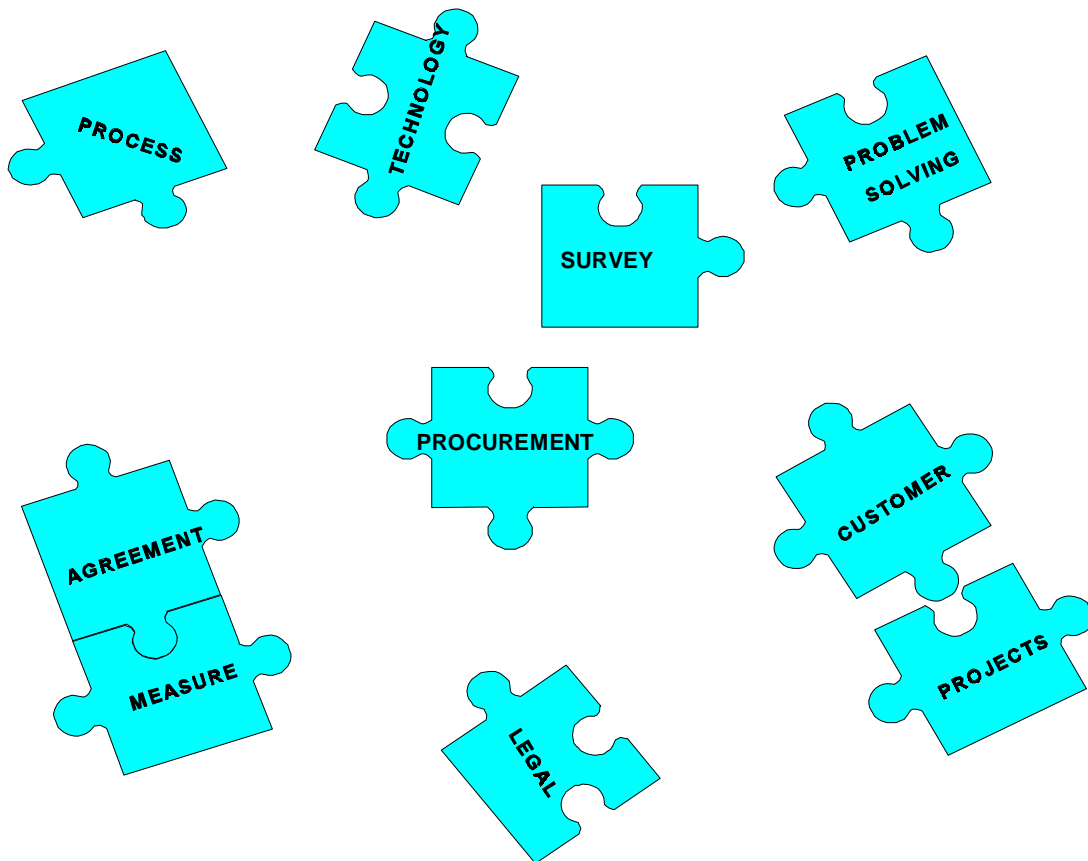


# **DOE G 481.1-1**

## **DEPARTMENT OF ENERGY**

### **WORK FOR OTHERS**

#### **GUIDE**



**"PUTTING IT ALL TOGETHER"**

**SEPTEMBER 1997**

## **FOREWORD**

The Work for Others (WFO) Guide was prepared by the Office of Human Resources and Administration. Technical and administrative support was provided by the Offices of Defense Programs, Energy Research, Nonproliferation and National Security, and by various Operations/Field Offices.

The WFO Guide has been designed to assist Operations/Field Offices in developing their local WFO processes; however, it does not prescribe any requirements not found in current Department of Energy (DOE) Orders and Manuals. If a conflict arises between this Guide and any DOE Order or Manual, the Order or Manual will take precedence. Since it is limited to providing general guidance which may or may not be utilized by the implementing offices, the Guide should not be used as an inspection or auditing tool to assess local processes.

In an effort to consolidate guidance on what should be in a WFO approval package so the roles and responsibilities of all parties to executed agreements are clearly specified, the "Guidelines for Development, Review, and Acceptance of Agreements for Reimbursable Work or Services by DOE Officials" is included as Attachment 1.

The following individuals were directly and substantively involved in the development of this product. Additional questions regarding the WFO Program should be directed to the appropriate point of contact listed below:

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## **1. INTRODUCTION**

The Department of Energy (DOE) has major national programs in fundamental scientific research; energy research and development (R&D); and nuclear weapons research, development, and production. Much of the work in these programs is conducted through an extensive network of Government-owned, contractor-operated laboratories and facilities under performance-based contracts. Through the Work for Others (WFO) Program, DOE can make the highly specialized or unique expertise and capabilities of this network available to support the missions of other Federal agencies and non-Federal customer needs on a fully reimbursable basis. These facilities are managed and operated for DOE by universities, industrial concerns, and non-profit organizations under terms of individual contracts, as defined in Federal Acquisition Regulation (FAR) Subpart 17.6.

DOE O 481.1, WORK FOR OTHERS, (NON-DEPARTMENT OF ENERGY FUNDED WORK), defines WFO as, “the performance of work for non-DOE entities by DOE/contractor personnel and/or utilization of DOE facilities that is not directly funded by DOE appropriations.”

The Economy Act of 1932, as amended 31 United States Code U.S.C. 1535, authorizes an agency to place orders for goods and services, subject to availability, with another government agency when the head of the ordering agency determines that it is in the best interest of the government. Similarly, the Atomic Energy Act of 1954, 42 U.S.C. 2001 et seq., Sections 31, 32, and 33, authorizes the conduct of research and development and certain training activities for non-DOE entities, provided that private facilities or laboratories are inadequate for that purpose.

By performing WFO, DOE benefits by increasing its opportunities to transfer technology that originates in DOE facilities to private industry for further development or commercialization. Other benefits DOE receives from WFO include (1) the financial support of mutual-interest scientific and technical programs and (2) improved and more continuous use of its facilities and contractor personnel, both of which help support DOE's fixed and variable costs.

This Guide frequently references DOE requirements and procedural information (Orders and Notices) and applicable Federal laws and regulations (Federal Acquisition Regulations and Atomic Energy Act, etc.). This is not a Policy document nor does it prescribe requirements for the WFO Program.

## **2. APPLICATION**

DOE WFO requirements and practices have been established to ensure compliance with Federal laws and regulations and are delineated in DOE O 481.1 WORK FOR OTHERS (NON-DEPARTMENT OF ENERGY FUNDED WORK) and DOE M 481.1, REIMBURSABLE WORK FOR NON-FEDERAL SPONSORS PROCESS MANUAL. This document suggests methods and standards for achieving an effective, user-friendly system and is not to be considered a requirements document. The procedures presented in this Guide are not designed to standardize the WFO process nor be included in any contracts. Alternative methods may be developed at the local level to satisfy program requirements; however, the information contained here may provide streamlining and quality alternatives to existing systems.

### **3. WFO PROCESS DESCRIPTION**

#### **3.1 Federally Sponsored WFO**

A classical WFO process for reviewing, approving/accepting, and authorizing work for other Federal agencies is described below. This description segments the process into the following six stages, which are depicted in Exhibit 1 (Page III-7).

- Stage 1: Proposal development by the facility contractor
- Stage 2: DOE review and approval of the proposal
- Stage 3: Sponsor review of the proposal
- Stage 4: DOE acceptance of the interagency agreement
- Stage 5: Performance of the work by the facility contractor
- Stage 6: Project closeout

The information presented (1) depicts the classical WFO process and identifies key decision points; (2) defines what information should be available for each stage of the process; and (3) suggests possible methods for improving the efficiency of local processes.

To accurately describe all of the WFO process stages it is important to note that, prior to "Stage 1, Proposal Development," the contractor and sponsor have "Preliminary Proposal Development" discussions. These discussions primarily focus on the needs of the potential sponsor and technical capabilities of the contractor. The intended purpose is to determine if by reaching some agreement the contractor can provide the needed expertise and facilities to meet the sponsors needs. If it is agreed that entering into an agreement would be possible and beneficial the process moves into "Stage 1, Proposal Development Stage." Since the preliminary stage is an informal meeting of the parties without a specific measurable outcome and is accomplished in any number of ways it is determined unnecessary to measure these interactions.

Specific information will be obtained from the funding entity (sponsors) and contractors at various decision points throughout the process. The flowchart and narrative information suggest a sample methodology that will ensure appropriate information is received in a timely manner and made available to support process decisions.

##### **3.1.1 Stage 1 – Proposal Development**

Stage 1 usually begins with formal discussions regarding proposal development among the sponsoring Federal agency, the contractor, and if appropriate, DOE. As a result of these discussions, a proposal package for DOE review and approval is prepared. It should be noted that the facility contractor is required to submit any Scientific and Technical Information (STI) generated as a result of the project to DOE in accordance with DOE O 1430.1D, SCIENTIFIC AND TECHNICAL INFORMATION MANAGEMENT, of 6-30-94 unless there is an exception

noted in the agreement with the Sponsor. The contractor should ensure that, at a minimum, the following information is contained in the proposal package submitted to DOE.

- Technical description of the work (including schedules, milestones, and deliverables) and proposed reporting requirements
- Appropriate file documentation:
  - Total estimated costs, including cost detail if requested by the Sponsor and/or Operations Office
- The following information may be included as part of the initial proposal or provided subsequent to the proposal submission as part of what is defined as the overall proposal package. However, this information should be included as part of the review and approval process consistent with DOE O 481.1.
  - involvement of other DOE facilities
  - subcontracting
  - construction or facility modification exceeding the General Plant Projects threshold
  - acquisition of data processing equipment
  - domestic/foreign travel and foreign involvement
  - space nuclear and noncommercial power reactor work with approved Office of Space and Defense Power Systems (NE-50) management role
  - nuclear nonproliferation detection technology work
  - intelligence-related activities
  - human and/or animal research subjects
  - classified activities, if so:
    - guidance (before beginning any classified work)
    - Facility Data and Approval Record (FDAR) approval (before beginning any classified work)
    - any other special measures
- Explanation of adherence to criteria of DOE O 481.1.

- Name of sponsoring agency
- Points of contact at sponsor and contractor and, as appropriate, the Program Office
- Recommendation of property and equipment disposition upon work completion
- If proposal is in response to Broad Agency Announcement
- Identification of any formal agreements between DOE and sponsor under which the work will be performed
- Identification of any National Environmental Policy Act (NEPA) determinations required
- Identification that all Environment, Safety and Health (ES&H) and Quality Assurance Program requirements have been considered (as appropriate)
- Identification of any special financial considerations (e.g., Waiver of Departmental Added Factor)
- Other security requirements requested by Sponsor if Sponsor/customer requirements make modifications to the security measures/processes that would affect (either upgrade or downgrade) the protection of DOE assets
- Reporting requirements including records/report distribution.

### **3.1.2 Stage 2: DOE Proposal Review and Approval**

Stage 2 begins when DOE receives the contractor's proposal or entire proposal package. The contractor may also send a copy of the proposal to the sponsoring agency at this time to allow for parallel review by the sponsor and DOE; however, the contractor must clearly indicate that DOE approval is required prior to the proposed work being approved. DOE evaluates the package to ensure the contractor statements are accurate and complete. DOE also reviews the package to determine that the estimated total cost of the work proposed is priced in accordance with DOE pricing policies and consistent with the legislative authority of the Department, including as necessary, Departmental Added Factor costs. For those proposals that require DOE Headquarters notification or involvement, the necessary documentation should be sent to the appropriate Headquarters office as early in this stage as possible to ensure parallel review of the proposal. After all requirements have been satisfied, DOE sends the proposal or letter of approval to the sponsor. In all cases, funding may not be accepted prior to obtaining appropriate Departmental concurrences or approvals (see Stage 4).



### **3.1.3 Stage 3: Sponsor Review of Proposal**

Stage 3 begins when DOE or the contractor sends the proposal or approval letter to the sponsoring Federal agency. The sponsor reviews the proposal and works with the contractor and DOE to answer any questions and resolve any issues related to the proposed work. Once the sponsor agrees with the proposal, the sponsor may send a signed interagency agreement (funding) to DOE for acceptance, or elect to provide it after DOE has approved the proposal.

### **3.1.4 Stage 4: Acceptance of Interagency Agreement**

Stage 4 begins when DOE receives a signed interagency agreement from the sponsoring Federal agency. The interagency agreement from the sponsor should include the following as required by DOE O 481.1 or any other information deemed necessary by the Operations/Field Office:

- Signature of an individual within the sponsoring agency authorized to approve interagency agreements. Neither DOE nor its facility contractor need to verify that the person who signed is indeed authorized by the sponsoring agency.
- Billing data, such as the names and mailing addresses of the performing and requesting parties' accounting offices.
- Provision for reimbursement to DOE for termination and closeout costs including, if appropriate, removal/disposition of any project-related equipment and waste.
- A citation referencing the sponsoring agency's appropriation being used to fund the work.
- Description of statutory or other limits on use of funds (e.g., expiration of funds).
- Full funding for work to be completed within the current fiscal year or current fiscal year funding plus first 3 months of following fiscal year, if work transcends fiscal years or request for waiver of full funding requirement with adequate justification, if applicable.
- Guidance on the following, if different than what was identified in the contractor's proposal:
  - reporting requirements, including records/reports distribution
  - disposition of property and equipment at completion of work
  - security classification requirements
- other written assurances required by DOE O 481.1 and applicable laws and regulations.

If the interagency agreement and other documentation provide all of the required information, defined as the proposal package, DOE can accept the interagency agreement after:

- DOE certifies the availability of funds (reimbursement authority).
- All required DOE Headquarters concurrences or approvals are obtained.
- The responsible DOE Contracting Officer has certified in writing that the determinations required in DOE O 481.1 have been made.

DOE notifies the contractor of the acceptance of the interagency agreement and authorizes the contractor to begin work.

### **3.1.5 Stage 5: Performance of Work**

Stage 5 begins when DOE authorizes the contractor to start work. The contractor is responsible for performing the work described in the interagency agreement. The contractor is also responsible for ensuring milestones and deliverables are met, reporting progress to the sponsor, and assuring compliance with all DOE environmental, safety and health (ES&H), financial and other control requirements. The sponsoring agency is responsible for payment of monthly invoice costs and assessing progress on the technical scope of work, including schedule and cost performance. DOE involvement in this stage is to: provide general management oversight of the WFO activities at its facilities; ensure compliance with DOE policies and procedures; transmit monthly invoices (whether physical or electronic) to the sponsor; and resolve issues between the sponsoring agency and the contractor. DOE may elect to monitor certain projects more closely due to the nature of the projects. At the completion of the project, the contractor provides the sponsoring agency with the final deliverables as agreed. When the final costs, excluding audit and related adjustments, are known, DOE or its contractor bills the sponsor for the final costs. The sponsor should be informed if the project involves subcontract costs that will be audited and might result in later adjustments to those costs.

### **3.1.6 Stage 6: Project Closeout**

Stage 6 begins when the contractor or sponsoring agency notifies DOE that the final deliverables have been completed and accepted. If the sponsor fails to request closeout, the contractor should begin these procedures as soon as practical. Additional costs shall not be incurred by the contractor for additional work. Only costs incurred to close out the project are allowable. The following information is required to complete the project closeout:

- identification by the contractor of any remaining funds (with the exception of any audit incurred adjustments).

Once the above information is collected, DOE provides the sponsor a deobligation of any remaining funds. The project will be officially closed out only after the sponsoring agency accepts the final deobligation. No DOE funding should be used to perform closeout activities.

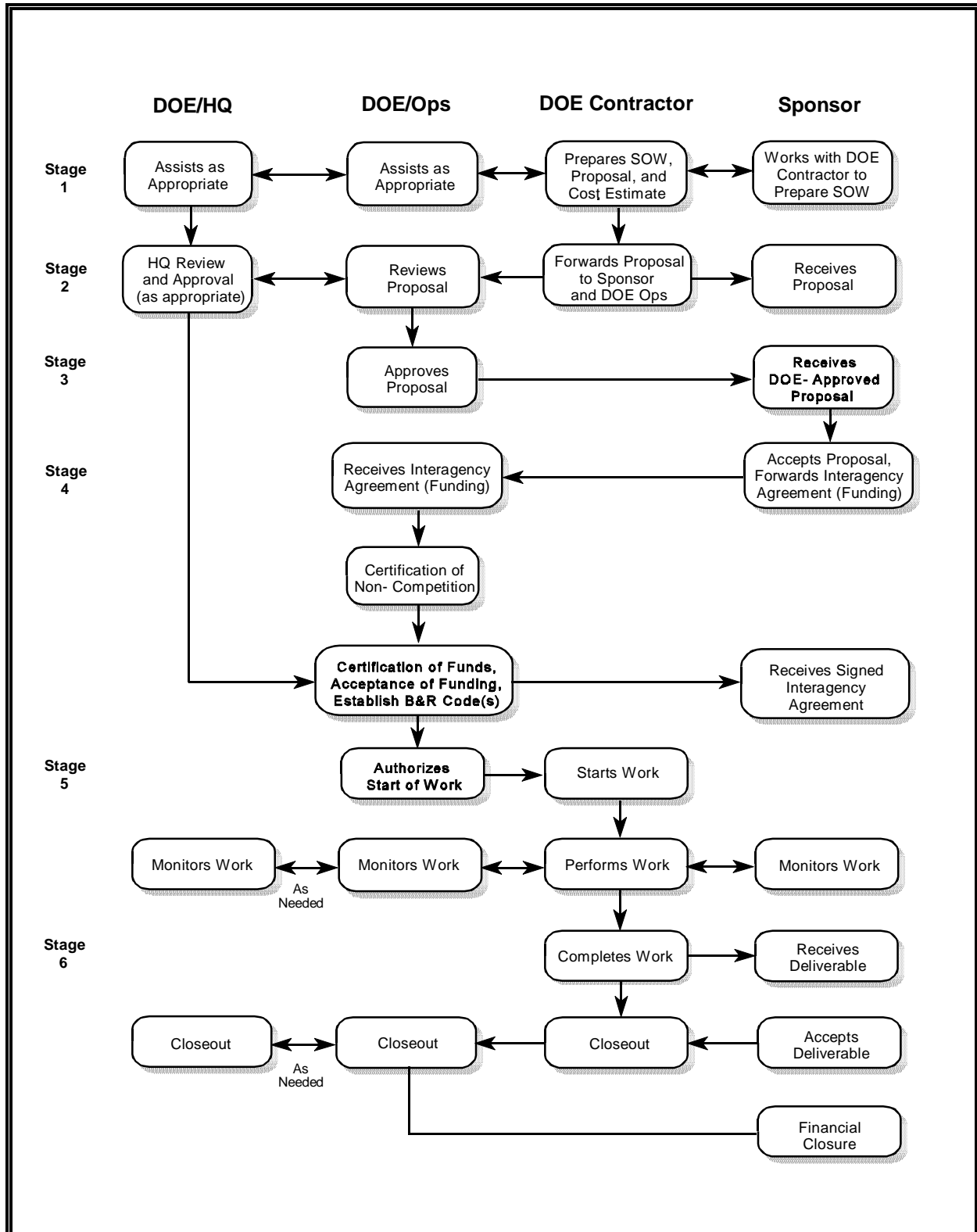


Exhibit 1. Federal WFO Process.

### **3.2 Non-Federally Sponsored WFO**

The process described below applies to all WFO projects performed for non-Federal sponsors. This process implemented under DOE O 481.1, WORK FOR OTHERS (NON-DEPARTMENT OF ENERGY FUNDED WORK), presents the process in seven key stages which are depicted in Exhibit 2 (Page III-13).

It is important to note that DOE M 481.1-1 provides for DOE Operations/Field Offices to delegate to the DOE contractor many of the responsibilities for project review and approval. While many of the decision responsibilities can be delegated, each Operations/Field Office will negotiate with local contractors to determine which responsibilities to delegate. This section will discuss some of the potential delegations of authority; however, with all of the possible degrees of delegation, it is impossible to detail all potential permutations of this process. Specific authority and details as to what may be delegated are contained in DOE M 481.1-1. It should be noted that DOE M 481.1-1 requires the contractor to submit a Management and Administrative Plan for DOE approval prior to any delegations being provided. The plan must contain specific types of information that are detailed in Attachment 4 of DOE M 481.1-1.

Preliminary proposal discussions are the first step in the process to develop a formal WFO proposal. These interactions are generally held between the DOE contractor and the potential project sponsor. During this time conceptual ideas are discussed to determine, in general, the types of activities to be performed and are not required to be measured for assessing time required for project review and approval. Process timelines and measures are expected to begin with Stage 1, Proposal Development, since this is the starting point for formal development of the proposal package. The stages of the process are:

- Stage 1: Proposal development and programmatic review of Proposal Package and cost estimate by the facility contractor and sponsor
- Stage 2: Contractor internal review and approval of Proposal Package including cost estimate
- Stage 3: Parallel sponsor review of Proposal Package, cost estimate and agreement provisions
- Stage 4: Execution of agreement by contractor and sponsor
- Stage 5: Transmittal of funds from the sponsor
- Stage 6: Performance of work
- Stage 7: Agreement closeout

#### **3.2.1 Stage 1: Proposal Development**

The formal proposal development process begins the date when the non-Federal sponsor and DOE contractor personnel begin preparing the Proposal Package describing the work to be funded by the sponsor. The Proposal Package should include, at a minimum, the following

information as appropriate:

- description of work requested including deliverables
- schedule and milestones
- total cost estimate, including cost detail as requested by the sponsor or Operations/Field Office

Additional file documentation should include:

- Explanation of adherence to criteria of DOE O 481.1.
- Name of sponsoring organization
- Name and address of sponsoring entity, including source of funds
- Points of contact at sponsor and contractor and, as appropriate, Headquarters Program Offices
- Recommendation of property and equipment disposition upon work completion
- Identification of any NEPA determinations required
- Identification that appropriate ES&H and quality assurance program requirements are addressed
- Identification of any special financial considerations (e.g., Departmental Added Factor, Depreciation Charges)
- Request for waiver of DOE added factor and depreciation charges with adequate justification, if applicable
- Reporting requirements including records/report distribution
- Intellectual property administration
- Involvement of the following in the project:
  - other DOE facilities
  - subcontracting
  - construction or facility modification exceeding the General Plant Projects threshold
  - capital equipment acquisition
  - acquisition of data processing equipment
  - domestic/foreign travel and foreign involvement
  - space nuclear and noncommercial power reactor work with approved NE-50 management role
  - nuclear non-proliferation detection technology work
  - intelligence-related activities
  - human or animal research subjects
  - classified activities, if so:
    - guidance
    - FDAR approval (before beginning any classified work)
    - any other special security requirements that make modifications to the security measures/processes that would affect (either upgrade or downgrade) the protection of DOE assets

### **3.2.2 Stage 2: Contractor Internal Review and Approval of Proposal Package, including the Statement of Work (SOW), Cost Estimate**

Stage 2 begins when appropriate contractor personnel responsible for approving, executing and administering WFO projects initiate a review of the proposal package, including the SOW and cost estimate, for compliance with WFO requirements and identification of any programmatic or administrative issues. For those proposals that require DOE Headquarters or Operations/Field Office notification or approval, the necessary documentation should be sent to the appropriate office as early in this stage as possible to ensure parallel review of the proposal (See Attachment 3, Process Checklist). The contractor obtains internal management approval of the proposal, and prepares a tailored agreement that incorporates the SOW and cost estimate. The contractor must have been fully delegated non-Federal review and approval authority by the Head of the Field Office/Operations Office and use the articles in the DOE standard WFO Agreement prior to approving the Agreement. Any proposed deviation from the DOE-approved terms and conditions in this agreement must be submitted to DOE for approval. The contractor's internal review should include full documentation of the decision process for each item on the Process Checklist. If any item specified on the Process Checklist requires DOE approval, the contractor will send the Proposal Package to the DOE element(s) shown on the Process Checklist for approval in parallel with the contractor's internal review and negotiation of the agreement.

If the contractor delegation has not been provided, the contractor must submit the proposal to DOE for appropriate approval. If any of the four exclusion areas in the Patent Class Waiver apply, contractor justification for not exercising the class waiver must be provided to the Operations/Field Office for notification or approval as required. These requirements are specifically delineated in DOE M 481.1-1. DOE 1430.1D requires that the agreement address submission of scientific and technical information generated as a result of the project.

### **3.2.3 Stage 3: Sponsor Proposal Package Review and Approval and DOE, as Appropriate**

This stage begins when the contractor (or DOE, if appropriate) provides an advance copy of the final draft tailored agreement to the sponsor to review the terms and conditions of the work being requested. Advance communication of the terms and conditions of the agreement should reduce the time needed for negotiation of the agreement, thereby reducing the time required for approval. The proposed agreement will include a statement that the agreement does not constitute a commitment from either party. During this time, the sponsor reviews the final draft agreement concurrent with the DOE contractor and DOE (as appropriate) management offices, to negotiate any revisions to the terms and conditions of the agreement. Once revisions to the terms and conditions are completed and internal approvals are obtained, the final agreement is prepared and approved.

### **3.2.4 Stage 4: Execution of Agreement by DOE (or DOE Contractor, if Delegation of Authority has been granted) and Sponsor**

Stage 4 begins when the contractor sends an executed copy of the final agreement to the sponsor. If the DOE Operations/Field Office has fully delegated review and approval authority to the contractor, both the contractor and sponsor may sign the agreement. In the absence of delegation of approval authority, the contractor must submit the proposal package to DOE for review and approval. The contractor must secure all other necessary DOE approvals per DOE O 481.1 and DOE M 481.1-1 prior to executing the final agreement. Several actions are required to take place before the agreement is executed as stipulated in DOE O 481.1 and DOE M 481.1-1.

- That the disposition of intellectual property is consistent with the Class Waiver W[A]-82-017 [as updated by IPI II-2-82 (Amendment 2) of 9-24-96]; the rights will be waived to the sponsor, except in the four instances noted in the revised class patent waiver, as set forth in Attachment 2.
  - It is incumbent on the contractor to establish and document whether any of the four exceptions apply to the work being requested by the sponsor.
- The contractor determines whether any additional DOE approvals are required prior to execution of the agreement.
- Any nonstandard clauses will be sent to the Operations/Field Office for approval.

It should be noted that the contractor can not represent itself as speaking on behalf of DOE in negotiating any changes to the pre-approved clauses of the agreement.

Once the agreement has been signed by both parties, the contractor may send the Operations/Field Office a copy of the executed agreement.

### **3.2.5 Stage 5: Transmittal of Funds from the Sponsor**

This stage begins when the contractor receives the sponsor's executed copy of the agreement and advanced funding, whichever comes last. Once the final agreement has been signed (executed), the sponsor provides advanced funding to the contractor or DOE, if delegation has not been provided, in accordance with established DOE policy on advance funding (reference DOE Accounting Handbook, Chapter 13, "Reimbursable Work, Revenues, and Other Collections") and as stated in the agreement. Certification of the availability of funding and work authorization will be approved by the Operations/Field Office. The Operations/Field Office certifies the availability of obligational authority, and either the Operations/Field Office or the contractor sets up the reimbursable account.

### **3.2.6 Stage 6: Performance of Work**

During the performance of work the following delineates DOE, DOE contractor, and sponsor responsibilities.

#### **DOE:**

1. Resolves problems between the sponsor and the DOE contractor, if problems can not be resolved between DOE contractor and sponsor.
2. Monitors contractor's WFO projects, to ensure compliance with DOE requirements and approved project scope, schedule and cost.

#### **DOE Contractor:**

1. Performs WFO projects authorized by DOE.
2. Ensures milestones/deliverables are met and provides progress reports if required by the sponsor approved proposal package.
3. Complies with all DOE ES&H, financial and other control requirements.

#### **Sponsor:**

1. Monitors work for compliance with project scope, technical requirements, schedule and cost performance.
2. Informs DOE of any problems that cannot be resolved with the DOE facility contractor.
3. Pays bills in a timely manner in accordance with the authority under which the work was accepted and consistent with DOE financial policy requirements

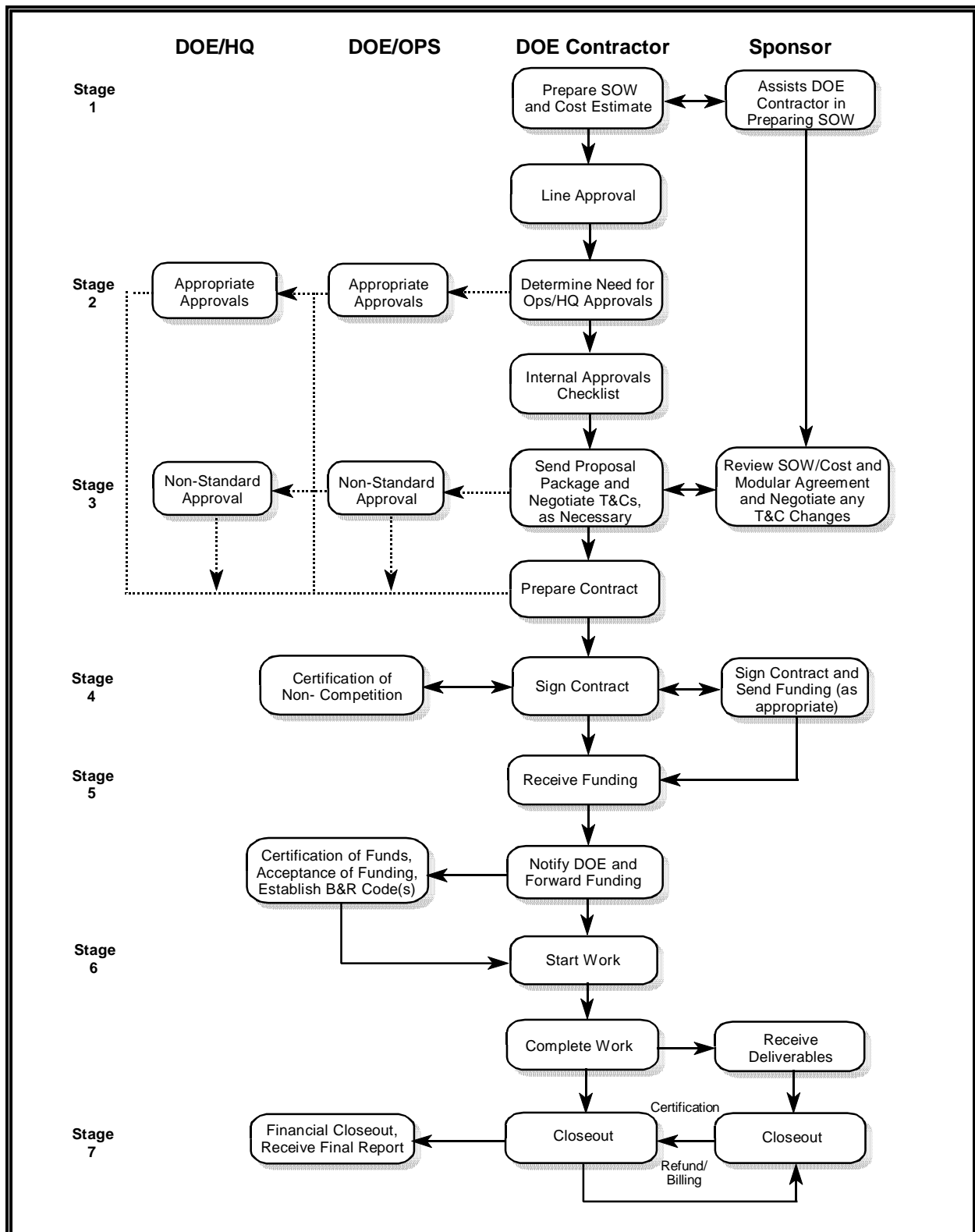
### **3.2.7 Stage 7: Agreement Closeout**

Stage 7 begins when the contractor notifies the Operations/Field Office that the final deliverables have been completed and accepted by the sponsor. The following information is required to complete the project closeout:

- identification by the contractor of any remaining funds or any outstanding costs per the original agreement requiring additional funds (with the exception of any audit incurred adjustments). *Note: No DOE funds should be used to support closeout project costs.*



Once this information is collected, the Operations/Field Office returns to the Sponsor any remaining funds or requests additional funding necessary to closeout the project. The project will be officially closed out only after the sponsor accepts the return of the unclosed balance. No DOE funds will be used to support close-out proceedings. The contractor will also send a final closeout report to DOE.



**Exhibit 2. Non-Federal WFO Process.**

#### **4. FILE DOCUMENTATION**

The WFO process requires specific project related information to be used as the basis for satisfying the WFO process determinations and DOE Contracting Officer Certification or contractor as required by DOE O 481.1. This information is necessary to ensure DOE complies with all applicable laws and regulations. The project information should be held in a “centralized WFO Project File.” Therefore, to help ensure offices performing WFO maintain a baseline of adequate information which includes justification and basis for decision making, a “Model File Content List” has been developed. While the file content list is not intended to mandate project file documentation it is suggested that individual sites performing WFO consider each element carefully and require specific information to be maintained. The following represents the suggested file documentation requirements.

##### **WFO (Federal and Non-Federal) Model Project File Content Checklist**

DOE Operations/Field Office/Contractor

Project Number:

1. Sponsor/contractor's proposal (and sponsor statement of work, if applicable)
2. Contractor's subcontracting justification (as determined by the field office)
3. Non-competition statement, as required in paragraph 4b (excluding NRC)
4. DOE Determinations and Contracting Officer's Certification as required in DOE O 481.1, 4.a.(1)-(4).
5. DOE endorsement/approval-of-proposal letter and administrative instructions/terms and conditions or proposal (as appropriate)
6. DOE ES&H/NEPA determinations and approvals (as required)
7. DOE 5650.2B, Chapter V, classification guidance certification (as required)
8. Evidence of DOE F 5600.2, Facility Data and Approval Record (FDAR) form approval (as required)
9. DOE/Headquarters (HQ) approvals (as required)
10. DOE/HQ approvals for work directly funded by foreign sponsor (as required)

11. DOE/HQ use of human subjects approvals (as required)
12. DOE/HQ space nuclear or non-commercial power reactor or radioisotope power-related approval(s) (as required)
13. Patent and data rights information (as required)
  - a. Documentation justifying the selection of patent and data rights articles
14. Sponsor's waiver request (e.g., Added Factor/Full Funding) (as required)
  - a. Federal sponsor waiver request justification
  - b. DOE approval/disapproval of waiver request
15. Sponsor funding
  - a. full cost recovery
  - b. full funding
  - c. State/local government's advance payments
  - d. State/local government's certification precluding cash advances
  - e. (approvals/disapprovals)
16. Funding
  - a. Funding acceptance documents (interagency agreement, military interdepartmental purchase request)
  - b. Non-Federal sponsored work includes: spending plans and certification of funds
17. Project closeout documents
  - a. Funding/billing
  - b. Other
18. Equipment disposition documentation (as appropriate)
19. Certification of funds (as appropriate)
20. Use of human or animal research subjects approval by DOE or Contractor
21. DOE/HQ notification of nuclear non-proliferation detection technology involvement
22. Aviation operations approvals
23. DOE Security Authority Determinations and Approval (as appropriate)

## **5. PERFORMANCE OBJECTIVES/MEASURES**

DOE has placed a strong emphasis on the use of performance objectives/measures to focus processes and activities toward meeting specific performance goals. WFO requirements are the means by which DOE ensures that all applicable laws, regulations, and statutes are adequately addressed and satisfied. Measures are defined as examinations, tests, or other techniques that can be used to verify that an item or process has achieved a specified customer need.

The objectives/measures described in this section could be used to provide sufficient information to meet the performance measure responsibilities of DOE O 481.1 (see Section 5.n.(12), Heads of Field Elements). Alternative methods/measures can be used; however, a baseline of information relating to process timing and customer satisfaction should be the end product.

Once this information is being routinely collected by organizations performing WFO, changes to policy, procedures and reporting requirements can be assessed to determine how they impact the process and affect financial and human resources.

Measurements used by offices performing WFO are critical to establish baseline data, identify areas for quality improvements and ensure continued monitoring of the process. Improvements should be *fundamentally grounded* in *measuring* process variables both during the initial data study and subsequent revisits to these process variables.

Successful baseline data based on a complete, realistic understanding of the process being studied provides the best information needed for an accurate understanding of the current process. Useful process measures can include, for example, the amount of time required to process a proposal, level of customer satisfaction with the end product, the number of times a proposal is rewritten or the number of WFO project rejections.

The following discusses several ways in which the WFO Program audit processes can be measured: Program Performance Objectives and Measures, Process Evaluation and Customer Satisfaction Evaluation.

### **5.1 Program Performance Objectives and Measures**

Performance measures are being developed at all levels of organizations for use in identifying areas for improvements as well as highlighting high-quality achievements. WFO performance measures are currently being established at two or three levels within the Department. The first level represents measures for attaining objectives set at the DOE Headquarters level. These objectives are based on programmatic objectives stated in DOE O 481.1.

### 5.1.1 Performance Objective 1

DOE's highly specialized or unique facilities and resources are made available to non-DOE entities to accomplish their goals, when work will not interfere with DOE Programs, or create a future burden on DOE resources, or compete directly with the domestic private sector. [Refers to paragraphs 1a and 1b of DOE O 481.1.]

**Measure:** The amount of WFO funding as a percent of total DOE funding.

**Expectation:** WFO funding is not disproportionate to DOE funding and WFO funding estimates are accurately reflected, where appropriate, in Facility Institutional Plans. (Unusually high or low percentages, or amounts which do not correspond to Institutional Plan or other estimates may require justification.)

**Measure:** Quality and timeliness of project deliverables as measured by customer surveys.

**Expectation:** If baseline measures show high satisfaction, DOE will continue to provide the same high-quality service. If baseline measures demonstrate a need for improvement, DOE will target satisfaction levels of 80 percent satisfied or very satisfied with quality and timeliness.

### 5.1.2 Performance Objective 2

Technology is transferred to industry for further development or commercialization. [Refers to paragraph 1c of DOE O 481.1.]

**Measure:** Number of projects with deliverables which are further developed or commercialized by customers as measured by surveys.

**Expectation:** Customer surveys (at close of project and 1 year later) identify new products for commercial use of follow-on technologies.

### 5.1.3 Performance Objective 3

Core competencies are maintained. [Refers to paragraph 1d of DOE O 481.1.]

**Measure:** The number of WFO agreements by core competency.

**Expectation:** WFO projects generally are consistent with established facility core competencies. (Unusually high deviations from core competencies may require justification.)

#### **5.1.4 Performance Objective 4**

Work is reviewed and approved in accordance with laws, regulations, and DOE policy. [Refers to DOE O 481.1, Section 4, Requirements.]

**Measure:** Percent of WFO proposals certified by reviewers as complying with requirements of DOE O 481.1, WORK FOR OTHERS (NON-DEPARTMENT OF ENERGY FUNDED WORK). The numerator is number of projects certified as complying with requirements. The denominator is total number of projects per year.

**Expectation:** This percentage equals 100 percent.

#### **5.1.5 Performance Objective 5**

Managing WFO is cost effective. (NOTE: Conclusions based on direct comparison of performance data from one field office or contractor site to another should be avoided. There is a wide variation among offices in the type of work being performed for non-DOE entities and the environment in which the work is performed.) [Refers to DOE O 481.1, Section 5.n.(12), Heads of Field Elements.]

**Measure:** The Operations/Field Office demonstrates an effective system for managing administrative cost associated with the review and approval of projects and acceptance of funding for work for non-DOE sponsors.

**Expectation:** The administrative cost of managing and processing work for others will be measured and tracked and trended against the number of projects and dollar value of projects approved by DOE.

### **5.2 Process Evaluation**

Total Quality Management requires full understanding of the process being improved. Effective flowcharting should capture all important aspects of a process without being hindered by relatively minor process variations. This section provides guidance for applying performance measures to the time required for completing the WFO process stages, which include the following.

- proposal development
- DOE or contractor review
- sponsor review
- project acceptance
- contractor performance
- project closeout

These measures will provide performing organizations with information necessary to accurately determine the time required to process proposals and gauge customer satisfaction. This information should assist in developing and implementing quality improvements.

Suggested measures which can be used for assessing WFO processes and customer satisfaction are detailed in Exhibit 3. Generic flowcharts of the Federal and non-Federal WFO processes have been provided in Exhibit 1 (page III- 7) and Exhibit 2 (page III-13). Flowcharts depicting local (Operations/Field Offices and facility contractor) procedures are expected to differ from one another. Therefore, it is important that the information collected relate to uniform parameters. The flowcharts can be used to identify measurable start and stop points within each local WFO process. The information collected can be compiled with other offices and used to assess the overall WFO process. With increases in Delegations of Authority to DOE contractors, the number of measures and processing steps will differ significantly from site to site.

Specifically, the five performance measures discussed (time required for WFO project approval [field and contractor], Headquarters involvement in the WFO approval process, time for Headquarters approval, and customer satisfaction surveys) can provide baseline data that can be measured again in the future to gauge improvements or problems in the WFO process.

### **5.3 Customer Satisfaction Evaluation**

The survey form below is an example of one method used for gathering customer feedback. It is not our intention to duplicate or create additional customer surveys, but merely to provide a useful model to be used in whole or part at the discretion of Operations/Field Offices. Offices are encouraged to coordinate with other DOE offices so that one survey can serve a multiple of DOE needs.



**Exhibit 3. Summary of WFO Performance Measurement Criteria.**

<b>Measure</b>	<b>Relates to Customer Requirements of:</b>	<b>Performance Measurement Criterion</b>	<b>Process to Achieve Improvements</b>
Time required for project proposal development and approval by facility contractor(s) in preparation for submission to DOE for approval.	Improved timeliness. Primary customer is the sponsor.	Measure calendar days required for Stage 1 (proposal development) of the WFO process again in 1 year.	<ol style="list-style-type: none"> <li>1. Implement TQM streamlining process improvements at contractor offices.</li> <li>2. Train and educate facility contractor scientific and administrative staff.</li> </ol>
Time required for WFO project approval by Operations/Field Offices and, as appropriate, Headquarters organizations. For non-Federal work, "project approval" equates to awarding of contract.	Improved timeliness. Primary customer is the sponsor.	Measure calendar days required for Stages 2 to 4 (project approval process) of the WFO process again in 1 year.	<ol style="list-style-type: none"> <li>1. Implement TQM streamlining process improvements at Headquarters and Operations/Field Offices.</li> <li>2. Train and educate Operations/Field Offices and Headquarters staff.</li> </ol>
Headquarters involvement in WFO approval process.	Minimized Headquarters involvement. Primary customer is Operations/Field Offices. Ultimate customer is the sponsor.	Measure number of Headquarters reviews and approvals.	Review Headquarters approval requirements for further delegation to Operations/Field Offices.
Time required for Headquarters approval.	Improved timeliness. Primary customer is Operations/Field Offices. Ultimate customer is the sponsor.	Measure the number of calendar days required for Headquarters approval.	<ol style="list-style-type: none"> <li>1. Implement TQM process streamlining improvements at DOE Headquarters.</li> <li>2. Train and educate Headquarters approval staff.</li> </ol>

Customer (sponsor) satisfaction with the WFO process and personnel.	Quality Service and overall customer satisfaction with WFO personnel and process.	Measure sponsor responses to questionnaires.	Implement valid changes through TQM process improvement methods.
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**U.S. DEPARTMENT OF ENERGY  
WFO CUSTOMER SURVEY FORM**

WFO Project Information: (to be completed by DOE)

Proposal (Agreement) Number:

Proposal Title:

Sponsor:

Sponsor Point of Contact: (name, address, phone, title)

DOE Facility Contractor Performing Work:

Facility Contractor Point of Contact: (name, phone, title)

DOE Point of Contact: (name, phone, title)

WFO Project Start Date:

WFO Project Completion Date (if applicable):

Estimated Cost:

**Introduction**

DOE conducts the WFO Program in support of other Federal agencies, State and local governments, private companies, non-profit organizations, foreign governments, and international organizations. To better serve you, our customer, and in support of DOE's ongoing quality initiative, we request completion and return of the attached two-part customer survey. We desire to determine the efficiency and effectiveness of the WFO Program with regard to (1) the administrative process and (2) technical performance.

Our goals are to assess the level of customer satisfaction with the process and technical performance and to identify opportunities for improvement. Please use the following definitions to respond to those questions that request a numerical score. Other questions provide an opportunity to make comments and suggestions. Please answer these questions in as much detail as you wish.

Score	Adjective Rating	Definition
5	Outstanding	Satisfaction cannot be improved
4	Highly Satisfactory	Exceeds expectations
3	Satisfactory	Meets expected levels
2	Marginal	Less than expected levels
1	Unsatisfactory	Less than acceptable levels
0	Not Applicable	Does not apply

## CUSTOMER SURVEY

Please use the following scale to characterize your responses.

1 = Unsatisfactory, 2 = Marginal, 3 = Satisfactory, 4 = Highly Satisfactory, 5 = Outstanding

### **Part I (To be completed by sponsor personnel responsible for non-technical administration of the agreement.)**

1. Please specify your level of satisfaction (1 through 5) with the following aspects of the WFO process.
  - a. Interactions with your point of contact at DOE (e.g., responsiveness, quality, timeliness, etc.) \_\_\_\_\_
  - b. Interactions with the facility contractor (e.g., responsiveness, quality, timeliness, etc.) \_\_\_\_\_
  - c. Administration of the agreement (e.g., amendments, resolving issues, billings, etc.) \_\_\_\_\_
  - d. Closeout of the WFO project. \_\_\_\_\_
  - e. Overall satisfaction with the WFO process. \_\_\_\_\_

Please provide narrative responses to the following questions. If more space is required, please attach additional sheets.

1. What aspects of your experience in dealing with the DOE/Facility Contractor exceeded your expectations?
2. What aspects of your experience in dealing with the DOE/Facility Contractor did not meet your expectations?
3. Is there anything else you would like to tell us about the non-technical aspects of this WFO project?

**Part II: (To be completed by sponsor personnel responsible for technical oversight of the work performed under the agreement.)**

1. Please specify your level of satisfaction (1 through 5) with the following aspects of the technical performance under the WFO agreement:
  - a. Interactions with DOE point of contact. \_\_\_\_\_
  - b. Quality of statement of work and cost estimate \_\_\_\_\_
  - c. Technical quality of the work performed. \_\_\_\_\_
  - d. Quality of deliverables and compliance with schedule. \_\_\_\_\_
  - e. Overall satisfaction with the technical performance under the WFO project. \_\_\_\_\_

Please provide narrative responses to the following questions. If more space is required, please attach additional sheets.

1. What aspects of your experience in dealing with the DOE/Facility Contractor exceeded your expectations?
2. What aspects of your experience in dealing with the DOE/Facility Contractor did not meet your expectations?
3. Is there anything else you would like to tell us about the technical aspects of this WFO project?

Date \_\_\_\_\_ Signature \_\_\_\_\_ Title \_\_\_\_\_

## **6. ADDITIONAL INFORMATION**

Several publications are currently available to provide additional information relating to WFO process (requirements and procedures) and the overall direction of the program. DOE has been reviewing and assessing requirements and procedural issues to identify areas for improvement. Inquires have indicated that improvements can be made which would reduce requirements and ensure that a quality and user-friendly system exists. Since then, significant changes have been made to WFO policy and it is important that individuals involved in the process are cognizant of these changes. Listed below are sources of information.

- DOE O 481.1, WORK FOR OTHERS (NON-DEPARTMENT OF ENERGY FUNDED WORK), dated 9-30-96, which cancels DOE 4300.2C, NON-DEPARTMENT OF ENERGY FUNDED WORK, dated 12-28-94. This Order sets forth the objectives, applicability, requirements, and responsibilities for those DOE/contractor personnel performing work for non-DOE entities or the use of DOE facilities that are not directly funded by DOE appropriations.
- DOE M 481.1, REIMBURSABLE WORK FOR NON-FEDERAL SPONSORS PROCESS MANUAL, dated 9-30-96, provides a process to promote consistency among sites performing work for non-Federal sponsors. This process is implemented under DOE O 481.1, WORK FOR OTHERS (NON-DEPARTMENT OF ENERGY FUNDED WORK). A DOE Standard WFO Agreement to be used as a starting point with non-Federal parties for reimbursable work is included.

### **WFO Annual Report**

The WFO Annual Report contains WFO funding levels by Operations/Field Office, facility, and contractor; DOE WFO management improvements; open issues; and examples of WFO projects at various field sites. For more information, contact Scott Geary at 202-586-3299.

### **DOE WFO Brochure**

DOE's WFO brochure explains the Department's WFO Program as it relates to Federal agencies and non-Federal entities. DOE organizations frequently use these brochures to provide general information about the WFO Program to sponsors. For more information, contact Scott Geary at 202-586-3299.

### **Intelligence-Related WFO Brochure, DOE Office of Energy Intelligence**

The Intelligence-Related WFO brochure, dated 11-14-95, provides procedures for performing intelligence-related WFO and can be used in conjunction with the DOE WFO brochure. For more information, contact Michael Mazaleski at 202-586-8718.

## **7. REFERENCES**

Some of the directives on the following list have been canceled. Cancellation of an Order does not, by itself, modify or otherwise affect any contractual obligation to comply with such an Order. Canceled Orders that are incorporated by reference in a contract shall remain in effect until the contract is modified to delete the reference to the requirements in the canceled Orders.

- DOE O 451.1, NATIONAL ENVIRONMENTAL POLICY ACT COMPLIANCE PROGRAM, dated 9-11-95, which provides NEPA implementing procedures [supersedes DOE 5440.1E].
- DOE O 471.1, UNCLASSIFIED CONTROLLED NUCLEAR INFORMATION, dated 9-25-95, which establishes policies and procedures for identifying Unclassified Controlled Nuclear Information (UCNI) and for reviewing and marking documents and material containing UCNI.
- DOE O 471.2A, INFORMATION SECURITY PROGRAM dated 3-27-97, which establishes requirements for the protection and control of classified and sensitive unclassified information.
- DOE 1240.2B, UNCLASSIFIED VISITS AND ASSIGNMENTS BY FOREIGN NATIONALS, dated 8-21-92, which describes policies relating to access and technical collaboration by foreign nationals at DOE facilities.
- DOE 1300.3, POLICY ON THE PROTECTION OF HUMAN SUBJECTS, dated 8-23-90, which implements policy of 10 CFR 745, Protection of Human Subjects.
- DOE 4700.1, PROJECT MANAGEMENT SYSTEM, dated 3-6-87, which establishes the DOE project management system.
- DOE 5600.1, MANAGEMENT OF DEPARTMENT OF ENERGY WEAPON PROGRAM AND WEAPON COMPLEX, dated 6-27-79, which establishes the policy and procedures for the management of the DOE weapon program and weapon complex and the use of the weapon complex facilities for non-weapon DOE activities.
- DOE 5650.2B, CLASSIFICATION OF INFORMATION, dated 12-31-91, which specifies responsibilities, authorities, policy, and procedures for the management of the DOE classification system.
- DOE 5700.7C, WORK AUTHORIZATION SYSTEM, dated 5-18-92, which establishes a formal process for budget authorization and monitoring of DOE-funded work of specified contractor facilities.

- DOE 5800.1A, RESEARCH AND DEVELOPMENT LABORATORY TECHNOLOGY TRANSFER PROGRAM, dated 5-18-92, which establishes a program for the transfer of technology from DOE research and development laboratories to the public and private sectors, in accordance with Public Law 96-480.
- 10 CFR 1017, Identification and Protection of Unclassified Controlled Nuclear Information, which establishes policies and procedures for the identification and protection of UCNI.
- DOE O 470.1, SAFEGUARDS AND SECURITY PROGRAM, dated 9-28-95.



## **GUIDELINES FOR DEVELOPMENT, REVIEW, AND ACCEPTANCE OF AGREEMENTS FOR REIMBURSABLE WORK OR SERVICES BY DOE OFFICIALS**

### **1. APPLICABLE FOR ALL TYPES OF REQUESTING CUSTOMERS**

- a. All requirements delineated in DOE O 481.1 and as applicable in DOE M 481.1-1.
- b. Final execution is completed before the expiration of the period of availability for obligation of the appropriations or funds provided by a non-Federal sponsor.
- c. The requestor commits to payment of a sum of money to pay the full cost of the work requested.
- d. The requestor commits to payment to a specified DOE activity.
- e. The agreement provides for only specific goods or performance of work and services.
- f. A federal sponsor specifies in the reimbursable agreement any statutory or other limitations imposed on the use of funds relative to the work or services to be performed; for example, a prohibition against purchasing automatic-data-processing or other capital equipment or a limitation on amounts to be expended on individual minor construction projects.
- g. The sponsor specifies that funds are available and the specific source of these funds and the period of availability.
- h. The agreement states any reports required.
- i. The agreement specifies if capital equipment and real property are to be procured and who will own that property.
- j. The agreement states its expiration date.
- k. If an advance has been or will be received, the agreement specifies the office and account to which it has been or will be deposited.
- l. The agreement provides for a DOE project reference number; or in the case of an intelligence-related activity, a non-classified "nickname."
- m. Names and mailing addresses of the performing and requesting parties' accounting offices are identified.

- n. The agreement identifies the total estimated cost of work or services to be reimbursed.
- o. The agreement includes billing information.
- p. The agreement specifies that the reimbursable work will neither commence in advance of nor continue in the absence of budgetary resources.
- q. The agreement provides for reimbursement to DOE for costs resulting from termination and environmental cleanup.
- r. For non-federally sponsored work, the agreement provides for an allocation of intellectual property rights between the contractor and the sponsor and retains a government purpose license.

**2. APPLICABLE ONLY WHEN FEDERAL, STATE, OR STATE POLITICAL SUBDIVISIONS ARE INVOLVED**

Specify requestor statutory or legal authority cited under which reimbursable work is being requested.

- a. The requestor specifies the statutory or legal authority under which reimbursable work is to be accepted and performed.
- b. When granting exemptions to the cash advance requirement for State and local governments, the agreement provides for a statement of the statutory limitations precluding cash advance payments.
- c. The agreement cites the proper appropriation or funding source.
- d. To the extent possible, both parties determine that the reimbursable agreement is being issued for acceptance or obligation in the current fiscal year for programmatic considerations.
- e. Project Order Interagency Agreements issued by the Department of Defense are analogous to contracts placed with commercial customers and, to the same extent as such contracts, shall be specific, definite, and certain as to the work or services encompassed by the agreement. Project order agreements shall not be accepted for work or services of a recurring or routine nature (e.g., calibration services, computer operation services, or base operations and maintenance services). Goods and services acquired under reimbursable agreements must utilize unique capabilities at DOE facilities to ensure DOE and/or its contractors are not placed in direct competition with the

domestic private sector (See DOE O 481.1, Section 4(a)3). Amendments to project order interagency agreements that effectively increase the scope of work may be proposed any time during the conduct of work in the original proposal. However, these changes are required to be reevaluated for DOE approval in accordance with DOE 481.1 requirements.

- f. Both parties ensure that work completion dates contained in the DOE-approved proposal provide sufficient time to accomplish the requested work or services as delineated in the statement of work.

October 11, 1996

IPI-II-2-82  
(Amend 2)

James Chafin, Albuquerque  
Harold M. Dixon, Savannah River  
Robert Fisher, Chicago  
James Hanley, Oakland  
Steven Hamel, Oak Ridge  
Robert Southworth, Richland

Administrative Update to the Class Waiver W(A)-82-017, Use of DOE Facilities and Facility Contractors by or for Third-Party Sponsors.

- I. The above class waiver provides that the waiver is automatic, and granted without a request or petition by the sponsor, upon certification by the local DOE Patent Counsel that:
- (1) The work to be performed under the use agreement is not covered by another contract or arrangement falling under DOE's statutory patent policy, and is not of sufficient interest to the DOE programmatic mission responsibility to justify DOE supporting the work in whole or in part with direct program funding;
  - (2) The sponsor is providing appropriate cost reimbursement for the services performed and/or facilities used as set forth in this class waiver; and
  - (3) The terms and conditions for the agreement with the sponsor comply with this waiver and instructions for its implementation as issued by the Assistant General Counsel for Technology Transfer and Intellectual Property.

Based on the years of experience that we have in utilizing this waiver, it is clear that these determinations are made based upon information supplied by the laboratory and for the most part are straight forward. Therefore, DOE Patent Counsel **may**, at your discretion, authorize the Contractor to make the above determinations and apply the class waiver for the benefit of the sponsor without prior review by DOE except as provided in II below.

- II. Dear 970.5204-40, requires that all M&O contracts have a technology transfer clause which includes the following language:
- (ii) "Where the Contractor believes that the transfer of technology to the U.S. domestic economy will benefit from, or other equity considerations dictate, an arrangement other than the Class Waiver of patent rights to sponsor in WFO and UFAs, a request may be made to the Contracting Officer for an exception to the Class Waivers.

- (iii) “Rights to inventions made under agreements other than funding agreements with third parties shall be governed by the appropriate provisions incorporated, with DOE approval, in such agreements, and the provisions in such agreements take precedence over any disposition of rights contained in this Contract. Disposition of rights under any such agreement shall be in accordance with any DOE class waiver (including Work for Others and User Class Waivers) or individually negotiated waiver which applies to the agreement.”

These provisions **do not** spell out either the circumstances when the class waiver should not apply or the action to be taken when the waiver does not apply. The circumstances when the waiver does not apply are either because the sponsor declines the waiver or because the Department acting through the Contracting Officer based on determination of Patent Counsel finds that in a particular WFO transaction that it is not in the best interests of the United States and the general public to allow the Non- Federal Sponsor to retain title to inventions of the Contractor. Where the sponsor declines the waiver, the **Facility** contractor is to be permitted to take title to its employees’ inventions.

DOE has reached consensus on three fact patterns where the class waiver **need not apply** even when the sponsor might desire the full waiver. They are:

- (a) It is believed that any invention that might be made would be a research tool, (e.g., a transgenic animal or a DNA sequence), and there is a Departmental and public interest in having the tool available to many potential research and commercial organizations.
- (b) The Sponsor is either foreign or owned or controlled by a foreign organization. The Class Waiver may apply to a Work for Others Agreement with a foreign Sponsor with approval by the field Patent Counsel and with the concurrence of the cognizant Operations/Field Office or Headquarters programs official.
- (c) It is believed that the Sponsor’s interest is in fewer fields of use, and it is believed that utilization by the laboratory or commercialization of the underlying technology can be maximized by limiting the Sponsor’s exclusivity in any inventions to a particular field of use. Of course, there may be other fact patterns where special facts exist and the situation is such that it is not in the best interests of the United States or the general public to grant the waiver to the Sponsor.

In advising the Contracting Officer, the field Patent Counsel is the final determiner that an exception to the class waiver should apply. With concurrence of Patent Counsel, the Contracting Officer may delegate to the Contractor the authority to make the determinations that the fact patterns (a) and (c) exist independently of Patent Counsel, but under guidelines approved by Patent Counsel. Whenever fact pattern (b) is believed to exist Patent Counsel must approve the disposition of patent rights. The determinations (a) and (c) are not mandatory and are a judgement call. If one or more of the above exceptions applies to the particular proposed Work for Non-Federal Sponsors activity, the Patent Counsel should also determine whether or not the Contractor may take title to any inventions made by its employees in performing work under a Work for

Others Agreement and whether the sponsor shall obtain a royalty free nonexclusive license for its own activities in any such Contractor inventions. In almost all cases the sponsor should obtain at a minimum such a license. DOE should review any circumstance where a sponsor, denied the waiver, is not given a minimum royalty free license to use a facility contractor subject invention. Delegations should specify disposition of title. Normally title should go to the contractor. Where only exception (c) applies, the Sponsor must be granted a royalty free exclusive license in a predetermined field of use or fields of use corresponding to the Sponsor's interest as mutually agreed to by Sponsor and Contractor.

Where the class waiver does not apply, and if the Work for Non-Federal Sponsors agreement is to be performed in the course of or under the Prime Contract for the operation of the facility, then the terms and conditions of the prime contract governing the right of the facility contractor to elect title to inventions shall govern. Where the class waiver does not apply, and if the agreement is not to be performed in the course of or under the prime contract, then the agreement should provide that the government takes title. An individual waiver or class waivers giving the facility contractor title in any WFO agreement would also be available.

Paul A. Gottlieb  
Assistant General Counsel  
for Technology Transfer  
and Intellectual Property

**ATTACHMENT 3**

<p align="center"><b>Work for Non-Federal Sponsors PROCESS CHECKLIST</b></p> <p align="center"><i>This Checklist is for reference and may be amplified by the Contractor.</i></p>		
<b>Issue</b>	<b>Description</b>	<b>Department Concur</b>
Technical Proposal	<p>Concise description of the work requested including schedule, milestones, reporting requirements, and deliverables.</p> <p>Detailed financial information including full-time equivalents; direct costs, such as personnel, supplies and expenses, travel, subcontracts, equipment, facilities, and services; applicable indirect costs; and depreciation and added factor costs for each fiscal year.</p>	N/A
Consistency with Mission	The proposed work must be consistent with or complementary to DOE missions and the missions of the facility.	Operations/Field Office (as requested)
Adverse Impact on DOE Funded Programs	The proposed work must not adversely impact execution of assigned programs of the facility .	Operations/Field Office (as requested)
Competition with the Private Sector	The proposed work must not place the facility in direct competition with the domestic private sector.	Operations/Field Office (as requested)
Future Burden on DOE	The proposed work must not create a detrimental future burden on DOE resources.	Operations/Field Office (as requested)
Human Subject Use	If the project involves human research subjects, it must be approved by Office of Energy Research (ER) if approval authority has NOT been delegated to the Institutional Review Board at facilities holding an approved Multiple Project Assurance from Department of Health and Human Services or Department of Energy.	ER/HQ

<p style="text-align: center;"><b>Work for Non-Federal Sponsors</b>  <b>PROCESS CHECKLIST</b>  <i>This Checklist is for reference and may be amplified by the Contractor.</i></p>		
<b>Issue</b>	<b>Description</b>	<b>Department Concur</b>
Animal Subject Use	If the project involves animal research subjects, the facility must be a U.S. Department of Agriculture-listed facility with a current National Institute of Health assurance or currently accredited by the Department of the American Association for Accreditation of Laboratory Animal Care, Inc. If not, work cannot be performed. If so, the facility can perform the work after its Animal Care and Use Committee has reviewed and approved the proposed project.	N/A
Type of Sponsor	If the project is funded by a foreign Sponsor, the Office of Policy (PO) must review the project.	PO/HQ
Nuclear Nonproliferation	If the project involves any nuclear nonproliferation detection technology, the Office of Nonproliferation and National Security (NN) must be notified.	NN/HQ
Intelligence	If the project involves intelligence-related work, the Office of Nonproliferation and National Security (NN) must approve the proposed project.	NN/HQ
Space Nuclear and Noncommercial Power Reactor	If the project involves space nuclear or noncommercial power reactor work, the Office of Nuclear Energy (NE) must approve the proposed project.	NE/HQ
Construction	If the project involves any construction or modifications to Department facilities, the Operations/Field Office must be notified. If the cost exceeds the GPP threshold, the Cognizant Secretarial Officer (CSO) and HQ Chief Financial Officer (CFO) must approve the proposed project.	CSO and HQ CFO
Foreign Travel	If the project involves any foreign travel to a sensitive country, the Operations/Field Office must approve the travel.	Operations/Field Office



<p style="text-align: center;"><b>Work for Non-Federal Sponsors</b>  <b>PROCESS CHECKLIST</b>  <i>This Checklist is for reference and may be amplified by the Contractor.</i></p>		
<b>Issue</b>	<b>Description</b>	<b>Department Concur</b>
Depreciation/Added Factor	Is a waiver of depreciation and added factor being requested in accordance with DOE policy. If so, the Field CFO must approve the waiver.	Field CFO
Overhead Costs	Is a waiver for costs in addition to depreciation and added factor costs being requested (e.g., overhead, etc.)? If so, a detailed justification for such waivers must be submitted to the HQ CFO via the cognizant Program Secretarial Officer.	HQ CFO
WFO Agreement	If non-standard terms and conditions are being used, the Operations/Field Office must approve the modified agreement.	Operations/Field Office
Intellectual Property	Is the proposed allocation of patent rights consistent with the terms of the class waiver?  Is the disposition of data rights consistent with standard DOE policy?	Operations/Field Office (as required by class waiver)  Operations/Field Office (if exception to DOE policy)
National Environmental Policy Act (NEPA); Environment, Safety, and Health (ES&H)	Is the proposed action covered under a categorical exclusion in 10 CFR Part 1021, Subpart D, Appendix A? If so, no Department notification is needed. The Department, as necessary, will audit facility files for appropriateness of categorizations. If the action is not covered in Appendix A, the documentation for a Department determination must be submitted to the Operations/Field Office in accordance with established procedures.  Describe any ES&H issues involved in the proposed work, including impacts and how such impacts will be handled.	Operations/Field Office (if not covered under Appendix A)  Operations/Field Office (as required)

<p align="center"><b>Work for Non-Federal Sponsors</b>  <b>PROCESS CHECKLIST</b>  <i>This Checklist is for reference and may be amplified by the Contractor.</i></p>		
<b>Issue</b>	<b>Description</b>	<b>Department Concur</b>
Classified, Export Controlled, and Unclassified Controlled Nuclear Information	Specify whether this project will involve the use or generation of classified information, export controlled information (ECI) or unclassified nuclear information (UCNI). Provide a summary of the internal review, such as who conducted the review and what the results were, and state how such information should be protected. If access to classified information, special nuclear materials (SNM), or unescorted facility security areas is involved in the project, a foreign ownership, control, or influence (FOCI) questionnaire must be completed. Also, the Operations/Field Office must be notified if classified information, UCNI, or SNM are being used or generated.	Operations/Field Office (as required)
Conflict of Interest	Review project personnel for any affiliations that could present the appearance of Conflict of Interest (e.g., consulting role, director position, controlling interest in a spin-off company). Where Conflict of Interest appears to exist, describe the mitigating measures taken to reduce the impact on the work. The laboratory must state that it will continue to monitor the Conflict of Interest status of each identified person as follows, "Each employee of the Laboratory has completed a Conflict of Interest statement that complies with the contract. If during the course of the work, conflicts are revealed, steps will be taken to manage and/or mitigate them."	N/A