



Department of Energy  
Washington, DC 20585

May 7, 2009

MEMORANDUM FOR INGRID KOLB  
DIRECTOR  
OFFICE OF MANAGEMENT

THROUGH: KEVIN T. HAGERTY *Kevin T. Hagerty*  
DIRECTOR  
OFFICE OF INFORMATION RESOURCES

FROM: *Edward R. Simpson*  
EDWARD R. SIMPSON  
DIRECTOR, OFFICE OF PROCUREMENT  
AND ASSISTANCE MANAGEMENT

SUBJECT: Notice of Intent to Revise DOE Order 350.2A, "USE OF  
MANAGEMENT AND OPERATING OR OTHER FACILITY  
MANAGEMENT CONTRACTOR EMPLOYEES FOR SERVICES  
TO DOE IN THE WASHINGTON, D.C., AREA," dated 10-29-03.

**PURPOSE:** This 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. This revision is necessary to incorporate a more performance based management approach into the revised DOE order and include review and approval, cost control and reporting standards contained in DOE Notice 350.1, "Supplemental Requirements for the Use of Management and Operating (M&O) or Other Facility Management Contractor Employees for Services to DOE in the Washington, D.C., area," dated 10-19-05. Following approval of the revised order the DOE Notice will be cancelled.

**JUSTIFICATION:** Since Fiscal Year (FY) 1995 Congressional interest of M&O contractor assignments to the Washington D.C. area in support of DOE Headquarters operations has significantly increased. Congressional report language accompanying the Energy and Water Development Appropriations Act (EWDA) has directed DOE each year to provide a report to Congress on the number and use of DOE's Management and Operating (M&O) contractor employees assigned to the Washington, D.C. metropolitan area. This order establishes the responsibilities and process by which the report is prepared and submitted. From FY 1998 through FY 2005 Congress imposed fiscal year limits on the total number of M&O contractor employee assignments. During this time, DOE reported aggregate assignment levels at or below Congressional limits. While Congress has not imposed a limit on the number of assignments since FY 2005, DOE remains committed to maintaining acceptable levels by minimizing increases through the application of order specific policies and procedures.

The revised directive does not impose any new requirements on organizations sponsoring assignments. Approval of the revised directive and concurrent cancellation of the Notice will:  
(1) establish a less instructive and more performance based oriented process for managing assignments; (2) implement new standards and requirements to manage by while reducing



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instructional “how to” and “standardized format and processing” requirements; and (3) more clearly define policy expectations and clarify roles and responsibilities while reducing the aggregate number of directive pages by approximately 40 percent.

A preliminary draft of this directive has been coordinated with several organizations directly affected by its implementation. Comments received have been addressed. Collectively these organizations represent approximately 81% of the total assignments. No impacts on other directives are anticipated. Assignments approved under this order directly support Headquarters program related mission activities.

The proposed directive does not duplicate existing laws, regulations or national standards and it does not create undue burden on the Department.

**IMPACT:** Issuance of the revised directive with its associated policies, procedures and requirements will not only ensure DOE submits accurate and timely annual reports to Congress but maintains levels of assignments consistent with Congressional expectations. Additionally, assignment specific review and approval requirements will ensure close scrutiny of costs, duration and necessity of individual assignments.

**CONTACT:** Andrew Scott Geary (202) 287-1507.

**DECISION:**

Concur: \_\_\_\_\_

Nonconcur: \_\_\_\_\_

Date: \_\_\_\_\_

**Justification Memorandum (Continued)**

<u>Timeframe</u>	<u>Days</u>
<u>First Draft</u>	_____
<u>Review and Comment</u>	_____
<u>Responses and Second Draft</u>	_____
<u>Concurrence</u>	_____