

**U.S. Department of Energy**  
Washington, D.C.

**ORDER**

DOE O 541.1

Approved: 4-30-96  
Sunset Review: 4-30-98  
Expires: 4-30-00  
Change 1: 7-25-96

**SUBJECT:** APPOINTMENT OF CONTRACTING OFFICERS AND  
CONTRACTING OFFICER REPRESENTATIVES

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**1. OBJECTIVES.**

- a. Establish procedures governing the selection, appointment, and termination of contracting officers and for the appointment of contracting officer representatives.
- b. Ensure that only trained and qualified procurement and financial assistance professionals, within the scope of this Order, serve as contracting officers.

**2. CANCELLATION.** DOE 4200.4A, SELECTION, APPOINTMENT, AND TERMINATION OF APPOINTMENT OF CONTRACTING OFFICERS, dated 08-21-89.

**3. APPLICABILITY.**

- a. DOE Elements. This Order applies to all DOE Elements.
- b. Exemptions.
  - (1) Appointment requirements for contracting officers established by this Order do not apply to the following (see paragraph b(2) below):
    - (a) These purchases and purchase methods have their own appointment/authorization requirements.
      - 1 Government Purchase Card (also known as IMPAC) program purchases generally limited to the micro-purchase threshold at FAR 13.601 and never to exceed \$25,000.
      - 2 U.S. Government National Credit Card, Standard Form 149 (Federal Property Management Regulation 101-38.8).

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**Distribution:**  
All Departmental Elements

**Initiated By:**  
Deputy Assistant Secretary for  
Procurement and Assistance Management

- 3 Standard Form 44 (FAR 13.505-3).
  - 4 Imprest fund (FAR 13.401).
  - 5 Purchase of transportation tickets on a common carrier and travel- related purchases while on official travel.
- (b) Heads of contracting activities (HCAs) shall be appointed and delegated contracting officer authority by the Procurement Executive without the need for the appointment process described in this Order.
  - (c) An employee assigned to and performing within a contracting office under the supervision of the contracting officer does not require designation as a representative to perform assigned duties.
  - (d) An existing valid appointment is not subject to the appointment requirements in this Order.
- (2) Notwithstanding the exemptions to appointment requirements discussed in paragraph b(1) above, the requirements in paragraphs 4h, and 4i and the responsibility in paragraph 5c(5) are applicable as stated in these paragraphs.

#### **4. REQUIREMENTS.**

- a. All persons to be appointed contracting officers shall be employees of DOE or detailed to the Department and, except as provided in paragraph 4b, all persons to be appointed contracting officers shall meet the qualifications set forth in Attachment 1.
- b. An individual who does not meet the qualifications in Attachment 1 may be appointed as a contracting officer by the HCA provided:
  - (1) a written determination is made, with supporting rationale, explaining why such an appointment is necessary to meet mission requirements;
  - (2) the determination has the concurrence of the Procurement Executive or his designee; and
  - (3) the HCA making the appointment ensures that the individual acquires the minimum qualification experience and training as soon as practicable.

- c. Contracting officers shall comply with applicable requirements in statutes, regulations, Executive Orders, Policy Letters of the Office of Federal Procurement Policy, DOE Acquisition Letters and Financial Assistance Letters, and DOE Directives.
- d. All contracting officers are required to file either a Confidential Financial Disclosure Report (SF 450) or a Public Financial Disclosure Report (SF 278). If a nominee has not previously filed a financial disclosure report, upon being nominated, one must be filed for review by local field counsel (for field employees) or the Office of Assistant General Counsel for General Law (for headquarters employees). A financial disclosure report is required as a part of the appointment process only if the employee has **not** previously filed a new entrant or the most recent annual report.
- e. Supervisors of positions to be occupied by a contracting officer appointed on Certificate of Appointment, Standard Form 1402 (SF 1402) shall:
  - (1) Review a personal qualifications statement prepared and signed by the nominee contracting officer.
  - (2) Complete and sign a Recommendation for Appointment document for each nominee (see format example, Attachment 4). The document shall include a statement to the effect that there is a clear and convincing need to appoint a contracting officer for reasons identified in the document.
- f. All SF 1402 certificates shall be signed by the HCA; this authority shall not be redelegated.
- g. A contracting officer whose authority is limited to the micro-purchase threshold at FAR 13.6 shall be appointed in writing in accordance with procedures established by the HCA. This requirement does not apply to the purchases and purchase methods set forth at paragraph 3b.
- h. A contracting officer whose authority is limited to Government Purchase Card (IMPAC) program purchases not to exceed \$25,000 per transaction shall be appointed in writing in accordance with procedures established by the HCA.
- i. Unless exempt in the FAR, DOE employees, and those detailed to DOE, with contracting authority shall comply with the procurement integrity requirements of FAR section 3.104.
- j. Each contracting activity shall issue an internal directive or other issuance on contracting officer authorities which:

- (1) Establishes and maintains an up-to-date data base of the contracting activity's contracting officers and contracting officer representatives by name or by position.
  - (2) Identifies the limitations on each of the identified personnel.
- Vertical line denotes change.
- k. When signing as a contracting officer, the title "contracting officer" shall be written, beneath or appropriately near the signature.
  - l. An individual designated by a contracting officer to be a contracting officer's representative must have completed a minimum of 24 hours of formal education in basic Government procurement or contract administration or have at least one year's experience as a contracting officer's representative at a Federal agency. All contracting officer's representative designations shall be by name and position title.
  - m. Documentation is required as follows:
    - (1) Qualification statements for the appointment of contracting officers shall include, as a minimum, the following.
      - (a) A description of formal education completed and degrees earned.
      - (b) A list of:
        - 1 training completed in business administration, law, accounting, or related fields;
        - 2 specialized courses completed in Government acquisition, assistance instruments, and sales.
      - (c) A schedule of courses required to meet minimum qualifications.
      - (d) A list of professional affiliations.
      - (e) A description of previous related experience.
      - (f) A list of previous appointments as a contracting officer and the appointing organization.

Vertical line denotes change.

- (2) SF 1402 certificates shall be prepared in accordance with FAR 1.603-3 as follows.
    - (a) Specifying, on their face, the functional areas to which authority has been delegated. (Attachment 3 lists the functional areas.)
    - (b) Designating, on their face, "for administration only" for individuals with authority limited to post-award or administrative activities of contracts and/or financial assistance.
  - (3) Contracting officer's representative appointments shall designate the following in writing.
    - (a) Name and position.
    - (b) Instructions delineating actions that:
      - 1 may be taken for the contracting officer;
      - 2 may not be taken for the contracting officer.
- n. When a contracting officer is reassigned, the following requirements apply.
- (1) When the reassignment is within the same contracting activity:
    - (a) the appointment as a contracting officer (on SF 1402) shall be revoked in writing by an official(s) at a level the HCA deems appropriate;
    - (b) the revocation shall be coordinated with the cognizant personnel office if the revocation may affect the official job classification.
  - (2) When the reassignment is within the Department, the SF 1402 certificate is automatically terminated.
  - (3) A gaining organization that determines a need to reappoint the individual shall:
    - (a) Obtain documentation supporting the initial or latest appointment from the losing organization. The contracting officer shall continue to file annual financial disclosure reports.
    - (b) Prepare a new certificate.
    - (c) Distribute the new certificate appropriately.

**5. RESPONSIBILITIES.**

- a. Deputy Assistant Secretary for Procurement and Assistance Management, in the capacity as Procurement Executive. Establishes and maintains an effective contracting officer certification program to maintain clear lines of contracting authority and accountability.
- b. Heads of Departmental Elements (senior program officials), or their designees. Ensure that nominees meet all qualification requirements before being nominated as contracting officer representatives.
- c. Heads of Contracting Activities.
  - (1) Appoint contracting officers and sign all SF 1402 certificates; neither authority shall be redelegated.
  - (2) Use the criteria in Attachment 1, Contracting Officers Qualifications, when selecting contracting officers.
  - (3) Determine equivalency-of-training courses and on-the-job training for the minimum qualifications established in Attachment 1.
  - (4) Distribute documents in accordance with Attachment 2, Distribution Requirements.
  - (5) Establish procedures for the appointment of contracting officers in accordance with and as required in paragraphs 4g and 4h (Attachment 1 identifies desirable training).
  - (6) Issue an internal directive (or other issuance) as required by paragraph 4j.
- d. Assistant General Counsel for General Law or Local Field Counsel. Grants clearance of the nominee prior to his/her appointment or reappointment as a contracting officer.
- e. Contracting Officers. Comply with the procurement integrity requirements in FAR 3.104.

**6. REFERENCES.**

- a. Federal Acquisition Regulation, especially its subpart 1.6, Career Development, Contracting Authority, and Responsibilities.
- b. Department of Energy Acquisition Regulation 901.6, Contracting Authority and Responsibilities.
- c. Office of Federal Procurement Policy Policy Letter No. 92-3, Procurement Professionalism Program Policy - Training for Contracting Personnel, dated June 24, 1992.

**7. CONTACTS.**

- a. Information on general policy matters involving the appointment of a contracting officer can be obtained from the Office of Policy within the Office of Procurement and Assistance Management.
- b. Information on the process of appointing a contracting officer and the submission of documents to the Office of Procurement and Assistance Management can be obtained from the Office of Special Projects and Management Systems.
- c. Information on conflicts of interest can be obtained from local field counsel or from the Office of the Assistant General Counsel for General Law.

BY ORDER OF THE SECRETARY OF ENERGY:



ARCHER L. DURHAM  
Assistant Secretary for  
Human Resources and Administration

**CONTRACTING OFFICER QUALIFICATIONS**

| <b>Function</b>   | <b>Experience</b>  | <b>Minimum Training<sup>1</sup></b>  | <b>Highly Desirable Training<sup>2</sup></b>   |
|---|--|--|--|
| Negotiation/Sealed Bid, Procurement Contracts, Interagency Agreements, and Sales Contracts          | At least 5 years of progressively complex and responsible experience in negotiation/sealed bidding and performing business administration of procurement. Extensive experience in the GS-1102 or GS-1105 job series, or directly comparable military experience as a contracting officer, is highly desirable. | At least 200 class hours covering basic procurement, contract administration, cost/price analysis, negotiation techniques, and contract law.                             | Architect/engineering contracting<br>Construction contracting<br>Advanced cost type contracts<br>ADP procurement<br>Contracting for commercial services  |
| Grants and Cooperative Agreements   | At least 3 years of progressively complex and responsible experience in negotiating and performing business administration of grants and/or cooperative agreements. Extensive experience in grants and/or cooperative agreements.  | At least 100 class hours covering Federal financial assistance, basic procurement, contract procurement, contract administration, cost/price analysis, and contract law. | Negotiation techniques<br>Property management  |
| Loans and Loan Guarantees   | At least 1 year of progressively complex and responsible experience in negotiating and performing business administration of price supports, guaranteed market agreements, loans, and loan guarantees. Banking experience is highly desirable.   | At least 80 class hours covering cost/price analysis and contract law.   | Basic procurement<br>Negotiation techniques<br>Architect/engineering contracting   |
| Simplified Acquisition Purchases over micro-purchase threshold or over \$25,000 if using IMPAC card | At least 1 year of experience negotiating and performing business administration of procurement, preferably including at least 6 months of simplified acquisition purchases.   | At least 40 class hours covering simplified acquisition/Federal supply schedules and basic procurement.  | Sealed bidding and Contract law  |
| Individual transaction up to micro-purchase threshold or up to \$25,000 if using IMPAC card         | As established by the head of contracting activity.  |  | (1) Self instruction using training materials from the IMPAC program bank, (2) a 1-day training course on the IMPAC program, or (3) other appropriate training as established by the head of contracting activity. |
| Administration, not a resident engineer   | Same as experience for each functional area except all years are reduced by 50 percent.  | Same subjects for each functional area except class hours are reduced by 50 percent.   |  |
| Administration, resident engineer   | At least one year of appropriate Government experience as a contracting officer's representative, project manager, or other equivalent experience.   | At least 40 class hours covering Government construction contracting.  |  |

<sup>1</sup> Procurement and assistance skills training courses in Section III of the Professional Skills Training Program Course Directory, available from the Headquarters Office of Training and Human Resource Development (HR-22), satisfy these requirements. Other courses, with substantially equivalent course content, also satisfy these requirements.

<sup>2</sup> Courses are not required for appointment

**DISTRIBUTION REQUIREMENTS**

| Document  | Distribution                   |                            |                           |                          |                      |                    |
|---|--------------------------------|----------------------------|---------------------------|--------------------------|----------------------|--------------------|
|   | Contracting Officer (Original) | Contracting Officer (Copy) | Contracting Activity File | Cognizant Finance Office | Counsel <sup>1</sup> | HR-53 <sup>2</sup> |
| Certificate of Appointment (SF 1402) or written appointment to award an individual micro-purchase or IMPAC card purchase up to \$25,000 | ✓                              |                            | ✓                         | ✓                        | ✓                    | ✓                  |
| Personal Qualifications Statement   |                                |                            | ✓                         |                          |                      | ✓                  |
| Recommendation for Appointment  |                                |                            | ✓                         |                          |                      | ✓                  |
| HCA Appointment Determination   | ✓                              |                            | ✓                         | ✓                        | ✓                    | ✓                  |
| Termination of Appointment  | ✓                              |                            | ✓                         | ✓                        | ✓                    | ✓                  |
| Local Directive (or other issuance) on Appointments   |                                | ✓                          | ✓                         | ✓                        |                      | ✓                  |
| Appointment of Resident Engineer as an Administrative Contracting Officer with Limited Authority  |                                | ✓                          | ✓                         | ✓                        |                      |                    |
| Appointment as a Contracting Officer Representative   |                                | ✓                          | ✓                         |                          |                      |                    |

<sup>1</sup> For headquarters employees and for SF 278 filers

U.S. Department of Energy  
Assistant General Counsel for General Law (GC-80)  
Headquarters

For field employees who file SF 450  
Local Field Counsel

<sup>2</sup> U.S. Department of Energy  
Office of Special Projects and Management Systems (HR-53)  
Headquarters

**FUNCTIONAL AREAS OF DELEGATION**

1. Procurement contracts including interagency acquisitions.
2. Purchases using simplified acquisition procedures (described in FAR Part 13; DEAR Part 913).
3. Grants and cooperative agreements.
4. Price supports or guaranteed price agreements.
5. Guaranteed market or purchase agreements.
6. Loans and loan guarantees.
7. Sales contracts.
8. Administration only, not limited to the authorities of a resident engineer.
9. Administration only, resident engineer, limited in authority as follows:
  - a. To issue change orders (term explained at FAR 4.43.2), with an estimated amount not to exceed \$50,000, in accordance with the procedures at Federal Acquisition Regulation subpart 43.2.
  - b. Limited to a specific contract; the authority expires upon completion of the contract.
  - c. Does not include authority to issue the modification to the contract to definitize the change order.

## EXAMPLE

### Recommendation for Appointment

The following findings and determinations are made pursuant to applicable laws and regulations.

1. There is a clear and convincing need to appoint a contracting officer for the following reason (quantify where practicable).
2. \_\_\_\_\_, the nominee contracting officer, is an employee of or detailed to the U.S. Department of Energy.
3. The nominee contracting officer will occupy the following organizational position, responsible for the processing of acquisitions, financial assistance instruments, and/or sales.
4. The nominee's attached personal qualifications statement has been evaluated and (check as applicable):
  - The nominee's experience, education, and training meet the established DOE minimum qualifications.
  - The determination to nominate pursuant to the procedures of paragraph 4b of the Order is attached.
5. The nominee's knowledge of the Federal Acquisition Regulation, the Department of Energy Acquisition Regulation, the Department of Energy Financial Assistance Rules, and other applicable laws, Executive Orders, and regulations affecting acquisition, financial assistance, and/or sales, as appropriate, is adequate for the appointment.
6. The nominee's business acumen, judgment, character, reputation, and ethics are sound.
7. The nominee has completed Executive Branch Confidential Financial Disclosure Report (SF-450) or Executive Branch Public Financial Disclosure Report (SF 278) and has been cleared by the Assistant General Counsel for General Law (GC-80) or Local Field Counsel.
8. The nominee is well qualified for the appointment.

**Supervisor:**

**Concur:**

\_\_\_\_\_  
Signature of supervisor of position  
to be held by the nominee contracting  
officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Designating Official  
Head of Contracting Activity

\_\_\_\_\_  
Date

Typed Name: \_\_\_\_\_

Typed Name: \_\_\_\_\_

EXAMPLE

7-25-96

**SUBJECT: APPOINTMENT OF CONTRACTING OFFICERS  
AND CONTRACTING OFFICER REPRESENTATIVES**

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1. **PURPOSE.** To transmit revised pages to DOE O 541.1, APPOINTMENT OF CONTRACTING OFFICERS AND CONTRACTING OFFICER REPRESENTATIVES, of 4-30-96.
2. **EXPLANATION OF CHANGES.** Paragraph 4.j.(3) has been deleted in its entirety from the Order.
3. **FILING INSTRUCTIONS.**

| a. | <u>Remove Pages</u> | <u>Dated</u> | <u>Insert Pages</u> | <u>Dated</u> |
|----|---------------------|--------------|---------------------|--------------|
|    | 3 to 4              | 4-30-96      | 3                   | 4-30-96      |
|    |                     |              | 4                   | 7-25-96      |

- a. After filing the attached pages, this transmittal may be discarded.

BY ORDER OF THE SECRETARY OF ENERGY:



ARCHER L. DURHAM  
Assistant Secretary for  
Human Resources and Administration

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**Distribution:**  
All Departmental Elements

**Initiated By:**  
Deputy Assistant Secretary for  
Procurement and Assistance Management