LANL Virtual Supplier Forum

Tamara Greenwood
ASM – LANL Supplier Management, Acting Manager

November 17, 2021

LA-UR-21-31379
Agenda

LANL Virtual Supplier Forum

November 17th, 2021

Topics

(5 min) Introduction/Safety Share

Tamara Greenwood
Supplier Management, Acting Manager

(10 min) Supplier Enablement

Brooke Espinosa
Supplier Management

(10 min) Contract Changes- Vaccine Mandate

Brad Westergren
Capital Projects Manager

(10 min) Unplanned Releases at LANL

Steve Pearson
EPC-CP, Environmental Protection and Compliance Division, Compliance Programs Group

(10 min) Supplier Performance Management update

Dan Brown
Supplier Management

(10 min) Ariba Demonstration

Michelle Bustos
Supplier Management
Supplier Enablement/UNSPSC Codes

Brooke Espinosa
ASM – Supplier Management

November 17, 2021

LA-UR-21-31379
Becoming a Supplier of LANL

What is Ariba?
Ariba, is a robust, integrated and web-based system used to procure goods, services, equipment and materials for LANL. Ariba provides an automated solution for end-to-end procurement, including supplier registration & qualification, sourcing, contracting, buying, invoicing and supplier performance management.

Registration Steps in Ariba

- Request an invitation to register
- Fill out invitation information and submit
- Open request to register on receipt via email
- Create an Ariba Network account or sign into an existing account
- Complete registration information

LANL emails registration request

Ready to transact in Ariba

Complete Code of Conduct questionnaire

LANL emails questionnaires
Resources Available for Suppliers

• For the most current information on the Ariba roll-out and for Ariba training and resources, visit LANL’s website: lanl.gov/business

• A Supplier Guide is posted to the Supplier Resources page – this is an important training resource for suppliers

• For questions or technical support, contact the LANL Supplier Management team at aribasuppliers@lanl.gov
UNSPSC CODES

What is the UNSPSC?
The United Nations Standard Products and Services Code used to classify products and services

Who uses them?
Companies that need the code have been requested to do so by a government agency or retailer/distributor to identify what kind of company they are or what kind of product they are providing. Companies also use the code for internal cost analysis and procurement.
Why is LANL using UNSPSC Coding with Ariba?

- The taxonomy of these codes identify purchases and helps understand what we are buying, from whom and how much.

- UNSPSC codes allows LANL to identify potential suppliers when we are looking to source items.

- UNSPSC codes are also used throughout Ariba to drive special approvals.
UNSPSC: A Hierarchical Structure for Custom Analysis

The UNSPSC is a hierarchical classification, having five levels. The levels allow users to search products more precisely (because searches will be confined to logical categories and eliminate irrelevant hits) and it allows managers to perform expenditure analysis on categories that are relevant to the company’s situation.

Each level contains a two-character numerical value and a textual description as follows:

XX Segment

The logical aggregation of families for analytical purposes

XX Family

A commonly recognized group of inter-related commodity categories

XX Class

A group of commodities sharing a common use or function

XX Commodity

A group of substitutable products or services

XX Business Function

The function performed by an organization in support of the commodity
UNSPSC Examples

In the UNSPSC classification, products and services are placed within logical categories so that people can more easily find what they are looking for and evaluate expenditures on commonly grouped items.

For example, the commodity “pen refills” is part of a larger class of products, “Ink and lead refills”, which in turn is part of a family of products, “Office supplies,” which is itself part of a segment of products, “Office equipment, accessories, and supplies.” Each level of the hierarchy has its own unique number.

Hierarchy                     Category Number and Name
Segment  44 Office Equipment, Accessories and Supplies
                   10 Office Machines and their supplies and accessories
                   11 Office and desk accessories
Family  12 Office supplies
                   15 Mailing supplies
                   16 Office supplies
                   17 Writing instruments
                   18 Correction media
Class  19 Ink and lead refills
                   01 India ink
                   02 Lead refills
Commodity  03 Pen refills

“Pen refills” = UNSPSC classification 44-12-19-03.

The hierarchy allows people looking for pen refills to use the higher level terms to narrow their search to the relevant domain that will most likely lead them to the desired item.
UNSPSC CODES

Tangible Items:
Select a **Good** UNSPSC code starting with (1-6)

Non-Tangible Items:
Select a **Services** UNSPSC code starting with (7-9).

Not having the correct UNSPSC Code can impact ability to create receipts or getting paid.

LANL enforces every purchase having at least a 2 digit Commodity Code. This is especially important for our catalog suppliers, although we would really like them to provide a minimum of 4 digit codes on their catalog items

For more resources please visit:
https://www.unspsc.org/

Questions:
aribacatalogs@lanl.gov
COVID-19 Subcontract Impacts

Brad Westergren
ASM – Capital Projects Manager

November 17, 2021

LA-UR-21-31379
Chronology of Notices with respect to COVID-19 Safety Protocols for Federal Contractors

1. LANL Letter dated September 2, 2021
2. Executive Order 14042 was signed on September 9, 2021
3. Civilian Agency Acquisition Council issued class deviation FAR 52.223-99 was issued September 30, 2021
4. LANL Letter dated September 30, 2021
5. NNSA modified LANL’s Prime contract October 8, 2021
6. Department of Energy Order 350.5 approved October 12, 2021
7. LANL’s Terms and Conditions modified to include new special condition clause to flow-down COVID-19 Vaccine Mandate October 29, 2021
LANL Acquisition Services Management issued letter to subcontractors that were working on site

LANL Subcontractor COVID-19 Vaccination Response

LANL Subcontractor Name: ______________________
LANL Subcontract Number: ____________________

- The total number of my employees and my lower tier’s employees who currently have access to the LANL site is ________________ (Indicate “None” if your subcontract with LANL does not require site access by your employees or by employees of your lower tier subcontractors.)
- Of the total number of employees identified above, the total number of employees who are fully vaccinated against COVID-19 as of the date of this response is ________________
- All of the employees identified above who currently have LANL site access have completed the required online COVID Site Training

By signing below, I certify to the accuracy of the information provided above.

Regardless of vaccination status, employees of my company and my lower tiers who require LANL site access will continue to follow LANL policies and procedures that have been put in place to protect against the spread of COVID-19.

I understand and acknowledge that after October 15, 2021 all subcontractor employees must be fully vaccinated against COVID-19 in order to maintain access to the LANL site.

I will arrange for the return of the LANL issued badge for any employee not fully vaccinated by October 15, 2021.

Signature of authorizing official:
Title: ______________________
Date: ______________________

Return this completed and signed response via email to employeehelp@lanl.gov no later than 5:00pm MST on September 9, 2021.

An Equal Opportunity Employer/Managed by Triad National Security, LLC, for the U.S. Department of Energy's NNSA
LANL Acquisition Services Management issued follow-up letter to subcontractors working on site
LANL began flowing down special condition in solicitations, options to extend and in new subcontract actions by the end of October 2021

SC-170 ENSURING ADEQUATE COVID-19 SAFETY PROTOCOLS FOR FEDERAL CONTRACTORS (OCT 2021) (DEVIATION) Derived from FAR 52.233-99 (OCT 2021)

(a) Definition. As used in this clause -

United States or its outlying areas means—

(1) The fifty States;
(2) The District of Columbia;
(3) The commonwealths of Puerto Rico and the Northern Mariana Islands;
(4) The territories of American Samoa, Guam, and the United States Virgin Islands; and


(c) Compliance. The subcontractor shall comply with all guidance, including guidance conveyed through Frequently Asked Questions, as amended during the performance of this contract, for contractor workplace locations published by the Safer Federal Workforce Task Force (Task Force Guidance) at


(d) Lower-tier Subcontracts. The Subcontractor shall include the substance of this clause, including this paragraph (d), in subcontracts at any tier that exceed the simplified acquisition threshold, as defined in Federal Acquisition Regulation 2.101 on the date of lower-tier subcontract award, and are for services, including construction, performed in whole or in part within the United States or its outlying areas.
Unplanned Releases at LANL

Steve Pearson
Environmental Protection and Compliance-Compliance Programs Group (EPC-CP)

LA-UR-21-21499
Spills- Unplanned Releases to the Environment

• Unplanned release defined “as any spilling, leaking, pumping, pouring, emitting, emptying, or dumping”

• EPC-CP needs to be notified of all releases to evaluate if a release meets reporting requirements

• Corrective actions and documentation need to be taken and recorded for all spills
Spills- Unplanned Releases to the Environment

- Unplanned releases generate risks for the Laboratory in the form of potential environmental liabilities, cleanup and waste disposal costs, lost work time and potential threats to worker health and safety.

- Potential Impact to LANL: Fines and penalties, costs to clean up impacted areas, waste disposal, and lost time.
Unplanned Releases

Non-Reportable

• Small spills that are immediately remediated, does not reach a watercourse, impact a SWMU or AOC or exceed a regulatory threshold limit (e.g. a Reportable Quantity)

Reportable

• Potable water /steam line breaks that exceed 5,000 gallons
• Discharges that impact a watercourse, AOC or SWMU
• Larger spills of contaminants including wastewater, petroleum products, other water contaminants
Most Common Spilled Materials: Potable Water, Hydraulic Fluid, Diesel, Anti-freeze

Most Common Contributing Cause: Preventive Maintenance, Equipment Failure, Unexpected Conditions, Planning, Aging Infrastructure

Measures to prevent spill occurrence and minimize spill severity:
• Perform preventive maintenance
• Plan for potential releases to the environment
• Have spill kits on-site
• Replace aging infrastructure and equipment
42.1 SUBCONTRACTOR shall provide immediate notification to the STR and LANL Emergency Management (EM) of any spilling, leaking, pumping, pouring, discharging (including wastewater), emitting or dumping of materials to the environment, regardless of quantity and will have spill kits available to aid in spill remediation. CONTRACTOR STR will make immediate on-site notification to Environmental Compliance (EPC-CP Spills Pager 664-7722) of the release occurrence and will contact Emergency Operations (667-2400) in the event of an emergency. Releases that are reportable to the NMED and EPA may require additional documentation. CONTRACTOR STR will supply necessary forms to document spills. SUBCONTRACTOR shall report any other incident relative to material/waste handling, storage, transportation, spills, or disposal to CONTRACTOR STR and shall take immediate and appropriate steps to protect human health and the environment. SUBCONTRACTOR agrees to remediate and complete corrective actions in response to any spills, leaks, or unpermitted discharges. Sampling and analyzing environmental media, liquid releases and/or spill residues may be required for remediation verification and to ensure waste generated is managed in accordance with F39 Waste Management.
# Unplanned Release Report Form

Los Alamos National Laboratory  
Environmental Compliance Program (EPC-CP)  
Unplanned Release Report

<table>
<thead>
<tr>
<th>Form Completed By:</th>
<th>Telephone:</th>
<th>Group:</th>
</tr>
</thead>
</table>

**Spill Owner Details (Specify):**  
☐ TRIAD, LLC  
☐ Subcontractor:  
☐ Other:  

**Date of Spill/Date Spill Discovered:**

**Location:**

**Material Spilled:**

☐ Hydraulic Fluid  
☐ Potable Water  
☐ Diesel  
☐ Anti-freeze/coolant  
☐ Steam Condensate  
☐ Lubricants/Oils  
☐ Refrigerant Oil  
☐ Gasoline  
☐ Other:

**Volume Spilled:**

**Waste Volume Generated:**

**Source of Spill:**

☐ Potable Water Line  
☐ Fire Suppression System  
☐ Condensate Line  
☐ Fuel Tank  
☐ Radiator  
☐ Other:

**Equipment ID:**

**Describe the spill response in chronological order. Include response personnel, steps taken to contain the spill, and steps/spill control equipment used to clean it up. Please indicate if corrective actions have been completed and describe actions taken to prevent spill recurrence:**

**Date Corrective Actions Completed:**

**Did the spill enter or impact any of the following? (Check as many as apply):**

☐ RCRA Treatment Storage Disposal Facility  
☐ RCRA Satellite Accumulation Area  
☐ RCRA <90 Day Storage Area  
☐ NPDES MGP Facility  
☐ Floor Drain, if so please indicate affected facility  
☐ Watercourse/drainage area, if so please indicate  
☐ Solid Waste Management Unit/Area of Concern, if so please indicate  
☐ None

**Did the spill occur inside or outside a building?**  
☐ Inside  
☐ Outside

**Did the spill occur on:**  
(Check as many as apply)

☐ Concrete  
☐ Carpeted Floor  
☐ Tile  
☐ Wooden Floor/Deck  
☐ Asphalt  
☐ Gravely/Rocky Area  
☐ Soil/Vegetated Area  
☐ Other:

**Samples Collected:**

☐ Soil  
☐ Air  
☐ Water  
☐ Other:

If samples were collected, indicate analytical suite:

**Certification:**

I certify that I am knowledgeable about the information on this form. The information, to my knowledge, is true, accurate, and complete.

**Name of Certifying Official:**

**Organization:**

**Date:**

**Completed by EPC-CP Personnel:**

**Severity Index:**

☐ Non-Reportable  
☐ Reportable

**Date Received:**

[Details provided on the form]

[Signature]

11/2019

Return Completed Form to EPC-CP (antonio.krujii@lanl.gov)

2/8/21
Contacts

Unplanned Releases - EPC-CP-Water Quality
Steve Pearson - 667-3005
Spills Pager - 664-7722
Emergency Operations - 667-2400
Supplier Performance Management (SPM) Ariba Update

Dan R. Brown
ASM – Supplier Performance Management

SPM Overview Series #1
November 17, 2021

LA-UR-21-31379
SPM Pilot Project

1. Identified 5 offsite, high(er) risk, complex subcontracts from OSRP
2. Communicated and trained Suppliers of the process
3. Modified Subcontracts with a formalized supplier performance supplement and well defined Key Performance Indicators (KPIs) and performance Metrics
4. Monitored performance for 3 months
5. Conducted SME (cognizant STR) performance surveys (evaluations)
6. Conducted one-on-one feedback sessions with Suppliers
7. Conducted Lessons Learned briefing with stakeholders and uploaded to OPEX
Old subcontract terms and condition language vs. new T&C subcontract language

Technically, we are already monitoring performance of our subcontracts, however we now have a way to formalize and define the process for both parties:

We are exchanging the following clause in our service subcontracts…..

<table>
<thead>
<tr>
<th>Aug 2014 –OLD LANGUAGE</th>
<th>EFFECTIVE June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GC-84 Assessment of Subcontractor's Performance</strong></td>
<td><strong>GC-84 Assessment of Subcontractor’s Performance</strong></td>
</tr>
<tr>
<td>CONTRACTOR shall periodically assess SUBCONTRACTOR’S performance to document how well SUBCONTRACTOR performed to the various standards/requirements described in this subcontract. That information will be used by CONTRACTOR in the future to determine whether SUBCONTRACTOR will be invited to submit proposals/bids for future solicitations for similar work.</td>
<td>SUBCONTRACTOR’S performance shall be monitored and evaluated throughout the performance of this subcontract, as stated in the Supplier Performance Measurement (SPM) Evaluation Table, which is incorporated herein as a subcontract supplement. SUBCONTRACTOR shall comply with all requirements contained therein that are applicable to the SUBCONTRACTOR and this subcontract.</td>
</tr>
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We don’t anticipate any significant change in the Subcontracts mode of operation.....
Subcontract supplement – Evaluation Process

• CONTRACTOR will use capable and reliable subcontractors who have proven records of successful past performance or who can demonstrate a current superior ability to perform. Consequently, a subcontractor’s past performance at LANL will be used in determining whether a subcontractor should be considered eligible to receive future solicitations.

• CONTRACTOR will assess SUBCONTRACTOR’s performance for all subcontracts with a cumulative value greater than or equal to $250,000. During the period of performance of this subcontract, CONTRACTOR will utilize its Supplier Performance Measurement (SPM) System in Ariba to conduct supplier performance assessments.

• Key Performance Indicators (KPIs) and Metrics included in this SPM Table shall be used to evaluate the SUBCONTRACTOR’s performance. Performance evaluations shall occur <semi-annually (i.e., every six (6) months). > < on a trimester schedule (i.e., every four (4) months). > <quarterly (i.e., every three (3) months). > <annually (i.e., every twelve months), > or/and <upon completion of the Subcontract period>. [Procurement Specialist (PS) shall determine frequency prior to solicitation]

The Key Performance Indicators (KPIs) and Metrics shall be used to evaluate SUBCONTRACTOR’s performance during the evaluation period and are provided as a reference only – NOTE: all ratings are subject to review by LANL’s trained technical staff.
Subcontract Supplement – Scorecard Rating

Supplier Performance Scorecard:

• The SPM Program was established as a LANL-wide process to evaluate the performance of subcontractors and engage in feedback dialogue. The primary intent of the SPM Program is to establish a partnership with suppliers for continuous improvement and enhance overall customer and supplier satisfaction. At the heart of the program, the LANL subcontract technical representatives (STRs) are responsible for documenting subcontractor performance in a supplier scorecard and initiating subcontractor reviews and conferences.

• SUBCONTRACTOR’s performance evaluation score for each metric grading of no less than 70% of the 100-point grading structure for each completed performance evaluation, shall be rated as Satisfactory. A performance evaluation score less than 70% of any metric grading shall be a rating of Marginal and may require an Action Plan during recurring periods of performance at the sole discretion of CONTRACTOR. A performance evaluation score of less than 60% shall be a rating of Unsatisfactory and shall require an Action Plan during recurring periods of performance assessments.

• An Action Plan is the primary tool to initiate performance improvement measures for the benefit of the Contractor and Subcontractor. SUBCONTRACTOR’s Action Plans shall detail specific actions SUBCONTRACTOR shall take to improve performance shortcomings. SUBCONTRACTOR shall provide Action Plans within 10 working days after receipt of CONTRACTOR’s written request. All Action Plans will be approved by CONTRACTOR and shall be performed at no additional cost to CONTRACTOR. Additionally, Triad will work with the subcontractor to identify performance deficiencies and provide further training and development as needed.
Upcoming Training and Website updates, Q&A

Future Program Topics:

- Supplier Success Program
- Supplier Relationship Program
- Supplier Risk Management
- Supplier Performance Management
- Regional and Community Development
- Small Business Utilization
- Website Training Modules
- Supplier Database Management
- Q&A?

Supplier Development

Triad and Subcontractors will succeed together!!!

Future Training:

- Responding to Sourcing Events
- Executing a Contract
- Supplier Performance Management
- Navigating the LANL External Website
- Communication Tools and Opportunities
- Service Contract Act and Reporting
- Responding to an RFP
- Change Management
- Avoiding REAs
- Regional and Community Development
- Etc.

#1 Objective:
Prepare LANL suppliers to be successful at LANL
## KPIs and Performance Metrics

<table>
<thead>
<tr>
<th>KPIs</th>
<th>Metrics</th>
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</table>
| Technical Quality of Product or Service | • Service or product delivery meets subcontract requirements/specifications  
  • Quality of workmanship (degree of rework)  
  • Material quality (compliance with specifications and drawings)  
  • Quality and Performance Assurance (QPA) assessment measures/results                                                                 |
| Safety                               | • Responsiveness to industrial hygiene and safety concerns  
  • Number of safety and health issues or non-compliance  
  • Supplier proactive and thorough in completing pre-job/pre-task activities, briefings, etc.  
  • Supplier’s overall safety performance - Site Safety Manager/Site Supervisor fosters safety culture |
| Environmental                        | • Responsiveness to environmental and waste concerns within established timelines  
  • Number of environmental near misses/non-compliance or quantifiable waste management incidents  
  • Fosters an environmental stewardship, including proactively identifying risks and following appropriate protocols to prevent negative impacts |
| Sustainability                       | • Supplier’s goods and services incorporate sustainable resource use, including water management, recycling and minimize the use of excessive packaging |
| Security                             | • Supplier is cognizant and compliant to overall security requirements of working on or off site to avoid issues/incidents  
  • Responsiveness to security concerns within established timelines                                                                 |
| Innovation                           | • Supplier is committed to continuous improvement in partnering with LANL; bringing forward cost reduction, increased efficiency and improved quality methodologies |
| Cost Control                         | • Subcontractor delivered performance as originally priced  
  • Subcontractor’s effort to avoid cost overruns and/or Request for Equitable Adjustments (REAs)  
  • Subcontractor minimized the need for subcontract modifications and incorporated changes as a good steward at fair and reasonable prices |
| Schedule Timeliness                  | • Subcontractor stays on schedule and meets or exceeds milestones  
  • Project Manager/person responsible for the adherence to the schedule is knowledgeable, cooperative, and maintains updates or modifications accurately |
| Management or Business Relations     | • Subcontractor management team provides clear, accurate, complete and timely communication such as early notification of changes in personnel, service levels, and advance notice of real or potential issues  
  • Subcontractor management team partners in a manner which enhances the effectiveness of the relationship and drives continuous improvement  
  • Lower-tier subcontractor oversight and coordination is well executed |
| Small Business Subcontracting        | • Utilization of small business subcontracting                                                                                                                                                  |
| Regional Development                 | • The subcontractor contracted with Northern New Mexico lower tier subcontractors from any of the following counties: Los Alamos, Rio Arriba, Taos, Mora, San Miguel, Sandoval, Santa Fe  
  • Supplier demonstrated willingness to participate in community and regional development activities |
| Regulatory Compliance                | • Compliance with regulatory subcontract terms and conditions  
  • Supplier maintains up-to-date government contractor and FAR/DEAR (flow-down) requirements as applicable, including on-line registrations, certifications, insurance requirements, etc. |
# KPI / Metrics Rating Definitions (USG CPAR Rating System)

<table>
<thead>
<tr>
<th>Rating</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exceptional</td>
<td>Performance meets contractual requirements and exceeds many to the Government’s benefit. Performance was accomplished with few minor problems. Corrective actions taken by subcontractor were highly effective.</td>
</tr>
<tr>
<td>Very Good</td>
<td>Performance meets contractual requirements and exceeds some to the Government’s benefit. Performance was accomplished with some minor problems. Corrective actions taken by subcontractor were effective.</td>
</tr>
<tr>
<td>Satisfactory</td>
<td>Performance meets contractual requirements. Performance was accomplished with some minor problems. Corrective actions taken by the subcontractor were satisfactory.</td>
</tr>
<tr>
<td>Marginal</td>
<td>Performance does not meet some contractual requirements. Performance reflected a serious problem. Subcontractor’s corrective actions were only marginally effective or were not fully implemented.</td>
</tr>
<tr>
<td>Unsatisfactory</td>
<td>Performance does not meet most contractual requirements and recovery is not likely in a timely manner. Performance was accomplished with serious problem(s). Subcontractor’s corrective actions were ineffective or were not implemented.</td>
</tr>
</tbody>
</table>
Ariba Demo

Michelle Bustos
ASM – Supplier Management

November 17, 2021
Ariba Demo

Business
We seek to do business with qualified companies offering value and high-quality products and services.

LANL Acquisition Services Management Supplier-Subcontractor Survey 2021
LANL will fully launch its new procurement system — Ariba — on June 1. If you have not registered on the Ariba Network, please do so here to continue doing business with LANL after June 1. Most existing contracts will be transitioned from Oracle to Ariba.

Visit our Supplier Resources webpage for additional information, training and resource material. If you have questions or need assistance, please contact the LANL Supplier Management Team at arbasuppliers@lanl.gov.

Do business with us
We offer business opportunities to many suppliers and partners, and we put money back into the community by working with local small businesses.

Our suppliers meet specific quality, safety and security standards, including International Organization for Standardization and New Mexico quality standards and security clearances.

lanl.gov/business