common to the normal contractual relationship, to government and third-party data, including sensitive and proprietary data, and to employees and installations, equipment, and real property.

The purpose of this document is to describe Sandia's management plan for complying with its obligation to operate free of OCI.

* Throughout this document, "LMC" refers to LMC, its business areas, operating units, and all of its subsidiaries and affiliates.

2.0   POLICY

Sandia must avoid, neutralize, or mitigate OCI and commit to operate in a manner that ensures (1) Sandia is not biased because of financial, contractual, organizational, or other interests which relate to work under its contract with the DOE/NNSA; and (2) Sandia and any of its affiliates or their successors in interest (i.e., LMC) do not obtain any unfair competitive advantage over other parties by virtue of Sandia's performance of its contract with DOE/NNSA. Sandia accomplishes this by analyzing its work assignments to identify and address potential OCI issues. This Plan is not intended to prevent LMC from having the same access to Sandia data and technologies as all other non-LMC companies.

Sandia will:

- Focus on early detection of potential OCI issues to enable resolution prior to the acceptance of work.
- Implement and strictly adhere to operational concepts that protect government and third-party data, employees, installations, equipment, and real property.
- Protect against biased judgments and impaired objectivity, and employ techniques to avoid, neutralize, or mitigate potential OCI issues.
- Ensure bias-free technology transfer licensing, product commercialization, and access to Sandia capabilities.
- Maintain fairness of opportunity for third party access to Sandia capabilities to ensure that capabilities in a specific area and willingness to work with industry have been widely publicized and documented.
- Disclose OCI issues and concerns to DOE/NNSA and Sandia's Board of Directors in accordance with the Contract.
- Review this Plan annually to assure it meets current requirements and is achieving its intended purpose.

3.0 ORGANIZATIONAL CONFLICTS OF INTEREST PROCESS

Sandia has an established process by which OCI risk is managed. This process begins when preliminary discussions involving the potential for new project work are initiated by Sandia or another party. The potential work is reviewed to determine if it falls within one or more of Sandia's defined OCI risk areas. If it does, the OCI risk is identified and analyzed, resulting in resolution or mitigation activities that are documented and tracked to project completion. The following diagram represents this OCI risk management process and provides an outline of how this Plan is structured:

OCI Risk Management Process
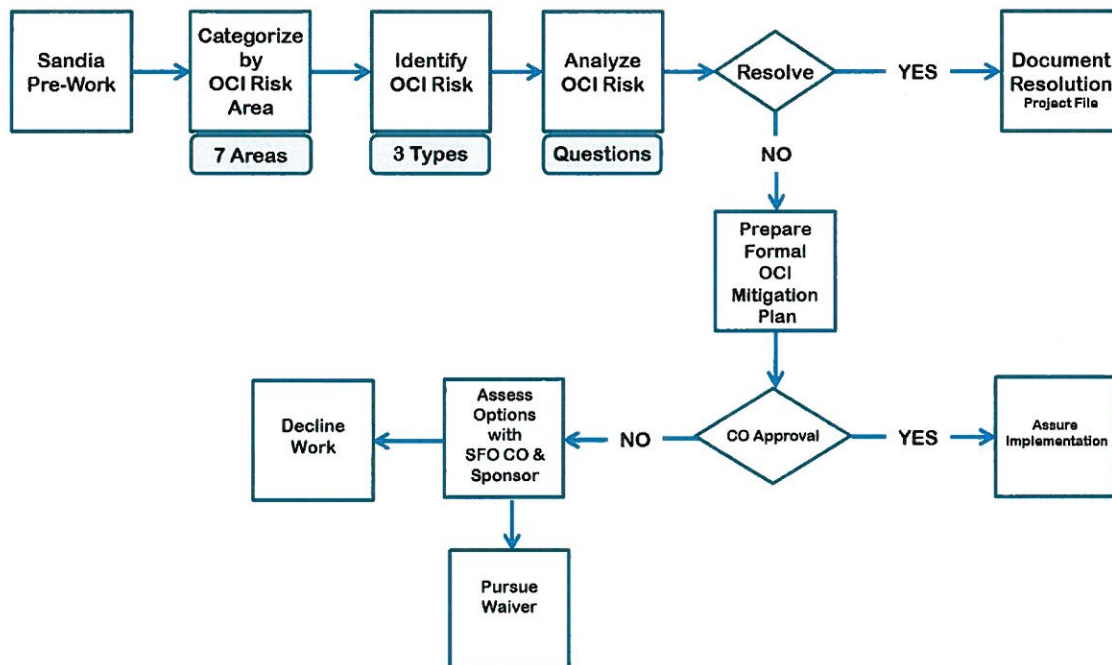
The remainder of this Plan describes each step of the above process in more detail. Sandia maintains a comprehensive set of internal policies, processes, and procedures that incorporates OCI requirements into all project and project support activity, including procurement, information management, work for others, intellectual property, and licensing. Applicable to all Members of the Workforce, these guide the identification, analysis, and management of OCI risk. Sandia also reviews and updates its corporate policies, processes, and procedures on a regular basis to meet changing circumstances and contractual requirements.

3.1 OCI Risk Areas

Sandia has identified the following activities or roles as those with the highest potential OCI risk:

1. <u>Technology Transfer Agreements</u> could be steered toward LMC operating units, thereby unfairly benefiting LMC by licensing Sandia technology or allowing privileged access to Sandia capabilities not available to other parties.

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2. Work for Others (WFO) with Other Federal Agencies may create situations in which Sandia is providing reimbursable work to a federal agency other than the DOE/NNSA, and an LMC operating unit has a business interest in an existing government contract or a competitive procurement related to the activities of the reimbursable work performed by Sandia.
3. Procurement activities between Sandia and LMC could be perceived as providing an unfair competitive advantage.
4. Nuclear Weapon Stewardship responsibilities may require Sandia to give technical advice on a stockpile surety or reliability issue, or conduct a technical investigation, relating to a nuclear weapon system or systems that have one or more LMC-supplied Department of Defense components.
5. Independent Assessment Activities could be perceived as biased when Sandia capabilities are used to assess Sandia- or LMC-developed technology, or in situations where Sandia's conclusions could directly benefit LMC's or Sandia's business interests.
6. Technology Advisor and Technology Provider for a Federal Procurement is when Sandia undertakes simultaneous activities as both a trusted technical advisor/agent and a technology provider to the government. This occurs when a federal entity requests Sandia to participate in source selection and, at the same time, Sandia makes its technology available for potential offerors to include in their proposals. This circumstance can place one part of Sandia in potential conflict with another, requiring that either one activity be abandoned or substantial firewalls and/or other mitigation techniques be employed.
7. Affiliate Business Interests are situations in which Sandia's relationship with LMC may be perceived as compromising Sandia's ability to provide unbiased technical advice independent of LMC business interests, improperly steer business to LMC, or give LMC an unfair competitive advantage.

3.2   Identify Type of OCI Risk

As a federal contractor, Sandia may encounter one or more of the following types of OCI:

1. Unequal Access to Information must be considered when Sandia is in a position where it has or could have access to government or third party data to which other entities do not have access.
2. Impaired Objectivity must be considered when Sandia performs any kind of testing, evaluation, or independent verification/validation of products or services with which Sandia is or has been involved.
3. Biased Ground Rules must be considered when Sandia provides acquisition support to a federal agency, or is in a position where it is presumed Sandia will establish ground rules for, or unduly influence, a future competitive federal procurement. Areas of concern may include systems engineering and technical assistance (SETA), advisory and assistance services, policy support, or Program Executive Office (PEO)/senior headquarters level support.

3.3   Analyze OCI Risk

The table below shows the types of questions that project managers, management, and/or the OCI subject matter experts use to determine if planned work creates the potential for an OCI risk. These questions address the three types of OCI and their impact on the OCI high risk areas based on Sandia's past, present, and future program activities. Positive responses to any of these or other relevant questions will lead to additional review and resolution.

Unequal access to Information	• What other work has Sandia performed for the sponsor? Was it related to the proposed effort? • Has Sandia had access to information not available to other contractors? • Is it possible information generated from this effort might benefit the sponsor in a future competitive procurement? • Does Sandia have access to, or will Sandia be in a position to have access to, proprietary information or source selection information that could result in an unfair competitive advantage?
Impaired Objectivity	• Is Sandia performing any other work that touches on the subject area of this effort? • Is Sandia performing any other work under which it would be reviewing in any way Sandia performance or work product on this effort? • Will this effort give a team member an opportunity to exercise judgment that might benefit Sandia or LMC in any way, either intentionally or unintentionally? By evaluating performance or recommending products or systems they provide? • Is it likely this effort will touch on the subject area of a future procurement? • Will this effort require Sandia to evaluate or recommend services, products, or systems that may be procured in the future? Does the sponsor provide those services, products, or systems? • Will Sandia perform any kind of testing or evaluation of Sandia or LM products, contract performance, or services? • Will Sandia perform independent verification or validation of Sandia or LM products or service? • Will Sandia evaluate or test third party products or contract performance where there is an existing business relationship with that third party in the same technical area?
Biased Ground Rules	• Will Sandia be in a position to establish ground rules for a future competitive procurement, such as engagement in systems engineering and technical assistance (SETA), acquisition support, advisory and assistance services, policy support, or program executive office (PEO) or any senior HQ level support? • Will Sandia have input into the specifications or statement of work, or otherwise help to set the ground rules that might be used in a future solicitation? • Will this effort involve analysis and advice that may influence the government's choice of technical approach for a future contract? • Will this effort involve support of federal government acquisition or contracting functions? • Is a production contract related to this effort likely to follow? • Will Sandia evaluate proposals, participate in peer reviews, write a statement of work, develop contract specifications, or comment on the language in a forthcoming federal solicitation?

3.4 Resolve OCI

Once identified, the OCI risk is resolved through one of three general approaches:

- Avoidance - LMC steps aside and foregoes participation.
- Neutralization – measures taken to resolve a potential OCI such as giving respondents to a government procurement equal access to information relevant to that procurement.
- Mitigation – controls are applied to minimize the probability of an OCI occurrence to a nominal level.

Potential OCI issues that are avoided or effectively neutralized at the project level, with assistance from Sandia management and OCI subject matter experts are documented in the project file.

In addition, Sandia employs OCI risk resolution procedures applicable to each of the seven risk areas as described in the following sections. These procedures may be supplemented by department processes used by functional personnel such as the OCI SME, Licensing Executives, or Sandia Contracting Representatives.

3.4.1. Technology Transfer Agreements

- <u>Work for Others Non-federal Entity (WFO/NFE):</u> The Sandia project manager and Strategic Management Unit (SMU) Program Manager assess the potential for OCI risk for all WFO NFE Funds-In Agreements (FIA) in the WFO proposal Determinations and Certifications section of eWFO, and their approval is required and documented in the agreement package. The Sandia OCI Subject Matter Expert (SME) will review the technology transfer agreement for any OCI issues. If necessary, Sandia will prepare an OCI Mitigation Plan or waiver request and include it as part of the final agreement package submitted to the DOE/NNSA for approval. If it is determined that there are significant issues, the OCI SME will engage the CO as soon as possible during the preparation of the OCI mitigation plan.

- <u>Cooperative Research and Development Agreement (CRADA):</u> The principal investigator and CRADA Agreement Specialist perform an OCI assessment as required in the Joint Work Statement process with final approval of the SMU Program Manager. The Sandia OCI SME reviews all CRADAs for potential OCI risk to ensure that any OCI issues are resolved before they are submitted for DOE/NNSA approval. The Sandia OCI SME will review the CRADA for any OCI issues. If necessary, Sandia will prepare an OCI Mitigation Plan or waiver request and include it as part of the final agreement package submitted to the DOE/NNSA for approval. If it is determined that there are significant issues, the OCI SME will engage the CO as soon as possible during the preparation of the OCI mitigation plan.

- Licensing/Intellectual Property (IP): The Sandia Licensing Executive (LE) conducts an OCI review of all license agreements with the results documented in a letter from the LE to the IP Agreement file. The letter addresses partner selection, scope of agreement, and royalties to ensure LMC is not being given an unfair advantage. If the review results in an OCI concern, the potential licensee, Sandia management, and the OCI SME are notified and a determination made on how to resolve the issue(s). The Manager of the Business Development/IP Management Department submits the LMC agreements with the OCI analysis to the DOE/NNSA for review and approval prior to Sandia execution.

3.4.2. Work for Others (WFO) with Other Federal Agencies (OFA)

The Sandia OCI SME assesses the potential for OCI in all WFO OFA proposals using the information provided by the project manager in the WFO Determination and Certifications section in eWFO. This assessment is documented in the proposal submitted to DOE/NNSA for review. If there is the potential for OCI, Sandia works with the sponsoring agency and DOE/NNSA to address the OCI concern before DOE/NNSA is requested to authorize the work. When a significant OCI is identified, Sandia will prepare an OCI Mitigation Plan or waiver request and include it as part of the final agreement package submitted to the DOE/NNSA for approval. The OCI SME will engage the CO as soon as possible during the preparation of the OCI mitigation plan.

3.4.3. Procurement

The Sandia Contracting Representative (SCR) reviews Statements of Work or specifications to identify and evaluate potential OCIs as early in the acquisition as possible. As appropriate, the SCR may disqualify a potential Contractor from award, include appropriate terms and conditions in the solicitation and contract to resolve the potential OCI, suggest changes to the SOW, or award the contract with approval of the Sandia Procurement Operations Manager and

DOE/NNSA. DOE/NNSA approvals are required on all procurements with LMC, and Sandia notifies DOE/NNSA when a contract is assigned to LMC or when significant changes occur to an LMC contract after award.

3.4.4. Nuclear Weapon Stewardship

Project Officer Groups (POGs) are established and act as independent third parties to provide oversight of Sandia's nuclear weapons program. The POGs track all LMC components in each weapon and document any interface between Sandia and LMC to ensure OCI-specific control strategies are developed and employed that address the perception or potential of OCI. Sandia provides a copy of the Sandia/LMC Nuclear Weapon Interface Matrix to the DOE/NNSA each year in its Annual OCI Disclosure Update Statement. This Matrix identifies all nuclear weapons that contain an LMC interface, the nature of the interface, the LMC affiliate associated with the interface, status of that weapon program, contact points, and OCI control strategies. If an OCI concern is unavoidable or cannot be sufficiently mitigated, Sandia may request an OCI waiver.

3.4.5. Independent Assessment Activities

When pursuing project opportunities, the Sandia project manager is responsible for identifying situations where the work involves: providing the government with evaluations of Sandia developed science, technology, or work product; LMC products or contract performance; and/or third-party products or contract performance when Sandia has a relationship with that party. Due to the complexity of these types of situations, an OCI mitigation plan frequently is needed to assure the potential risk is appropriately managed, if it can be sufficiently mitigated. The project manager works with the line manager, OCI SME, legal, and the sponsoring agency (interagency customer) to identify and analyze the activity and prepare the mitigation plan, or request for OCI waiver, for submittal to the DOE/NNSA for review and approval.

3.4.6. Technology Advisor and Technology Provider for Federal Procurements

When Sandia is providing advisory assistance to the government and, concurrently, will be providing technology to the same customer, the project manager must continually assess if Members of the Workforce (MOW) have been asked to evaluate proposals, participate in peer reviews, comment on the language in a forthcoming federal solicitation, write a statement of work, or develop contract specifications. Due to the complexity of these types of situations, an OCI mitigation plan frequently is needed to assure the potential risk is appropriately managed. The project manager works with the line manager, OCI SME, legal, and the sponsoring agency (interagency customer) to identify and analyze the activity and prepare a mitigation plan, if appropriate, or a request for an OCI waiver submission to the DOE/NNSA.

3.4.7. Affiliate Business Interests

Sandia's status as a wholly-owned subsidiary of LMC may be perceived as giving LMC an unfair advantage, or compromising Sandia's ability to provide unbiased technical advice, independent of LMC business interests. Section 3.5.1 of this Plan describes the measures Sandia employs to mitigate potential OCI inherent in the Sandia-LMC relationship.

3.5 Mitigate OCI

If there is a real or perceived OCI, Sandia will examine the individual contracting situation on the basis of the particular facts and the nature of the proposed work and identify if a significant potential conflict exists using a graded risk approach. If a significant potential conflict exists that cannot be avoided or neutralized, Sandia will develop a mitigation plan or an OCI waiver request to submit to the DOE/NNSA for approval. It is imperative to ensure that the proposed

approach for mitigation is coordinated as soon as possible with the customer, sponsoring agency (interagency customer), and DOE/NNSA.

The development of an OCI mitigation plan is typically a collaborative effort by Sandia OCI subject matter experts from the Prime Contract Department, the WFO/CRADA Agreements Department, and Legal Technology Transfer Center, working with the responsible project staff and management. The mitigation plans are prepared by Sandia, coordinated with the sponsor, and submitted to the DOE/NNSA CO for approval. Sandia's cognizant project manager tracks implementation in Sandia's Assurance Information System.

When developing a project-specific OCI mitigation plan, one or more mitigation measures are employed, some of which are shown below. These measures are tailored to effectively mitigate the type(s) of OCI risk associated with the project.

- Firewalls
- Recusal
- Physical Security
- Employee Access Controls
- Computer Security
- Information Protection
- Non-Disclosure Agreements
- Training
- Employee Transfers
- SME Engagement
- Independent Third Party involvement to ensure objectivity
- Blind Evaluation to disguise the source

If it appears an OCI risk cannot be sufficiently mitigated, the DOE/NNSA and the entity sponsoring the work discuss options, such as revising the scope of work, which would allow Sandia to perform the work. If mitigation is not possible, the DOE/NNSA may direct Sandia to stand down and not perform the work, or DOE/NNSA may pursue a waiver as indicated in Section 3.5.3.

3.5.1. Mitigating Potential OCI in the Sandia/LMC Relationship

Sandia's OCI practice is structured to help ensure that Sandia manages and operates in the public interest with objectivity and independence and free from organizational conflicts of interest while allowing LMC to participate in the nation's competitive marketplace. This approach has two components: 1) organizational isolation barriers and 2) information flow barriers.

1. Organizational Isolation Barriers: Organizational isolation barriers include:

   a. Sandia maintains an independent Board of Directors to help ensure that Sandia has policies, processes, and procedures in place to allow Sandia to operate independently of LMC.
   b. DOE/NNSA sets Sandia's mission performance goals. LMC does not establish Sandia's performance requirements.
   c. Sandia maintains its own system of policies and procedures related to the management and operation of Sandia.
   d. Sandia personnel are employees of Sandia Corporation, which maintains separate and independent compensation, pension, 401K, and payroll systems controlled by Sandia.

e. LMC authorizes a portion of its fee to be used to provide additional compensation to Sandia executives to ensure their compensation is commensurate with the national labor market for similar positions. To mitigate the appearance of OCI, the Sandia executive compensation structure has eliminated compensation and incentive payments associated with LMC stock. Sandia's Strategic Plan's Objectives, Goals, and Milestones, are intended to be in alignment with NNSA Strategic Plan as supplemented by the annual NNSA Performance Evaluation Plan (PEP). Each Sandia Executive (President, Executive Vice Presidents, and Vice Presidents) establishes an annual Performance Management Form (PMF) based on Sandia's Strategic Plan and the Prime Contract's performance evaluation plan. These annual PMFs are reviewed by the Sandia Corporation Board of Directors at the beginning of the year. At the end of the performance year, all compensation amounts for Sandia executives are proposed by the Sandia President and approved by the Sandia Board of Directors, with each allocation based on that individual's contribution to Sandia's Strategic Plan and achievement of DOE/NNSA mission objectives and performance of the Contract and its Performance Evaluation Plan.

f. Sandia's financial system is not a part of or integrated with any LMC system.

g. Sandia is required to comply with DOE/NNSA security directives, which prohibit any third party (including LMC employees) from entering Sandia's technical areas or accessing internal communication networks without clearance by DOE/NNSA.

h. Loans of employees are administered in accordance with the Contract.

2. <u>Information Flow Barriers:</u> Information flow barriers established between Sandia and LMC include:

a. Sandia protects government and third party data and ensures that if this type of information is released to any third party, including LMC, it is in accordance with the Contract under DEAR 952.209-72, *Organizational Conflict of Interest*, clause (2) (i-iii).

b. Technical discussions between Sandia and LMC personnel can involve OCI risk. Technical topics involve the programmatic work performed at Sandia as opposed to the day-to-day business and administrative work. Technical discussions may involve information or data related to Sandia's technology, intellectual property, mission areas, sponsors, or business development that is other than Unclassified Unlimited Release. When engaged in these discussions, Sandia Members of the Workforce are subject to Sandia's policies, processes, and procedures that protect government and third-party data with the same rigor as protecting other sensitive information. Technical discussions with LMC that evolve past the preliminary stage, such as consideration of a formal partnering agreement, require a formal Nondisclosure Agreement (NDA) be established with LMC, which includes obligations and restrictions for both parties.

c. Sandia prohibits the granting of licenses or assignments of title to intellectual property rights to LMC and affiliated companies without prior Contracting Officer approval. Sandia also prohibits the granting of assignment, exclusive licenses or options for exclusive licenses of intellectual property to restricted individuals without prior Contracting Officer approval. Restricted individuals include former Sandia employees within two years of employment and companies to which such former employees are a principal.

d. In accordance with the Contract requirements, Sandia engages in reach-back to LMC to improve contract performance. Information exchange as part of a reach-back activity may involve information on Sandia's operations but not third-party data.

3.5.2. Cooperate with LMC's Corporate OCI Screening Program

Sandia participates in LMC's OCI screening program through which all LMC business units review potential responses to federal solicitations and provide feedback to the proposing business unit whether or not there are any potential OCI concerns based on past, current, or future work activities. The Sandia OCI SME reviews each screening request for Sandia involvement with the proposed work, working with technical program contacts intimately familiar with different aspects of Sandia's business base, and crafts a response ensuring that LMC is notified of any potential OCI that may arise if LMC were to respond to the government solicitation. Sandia does not submit screening requests for its government-sponsored work to LMC.

3.5.3. Waiver

There may be circumstances when an OCI is unavoidable and the DOE/NNSA may waive any general rule or procedure of the FAR Subpart 9.5 by determining that the rule's application in a particular situation would not be in the DOE/NNSA's interest. In such circumstances, Sandia will prepare a request for waiver setting forth the extent of the conflict. The CO will provide this information to the NNSA Head of the Contracting Activity for a decision.

4.0   ELEMENTS OF SANDIA'S OCI PROGRAM

4.1   Disseminate OCI Requirements to the Workforce

Sandia maintains a comprehensive set of policies, processes, and procedures to disseminate requirements to all Members of the Workforce. These contain specific roles and responsibilities, including OCI requirements, and are part of the Integrated Laboratory Management System (ILMS) to which the DOE/NNSA has access.

4.2   Provide Workforce OCI Training

Sandia is committed to workforce awareness of OCI. All Sandia Members of the Workforce have training on OCI, with increasingly rigorous training required for those personnel in functions that deal regularly with OCI issues.

1. OCI700 is Sandia's highest rigor, most in-depth OCI training. Functions that require OCI700 include: business capture specialists, WFO/CRADA agreement specialists, partnerships/technology transfer/licensing specialists, contracts analysts, procurement buyers, legal, and executive management. These are the individuals whose responsibilities require them to have a more in-depth understanding of potential OCI.

2. CRADA and WFO FIAs: Sandia Members of the Workforce who anticipate being a Principal Investigator or Program Manager under a CRADA or a WFO FIA with LMC undergo special OCI training, which includes guidance on interactions with LMC.

3. All Sandia Members of the Workforce annually complete a required Conflict of Interest refresher training which documents in the Corporate Training and Employee Development System (TEDS) each individual's acknowledged understanding of personal and organizational conflicts of interest.

4. When Sandia Members of the Workforce leave Sandia, they are briefed during their exit interview on their responsibilities and the restrictions associated with their employment at Sandia and Sandia will obtain a non-disclosure agreement, as appropriate.

4.3 Elevate Conflict Review and Resolution When Necessary

In the event of an OCI issue, Sandia has a conflict review and resolution process that provides for an analysis of the OCI situation, development of options for avoiding, neutralizing, or mitigating the concern, and resolution of the matter with final approval by DOE/NNSA of a formal mitigation plan, if required.

4.4 Protect Third Party Proprietary Information

When Sandia works with a third party, proprietary information can be generated or accessed, the inadvertent release of which could create a possible OCI issue. This information is maintained in a secure mode and access granted only on a "need to know" basis in accordance with Sandia's information protection requirements.

4.5 Verify Effective Implementation of OCI Requirements

The Prime Contract Department provides guidance for self-assessments of the functions within Sandia with OCI-related responsibilities to verify compliance with Sandia's internal procedures and processes. Sandia conducts self-assessments as frequently as determined necessary to ensure compliance with the OCI requirements of the Contract. In addition to verifying compliance, self-assessments are an opportunity for continuous improvement. The results of internal and external assessments are documented and tracked in Sandia's Assurance Information System.

5.0 OCI PROGRAM ROLES

5.1 Prime Contract Department

The Prime Contract Department, through the Sandia OCI SME, is responsible for the overall coordination of the OCI program, ensuring reference material and other resources are current and readily available, and consulting with Sandia projects and programs that have OCI responsibilities. The OCI SME prepares a quarterly summary of OCI-related activities for the Sandia BOD and DOE/NNSA, and submits an annual OCI Disclosure Update Statement to DOE/NNSA as required by the Contract.

5.2 WFO/CRADA Agreements Department

The Work for Others (WFO)/Cooperative Research and Development Agreements (CRADA) Agreements Department reviews the information concerning potential OCI for all proposals.

As a formal element of the proposal/agreement processing steps for agreements, all WFO FIA PMs and CRADA PIs for LMC agreements receive additional training covering OCI requirements. The OCI training is completed before the agreement package is sent to DOE/NNSA SFO for approval.

Sandia follows the requirements for Intra Work Transfer Agreements (IWTA) in accordance with the Contract, Part III, Section J, Appendix A, XIII.A.3. *Loans Within The Corporation*, as established in internal procedures.

5.3   Procurement Policy Department

Sandia Procurement is responsible for ensuring that all procurement activities are conducted in accordance with procurement procedures and department processes. Sandia ensures OCI has been addressed in procurements with LMC prior to sending to DOE/NNSA for source selection approval, and notifies DOE/NNSA when Sandia awards a contract to LMC, and when non-administrative changes occur to an LMC contract after award.

5.4   Business Development and IP Management Department

Sandia conducts an OCI review of commercial license agreements. All agreements licensing or assigning IP rights to LMC are submitted to DOE/NNSA SFO for review and approval prior to execution.

5.5   Project Level

Sandia integrates OCI risk management into current mission projects and the pursuit of new mission opportunities. This systems approach provides a framework for Sandia personnel to ensure OCI risk management is integrated into the life cycle of Sandia work, from pursuit and capture through project completion. The initial responsibility for identifying OCI rests with the Project Manager, who is familiar with the scope of work and the environment in which it will be executed. Other project level responsibilities include the following activities:

5.5.1. Provide Project-Specific OCI Training

In addition to the corporate required OCI training, project-specific OCI training also is required. All personnel participating in a project in which potential OCI is identified receive training in the project-specific OCI issues and the details of the associated Mitigation Plan, NDA, and other OCI relevant information by their respective project lead, department manager, or designated individual.

5.5.2. Comply and Assure

The Sandia Project Manager is responsible for assuring compliance with all OCI requirements during the life of the project, and will:

1. Assign a primary point of contact at the project level for oversight and administration of OCI-related documentation, including
    a. Non-Disclosure Agreements
    b. OCI Mitigation Plan
    c. Compliance Statements to acknowledge training and understanding of the OCI Mitigation Plan requirements
    d. Debriefing Statements to understand continuing OCI obligations that continue beyond project completion
2. Enlist the assistance of the OCI SME in establishing an OCI Review Team to deal with any OCI issues that may arise during performance.
3. Review the OCI mitigation plan to ensure it is followed consistently throughout the project and the OCI project risk is successfully mitigated. As appropriate, customers may participate in the review or view the results.
4. Update the mitigation plan when conditions or circumstances change to ensure it remains current through the life of the project.
5. Document and track the mitigation plan in Sandia's Assurance Information System.

5.6 Legal Technology Transfer Center

Sandia's Legal Technology Transfer Center is responsible for the NDA process, advising on technology transfer activities, and providing review and guidance to the OCI Program.

5.7 Sandia Board of Directors

The Sandia Board of Directors (BOD), which includes non-LMC members, provides oversight and guidance on OCI matters, and OCI is a standing agenda item at the quarterly Missions Committee meetings. Information and briefings on OCI matters are presented to the Committee by Sandia's General Counsel or designee. The Mission Committee monitors Sandia's activities executing this Plan.

5.8 Sandia Field Office (SFO)

An integral part of Sandia's OCI Program is working closely with DOE/NNSA SFO in their role as oversight authority for the Contract. Sandia provides quarterly and annual reports that include any identified OCI issues. The DOE/NNSA SFO reviews CRADAs, FIAs, licensing agreements and procurements with LMC, approving and executing as appropriate. DOE/NNSA SFO also reviews and approves mitigation plans as required in this Plan or as otherwise directed by the Contracting Officer.

6.0 CONCLUSION

Sandia Corporation's OCI program is intended to avoid, neutralize, or mitigate OCI, and assure Sandia, the DOE/NNSA, and Sandia's customers that Sandia operates free from OCI.

Sandia Members of the Workforce understand that Sandia's management expects and demands ethical, unbiased, high-quality performance, and that there are mechanisms in place, such as this Plan, to help ensure compliance.