



Sandia National Laboratories

High Risk Property Program

**For Unclassified, Non-Hazardous
Government Personal Property**

2016 ECCO Seminar, Richland, WA
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Presented by:

**Property Management and Reapplication
High Risk Property Administrator (HRPA)**

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Overview

- 41 CFR 109 High Risk Property
 - Definition
 - Responsibilities
- DOE Order 580.1A and the NNSA OPMO High Risk Clarification Memo dated 02.25.16
 - Impacts
 - Implementation
- SNL's High Risk Property Program
 - Policy and Procedures
 - Forms and Tools



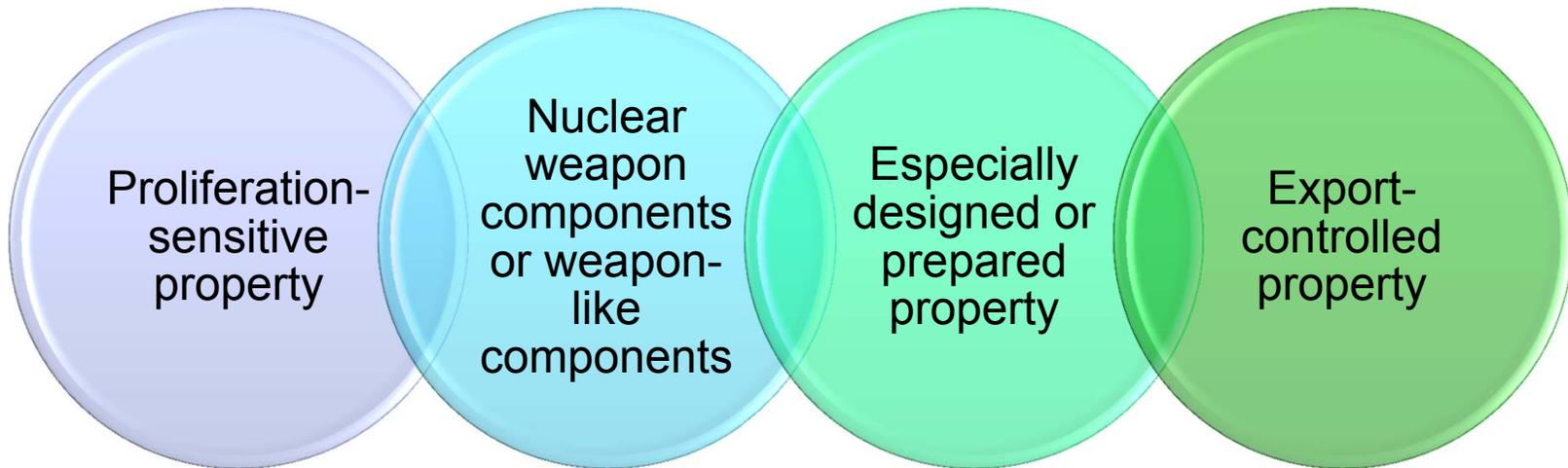
What is High Risk Property?

- Property that, because of its potential impact on public health and safety, the environment, national security interests, or proliferation concerns, must be controlled, and disposed of in other than the routine manner. – 41 CFR 109-1.100-5





Management of High Risk Personal Property



- 41 CFR 109-1.53 is intended to ensure that the disposition of these four categories of high risk does not adversely affect U.S. national security or nuclear non-proliferation objectives.



Property Management High Risk Property Categories

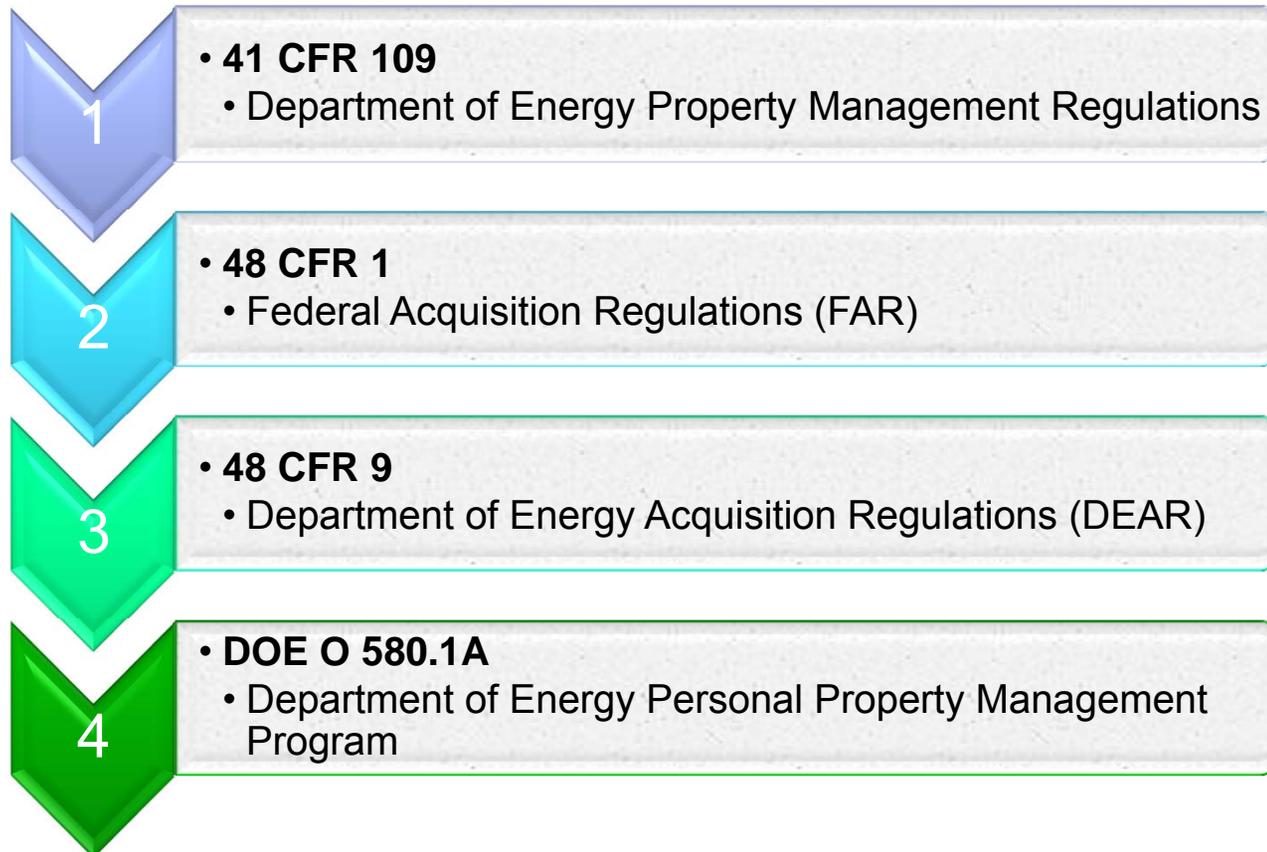


- The additional six categories of high risk are controlled by other DOE Departmental elements.



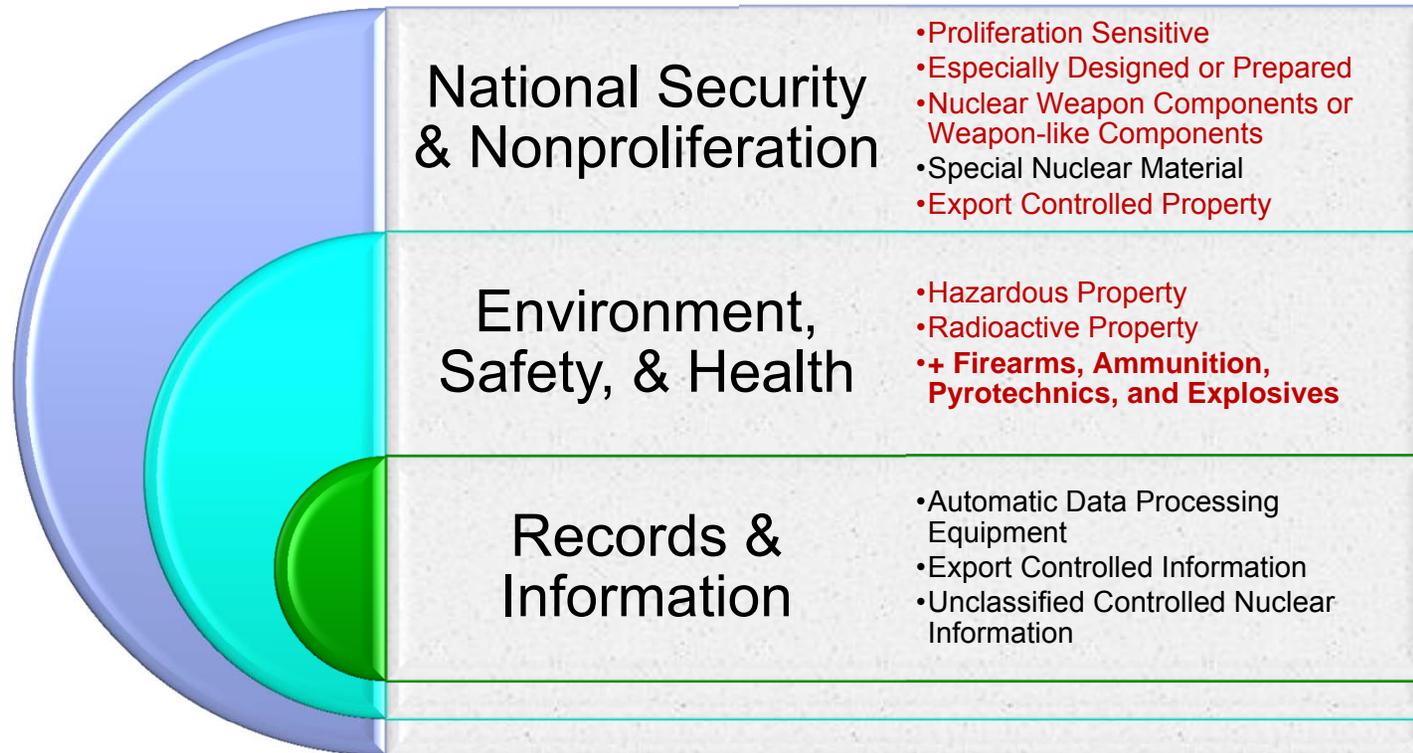
Regulatory Hierarchy

- Provided by NNSA for personal property management:





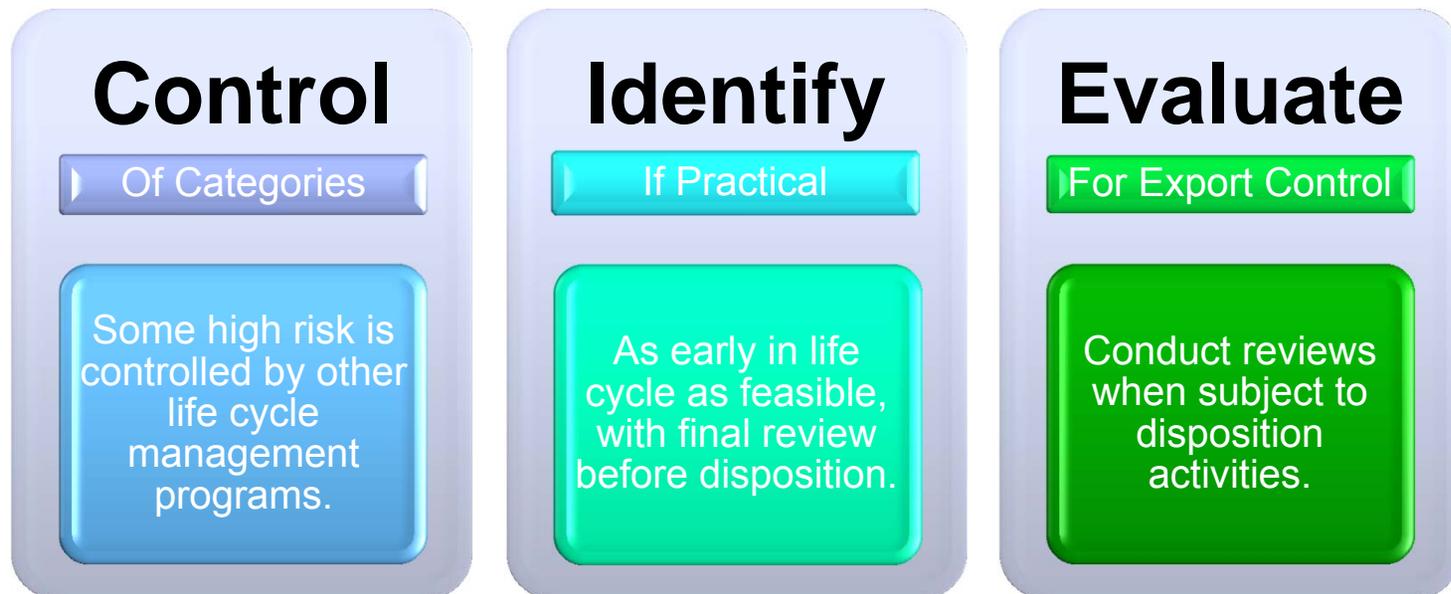
DOE Order 580.1A





OPMO Memo and SNL Implementation Plan

- NNSA OPMO provided a clarification memo for 580.1A CRD high risk property implementation:



- SNL's Implementation Plan addresses how the intent will be met without increasing requirements or costs.



SNL's High Risk Property Program

- 2012 presentation by a DOE panel of experts recommended:



- SNL used this DOE methodology to develop two categories of high risk:

Non-releasable
<ul style="list-style-type: none">• Especially Designed or Prepared• Nuclear Weapon Components• U.S. Munitions List

Controlled-releasable
<ul style="list-style-type: none">• Export Controlled• Defense articles not specially designed



High Risk Category Guide

	Document Title: High Risk Personal Property Category Guide	Document Number: NM-PM-GD-01
	Document Owner/Approver: Diana Goold	Version No: 01
	Author/SME: Sherri Clark	Effective Date: 6-9-14

High Risk Personal Property Category Guide

1. PURPOSE/SCOPE

This document is designed to help the reader correctly identify high risk personal property as either Nonreleasable or Controlled-Releasable for appropriate lifecycle management and control.

2. GUIDE

2.1 Nonreleasable unclassified, nonhazardous high risk property includes the following:

- Department of State (DOS)-controlled defense articles that meet the following:
 - a. specifically designed or modified for a military application, and
 - i. does not have predominant civil applications, and
 - ii. does not have performance capabilities that are equivalent (defined by form, fit, and function) to those of an article for civil applications; or
 - b. specifically designed or modified for a military application and has significant military or intelligence applicability such that control is necessary; or
 - c. specially designed properties that are peculiarly responsible for achieving or exceeding the controlled performance levels, characteristics, or functions described in the [U.S. Munitions List \(USML\)](#); or
 - d. specially designed parts, components, accessories, or attachments for use in or with a defense article
- Atomic Energy Act (AEA)-controlled nonnuclear parts of atomic weapons included in the [NAP-23](#) Tier 2¹ that meet the following:
 - a. reveal a specific nuclear weapon function; or
 - b. reveal special capabilities necessary to design, develop, produce, or evaluate nuclear weapons or nuclear weapon tests or any other nuclear explosions; or
 - c. items which, if used for other purposes would be identified by the lists of nuclear equipment and material listed in the [Dual-Use List](#) or the [USML](#).
- AEA-controlled [Trigger List](#) items that are especially designed or prepared for use in the nuclear fuel cycle and associated with the following:
 - a. nuclear reactors and other nuclear fuel-cycle facilities; or
 - b. fabrication of nuclear fuel; or
 - c. designing, constructing, fabricating, maintenance, and operating of production reactors; or

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- d. production of heavy water; or
- e. enrichment and reprocessing

2.2 Controlled-releasable unclassified, nonhazardous high risk property includes the following:

- DOS-controlled defense articles that are not specially designed and meet the following:
 - a. included in an Export Administration Regulations (EAR) [Commerce Control List](#) ECCN paragraph that does not contain "specially designed" as a control parameter; or
 - b. regardless of form or fit, is a fastener (e.g., screw, bolt, nut, nut plate, stud, insert, clip, rivet, pin), washer, spacer, insulator, grommet, bushing spring, wire, or solder; or
 - c. has the same function, performance capabilities, and the same or "equivalent"² form and fit as a commodity used in or with a commodity that:
 - i. is/was in production (i.e., not in development), and
 - ii. is not enumerated on the [USML](#); or
 - d. is/was being developed with knowledge that it is/would be for use in/with both defense articles enumerated on the [USML](#) and also commodities not on the [USML](#); or
 - e. is/was being developed as a general-purpose commodity (i.e., with no knowledge for use in/with a particular commodity [e.g., an F/A-18 or HMMWV] or type of commodity [e.g., an aircraft or machine tool])
- Department of Commerce (DOC)-controlled [Commerce Control List](#) items warranting export control that are not controlled by another U.S. government agency and meet the following:
 - a. Dual-use equipment, material, and technology with both civil and military, terrorism, or potential weapons of mass destruction (WMD)-related applications

3. ASSOCIATED MATERIALS AND DOCUMENTS

- Corporate Procedure [SCM100.3.20](#), *Manage High Risk Property*

4. VERSION/REVIEW HISTORY

Version	Effective Date	Summary of Changes
01	6-9-14	New document, first release

¹ AEA-controlled information/items/parts are divided (graded) into Tiers 1-3 (see [NAP-23](#), page 3, for tier definitions).

² With respect to a commodity, "equivalent" means its form has been modified solely for fit purposes.

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Acquisition and Useful Life

- SNL policies and business practices address these areas:

Identify
Accountable
property

Control
Owning organization

Review
Storage & site visits

Inform
Established &
emerging threats

Train
High Risk
Awareness

Question
Obtain additional
information



High Risk Questionnaire

SP 8351-RRP (4-2016)
Replaces SP 831 (4-2016)

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High Risk Personal Property Questionnaire

The following set of questions can be used as an assessment tool to determine if Government personal property (also referred to as "personal property" or "property") is high risk. If all of the answers are "No," the property is not high risk. If the answer to any question is "Yes," the property is high risk and must be managed in accordance with Corporate Procedure: [SCM100.3.20 Manage High Risk Property](#). Additional guidance can be found in the [High Risk Personal Property Web Page](#), which includes the High Risk Personal Property Category Guide, and High Risk Property Administrator (HRPA) contacts.

Description of the property (must be unclassified if forwarding to an HRPA): <input style="width: 100%; height: 20px;" type="text"/>				
Disposition Code(s):	SNL Property No.:	Manufacturer:	Model No.:	Serial No.:
<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>

Subject Matter Expert (Technical Expert) must answer the following questions:	High Risk Answers:
<p>1) Is the property military equipment? Nonreleasable ITAR (International Traffic in Arms Regulations) – Specifically or specially designed, developed, configured, adapted, or modified for a military application, including, but not limited to, any part of: firearms, artillery projectiles, ammunition, missiles, rockets, torpedoes, bombs, mines, explosives, tanks, vehicles, aircraft, training equipment, protective personnel equipment, military electronics, guidance and control equipment, cryptographic systems, communications equipment, telemetry, spacecraft, or submarines. Controlled-Releasable CCLI (Commerce Control List Items) – Not specially designed or has the same function, performance capabilities, and form and fit as a general purpose commodity that is or was in production, and is not enumerated on the U.S. Munitions List, or regardless of form or fit, is a fastener, washer, spacer, insulator, grommet, bushing spring, wire, or solder.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No
<p>2) Is the property a nuclear weapon component or weapon-like component? Nonreleasable AEA (Atomic Energy Act) Tier 2 – Component or subassembly of a nuclear weapon, nuclear detonation detector, or used in the research, design, development, testing, evaluating, production, training, maintenance, or handling of nuclear weapons; or items that simulate such parts. Note: Tier 3 – Items having specific design or modification, but not revealing sensitive information regarding function or capabilities are <u>not</u> considered high risk.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>3) Is the property especially designed or prepared (EDP) for use in the nuclear fuel cycle? Nonreleasable AEA EDP – Source and special fissionable material, heavy water, nuclear grade graphite, reactors and components, irradiated fuel processing, uranium isotope separation, heavy water/deuterium processing, or uranium conversion.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>4) Is the property a dual-use item with both civil and military applications? Controlled-Releasable CCLI (Commerce Control List Items) – Dual-use equipment, material, or technology with both civil and military, terrorism, or potential weapons of mass</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No

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SP 8351-RRP (4-2016)
Replaces SP 831 (4-2016)

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destruction (WMD)-related applications.

Subject Matter Expert:	<input style="width: 100%; height: 20px;" type="text"/>			
	Printed Name	Signature	Org.	Phone
		<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>
		Date		

Note: It is recommended that this form be retained with the personal property records for future reference.

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Disposition

- In no case shall property be transferred or disposed unless it receives a high risk assessment and is handled accordingly. — 41 CFR 109-1.5302

High Risk Disposition Codes

Is the property military equipment?
(Specifically or specially designed, developed, configured, adapted, or modified for a military application, including, but not limited to, any part of: firearms, artillery projectiles, ammunition, missiles, rockets, torpedoes, bombs, mines, explosives, tanks, vehicles, aircraft, training equipment, protective personnel equipment, military electronics, guidance and control equipment, cryptographic systems, communication equipment, telemetry, spacecraft, or submersibles.)

Is the property a nuclear weapon component or weapon-like component?
(Atomic Energy Act (AEA) Tier 2 component or subassembly of a nuclear weapon, nuclear detonation detection, or used in the research, design, development, testing, evaluating, production, training, maintenance, or handling of nuclear weapons; or items that simulate such parts.)

Is the property especially designed or prepared for use in the nuclear fuel cycle?
(Source and special fissionable material, heavy water, nuclear grade graphite, reactors and components, irradiated fuel processing, uranium isotope separation, heavy water/deuterium processing, or uranium conversion.)

Is the property a dual-use item with both civil and military applications?
(Dual-use equipment, material, or technology with both civil and military, terrorism, or weapons of mass destruction (WMD) related technology.)

NOTE: Only one option can be selected.

[For additional "High Risk" information](#)

Return Trip Ticket

- Section for specific information on high risk items

Represent Consultation

- Ensure correct disposition of classified or hazardous



Disposition (cont.)

- No screening of non-releasable high risk.

Review

Robust Process

Visual reviews and segregation of non-releasable high risk

Release

Export Control

Export Restriction Notice goes with all controlled-releasable

High Risk Disposition Codes

Is the property military equipment?

(Specifically or specially designed, developed, configured, adapted, or modified for a military application, including, but not limited to, any part of: firearms, artillery projectiles, ammunition, missiles, rockets, torpedoes, bombs, mines, explosives, tanks, vehicles, aircraft, training equipment, protective personnel equipment, military electronics, guidance and control equipment, cryptographic systems, communication equipment, telemetry, spacecraft, or submersibles.)

Nonreleasable ITAR (International Traffic in Arms Regulations)

(Specifically or specially designed, developed, configured, adapted, or modified for a military application, including, but not limited to, any part of: firearms, artillery projectiles, ammunition, missiles, rockets, torpedoes, bombs, mines, explosives, tanks, vehicles, aircraft, training equipment, protective personnel equipment, military electronics, guidance and control equipment, cryptographic systems, communication equipment, telemetry, spacecraft, or submersibles.)

Select a Disposition Code

- C = Destruction required of installed key point(s) as Destruction Code "D".
 D = Destruction required. Destroy items and components to prevent restoration or repair to a usable condition.
 B = Mutilation to the point of scrap required worldwide.

Controlled-Releasable CCLI (Commerce Control List Items)

(Not specially designed or has the same function, performance capabilities, and form and fit as a general purpose commodity that is or was in production, and is not enumerated on the U.S. Munitions List; or is regardless of form or fit, a fastener, washer, spacer, insulator, grommet, bushing spring, wire, or solder.)

- Q = Mutilation to the point of scrap required outside the U.S. In the U.S., mutilation requirement is determined by the CCLI ECCN citation.

[For additional "High Risk" information](#)

Save

Exit

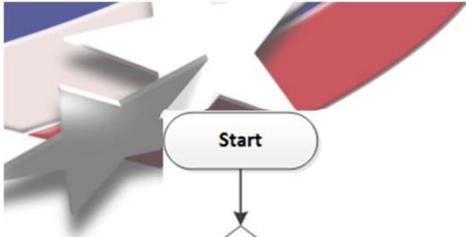


Export Restriction Notice

The use, disposition, export and reexport of this property are subject to all applicable U.S. laws and regulations, including the Atomic Energy Act of 1954, as amended; the Arms Export Control Act (22 U.S.C. 2751 *et seq.*); the Export Administration Act of 1979 (560 U.S.C. Append 2401 *et seq.*); Assistance to Foreign Atomic Energy Activities (10 CFR part 810); Export and Import of Nuclear Equipment and Material (10 CFR part 110); International Traffic in Arms Regulations (22 CFR Parts 120 *et seq.*); Export Administration Regulations (15 CFR part 730 *et seq.*); Foreign Assets Control Regulations (31 CFR parts 500 *et seq.*); and the Espionage Act (37 U.S.C. 791 *et seq.*) which among other things prohibit:

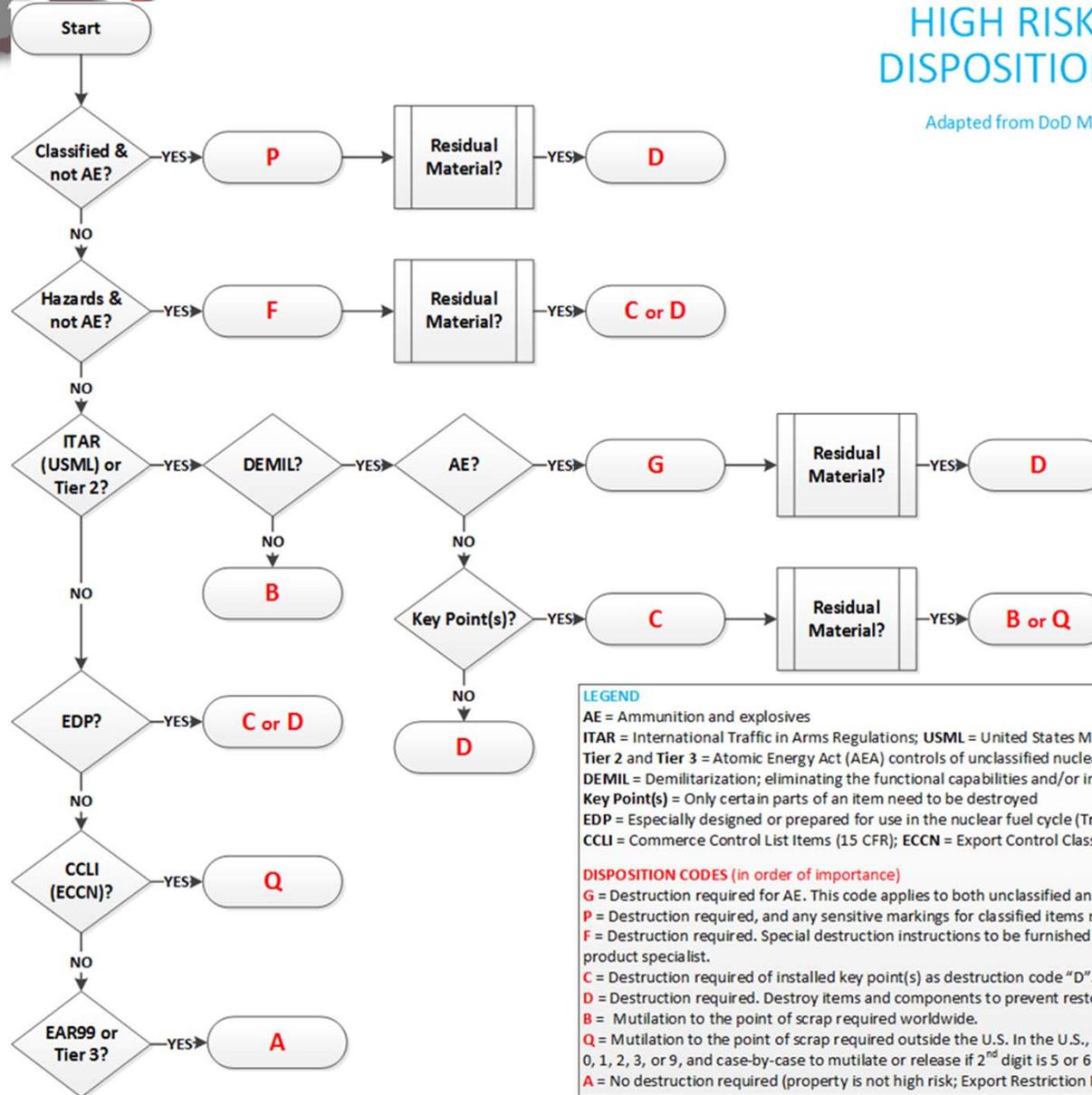
- a. The making of false statements and concealment of any material information regarding the use or disposition, export or reexport of the property; and
- b. Any use or disposition, export or reexport of the property which is not authorized in accordance with the provisions of this agreement.

— 41 CFR 109-1.5303



HIGH RISK PROPERTY DISPOSITION CODE MAP

Adapted from DoD M 4160.28-M-V2, 06.07.11



LEGEND

AE = Ammunition and explosives
 ITAR = International Traffic in Arms Regulations; USML = United States Munitions List (ITAR 22 CFR, Part 121)
 Tier 2 and Tier 3 = Atomic Energy Act (AEA) controls of unclassified nuclear-weapon-related items or systems (NAP-23)
 DEMIL = Demilitarization; eliminating the functional capabilities and/or inherent military design features
 Key Point(s) = Only certain parts of an item need to be destroyed
 EDP = Especially designed or prepared for use in the nuclear fuel cycle (Trigger List)
 CCLI = Commerce Control List Items (15 CFR); ECCN = Export Control Classification Number; EAR99 = No ECCN

DISPOSITION CODES (in order of importance)

G = Destruction required for AE. This code applies to both unclassified and classified AE items.
 P = Destruction required, and any sensitive markings for classified items not containing AE must be removed.
 F = Destruction required. Special destruction instructions to be furnished by item/technical manager or equipment/product specialist.
 C = Destruction required of installed key point(s) as destruction code "D".
 D = Destruction required. Destroy items and components to prevent restoration or repair to a usable condition.
 B = Mutilation to the point of scrap required worldwide.
 Q = Mutilation to the point of scrap required outside the U.S. In the U.S., no destruction required if CCLI ECCN 2nd digit is 0, 1, 2, 3, or 9, and case-by-case to mutilate or release if 2nd digit is 5 or 6 (Export Restriction Notice required for release).
 A = No destruction required (property is not high risk; Export Restriction Notice applies).



High Risk Program Take-Aways

- Regulatory hierarchy
- Graded approach to control, based on risk
- Export control evaluations are done at disposition
- Property is not released without a high risk review by qualified personnel
- Non-releasable high risk property is not screened, and is destroyed
- Controlled-releasable high risk can be released domestically to U.S. Citizens with an Export Restriction Notice
- Good policies, procedures, and tools ensure an effective program