



Department of Energy

Oak Ridge Operations Office
P.O. Box 2001
Oak Ridge, Tennessee 37831—

Rice

10/9/01

October 3, 2001

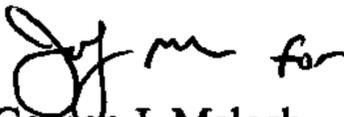
Mr. Greg L. Turner
Chief Financial Officer
Oak Ridge National Laboratory
Post Office Box 2008
Oak Ridge, Tennessee 37831-6444

Dear Mr. Turner:

REIMBURSEMENT AUTHORIZATION NUMBER 4 - INCENTIVE COMPENSATION

Enclosed is Reimbursement Authorization (RA) Number 4, revising Section 4.11.3 Incentive Compensation under Appendix A of Contract DE-AC05-00OR22725. The RA updates the Incentive Compensation (IC) provision of increasing the recipients from 17 to 18 effective October 1, 2001. There is no change to the normal cost to the pension plan for the IC, which is limited to \$35, 000 per year.

Sincerely,


George J. Malosh
Assistant Manager
for Laboratories

Enclosure

cc:
Susan Hiser, AD-442
Johnny Moore, ORNL
Jerry Wills, ORNL

**U. S. Department of Energy
REIMBURSEMENT AUTHORIZATION**

Project

Operations and Research

Location

Oak Ridge, Tennessee

Contractor

UT-Battelle, LLC

Contract No.

DE-AC05-00OR22725

Date of Contract

April 1, 2000

The following modification to the Advance Understanding on Personnel Costs (Appendix A) is approved as an allowable cost, effective: October 1, 2001.

This R. A. incorporates the addition agreed upon in discussions between the contractor and the government for incorporation into the contract, effective October 1, 2001. The attached page is a sample of the page to be replaced in Appendix A. Upon approval of this RA (#4) Appendix A will be reissued in its entirety on the Web. Note it does not appear that we will need to increase the cost of the pension plan at this time.

The contractor has a period of 60 days to transition completely the changes resulting from this revised R.A. No. 4.

The following highlights the changes incorporated by this R.A.:

Page

Section

Description

4 -10

Section 4.11.3b

Change in number of active employees covered by IC is from 17 to 18.

Approval for the U. S. Department of Energy by:

Date

Mr. George J. Malosh, ORNL Site Manager

10/3/01

for 9/24/01 J-9/24/01