

The Business of a National Laboratory

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A short introduction...

SLAC



25 years



+ 5 years

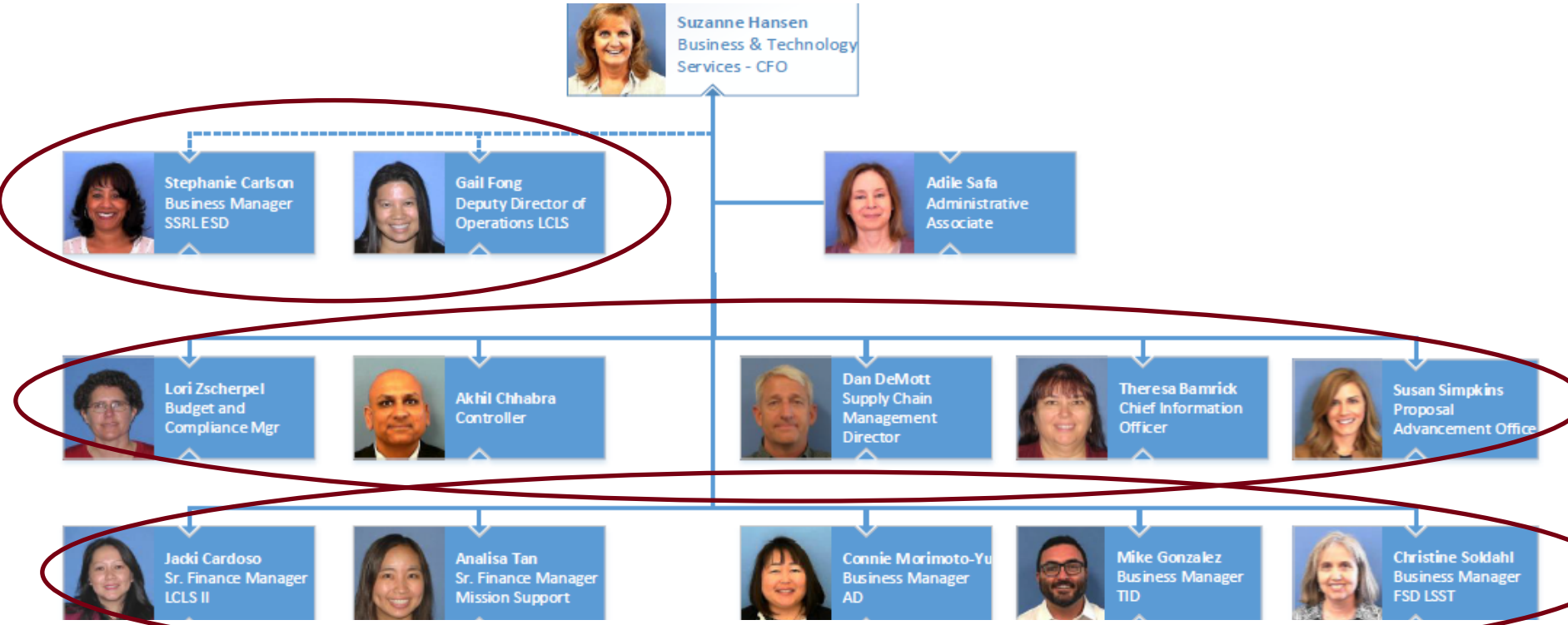


+ 4 years

I have spent 34 years in the National Laboratory system working with incredibly intelligent people while learning a lot about the business of supporting science. I am enjoying learning more about Stanford University and being part of such a fantastic institution!

My husband and I have 5 kids scattered from coast to coast; we enjoy golfing, wine tasting and traveling.

As Director of Business & Technology Services/CFO, I have the opportunity to work with a great team and support a broad scope

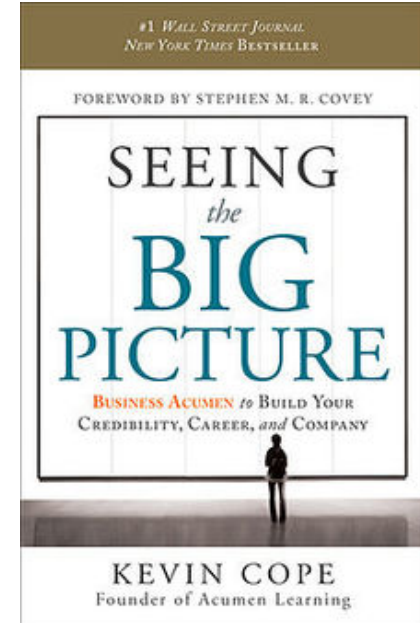


This presentation will provide the business context within which we operate

SLAC

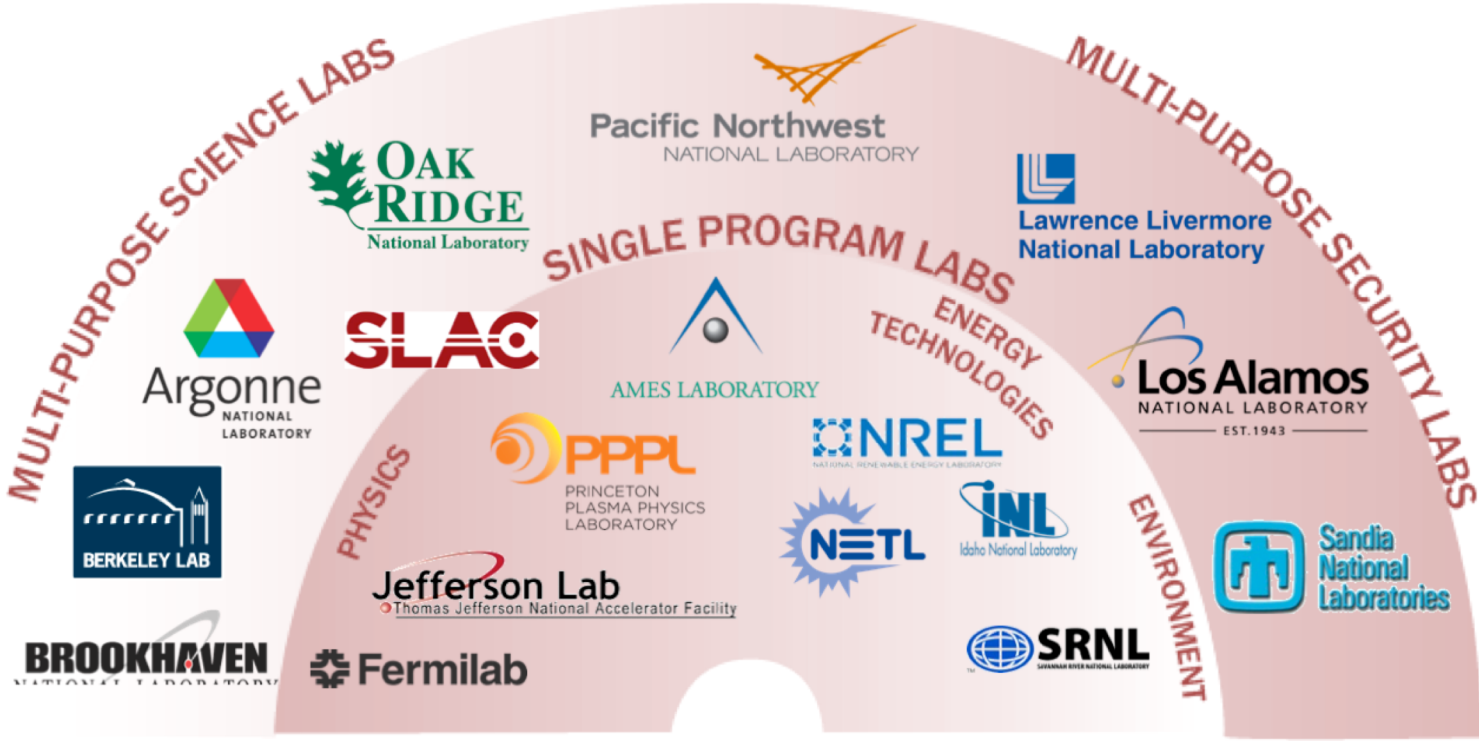
The Business we're in
Our Business model
What we contribute to Stanford
How we manage

While SLAC may seem much different than the rest of Stanford, it is really just one large sponsored research agreement...



DOE's Office of Science (SC) runs 10 labs (including SLAC) and funds R&D at 7 other DOE facilities

SLAC



Science

Technology

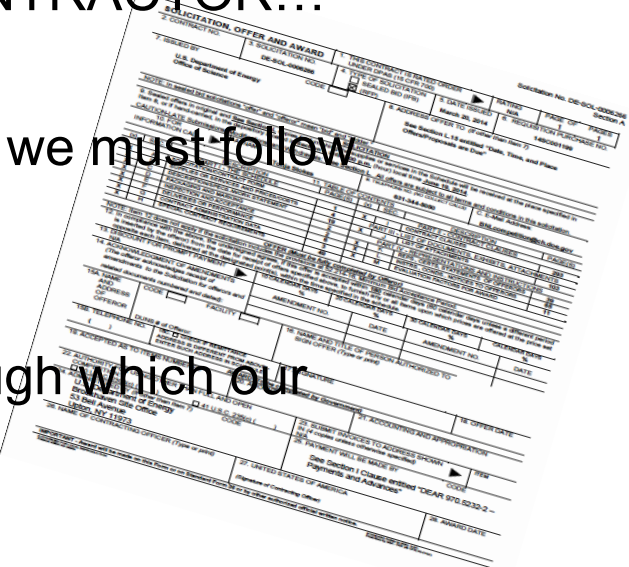
Stanford operates SLAC per the terms and conditions of an M&O Contract



A Performance-based, cost reimbursement contract to manage and operate (M&O) a Federally Funded Research and Development Center (FFRDC) – WE ARE A GOVERNMENT CONTRACTOR...

Terms and conditions determine what requirements we must follow and what we are allowed and expected to do

We have a letter of credit with the US treasury through which our costs are reimbursed



History on Contract Requirements

SLAC

	<u>early days</u>	<u>2016</u>	<u>RWG</u>
No. of Clauses	?	196	176
No. of Appendices	0	13	12
No. of Pages	35	445+	343
Requirements	?	303	313

Hence all the energy around a “revolutionary” contract...



The revolutionary contract process has resulted in a stronger partnership with DOE & a more readable contract/Sponsored Research Agreement

SLAC

The clauses from the existing M&O Contract were organized into general categories by joint teams of SLAC, Stanford and DOE Site Office members:

- H.0 Introduction & General Provisions
- H.1 Mission Accomplishment
- H.4 Management, Leadership & Stewardship
- H.5 ES&H and Environmental Protection
- H.6 Business Systems
- H.7 Project Management and Infrastructure
- H.8 Security, Cyber, Emergency Preparedness



Our performance drives a score and how much fee DOE pays Stanford – available fee = \$4,850K

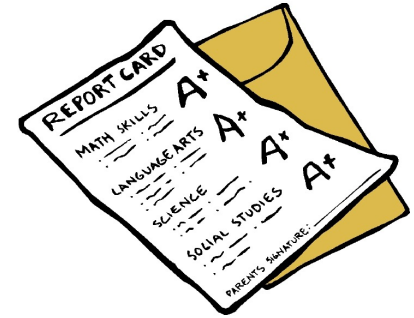
SLAC

Performance-based contract requires the application by DOE of results-oriented statements of work; clear, objective performance standards and measurement tools.

Expectations are documented annually in a Performance Evaluation and Measurement Plan (PEMP, Appendix B to the contract)

Fee is awarded by DOE based on their evaluation of our performance – generally 94%

This fee largely offsets the Stanford Admin funds as well as other contributions provided to SLAC by Stanford.



\$4,850

X .94

\$4,559

In addition to the fee, operating a National Laboratory provides Stanford several benefits

- Funding for fundamental science that may lead to notable recognition; additional resources toward the mission of education
- Trusted partner of one of the largest government sponsors of R&D (the DOE)
- World class, government funded, scientific user facilities in Stanford's backyard
- Full cost recovery on all work at SLAC

The benefit for SLAC of Stanford's role is enormous!



- Reputation as a world class institution provides significant credibility
- Contributions to the facilities at SLAC are unparalleled by any other Laboratory contractor
- Access to faculty, students and staff provide tremendous leverage

LABORATORY GOALS

Be the world leader in X-ray and ultrafast science and in our selected areas of accelerator science and high energy physics

Expand and increase our impact in Office of Science mission areas by leveraging our world-leading core capabilities and expertise

Broaden and strengthen our impact across critical national needs by using our position within Stanford and Silicon Valley

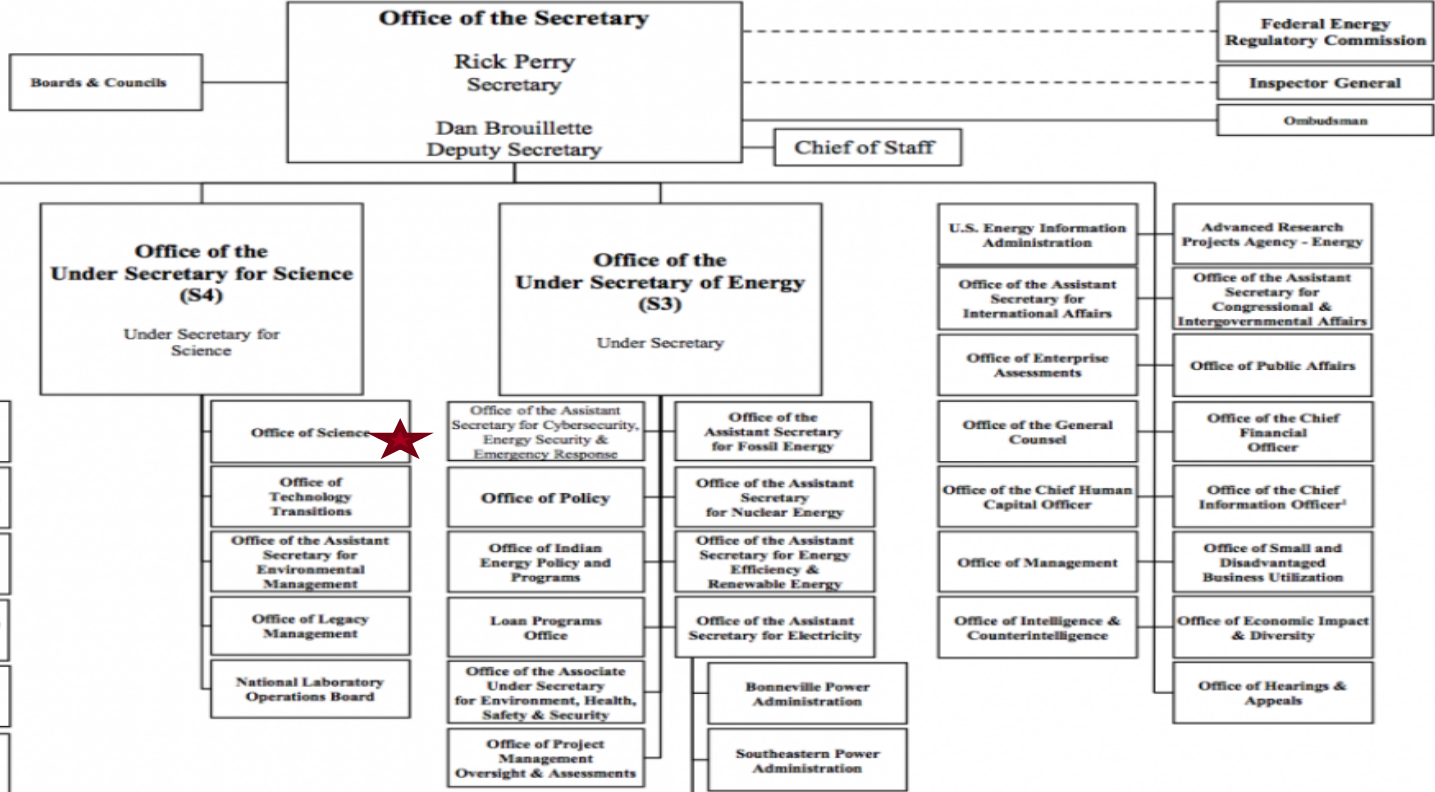
Be the “best-in-class” DOE lab for safe, efficient and innovative operations that align with and enable our research mission

Our Customer Base: We have migrated from a High Energy Physics Lab to a Basic Energy Sciences Lab

SLAC



DEPARTMENT OF ENERGY



All funding at SLAC is added to our M&O contract by DOE

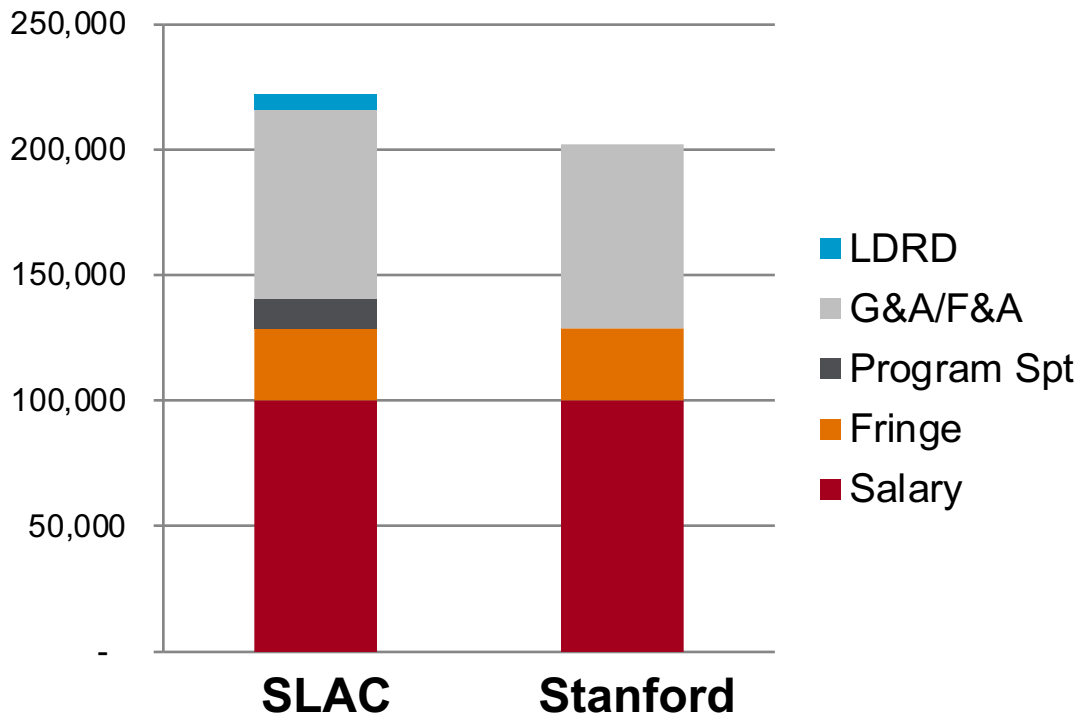
DOE funding is relatively straight forward:

- Office of Science
- NNSA
- EERE

Work for any other sponsor requires an agreement between that sponsor and DOE and is subject to DOE's terms and conditions.

- Federal
- Non-Federal
- Stanford

At SLAC, with overheads, \$100K salary costs a sponsor ~\$226K. Unlike on campus, this is not negotiable



Labor is slightly more expensive at SLAC but materials and subcontracts have lower burdens

- Stanford and SLAC have different Disclosure Statements whereby our “Contracting Officers” have approved our accounting practices.
- Stanford uses a “Total Cost” base to apply its overhead; SLAC uses a “Value Added Base” (excludes materials and subcontracts) to apply our overhead.
- All SLAC rates must be “trued up” at FY end.

