

DE-AC52-06NA25946
Modification M003
Attachment D

SECTION J
APPENDIX D – CORPORATE PARENT PROMISES

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National Security Technologies, LLC (NSTec) and its parent companies (Northrop Grumman, AECOM, CH2M Hill, and NFS) are committed to supporting this contract through direct investment in NTS, its satellite facilities, and their associated communities. The following is a brief summary of the definitive hard dollar commitments that NSTec will implement. The combined dollar total of these investments by NSTec and its parent companies exceeds \$24,000,000 over the ten year life of the contract.

1. NTS Extended Support Initiative:

- **National Security Development and Test Center** – Implement an initiative to establish a center of national security expertise. The Center will pursue solutions to the most challenging national security issues. NSTec pledges \$1,725,000 over the first three years of the contract for concept startup activities. NSTec will spend \$325,000 a year for the first two years in developing the Cyber Warfare Integration Network facility
- **Advisory Group** – Establish a Senior Advisory Group consisting of nationally recognized experts on nonproliferation and security issues to provide assistance and consultation to the NSTec General Manager. NSTec will invest \$750,000 over the life of the contract in support of this Advisory Group.
- **ISO 9001, ISO 14001, CMMI and VPP STAR Processes Certification Initiative** – NSTec is committed to implement the documentation, training, and operational discipline required to achieve these internationally recognized performance certification. Estimated cost = \$75,000.
- **Lean Management** – Commit to process and performance improvements under the contract. NSTec will invest \$150,000 during the transition and first year of the contract.

2. NSTec Work Force Initiatives:

- **Key Management Performance Incentives** – NSTec's parent companies have established an executive total compensation plan over the life of the contract of which \$10,000,000 will be paid for solely by the NSTec parent companies.
- **Graduated Employee Award Fee Sharing** – NSTec has committed and budgeted for the implementation of a graduated "*Award Fee Sharing Program*" for all employees. The exact dollar value of this program depends on NSTec's performance evaluation scores.
- **Leadership Training** – NSTec pledges to invest \$1,000,000 over the term of the contract to support third party leadership training of its staff to help support the development of the next generation of NTS leaders.

- **Continuing Education** – NSTec has budgeted \$500,000 for employees to enhance their management and technical skills through continuing education.
- **Distance Learning Program** – NSTec has budgeted \$500,000 to support the design and implementation of a distance-learning program for its employees.

3. NSTec Community Outreach Initiative:

- **Company Commitment to Local Area Charities** – NSTec will, at a minimum, contribute \$1,000,000 to local area charities over the life of this contract.
- **Community Economic Development** – AECOM, one of NSTec's parent companies, will establish a Las Vegas, Nevada office to contribute to the development of the local area economy. Expenditures are estimated at approximately \$300,000 per year or \$3,000,000 over the life of the contract.
- **Funding of Scholarships, Grants, & Endowments** – NSTec has budgeted an expenditure of \$4,000,000 over the life of the contract to establish and maintain an education development fund. The financial structure of the fund will be investment based and it will continue to grow and provide funding beyond the end of this contract.
- **Company Commitment to Local Area Scholastic Development** – NSTec pledges to establish and endow a scholarship fund, with a direct corporate pledge of \$1,000,000, designed to provide sustained financial assistance to deserving high school graduates.