

**Memorandum of Agreement
Between
the Spallation Neutron Source
and
Argonne National Laboratory,
Brookhaven National Laboratory,
Lawrence Berkeley National Laboratory,
Los Alamos National Laboratory,
Oak Ridge National Laboratory,
and
Thomas Jefferson National Accelerator Facility**

1. Introduction

The Spallation Neutron Source (SNS) Project is being accomplished by a partnership between six laboratories – Argonne National Laboratory (ANL), Brookhaven National Laboratory (BNL), Lawrence Berkeley National Laboratory (LBNL), Los Alamos National Laboratory (LANL), Oak Ridge National Laboratory (ORNL) and the Thomas Jefferson National Accelerator Facility (TJNAF). This MOA provides the overall framework for the business relationship between the project and the partner laboratories for the design, construction, installation and commissioning of the SNS. DOE through ORNL provides funding for this work to the partner laboratory conducting the work.

2. Scope

This MOA formalizes the mutual agreement to the technical, cost and schedule baselines established by the SNS Project and the partner laboratories. It represents the agreement of all the signatory laboratories to manage the project, as outlined below, and expresses their commitment to perform the tasks agreed to in a safe, environmentally-benign, high-quality, timely, responsible and cost-effective manner. The signatories commit to making available the resources from their laboratories that are necessary to execute the approved work plans and to be accountable for project deliverables assigned to their laboratories as derived from the project technical, cost and schedule baseline documents.

3. Roles and Responsibilities

Spallation Neutron Source Management

The SNS management will be responsible for the overall project management and project leadership.

Participating Laboratories

The six participating laboratories will be full partners in the project. They will be responsible and accountable for their respective assigned work products.

Department of Energy

The Department of Energy (DOE) will be responsible for oversight of the project.

4. Provisions

Introduction

Overall executive authority for managing the SNS will be vested in the ORNL Associate Laboratory Director for SNS who is also the SNS Project Director and is vested with the authority to deal directly with partner laboratory directors on SNS matters. The SNS Project is to be managed to the greatest extent possible as if it were contained within a single institution. Lines of authority and responsibility will follow the organization structure established by SNS management and documented in an organization chart updated monthly. Emphasis is placed on minimizing the effects of boundaries between laboratories, with reporting lines moving through the project organization, and across laboratory boundaries as indicated by the approved organization chart. Human resources, project controls and other management policies will reflect this philosophy.

Project Baselines and Management

Project baselines detailing the technical scope of work, cost estimates and project schedule will be developed, reviewed and approved by the project and relevant partner laboratories as a prerequisite to formalizing the MOA. These baselines, once approved, will be under configuration management; changes must follow the procedures outlined in the management documents described below.

The Project Execution Plan (PEP) and the Project Controls Manual (PCM) contain the project management structures and methodologies to be employed in the conduct of the project, including reporting, communication, reviews, performance metrics, change control, funding mechanism and handling of contingency.

Assignment of Work

Work plans will be developed, at least on a yearly basis, by the appropriate task leaders according to the baselines, and will be reviewed and approved by SNS management. Responsibilities for work and deliverables from each of the partner laboratories will be contained in these work plans. Partner laboratories will review and concur with these work plans, and accept the responsibilities contained therein, as a prerequisite to funding allocations from the project office.

Accountability

As specified in the PEP, regular reports of progress on the approved work plans will be compiled and submitted to the SNS project office and laboratory management by appropriate responsible managers. These reports shall include financial information, as well as documentation of technical progress, required deliverables and milestones.

Anticipated or actual cost and/or schedule variances that would be in excess of thresholds established in the PEP should be clearly identified as soon as known and reported to SNS and laboratory management. An action plan to correct the problem will be proposed, endorsed by senior laboratory management and forwarded to SNS management. Progress will be reported on this plan until correction is complete.

To ensure high performance, SNS management will recommend performance ratings at least annually to the DOE for each of the partner laboratories consistent with the SNS performance measures contained in their M&O contracts.

SNS management may reassign work among participating laboratories for non-performance or as might be required to ensure maximum efficiency for the conduct of the project, consistent with the project's change control process.

Project Staffing

Each laboratory will provide staff with the required skills and experience to properly discharge the responsibility assumed by the laboratory. Staff assigned to work on the SNS project will be fully accountable to the project for this work, and will be flexible with regard to work location to best suit the needs of the project.

Responsibility for personnel actions, including placement in and removal from positions in the project, performance appraisals and compensation recommendations will lie within the line management of the SNS Project as defined by the current organization chart, crossing laboratory boundaries where indicated. Appropriate laboratory management will participate in these actions. As part of the SNS Project organization, the Senior Team Leader at each laboratory will be responsible for personnel within their laboratory. All personnel actions must respect existing labor agreements at the partner laboratories.

Indirect Costs

Each partner laboratory shall set indirect costs charged to the SNS project in accordance with their disclosed cost accounting practices in order to: 1) ensure the appropriate causal/beneficial relationship of indirect costs applied to the project; 2) minimize the fluctuations in the indirect cost charges over the life of the project. The accounting treatment for indirect costs will be reviewed during the annual negotiations on the projected work plans between the partner laboratories and SNS management.

Equipment Disposition

Upon completion of construction, any SNS-funded equipment not moved to ORNL, nor deemed by SNS management to be useful to the operation or upgrade of the SNS facility, shall become the property of the purchasing laboratory at no further cost to the SNS project or the purchasing laboratory. Exceptions to this policy require specific agreement between SNS management and the partner laboratory prior to purchase. Each partnering laboratory will track and maintain an inventory of all the items for the project in accordance with their property management system.

5. MOA Implementation

Enactment

This document, when properly executed, will supersede the earlier version of this MOA, marked "Revision 2" dated 10/1/99.

Change Procedure

In the event of necessity for changes in this Memorandum of Agreement, such changes are implemented by mutual agreement of the SNS project and the partner laboratories and will become effective upon reissue of the property signed MOA. This new MOA shall bear a revision number and effective date as a footer on each page.

Effective Time

This Memorandum of Agreement shall become effective upon the latter date of signature of the parties. It shall remain in effect until superseded, or ten years from the effective date, whichever occurs first. In the event of cancellations of the SNS project, a revised MOA shall be issued specifically designed to handle closeout procedures including orderly termination of ongoing work and responsibilities and disposal of assets accrued by the SNS project.

Approvals

The undersigned concur with the terms of this Memorandum of Agreement:



Hermann A. Grunder
Director, Argonne National Laboratory

5-15-2001
Date



John C. Browne
Director, Los Alamos National
Laboratory

5-16-2001
Date



John H. Marburger
Director, Brookhaven National
Laboratory

5-14-2001
Date



William J. Madia
Director, Oak Ridge National
Laboratory

5-11-2001
Date



Charles V. Shank
Director, Lawrence Berkeley National
Laboratory

5-11-2001
Date



Christoph Leemann
Acting Director, Thomas Jefferson
National Accelerator Facility

5-15-2001
Date



Thomas E. Mason
Associate Laboratory Director
Spallation Neutron Source

5-10-2001
Date