

U.S. Department of Energy

Oak Ridge Operations

ORO O 540 Chapter I

DATE: 9-30-96

SUBJECT: MANAGEMENT OF SUPPORT SERVICES ACTIVITY

1. PURPOSE. This Chapter assigns responsibility and accountability and provides administrative and/or contractual guidance to Oak Ridge Operations (ORO) and the Office of Scientific and Technical Information (OSTI) and their contractors. Nothing in this issuance changes any requirements contained in any DOE Order.
2. CANCELLATION. This issuance cancels and replaces ORIG 4200.3C, MANAGEMENT OF SUPPORT SERVICES ACTIVITY, dated August 19, 1992.
3. APPLICABILITY. The provisions of this Chapter apply to ORO and OSTI Principal Staff and management and operating (M&O) contractors.
4. RESPONSIBILITIES.
 - a. Assistant Manager for Administration (AMA).
 - (1) Approves ORO support services requests totaling more than \$25,000, but not exceeding \$1,000,000.
 - (2) Reviews for concurrence ORO support services requests for which the total estimated award value, including options, exceeds \$1,000,000 or succeeding modifications which will exceed 10 percent of the original award value or \$100,000, whichever is less.
 - b. Director, Procurement and Contracts Division (P&CD).
 - (1) Approves ORO support services requests of \$25,000 or less.
 - (2) Provides a Support Services Coordinator to assist the Resources Review Committee and the AMA in the review of ORO support services requests.
 - (3) Provides a complete listing of all support services contracts for direct ORO requirements (including the scope of services and the names of the Contracting Officer [CO] and Contracting Officers' Representative [COR] for each contract) to Principal Staff members, and annually updates the listing.
 - (4) Provides copies of support services requests for proposed contracts and modifications for which the total estimated cost, including options, is in the range of \$50,000 to \$1,000,000 to the DOE Headquarters Management Systems Development, and Evaluation Branch for information purposes.
 - (5) Ensures that ORO staff who interact with support services contractors are trained in administrative procedures.

- (6) Determines whether a proposed contract is for support services and is correctly coded in accordance with the guidelines provided in the Federal Procurement Data Systems Product and Services codes.
 - (7) Ensures compliance with procurement rules and regulations on support services contracting.
 - (8) Ensures that personnel who are appointed as COR meet the requirements set forth in DOE O 541.1.
- c. Director, Personnel Division, reviews ORO support services requests to determine whether an A-76 review is required in accordance with the provisions of Office of Management and Budget (OMB) Circular A-76.
- d. Director, Planning and Budget Division (PBD).
- (1) Reviews proposed support services requests for ORO and provides information to the Resources Review Committee regarding the availability of funds.
 - (2) Reviews proposed ORO support services contracts before execution by the contractor to ensure appropriate obligation of funds.
 - (3) Provides guidance to ORO staff on the appropriate type of funding (see Attachment 5 of this Chapter) to be used for support services contracts.
- e. Director, Evaluation and Control Division, provides guidance and assistance to the COR in connection with performance appraisals of support services contractors (see Attachment 6 of this Chapter).
- f. Chief Counsel reviews and concurs in ORO and OSTI proposed support services requests and proposed support services requests for contract modification.
- g. ORO and OSTI Principal Staff.
- (1) Before March 1 of each fiscal year, identify support services needs for their organizations, prepare support services requests, and obtain reviews and authorizations as specified in this Chapter. In addition, the request shall also address the feasibility of including the need in an existing support services contract. Attachments 2, 3, and 4 of this Chapter provide the formats for review and approval of support services requests.
 - (2) When a support services request is prepared, develop a detailed cost estimate for total services to be acquired. Assistance should be obtained from the Financial Advice, Pricing, and Travel Administration Branch, or the Assistant Director for Resource Management (ADRM) at OSTI in the development of the detailed cost estimate.

- h. Director, OSTI, ensures that OSTI activities covered by this Chapter are performed; approves support services requests not exceeding \$1,000,000; and reviews and concurs with support services requests totaling more than \$1,000,000 before transmitting them to the Director of Organization, Resources and Facilities Management, Headquarters, for approval.
- i. Assistant Director for Resource Management, OSTI, assists OSTI Principal Staff in the development of detailed cost estimates, ensures availability of funds, and reviews and concurs on all support services requests.
- j. Chief, Financial Advice, Pricing, and Travel Administration Branch, assists ORO Principal Staff in the development of detailed cost estimates, and reviews and concurs on each request totaling more than \$25,000.
- k. Small Business Program Specialist provides information, as necessary, concerning 8(a) support services requests when those services are required as indicated in subparagraphs 5c and d of this Chapter.
- l. Support Services Coordinator.
 - (1) Reviews ORO support services requests totaling more than \$25,000.
 - (2) Obtains the recommendation of the Resources Review Committee for ORO support services requests.
 - (3) Obtains the concurrence/approval, as appropriate, of the AMA for ORO support services requests.
- m. Resources Review Committee.
 - (1) Reviews ORO support services requests that total more than \$25,000 and recommends allocation of funds for support services contracts. Requests must be signed by the Support Services Coordinator.
 - (2) Makes final decisions on the appropriateness of consolidating services under current contracts and identifying those services required to meet future needs.
- n. Contracting Officers' Representatives.
 - (1) Appraise performance of assigned support services contractors as set forth in Attachment 6 of this Chapter.
 - (2) Coordinate, with the Personnel Clearance and Assurance Branch, support services contractor requests for access authorizations (see DOE O 472.1).
 - (3) Ensure timely termination of access authorizations in accordance with DOE O 472.1.

5. REQUIREMENTS AND PROCEDURES.

a. Support Services Requests to Meet ORO Requirements.

- (1) For requests of \$25,000 or less, the appropriate ORO program representative initiates the request and obtains concurrence of the program Assistant Manager, Directors of PBD and Personnel Division, and Chief of the General Acquisitions Branch. Concurrence of the cognizant Division Director is required, in lieu of the PBD if division funds are used. The request is approved by the P&CD.
- (2) For requests exceeding \$25,000, but less than \$1,000,000, the procedure described above is used except that concurrence is obtained from the Chief, Financial Advice, Pricing, and Travel Administration Branch, and the P&CD, in lieu of concurrence from the Chief, General Acquisitions Branch. The request is approved by the AMA.
- (3) For requests exceeding \$1,000,000, and modifications thereto, the procedure described in (2) above is used. In addition, concurrence is obtained from Office of Chief Counsel. Following concurrence by the AMA, the request is transmitted to the Director of Organization, Resources and Facilities Management, Headquarters, for approval.

b. Support Services Requests to Meet OSTI Requirements.

- (1) For requests not exceeding \$1,000,000, the appropriate Division Director initiates the request and obtains concurrence from his/her Assistant Director and the ADRM. The request is approved by the Director, OSTI.
- (2) For requests exceeding \$1,000,000 and modifications thereto, the procedure described in (1) above is used. In addition, concurrence is obtained from the ORO Office of Chief Counsel. Following concurrence by the Director, OSTI, the request is transmitted to the Director of Organization, Resources and Facilities Management, Headquarters, for approval.
- (3) Attachments 2, 3, and 4 of this Chapter may be modified for OSTI requirements.

c. Small Disadvantaged Business (SDB) 8(a) Support Services Requests for the Exclusive Use of M&O Contractors.

- (1) For requests of \$1,000,000 or less, the appropriate ORO program representative initiates the request and obtains concurrence of the appropriate program Assistant Manager, Chief of the Financial Advice, Pricing, and Travel Administration Branch and the P&CD. The request is approved by the AMA.
- (2) Attachments 2 and 3 may be modified for M&O requirements.
- (3) Attachment 5 is not applicable to M&O requests.

- d. SDB 8(a) Support Services Requests for Use by ORO and M&O Contractors. If the support services request is for use by both ORO and an M&O contractor, the standard review procedures used for ORO requirements are to be followed.
6. REFERENCES.
 - a. DOE O 541.1, APPOINTMENT OF CONTRACTING OFFICERS AND CONTRACTING OFFICER REPRESENTATIVES, dated April 30, 1996.
 - b. DOE O 541.3 (formerly DOE 4220.4), ORGANIZATIONAL CONFLICT OF INTEREST PROCESSING PROCEDURES, dated May 19, 1986.
 - c. DOE O 472.1, PERSONNEL SECURITY ACTIVITIES, dated September 25, 1995.
 - d. ORPL No. 3, PROCUREMENT REVIEW AND APPROVAL OF CONTRACT, FINANCIAL ASSISTANCE, AND SUBCONTRACT ACTIONS.
 - e. DEAR 909.5, ORGANIZATIONAL CONFLICTS OF INTEREST.
 - f. STANDARD PRACTICES AND PROCEDURES (SPP) No. 22, TASKING PROCEDURE FOR SUPPORT SERVICES CONTRACTS.
 7. DEFINITIONS. None.
 8. CONTRACTOR REQUIREMENTS DOCUMENT. See Contractor Requirements Document, Attachment 1 of this Chapter.
 9. ATTACHMENTS.
 - a. Attachment 1 - Contractor Requirements Document.
 - b. Attachment 2 - Appendix A, Review and Approval of Support Services Requests \$25,000 or Less.
 - c. Attachment 3 - Appendix B, Review and Approval of Support Services Requests More Than \$25,000, But Not Exceeding \$1,000,000.
 - d. Attachment 4 - Appendix C, Review and Recommendation for Approval of Support Services Requests More Than \$1,000,000 and Modifications.
 - e. Attachment 5 - Appendix D, Guidelines on Utilization of Program Direction Account Versus Program Funds for Support Services Contracts.
 - f. Attachment 6 - Appendix E, Performance Appraisal of Support Services Contractors.

CONTRACTOR REQUIREMENTS DOCUMENT

Contractors that are identified in paragraph 3 of this Chapter shall comply with subparagraphs 5c and d of this Chapter by submitting requests for such services to the COR. The requirements contained in subparagraphs 5a-d of this Chapter do not apply to subcontracts, only to prime contracts.

APPENDIX A

Review and Approval of Support Services Requests \$25,000 or Less

1. RECOMMENDED:

Signature: _____ Date: _____
Requesting Organization

2. RECOMMENDED:

Signature: _____ Date: _____
Cognizant Assistant Manager

3. FUNDING COMMENTS ATTACHED: Yes No

Signature: _____ Date: _____
Director, Planning and Budget Division or
Cognizant Division Director (if division funds
are used)

4. A-76 STUDY REQUIRED: Yes No

Signature: _____ Date: _____
Director, Personnel Division

5. COMPLIANCE WITH PROCUREMENT REGULATIONS: Yes No
Comments Attached

Signature: _____ Date: _____
Chief, General Acquisitions Branch
Procurement and Contracts Division

6. APPROVAL:

Signature: _____ Date: _____
Director, Procurement and Contracts Division

APPENDIX B

**Review and Approval of Support Services Requests
More Than \$25,000, But Not Exceeding \$1,000,000**

1. RECOMMENDED:

Signature: _____

Date: _____

Requesting Organization

2. RECOMMENDED:

Signature: _____

Date: _____

Cognizant Assistant Manager

3. ADEQUATE TOTAL COST ESTIMATE DEVELOPED:

___Yes ___No

Signature: _____

Date: _____

Chief, Financial Advice, Pricing, and Travel
Administration Branch

4. FUNDING COMMENTS ATTACHED:

___Yes ___No

Signature: _____

Date: _____

Director, Planning and Budget Division or
Cognizant Division Director (if division funds
are used)

5. A-76 STUDY REQUIRED:

___Yes ___No

Signature: _____

Date: _____

Director, Personnel Division

6. COMPLIANCE WITH PROCUREMENT REGULATIONS:

___Yes ___No

Comments Attached

Signature: _____

Date: _____

Director, Procurement and Contracts Division

APPENDIX B

7. ALLOCATION OF FUNDS APPROVED:

Yes No

Signature: _____

Date: _____

Support Services Coordinator for Resources
Review Committee

8. APPROVAL:

Signature: _____

Date: _____

Assistant Manager for Administration
Oak Ridge Operations

APPENDIX C

**Review and Recommendation for Approval of Support Services
Requests More Than \$1,000,000 and Modifications**

1. RECOMMENDED:

Signature: _____

Date: _____

Requesting Organization

2. RECOMMENDED:

Signature: _____

Date: _____

Cognizant Assistant Manager

3. ADEQUATE TOTAL COST ESTIMATE DEVELOPED:

___Yes ___No

Signature: _____

Date: _____

Chief, Contract Finance Branch

4. LEGALLY SUFFICIENT:

___Yes ___No

Comments Attached

5. FUNDING COMMENTS ATTACHED:

___Yes ___No

Signature: _____

Date: _____

Director, Planning and Budget Division

6. A-76 STUDY REQUIRED:

___Yes ___No

Signature: _____

Date: _____

Director, Personnel Division

7. COMPLIANCE WITH PROCUREMENT REGULATIONS:

___Yes ___No

Comments Attached

Signature: _____

Date: _____

Director, Procurement and Contracts Division

APPENDIX C

8. ALLOCATION OF FUNDS APPROVED:

Yes No

Signature: _____

Date: _____

Support Services Coordinator for Resources
Review Committee

9. CONCURRENCE:

Signature: _____

Date: _____

Assistant Manager for Administration
Oak Ridge Operations

APPENDIX D

**Guidelines on Utilization of Program Direction Account
Versus Program Funds for Support Services Contracts**

1. The Program Direction Accounts of the various cognizant Secretarial Officers, as well as Department Administration (WA), fund the salaries and benefits of Federal personnel as well as services necessary to directly support Federal personnel. Support services are defined as all services and activities required by the Government to support the development and execution of assigned functions and programs. Support services contracts, in this context, are contracts in direct support of Federal personnel. Therefore, as a general rule, support services contracts are to be budgeted in the appropriate program direction account of the office receiving the support.
2. If a support services contract is in direct support of a single program mission (as opposed to providing support to a Federal employee) and that single program derives all of the benefits of that contract, then consideration is given to funding the contract with the program funds (nonprogram direction). Approval to use program funds to fund support services contracts must be obtained from the appropriate Assistant Manager and the Director of the Planning and Budget Division. The Director of the Planning and Budget Division researches the applicable appropriation to guard against illegal augmentation of congressional control points and to ensure suitability of the scope of work in accordance with congressional intent.

APPENDIX E

Performance Appraisal of Support Services Contractors

1. **Procedures for COR.** COR are responsible for monitoring contractor performance and preparing an annual appraisal report to be issued by October 31 each year. During the year of contract expiration, an appraisal report is issued six months before contract expiration date to assist management in making extend/compete decisions. To properly monitor and evaluate contractor performance, COR collect data and information from end users of services and from ORO matrix organizations, as appropriate. A copy of each appraisal report is submitted to the cognizant contractor, contracting officer, and Chief of the Evaluation and Financial Review Branch (FM-731).
2. **Performance Elements.** Support services contractors' performance is evaluated using the following standardized performance elements:
 - a. **Quality of Results.** The effectiveness of the contractor in providing services that meet customer requirements and specifications.
 - b. **Schedule Performance.** Accomplishment of work within established time frames.
 - c. **Cost and Budget Control.** Accomplishment of work within established financial parameters.
 - d. **Responsiveness to Direction.** Compliance and cooperation in response to DOE guidance.
3. **Performance Ratings.** The following adjective ratings are used to evaluate contractor performance. The standard of performance, noted below in the definition of each rating, is that which is reasonably expected of a competent support services contractor based on applicable Orders, regulations, and sound business practices.

<u>Outstanding</u>	Performance substantially exceeds expected levels of performance. Several significant or notable achievements exist. No notable deficiencies in performance.
<u>Good</u>	Performance exceeds expected levels and some notable achievements exist. Although some notable deficiencies may exist, no significant deficiencies exist.
<u>Satisfactory</u>	Performance meets expected levels. Minimum standards are exceeded and "good practices" are evident in contract operations. Notable achievements or notable deficiencies may or may not exist.
<u>Marginal</u>	Performance is less than expected. No notable achievements exist; however, some notable deficiencies exist or any notable achievements that exist are more than offset by significant or notable deficiencies.

APPENDIX E

Unsatisfactory Performance is below minimum acceptable levels. Significant deficiencies causing severe impacts on mission capabilities exist.

4. Appraisal Report Content. The annual appraisal report contains the following:
- a. Introduction. State the purpose and scope of appraisal and period covered.
 - b. Summary and Conclusions. State overall adjective rating reflecting the contractor's performance. Briefly describe the most important accomplishments and deficiencies that impacted the performance rating. Isolated examples of performance accomplishments or deficiencies should not be allowed to materially influence overall evaluation of a contractor's performance. Support conclusions in the commentary.
 - c. Commentary. Address each performance element and provide an adjective rating for performance in each element. Provide comments on the contractor's significant accomplishments and deficiencies in each element. Include data and information that fully and clearly support the assigned performance ratings.