

- **DATE**: August 26, 2013
- **TO**: Procurement Directors

FROM: Director Contract and Financial Assistance Policy Division Office of Policy Office of Acquisition and Project Management

SUBJECT: Term Assignments of Contractors to the Washington D.C. Area.

SUMMARY: On July 2, 2013 the DOE Office of the Inspector General issued Audit Report Number 0890 entitled, "Follow-up Audit on Term Assignments of Contractor Employees." The audit was conducted as a follow-up of the FY 2005 audit of "Management of Facility Contractors Assigned to the Washington D.C. area DOE/IG 0710." The earlier report found instances where assignment justifications were insufficient, costs appeared excessive and allowances inconsistent. The follow-up audit recognized improved management of assignments but noted assignment justifications and cost management could be improved. The report recommended DOE determine prior year actual costs to assist in calculating the estimated costs for the upcoming year of multi-year assignments and ensure assignment records in the Departmental Management and Tracking System (DMATS) are accurate.

> DOE agreed in principle with the report recommendations and to reemphasize to organizations sponsoring assignments the importance of satisfying DOE policy and procedural requirements with particular attention to justifications and cost limitations. DOE policy for these assignments is delineated in DOE Order 350.2B, dated May 31, 20011, "Use of Management and Operating or Other Facility Management Contractor Employees for Services in the Washington

D.C. Area, and supplemental instructions via Acquisition Letter 2013-01 Contractor Domestic Extended Personnel Assignments dated October 18, 2012.

DOE policy and the IG report can be found at the following addresses.

DOE Order 350.2B: https://www.directives.doe.gov/directives/0350.2-BOrder-b/view

Acquisition Letter AL 2013-01, "Contractor Domestic Extended Personnel Assignments" can be found at the following web address: <u>http://energy.gov/sites/prod/files/AL%202013-</u> 01%20%20Contractor%20Domestic%20Extended%20Personnel%20 <u>Assignments.pdf</u>

DOE//IG Report 0890: http://energy.gov/sites/prod/files/2013/07/f2/DOE-IG-0890.pdf

This Flash will be available online at the following website: <u>http://energy.gov/management/office-management/operational-management/procurement-and-acquisition/policy-flashes</u>.

Questions concerning this policy flash should be directed to A Scott Geary of the Contract and Financial Assistance Policy Division, Office of Policy, Office of Acquisition and Project Management at (202) 287-1507 or at <u>Andrew.Geary@hq.doe.gov</u>.