

SUBJECT: SUPPLEMENTAL REQUIREMENTS FOR THE USE OF MANAGEMENT AND OPERATING OR OTHER FACILITY MANAGEMENT CONTRACTOR EMPLOYEES FOR SERVICES TO DOE IN THE WASHINGTON, D.C., AREA

1. OBJECTIVES. To supplement review and approval requirements in Department of Energy (DOE) O 350.2A, *Use of Management and Operating (M&O) or Other Facility Management Contractor Employees for Services to DOE in the Washington, D.C., Area*, dated 10-29-03.

2. CANCELLATION. None.

3. APPLICABILITY.

a. DOE Elements. Except for the exclusions in paragraph 3c, this Notice applies to all DOE elements funding M&O or other facility management contractor assignments to the Washington, D.C., area. See Attachment 1 for a complete list of DOE elements to which this Notice is applicable. This Notice automatically applies to DOE elements created after it is issued.

The NNSA Administrator will assure that NNSA employees and contractors comply with their respective responsibilities under this Notice.

b. DOE Contractors. While DOE O 350.2A contains a Contractor Requirements Documents (CRD) and is applicable to DOE contractors, this Notice does not contain any changes to the CRD and is not applicable to contractors.

c. Exclusions.

- (1) the Power Marketing Administrations,
- (2) the Office of the Deputy Administrator for Naval Reactors,
- (3) assignments under Intergovernmental Personnel Act Mobility Program Agreements,
- (4) work for others agreements, or
- (5) such others as may be exempted by the Director, Office of Management, or the Associate Administrator for Management and Administration, NNSA.

4. REQUIREMENTS.

- a. The following requirements address findings of a DOE Inspector General's audit and supplement DOE O 350.2A, which will be updated to include the revisions defined in this Notice.
- b. Sponsoring organizations will revise internal organizational review and approval procedures to ensure compliance with the following supplemental direction.

5. REASSESSMENTS OF CURRENT CONTRACTOR ASSIGNMENTS. (See Attachment 2 of this Notice, Assignment Information Standards.)

- a. Sponsoring organizations are to take appropriate action to reassess current assignments as follows.
 - (1) Assignments that will remain active through FY 2006 will be reassessed immediately.
 - (2) Assignments that are not expected to be active throughout FY 2006 do not require reassessment.
 - (3) An extension proposed for an assignment to remain active through FY 2006 must meet the assessment requirements of this Notice prior to approval.
 - (4) Any extension that proposes to keep an assignment active in FY 2006 must meet the requirements of this Notice prior to approval.
- b. To determine whether the current assignments are justified and supported, sponsoring organizations will review—
 - (1) documentation that defines the need for the assignment,
 - (2) basis for approval,
 - (3) basis for choosing an M&O or facility management contractor rather than an alternative source such as a support service contractor,
 - (4) rationale for and accuracy of the estimated duration of the assignment, and
 - (5) basis for determining that the assignment costs were reasonable.
- c. Following reassessment, sponsoring organizations are to—
 - (1) notify the Office of Procurement and Assistance Management (OPAM) and submit documentation of significant findings,

- (2) terminate assignments that do not meet the requirements of this Notice, and
- (3) develop internal cost reassessment procedures for assignments that exceed one year.

6. **SUPPLEMENTAL REQUIREMENTS.** Unless otherwise noted, these requirements apply equally to critical skills staffing and contractor administrative/overhead plans. Sponsoring organizations must incorporate these requirements in standard review and approval procedures.

a. **Assignment Planning.**

- (1) Annual critical skills staffing plan submissions must be approved by heads of DOE elements.
- (2) Each submission for a new assignment must include a statement confirming that an assessment has been completed.
- (3) A statement will be submitted only after the sponsoring organization staffing plan has been assessed and updated to meet requirements of this Notice.
- (4) For an existing assignment initially approved for a period exceeding one year (not to exceed three years), a submission must confirm one of the following.
 - (a) Information in the initial assessment has not changed, and the original assessment is still valid or
 - (b) Information in the initial assessment has changed, and the changes have been assessed.
- (5) A submission for extension of an existing assignment beyond the originally approved assignment period must include a statement confirming that an assessment has been completed.

b. **Cost and Duration of Assignment Implementation Schedule and Restrictions.**

- (1) Ongoing assignments are to be reassessed annually to determine if there is a basis for continuing the assignment.
- (2) Assessment documentation should be maintained by the sponsoring organization and at a minimum must satisfy the assignment information standards (Attachment 2).

- (3) Sponsoring organizations must establish annual assignment cost containment target levels that impose target limits on total costs for organization-sponsored assignments.
- (4) Annual critical skills staffing and administrative/overhead staffing plans will include assignment cost containment target levels for the upcoming fiscal year.
- (5) Reimbursement to assignees will not exceed the organization's approved cost containment target levels without written authorization from the head of the organization.
- (6) Reassessment and approval by the head of the sponsoring organization is required for extending an assignment beyond the three-year limit. Approval authority may not be delegated.
- (7) Reimbursement for assignment to a contractor's Washington, D.C., staff office will be limited to salary, benefits, business travel, and if applicable, and only the assignee's initial relocation. Once an employee has been relocated, reimbursement is limited to salary, benefits, and business travel.
- (8) All cost reimbursements should be based on actual costs or reduced per diem rate as determined by the sponsoring organization.
- (9) Using the DOE assignment tracking database, sponsoring organizations will provide to the OPAM monthly notification that database records under their purview have been updated and are current as of the date of the notification.
- (10) Assignment and cost restrictions will apply as follows.
 - (a) An assignment of greater than three years in duration will be considered a relocation, and assignment reimbursements will cease at the end of the fiscal year in which the three year limit is reached, at which point the revised policy will be applied or the assignee must return to his/her former duty station. (NOTE: Reduced one time relocation costs and salary adjustment will be permitted with written approval from the head of the sponsoring organization.)
 - (b) Assignments of less than three years in duration will continue to receive reimbursements until the end of the fiscal year during which the three year limit is reached. Actions should be taken to

ensure that the revised policy is applied to the assignment by the end of the fiscal year in which the three year limit is reached.

- (c) Assignments approved after issuance of this Notice will be subject to the revised policy.

7. RESPONSIBILITIES.

a. Director, Office of Management, or NNSA Associate Administrator for Management and Administration.

- (1) Approves exemptions from requirements of this Notice.
- (2) Develops policy changes to be implemented in support of this Notice.

b. Sponsoring Organizations.

- (1) Prepare thorough justification for contractor assignments to the Washington, D.C., area.
- (2) Ensure that associated costs are reasonable and comply with requirements of this Notice.
- (3) Before submitting assignment requests, document the following comprehensive information:
 - (a) bases for making assignments;
 - (b) defined periods when the critical skills are needed;
 - (c) alternatives pursued before requesting contractor assignments; and
 - (d) research data confirming that costs are reasonable and comply this Notice.
- (4) Ensure that contractor assignment records in the DOE assignment tracking database are accurate.

c. Heads of DOE Elements.

- (1) Confirm completion of reassessment of current contractor assignments sponsored by their organizations.
- (2) Notify OPAM when reassessments are complete and document significant findings.

- (3) Develop internal cost assessment procedures.
 - (4) Establish annual assignment cost containment target levels for organization-sponsored assignments.
 - (5) Approve/authorize assignments and associated costs that exceed established duration and cost limits.
8. CONTACT. For additional information, contact Richard H. Hopf, Office of Procurement and Assistance Management, at 202-287-1310.



SAMUEL W. BODMAN
Secretary of Energy

DOE ELEMENTS TO WHICH DOE N 350.2 IS APPLICABLE

Office of the Secretary
Departmental Representative to the Defense Nuclear Facilities Safety Board
Energy Information Administration
National Nuclear Security Administration
Office of the Chief Financial Officer
Office of the Chief Information Officer
Office of Civilian Radioactive Waste Management
Office of Congressional and Intergovernmental Affairs
Office of Counterintelligence
Office of Economic Impact and Diversity
Office of Electricity Delivery and Energy Reliability
Office of Energy Efficiency and Renewable Energy
Office of Environment, Safety and Health
Office of Environmental Management
Office of Fossil Energy
Office of General Counsel
Office of Hearings and Appeals
Office of Human Capital Management
Office of Independent Oversight and Performance Assurance
Office of Inspector General
Office of Intelligence
Office of Legacy Management
Office of Management
Office of Nuclear Energy, Science and Technology
Office of Policy and International Affairs
Office of Public Affairs
Office of Science
Office of Security and Safety Performance Assurance
Secretary of Energy Advisory Board

ASSIGNMENT INFORMATION STANDARDS

The following information must be included in all submissions for assigning DOE management and operating (M&O) or facility contractor personnel to service in the Washington, D.C., area.

1. The employee's full name, contractor for whom he/she works, and proposed job classification.
2. Starting and ending dates of the assignment.
3. A detailed statement of work the employee is being assigned to perform. (NOTE: Assignees are not to be allowed to perform functions set forth at DOE O 350.2A, paragraph 4e.)
4. The relationship of the employee's proposed work activity to the sponsoring organization and to the M&O or facility management contract scope of work and mission.
5. Is this request an extension of a previous assignment? If yes, describe why the continued assignment is critical and what significant mutual benefit will be gained by the sponsoring office and the facility.
6. Is the request proposing to extend the assignment beyond the three-year duration limitation? If yes, please provide a rationale for continuing this assignment that can be used to obtain the required approval of the head of the sponsoring DOE program organization.
7. Explain why the described work cannot be performed at the employee's regular duty station.
8. Describe any adverse program impacts if the contractor employee were not assigned to perform the intended work.
9. Describe why, given the sponsoring organization's requirements, alternative sources are not practicable or appropriate.
10. Describe the basis used for determining that assignment costs are reasonable.
11. List the program organizational subcomponent to which the employee will provide services and the physical location where the employee will be assigned (if at a contractor's area office, include the address).
12. Provide the name, organizational code, and phone number of the Federal employee who will be responsible for ensuring that the employee is in attendance and performing

his/her work as required and for ensuring that the employee's work activities conform to the requirements and restrictions of DOE O 350.2A and DOE N 350.2.

13. Confirm that the assignment of this employee is not to replace a support service contractor that provided the same services previously.
14. Confirm that approval of this employee assignment will not result in your organization exceeding its Deputy Secretary approved annual assignment allocation. If the request proposes an assignment that results in exceeding the allocation, has a waiver per DOE 350.2A been approved?
15. Is this assignment being requested to support activities at a DOE M&O contractor Washington D.C., staff office? If yes, are costs limited to salary and benefits and, if applicable, a one-time charge for relocation?
16. What is the total monthly and/or annualized cost for this assignment (include all costs associated with the assignment, salary, benefits, per-diem, etc.)?
17. Are the proposed reimbursement costs consistent with requirements defined in DOE O 350.2A and this Notice?
18. Does the request propose reimbursement of costs beyond the limitations delineated in this Notice and if so, has the head of the sponsoring organization obtained the required approval to exceed the limitations?
19. Do annual costs (other than salary and benefits) exceed estimated total cost based on a daily per-diem rate for the year? If so, explain why the costs are to exceed the annual per-diem rates. Specifically, what costs elements cause this to happen and what is the rationale being used to approve exceeding the per-diem rate?
20. What are the detailed costs elements for this assignment? Cost detail must include but is not limited to the following:
 - a. salary and benefits (fully burdened, indicate the percentage of indirect costs burden);
 - b. personal effects shipment;
 - c. monthly and annual housing costs;
 - d. work related travel costs (number of trips, estimated cost per trip, and destination);
 - e. personal travel costs for returning to permanent duty station (include the number and frequency of these trips during a one year period and the costs estimated for each trip);

- f. other costs (including, but not necessarily limited to per-diem etc.).*

NOTE: An assignment of greater than three years in duration will be considered a relocation, and assignment reimbursements will cease at the end of the fiscal year in which the three year limit is reached, at which point the revised policy will be applied or the assignee must return to his/her former duty station. (NOTE: Reduced one time relocation costs and salary adjustment will be permitted with written approval from the head of the sponsoring organization.)

* Costs in excess of \$1,000 per year or 10 percent of the monthly costs (which ever is less) should be detailed and itemized separately.