

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

NOTE: The proposal due date has been extended to 3 PM July 25, 2016.

1. **16 PROPOSAL EVALUATION CRITERIA, Technical Proposal – Narrative;** Is there a particular form and/or format that is expected for the Technical Narrative?

Answer: The Technical Proposal narrative should clearly and concisely address each criterion and sub-criterion in section 16 of the Instructions. There is no specific form or format required for the narrative.

2. **Criterion 3 – Past Experience and Performance (Rated);** Are the Lower-Tier Subcontractors expected to provide three (3) Past Performances?

Answer: Lower-tier subcontractors must provide evidence of at least three contracts/subcontracts of past performance that demonstrate their capabilities to provide areas of staffing identified for them on Exhibit C Form C-1.

3. **Criterion 4 – Fringe Benefits Program (GO/NO-GO);** Does the lower-tier subcontractors have to submit their Fringe Benefit Package as described in Criterion 4 or are they expected to use the Primary Offeror's package

Answer: Lower-tier subcontractors are not required to submit their fringe benefits package with the proposal, nor are they expected to use the Primary Offeror's fringe benefits package. However, the Primary Offeror and all lower-tier subcontractors are required to offer fringe benefits that comply with requirements in Exhibit B SC-3, paragraph B for the duration of the Subcontract. A Primary Offeror that is awarded a subcontract will be required to monitor and ensure its lower-tier subcontractors remain compliant with the fringe benefits requirements in Exhibit B SC-3 paragraph B.

4. **Criterion 5 – Insurance (GO/NO-GO);** Does the lower-tier subcontractors have to submit their proof of Insurance as described in Criterion 5 or are they expected to work under the Primary Offeror's Insurance

Answer: Lower-tier subcontractors are not required to submit proof of insurance with the proposal, nor are they expected to work under the Primary Offeror's insurance. However, the Primary Offeror and all lower-tier subcontractors will be required to be fully insured in accordance with Exhibit B SC-15. Acceptable certificates of insurance will be required as pre-mobilization submittals from the Primary Offeror and all lower-tier subcontractors before a Notice to Proceed will be issued. See also answer to question 12.

5. **22. PROPOSAL VOLUMES;** What is the expected way to bind the 5 Hard Copies of the proposal that has to be submitted? Example:
- a. Binder
 - b. Tabs

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

c. Etc....

Answer: There is no prescribed requirement for a method of binding proposals. Tabbed binders are acceptable.

6. **Criterion 3 – Financial Capabilities;** “Offeror must provide audited annual financial statements for its last three (3) years as well as its most recent quarterly report”. If our audit financials for 2015 has not been completed would the company’s in house interim financials be acceptable along with our most recent quarterly report?

Answer: Yes. If the 2015 audit has not been completed, interim financials are acceptable with a note of explanation for the variance from proposal requirements.

7. For workforce transition employees that are currently filling staff augmentation roles, will subcontractors under the new contract be required to maintain the same (higher) benefits for these employees?

Answer: Only a single set of fringe benefits compliant with Exhibit B, SC-3 paragraph B is required. Current staff augmentation personnel will transition in accordance with Exhibit B SC-2, paragraph 3.

8. The wage determination provided in exhibit J states that under Executive Order 13658, the minimum wage is \$10.15/hour for service contract act positions. Exhibit C Form A-1 for Non-Exempt staff in Grade A, B, and C all have minimum wages set below the Executive Order. Should these rate minimums be changed to meet the Executive Order?

Answer: There are no current staff augmentation personnel in the job grades in question, and no personnel are paid less than the minimum wages required by applicable labor law. Wages of all new-hire staff augmentation personnel must also meet the minimum wages required by applicable labor law. Adjustments in the direct rates on Exhibit C Form A-1 may be subject to future change as specified on Exhibit C Form A-1 Note 2.

9. Exhibit C Form C-1, can we add lines as needed to show where each partner company has provided the various staff types?

Answer: Yes.

10. Exhibit B, Non-commercial services says it is for fixed price work. Because this is a staff augmentation time and material contract, does this exhibit B apply?

Answer: Yes.

11. Exhibit B, Special Conditions, Fixed Price, item SC-15 Insurance, B, Subcontractor Furnished Insurance 1 a, Commercial General Liability requires

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

insurance be maintained for 5 years after completion of operations. Since this is a staff augmentation contract, can this requirement be removed?

Answer: No.

12. Exhibit B, Special Conditions, Fixed Price, item SC-15 Insurance, B, Subcontractor Furnished Insurance 1 b 1, Health Care Professional Liability/Medical Malpractice Insurance. If the offeror has included on its team a lower-tier subcontractor to supply the medical personnel and that subcontractor currently possesses the required insurance, is the prime offeror required to also carry the same health care/malpractice insurance?

Answer: No. If a specific lower-tier subcontractor has been designated to provide medical services personnel, then only that subcontractor will be required to carry Healthcare Professional Liability/Medical Malpractice coverage. In such instance, evidence of coverage by the proposed lower-tier subcontractor must be provided in the proposal in accordance with Business Management Proposal Criterion 5 – Insurance.

13. Exhibit D, Scope of Work, Section 3.4 states that job required medical surveillance and respirator fit testing is provided by UCOR. Exhibit D Job Families includes Medical Services. Will the subcontractor need to provide all equipment and supplies to operate the medical services facility and perform the medical surveillances or will the equipment and supplies be provided by UCOR?

Answer: Subcontractors will be required to provide medical services personnel, but will not be required to provide medical equipment or supplies for UCOR's medical services facility.

14. There were no exhibits E, F, or H, should there be?

Answer: See RFP transmittal letter. Exhibits E, F, H (and K) are listed in the transmittal letter, but are noted as being "RESERVED" meaning they are not required for or included in the RFP.

15. Exhibit I, Clause 3, C, states that new or revised drawings shall be produced on subcontractors computer aided design system. Does UCOR expect some work to be performed offsite at subcontractors office or will all work be performed at ETTP using UCOR provided computers and software?

Answer: All work will be performed at ETTP or other sites on the Oak Ridge Reservation using UCOR provided computers. See also Instructions and Information section 7.

16. In Instructions and Information, Business Management Proposal, is the requested information only from the prime subcontractor or are sub tier contracts also to provide the requested information in Criterion 1 – 5?

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

Answer: Information required in the Business Management Proposal for Criterion 1 through 5 applies to the Primary Offeror only, except as clarified in the answer to question 12.

17. In Instructions and Information, Item 26 states this data is for approximately half of the W-2 personnel available for transition. Are there currently 1099 staff performing work? Would a new subcontractor be required to transition 1099 staff and continue their 1099 status or would all staff need to be treated as a W-2 employee with full market based benefits?

Answer: Staff augmentation services through independent 1099 contractors are not in the scope of this solicitation. See also answer to question 18.

18. Will all future new hires need to be treated as W-2 employees with full market based benefits?

Answer: All staff augmentation personnel provided under new subcontracts awarded through this solicitation must be W-2 employees. See also answer to question 17.

19. The RFP requires that employees who are currently on contract retain essentially similar pay and benefits when transitioning to the new contract. Can an offeror propose a two-tiered benefit package where existing employees receive one set of benefits and new employee receive a different (lesser benefit package)?

Answer: Only a single set of fringe benefits compliant with Exhibit B SC-3 paragraph B is required by the RFP. If tiered benefits are proposed, the Offeror's multiplier must be based exclusively on the richer (most expensive) fringe benefits package. In addition, all tiers of benefit packages must be provided in the Offeror's Business Management Proposal as specified in Instructions and Information section 16.

20. Can an offeror use a subcontractor with a significantly different benefit package for new employees? As an offeror, we feel that it would be more equitable that all employees, whether incumbent or new, receive the same benefit package. Suggest the RFP require that primes and their sub-tier subcontractors benefit packages be provided and be a part of the evaluation.

Answer: See answers to questions 3, 7, and 19.

21. Instructions and Information to Offerors, Criterion 3. For the purposes of meeting the letter of credit requirement, we assume the life of the Subcontract is the base year of 2017, since any additional years are at the exclusive discretion of the CONTRACTOR as specified in Exhibit B. Is that correct?

Answer: Yes. If options are exercised, new letters of credit will be required that extend the credit through the end of the exercised option period.

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

Subcontracts will be modified at the time of award to incorporate this clarification.

22. Page 9, Exhibit B, SC-3 A. 1., Bullet 2 states that SUBCONTRACTOR shall provide with a resume submittal "Applicable elements of indirect rate multiplier." Exhibit C in several places explicitly directs that bidders are to quote on Form A-1-1 a fixed percentages for taxes, insurance, other fringes, overhead and G&A. In the provision notes, #1 of Form A-1-1 it states that all indirect costs shall be fixed for the base period and all option periods. This seems to imply that all elements of this buildup would be included for all resume submittals and would be fixed for the length of the contract. In what circumstances would the language of Bullet 2 (referenced above) be applicable? Are there conditions under which one of the indirect costs elements would be different than that submitted on Form A-1-1?

Answer: Subcontractors will be expected to reduce indirect rates on staffing proposals for specific staffing candidates when the candidate has declined health insurance included in the fringe benefits rate; an employee has previously received a direct rate increase in lieu of benefits; or when the Subcontractor incurs reduced management costs associated with payrolling preferred candidates identified to the Subcontractor by UCOR. See Exhibit B SC-2, section F, paragraph 3 and Exhibit C Form A-1-1 Provision 5. See also answer to question 30.

Medical and Dental Insurance may be subject to future adjustment as specified on Exhibit C Form A-1-1 Provision 2. All other Indirect Costs and Profit shall remain fixed for the Base Period and all Option Periods. See Exhibit C Form A-1-1 Provision 1.

23. As a small, privately held business, the only driver for the company to produce independent financial statements is what our bank requires. For 2013 and 2014, all our lender required was a Compilation. For 2015, we had a Review performed. The statements for each of those three years were produced by a local, reputable CPA firm and the statements are fully footnoted. Will submittal of those statements satisfy the intent of the requirement in Instructions and Information to Offerors (Services) Criterion 3 – Financial Capabilities?

Answer: Without seeing the documents referenced in the question, it is not possible to determine if they will satisfy the intent of the requirement. See also answer to question 6.

24. We are concerned that question due date, likely question response date, and the proposal due date are compressed to the point that bidders may not have sufficient time to fully review and incorporate UCOR's answers into what will likely be a close to finished proposal at the point when answers are received. We therefore respectfully request that all bidders be granted an extension on the proposal due date to July 28, 2016.

Answer: The proposal due date has been extended to 3 PM July 25, 2016.

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

25. Will there be "Work Orders" released for all current Staff Augmentation (SA) contracted positions? If yes, will the current SA personnel be listed as the "Preferred Candidate?"

Answer: "Staffing Requisitions" will be issued for current staff augmentation personnel consistent with project funding and staffing needs at the time of transition. "Work Releases" will be issued to new Subcontractors to authorize subcontract funding for awarded staffing requisitions. See also answer to question 26.

26. If a current Staff Augmentation (SA) Subcontractor is successful with this recomplete, will they be guaranteed their current SA personnel or can the SA personnel be allowed to transition to another successful contract winner?

Answer: Current staff augmentation personnel will be eligible for first right-of-refusal to continue in their current positions under the employment of a newly awarded Subcontractor of their choice, consistent with project funding and staffing needs in effect at the time of transition.

27. If a current Staff Augmentation personnel working at UCOR chooses a new Subcontractor, will the new Subcontractor be required to adhere to ALL of the Pre-Assignment Background Checks?

Answer: Yes.

28. Pg. 10 of 24 – Exhibit B, SC-3.A.2, Independent Contractor, Second Paragraph states, "It is further understood and agreed that all individuals furnished by SUBCONTRACTOR to a CONTRACTOR office or project shall be and remain W-2 employees of SUBCONTRACTOR or Lower-Tier Subcontractor/teaming partner during the period of their assignment."

Are 1099 Staff Augmentation (SA) personnel not allowed under the new UCOR SA Support Services Contract even though they are currently allowed under the current UCOR SA Support Services contract?

Answer: See answers to questions 17 and 18.

29. Pg. 21 of 24 – Exhibit B - SC-15 Insurance – Is the Prime required to hold ALL of the Insurance requirements? For example, the Medical Staff Augmentation position insurance requirements - Can a teaming partner hold this requirement, thus allowing that Teaming Partner to only staff for the medical positions?

Answer: See answer to question 12.

30. Pg. 5 of 24 – Exhibit B – F. Transition of Current Staff Augmentation (SA) Personnel – 3rd paragraph - (3) explanation of reductions in multiplier where the employee has declined fringe benefits or where the employee received a direct rate increase from a former employer in lieu of benefits.

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

Is it UCOR's understanding that Subcontractors will lower their multiplier to UCOR for SA personnel that do not take specific benefits?

If yes, then UCOR needs to remember that Subcontractors cannot pick and choose who is allowed the option to receive the healthcare benefit, thus all personnel are allowed this option. UCOR will need to address in this RFP, how a Subcontractor can increase the multiplier if a SA personnel decides to choose the healthcare benefit during an enrollment period after UCOR required the Subcontractor to lower the multiplier with their initial choice to opt out.

Answer: See answer to question 22. Future changes in an employee's insurance enrollment status and its effect on the indirect rate/multiplier for that employee will be handled on a case-by-case basis both positively and negatively.

31. On page 14 of 17 in the Instructions and Information to Offerors (Services) Section 26 Site Information demographics show gender and medical insurance coverage type. Can UCOR also share the demographics of participants in the defined contribution plans as shown on page 11 of 17?

Answer: No, UCOR does not have this information. All available information has been provided.

32. With preplanned summer vacations and the 4th of July holiday, would UCOR please consider extending the RFP proposal due date to Thursday, July 28, 2016?

Answer: See answer to question 24.

33. Exhibit C, Form G, Safety Program. Will providing copies of our OSHA 300A Summary logs for the previous three years meet the requirements in this form?

Answer: Not on their own. The OSHA 300A Summary Logs will suffice as backup documentation for the OSHA Recordable rates and Lost Workday rates inserted in Section 2 of this form. However, Section 1 (EMR Rating) requires a letter from your insurance carrier, and Sections 3, 4, 5, and 6 all require answers of "Yes".

34. If specific training hours are not billable, please provide a list of the training requirements and the estimated number of training hours required for site access, etc., that must be covered by subcontractor.

Answer: Please refer to Exhibit D, Section 2.2. CONTRACTOR will pay for project and site-specific training. Required training varies for different positions.

35. The RFP states that subcontractor must have had an office in Tennessee for at least a year prior to this RFP to act as the Prime Contractor. Is this truly a

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

requirement, and if so then one must quote only as a subcontractor to a prime already established in your area, correct?

Answer: This is truly a requirement, and your interpretation is correct.

36. Please provide a copy of Exhibit D Attachment A that is referenced. I can only find the cover page.

Answer: Exhibit D, Attachment A consists of the Job Families and Grade descriptions. These are in numerous .pdf files in a separate folder entitled "JOB FAMILIES AND GRADES".

37. Are there other specs, orders, regulations not attached that bidders must visit your office to examine?

Answer: No.

38. Has UCOR considered adding Radiological Control positions to this solicitation as a backup to the existing radiological control contract?

Answer: No.

39. In the Instructions section 22. PROPOSAL VOLUMES, in the Notes it references original signatures. Do all 5 hard copies of Volume 1, Technical Proposal require original signatures?

Answer: No. Original signatures should be included in one set marked "Original", and the others should be marked as "Copy".

40. EMR letter from insurance carrier, does the signature have to be the original or can it be the copy sent to us by email?

Answer: An e-mail copy of this letter will suffice.

41. The RFP is silent on the use of 1099 Contractors? Are 1099's acceptable to UCOR? Will the Exhibit C, Form A-1-1 be modified to include a total calculated multiplier for 1099s?

Answer: See answers to questions 17, 18, and 28.

42. Will all candidates submitted to UCOR as either the prime subcontractor's employee, or lower tier contractor's employee be required to submit a paystub verifying their current salary?

Answer: Yes.

43. Exhibit B, Special Conditions, Fixed Price, item SC-15 Insurance, B, Subcontractor Furnished Insurance 1 b 1, Health Care Professional

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

Liability/Medical Malpractice Insurance. When do offerors have to have malpractice insurance in place?

Answer: Refer to Business Management Proposal – Criterion 5. Evidence of coverage, or the capability of obtaining the coverage must be included with your proposal. The actual coverage must be in place upon award of a Subcontract.

44. Are there any special requirements regarding format, font or page count of submittals?

Answer: Assuming this question is asking about proposal submittals (and not post-award Subcontract submittals), the answer is NO. However, please refer to Instructions and Information to Offerors, Section 4, and make sure proposal documents are not “Unnecessarily elaborate”.

45. Based upon CONTRACTORS plan to make multiple awards, how will the incumbent staff be transitioned to the awardees? Will the employees be assigned by CONTRACTOR or will the employees have options to select an awardee? How long is the transition period?

Answer: Current Staff Aug personnel will not be assigned by CONTRACTOR. They will have the option to select their employer. Assuming we receive DOE’s consent to award the new subcontracts by November 1st, the planned transition period will be 60 days. See also answer to question 26.

46. Will either or both the FAR 52.232-25 Prompt Payment and/or FAR 52.232-40 Providing Accelerated Payments to Small Business Subcontractors clause(s) be added and/or applicable to the contract?

Answer: “Providing Accelerated Payments to Small Business Subcontractors” is already included. Refer to Exhibit A, GC-71, “Government Clauses Incorporated by Reference”.

47. There is some age/gender information provided in the Instructions and Information to Offerors Section 26 for medical information. Is UCOR going to provide the length of service and/or hire date for incumbent Service Contract Act employees to assist with benefits required?

Answer: No, and there is no way of knowing in advance which personnel will transition to which awardee.

48. Does the RFP specify which of the non-exempt family of grades is covered under the SCA? Exhibit C, Form A-1-1 Schedule of indirect rates states that separate multipliers for different job families will be rejected. What constitutes a different SCA group from a non-SCA group?

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

Answer: The RFP does not specify job families or grades that are covered by the Service Contract Act. The SCA Wage Determination in Exhibit J lists occupation codes and titles that correspond to some Grades in certain Job Families that may be covered by the SCA. SUBCONTRACTOR will be responsible for identifying SCA positions when proposals are offered for specific staffing requisitions.

49. Per EXHIBIT C FORM A-1-1 SCHEDULE OF INDIRECT RATES AND MULTIPLIERS INSTRUCTIONS, Offerors are to provide a multiplier that “shall cover all Job Families and Grades listed on Exhibit C Form A-1 and Exhibit D Attachment A (separate Multipliers for different Job Families or Grades will be rejected as unresponsive).” Since, in our industry, exempt employees are typically offered a different benefits package than the package offered to non-exempt employees, will UCOR allow different multipliers for exempt and non-exempt classifications?

Answer: No. The multipliers must be the same for exempt and non-exempt classifications. See also answer to question 19.

50. In order to determine the general liability exposure, what is the scope of work for each contract?

Answer: The scope of work will be the same for all subcontracts awarded under this solicitation. Staff Aug personnel will support UCOR performing the scope summarized in Exhibit D sections 1.0 and 2.0. The only differences will be in the numbers of actual Staff Aug personnel provided through each subcontract, and the relative dollar values of each subcontract based on the numbers and categories of personnel.

51. In reference to Exhibit B – Special Conditions Page 20 out of 24 – Commercial General Liability section states that Subcontractor is to provide “Completed Operations coverage shall be maintained for five (5) years after project completion”. Is this requirement applicable to the staff augmentation contract?

Answer: Yes. See also the answer to question 11.

52. In reference to Exhibit B – Special Conditions – Commercial General Liability Section b. Special Operations Coverage states that “Subcontractor shall also carry Errors and Omissions or Professional Liability Insurance... If any of the services are to be performed by a registered nurse or a licensed physician, SUBCONTRACTOR shall provide Healthcare Professional Liability/Medical Malpractice coverage”. If subcontractor or subtier subs does not staff PE or licensed health care provider, do they still need to carry the Errors and Omissions or PL Insurance or Healthcare PL insurance coverage? If yes, do they still have to be maintained for three (3) years following COMPLETION OF SERVICES?

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

Answer: If subcontractor or a subtier does not staff PE or licensed health care providers, then they are not responsive to the requirements of this RFP. Evidence of this coverage, or the capability to obtain it, is required with your proposal. See also the answer to questions 12 and 29.

53. Will the contractor be exposed to hazardous material while engaged in the scope of the contract? If so, what are those materials?

Answer: Hazardous material exposure is possible for some positions. Health and safety requirements will be identified for each specific Staffing Request.

54. Are any of the incumbent workers considered Grandfathered Employees for certain benefits and/or vacation or seniority?

Answer: No. Grandfathered personnel will not be assigned to any of the subcontracts awarded under this solicitation.

55. Since there are incumbents to be transitioned to the contract awardees, will transitioned incumbent workers require initial drug screening for employment?

Answer: Yes.

56. Since benefits are required and evaluated by a third party evaluator, what are the evaluation criteria? In other words, what is the baseline for an acceptable benefits program? Will a richer benefit program be evaluated more favorably than a benefits program that meets regulatory statutes?

Answer: Refer to Exhibit B SC-3, paragraph B for our definition of "market-based benefits". This is a "Go" or "No Go" criterion, so a richer plan will not be evaluated more or less favorably than any other plan that is determined to be a "Go" by the independent evaluator.

57. How often will UCOR pay subcontractors on this contract?

Answer: After the first month, CONTRACTOR anticipates issuing weekly electronic payments for labor based on CONTRACTOR-generated invoices from our ADP system. Non-labor items will be paid monthly based on SUBCONTRACTOR-generated and submitted invoices. Refer to Exhibit B, SC-14 "Invoicing and Payment".

58. In reference to Instructions and Information to Offer, page 10 of 17, Criterion 3 ("Financial Capabilities"), it is not clear if UCOR actually requires an "irrevocable line of credit". This would be an unusual instrument for a bank, and not typically commercially available. Is UCOR requesting an "Irrevocable Letter of Credit" or a typical "Line of Credit"? The issue is the word "irrevocable". From the context, it appears that UCOR requires the bank to confirm that the Offeror has the ability to obtain a typical \$500,000 line of credit during the life of the subcontract. This

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

would be in-line with a commercial revolving line of credit facility offered by most banks. These lines are typically written with one year maturities but renew every year with acceptable performance. If in fact UCOR requires an "Irrevocable Letter of Credit", there would need to be additional information provided. This would include the beneficiary of the letter of credit, the expiration date of the letter of credit, and the trigger(s) for presenting the letter of credit for payment.

Answer: This requirement is intended to be an Irrevocable Letter (not Line) of Credit. For proposal purposes, we only require a letter from a bank indicating the ability to provide an Irrevocable Letter of Credit (ILOC) for up to \$500,000. Additional details about the ILOC will be finalized with each successful awardee.

59. In the Instructions and Information, Section 16 - Proposal Evaluation Criteria, page 10 of 17, Criterion 3 - Financial Capabilities (Go/No-Go), this requirement is for the small business to provide an irrevocable line of credit equal to \$500,000. This was reduced from the draft RFP but is still considered excessive for a small business and causes concern that UCOR will not provide prompt payment of submitted invoices and that the small business subcontractor will have to borrow against the line of credit to cover payroll. If UCOR is providing prompt payment of small business subcontractor invoices (only retaining any amounts in dispute), the line of credit required would be much less than \$500,000. If UCOR expects the small business subcontractor community to incur charges against a \$500,000 line of credit then will capital cost of money be an allowable charge under the contract?

Answer: Assuming the question is referring to Facilities Capital Cost of Money per FAR 52.215-16, the cost is not allowable as it does not meet the allowability criteria specified in FAR 31.205-10(b).

60. In the Instructions and Information, Section 16 - Proposal Evaluation Criteria, page 10 of 17, Criterion 3 - Financial Capabilities (Go/No-Go), this requirement is for the small business to provide an irrevocable line of credit equal to \$500,000. This creates a hardship for small business as our current bank does not provide \$500,000 unsecured lines of credit. This ties up valuable small business resources on a line of credit that ordinarily would not be necessary for staff augmentation contracts. According to the banks, it is not the amount of money that you have in the small business' account but what they can attach as collateral which ties up resources and restricts the small business opportunities that could be supported. In fact, this amounts to the small business contractor having to provide the equivalent to a bond for providing staffing services.

Answer: Assuming the reader intended to question the purpose for the Financial Capabilities requirement, UCOR has previously experienced payment failure by a small business staff augmentation subcontractor. Additionally, inclusion of similar requirements is an established practice in similar DOE staff augmentation subcontracting.

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

61. Accurate Census Data - Insurance Companies rate companies (in this case the UCOR subcontracted labor pool) based on accurate census and demographic data. For groups under 50 eligible employees, insurance companies rate groups domiciled in TN by communities in which the employees at the company work and live. Since this is the case, in order to get an accurate estimation of insurance premiums for medical, dental, vision, life, LTD, STD (and any other fringe benefit), there must be a complete and accurate census. Can a census of current employees that will be working for the subcontractor on January 1st, 2017 be supplied now? Census data should include all the fields that are in the attached excel file.

Answer: UCOR has provided all available data in the RFP.

62. 2017 Rates - 2017 rates will not be released by insurance carriers until the fourth quarter of this year. Even if the subcontractor had access to accurate census data, rates will not be available until fourth quarter. That being said, rates rise an average of 3% per month once an insurance quote has been gathered from an insurance carrier. This puts an undue burden on small business subcontractors bidding the UCOR labor pool. Information provided in the final RFP, Section 26 Site Information as this set of demographics portrays only approximately half of the W-2 personnel available for transition. How will UCOR handle any discrepancy in benefit rates charged the subcontractor by the insurance brokers once an accurate census is performed at transition? We would like to provide as accurate an estimate as possible to ensure UCOR receives a valid baseline for comparison of offeror's bids.

Answer: Prospective bidders are required to provide a firm all-inclusive multiplier in their proposal, not an "estimate".

63. Census that includes 50+ eligible employees - due to the passage of the Affordable Care Act (ACA) any company that has 50+ eligible employees in TN is rated as a large company. The difference here is that instead of being rated amongst other small businesses in a community pool, the business is rated on the health of their own population. Knowing this, will UCOR supply not only accurate census data, but medical history and claims data (from prior insurance use) for the UCOR subcontracted labor pool current incumbents? If not, then the insurance carriers will require a group of this size to supply this data in order to provide final rates and this would only occur after contract award and transition begins for the incumbent workers. Whatever the final UCOR subcontracted labor pool is for each awarded contractor will have to have an accurate census for final insurance rates.

Answer: See answer to question 61.

64. Change in Census Data - Should the census change by more than 10% after January 1st, 2017, the insurance carriers reserve the right to redo their quotes on all lines of coverage. If the insurance carriers, activate this readjustment of rates based on the head count of the UCOR subcontracted labor group will the small

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

business subcontractors be allowed reimbursement under an equitable adjustment?

Answer: See answer to question 62. Requests for Equitable Adjustment will be considered only prior to exercising an Option Period as specified on Exhibit C Form A-1-1 Provision 2.

65. Subcontractor Take Over - Even if the accurate information is supplied in order to get a final rating from the insurance carriers regarding fringe benefits, insurance carriers will reserve the right to re-rate the group in January due to a new company managing their benefits. Will the small business subcontractors be allowed to apply for an equitable adjustment due to uncertainties in the health insurance industry and the ever-increasing cost of insurance coverage?

Answer: See answer to question 64.

66. When is the effective date for the current coverage of the group of employees that the subcontractor will take over?

Answer: The projected date is January 1, 2017.

67. Will the award include less than or greater than/equal to 50 employees?

Answer: Award of a subcontract does not include or guarantee any minimum or maximum number of employees. The number of personnel transitioned to any subcontractor will not be administered or controlled by UCOR and cannot be determined. See also answers to questions 25 and 26.

68. Are independent contractors (1099s) allowed under this contract?

Answer: No. See also answers to questions 17 and 18.

69. Will all the employees be W-2 employees?

Answer: Yes. See also answers to questions 17 and 18.

70. Will there be multiple locations or any locations outside of Tennessee that the employee's work?

Answer: All work will be performed at one of the DOE sites located near Oak Ridge, TN.

71. Is there a Summary Plan Description that is currently drafted for the group of employees?

Answer: No.

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

72. Is there a more detailed description of what is considered market based fringe benefits?

Answer: No.

73. Is the Summary of Benefits and Coverage for the current benefit plans available?

Answer: No.

74. ACA Compliance - The ACA mandates that companies with 50 or more employees eligible for insurance submit forms 1094-C and 1095-C each year upon certain deadlines. If the awarded bid includes at or more than 50 employees, will the subcontractor be allowed to apply for equitable adjustment based on the cost administer and file these forms?

Answer: See answers to questions 62 and 64.

75. ACA Compliance - the ACA mandates that employees must have access to medical insurance that meets certain criteria. Is there salary information available for jobs that will be included in the subcontractor award? With ACA rates continuing to escalate substantially over the years and without a firm pricing schedule, will an equable adjustment be allowed to compensate for unknown cost variables if necessary?

Answer: See answers to questions 61, 62, and 64.

76. Long Term Disability - LTD is a benefit that is considered market by many companies. In order to get accurate rates there must be salary information and ages of employees. Can this be provided?

Answer: See answer to question 61.

77. What is the current fringe benefit structure for employees? Include medical, dental, vision, life, LTD, STD, and any other benefit summaries for benefits offered to employees. What percentage is the benefit compensation of their total compensation?

Answer: Fringe benefits offered by prospective bidders must conform to Exhibit B SC-3 paragraph B. See also answers to questions 71, 72, and 73.

78. Required Notices - In order to be compliant with the DOL and IRS, there are certain required notices that must be given to employees. There are also timelines in which these notices regarding coverage options must be distributed. When will the precise demographics of the group be revealed?

Answer: See answer to question 61.

RFP NO. MR-16-033946
QUESTIONS AND ANSWERS
Posted July 14, 2016

79. In order to effectively bind coverage, insurance companies require data and all necessary applications to be submitted before the effective date of coverage. In order for coverage to not lapse for current employees, thus breaking the law (ACA), benefit planning will need to take place at least two months prior to January 1st. Will this be possible?

Answer: Yes.

80. On May 18, 2016, the Department of Labor issued new overtime rules effective December 1st (reference is to this link <https://www.dol.gov/whd/overtime/final2016/>), raising the minimum salary for exemption to \$47,476, with automatic increases every three years. This new rule will impact many of the exempt labor categories. Will the awardees be able to request for an equitable adjustment because of the rule?

Answer: Assuming the question is referring to some employees that are currently exempt, but may become non-exempt under the new overtime rule, requests for changes in overtime compensation may be considered on a case-by-case basis. However, the new overtime rule would not affect the overtime multiplier, and the overtime multiplier would not be subject to an adjustment.