

**Argonne National Laboratory Prime Contract****Appendix A: Personnel Appendix**

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*Last revised: September 29, 1999*

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**IV. REDUCTIONS IN CONTRACTOR EMPLOYMENT**

Reductions in employment will be conducted in accordance with the contractor's personnel management policies and practices and in accordance with the Department of Energy's Planning Guidance for Contractor Work Force Restructuring, as revised December 1998, and consistent with DOE Order 350.1, Chapter III, Reductions In Contractor Employment.

**A. Work Force Analysis**

The Laboratory will regularly analyze its work force requirements to retain employees with the skills, knowledge and abilities necessary to effectively and safely meet assigned and futures missions within budget constraints. The Laboratory will develop appropriate work force transition strategies consistent with restructuring objectives contained in the Department's "Planning Guidance for Contractor Work Force Restructuring."

**B. Work Force Planning Requirement**

In addition to conducting both short and long term work force planning, the Laboratory will assist the Department in developing a Work Force Restructuring Plan consistent with the objectives of Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (the Act) and the above referenced guidance.

The Work Force Restructuring Plan will be generic in nature; that is, it will identify how employees will be accommodated whenever they are impacted by a reduction-in-force. If necessary, the plan may be modified to address the needs of a particular restructuring action, including the provision of enhanced benefits. When modification to the approved plan is necessary due to changing circumstances, stakeholder input or implementation experience, proposed changes to the established plan shall be submitted for Departmental approval.

**C. Notice To Stakeholders**

The Laboratory shall provide notifications to employees, the public, and stakeholders, *in* accordance with a schedule approved by the Contracting Officer or his designee for any occurrence in which 100 or more employees will be affected by a reduction-in-force. The above noted stakeholders will be notified of and consulted with concerning the pending action as early as possible following agreement between DOE-CH and the Laboratory of the intended action.

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**D. Involuntary Separations**

The Laboratory will notify the Contracting Officer or his designee of any work force reduction that involves the involuntary separation of 10 or more employees at least 10 workdays prior to such separations. The notification shall include affected job classifications, numbers of employees affected, site affected, union or non union, full or part-time, standard or enhanced benefits, other separations, and actions taken to assist the employees in finding other employment or otherwise lessen the impact of the involuntary separation.

**E. Incentive Plans for Voluntary Separation or Retirement**

After appropriate Workforce Planning has been completed, the Contractor may consider voluntary separation incentives to facilitate work force reductions for the purpose of reducing potential involuntary separations. Voluntary separation and retirement incentive plans, accompanied by an appropriate analysis, should be presented to the Contracting Officer at least 2 weeks in advance of the planned action to allow sufficient time for review and approval. Voluntary separation and retirement incentives will be evaluated for their consistency with maintaining critically needed skills. Any request for approval should include a full justification in conformance with this requirement. Reductions designed to increase organizational efficiency involving voluntary separation programs should provide an assessment of the costs and benefits of the proposed incentive. Voluntary separation programs should not be offered to employees at the same time as early retirement programs, except in special circumstances and with prior approval of the Contracting Officer.

**F. Severance Pay**

Severance payments made to an employee will be reimbursable under this contract when provided in accordance with the Contractor's established severance policies. However, unless specifically otherwise approved by the Contracting Officer:

- (a) No employee: (1) who accepts a transfer to another facility, subsidiary, or affiliate of the Contractor, (2) who is offered employment at comparable pay and benefits by a successor Contractor, (3) who resigns, or (4) who is discharged for cause, will be eligible for severance pay.
- (b) Severance pay and benefits are not payable when an employee is employed by or receives an offer of employment with a replacement Contractor where continuity of employment with credit for prior length of service is preserved under substantially equal conditions of employment.

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Severance payments may be made at the Contractor's option to an employee within a reduction-in-force grouping who is not scheduled for termination but who offers to terminate employment, thereby eliminating the need for terminating another employee involuntarily.

**G. Displaced Worker Health Benefits Programs**

The allowable costs for the DOE Displaced Worker Health Benefits Program are:

- (a) First Year: The Laboratory's contribution for an active employee.
- (b) Second Year: One half of the Laboratory's COBRA premium.
- (c) Third and subsequent years: Reasonable administrative costs that exceed the 2 percent administrative fee paid by the displaced worker.