

# 970.2201-140 Wages, salaries, and employee benefits.

(a) It is DOE policy that contractors facilitate the retention of certain critically skilled employees for: the management and operation of laboratories and other national defense and security site facilities; contracts designated by the Senior Procurement Executive; and certain other non-M&O contracts as described in 970.2201-100. Critically skilled employees are those employees whose specific recognized technical skills, knowledge, and experience in a specific field are critical to the operations or strategy of a contractor, and whose loss from the DOE contractor's workforce system would cause a significant negative impact on achieving and supporting national research, environmental, defense, and security objectives.

(b) Wages, salaries, and employee benefits shall be administered in a manner designated to adapt the normal practices and conditions of industry or institutions of higher education to the contract work, and to provide for appropriate review by DOE.

(c) The contractor's compensation systems and supporting policies should support the effective recruitment and retention of a highly skilled, motivated, and experienced workforce at a reasonable cost. For a cost to be allowable it must comply with each of the five requirements for allowability stated in FAR 31.201-2. Some of the specific details of the allowable costs for compensation for personal services are discussed at FAR 31.205-6, as supplemented by, 970.3102-506, and other pertinent parts of the DEAR and DOE directives and policies.

**Parent topic:** [Subpart 970.22—Application of Labor Policies](#)