



Department of Energy
Washington, DC 20585

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MEMORANDUM FOR INGRID KOLB

DIRECTOR
OFFICE OF MANAGEMENT

THROUGH:

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FROM:

PATRICK M. FERRARO
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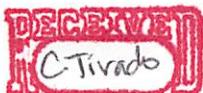
SUBJECT:

Notice of Intent to Revise Department of Energy Order 350.2B,
"USE OF MANAGEMENT AND OPERATING OR OTHER FACILITY
MANAGEMENT CONTRACTOR EMPLOYEES FOR SERVICES TO DOE
IN THE WASHINGTON, D.C., AREA," dated 05-31-2011.

PURPOSE: The purpose of this memorandum is to provide justification for the proposed revision of Department of Energy (DOE) Order (O) 350.2B. The directive establishes DOE-wide policy and procedural requirements for the review, approval, management and reporting of Management and Operating (M&O) contractor assignments to the Washington D.C. area. The objective of this revision is to incorporate a more performance based risk management approach into the oversight and management of these assignments. The revision will result in a reduction of DOE requirements, increased delegation of management responsibilities to sponsoring program organizations, elimination of reporting requirements and institutionalizing DOE-wide cost constraints for contractor domestic assignments.

JUSTIFICATION: Since Fiscal Year (FY) 1995 M&O contractor assignments to the Washington D.C. area in support of DOE Headquarters operations has remained an area of Congressional, Secretarial and programmatic interest.

The Office of Management (MA), working on conjunction with the members of the Laboratory Operations Board, recently completed a review of DOE Order 350.2B. The purpose of the review was to examine current policies and procedures to determine if opportunities existed that would allow for the reduction in management and oversight requirements and clarifying policy direction. Using a more forward leaning and risk based approach it was determined that reducing reporting and approval requirements,



delegating to program organizations, decreasing aggregate policy direction through more concise and clear direction could be implemented without increasing risk to DOE.

Examples of reductions in requirements and clarification of policy include:

- 1) Staffing Plans for Contractor Washington D.C. offices will be submitted and approved on a bi-annual basis rather than annually.
- 2) Staffing plan submissions to MA for coordination and approval will no longer be required.
- 3) DOE-wide management of aggregate ceilings, allocations and approval of assignments will no longer be required as programs will manage to program defined levels.
- 4) Management of the number and distribution of assignments within organizations will be assigned to staffing plan sponsors.
- 5) Overall reduction in and clarification of policy.

In addition, cost constraints as delineated in Acquisition Letter 2013-01, "Contractor Domestic Extended Personnel Assignments issued under the authority of the Senior Procurement Executives of DOE and National Nuclear Security Administration based on Secretarial direction can be institutionalized in the order. Finally the order has not been revised for several years and requires general updates to reflect organizational and directives changes.

Based on the above we are preparing to revise the directive to reflect the above pending decision on the justification memo. The revised directive does not impose any new requirements on organizations sponsoring assignments. There are no valid external, consensus or other "Standards (e.g., ISO, VPP, etc.) available which can be used in place of this directive.

IMPACT: IMPACT: The proposed directive does not duplicate existing laws, regulations or national standards and it does not create undue burden on the Department. The revised policies, procedures and requirements will ensure DOE maintains necessary and reasonable levels of oversight, management and cost controls of assignments while reducing overall requirements and resource requirements using a more concise and clear policy document.

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Ingrid Kolb, Director, Office of Management (MA-1):

Concur:  Nonconcur: _____ Date: 3-20-15

The proposed schedule for completing the revision of DOE 350.2B is to follow the schedule shown below.

<u>Standard Schedule</u>	<u>Days</u>
Draft Development	60 days
Review and Comment (RevCom)	30
Comment Resolution	30
Final Review	30
Total	150