

WCF BLUE BOOK

U. S. DEPARTMENT OF ENERGY

WORKING CAPITAL FUND

**Guide to Services,
Policies, and Procedures
2009**



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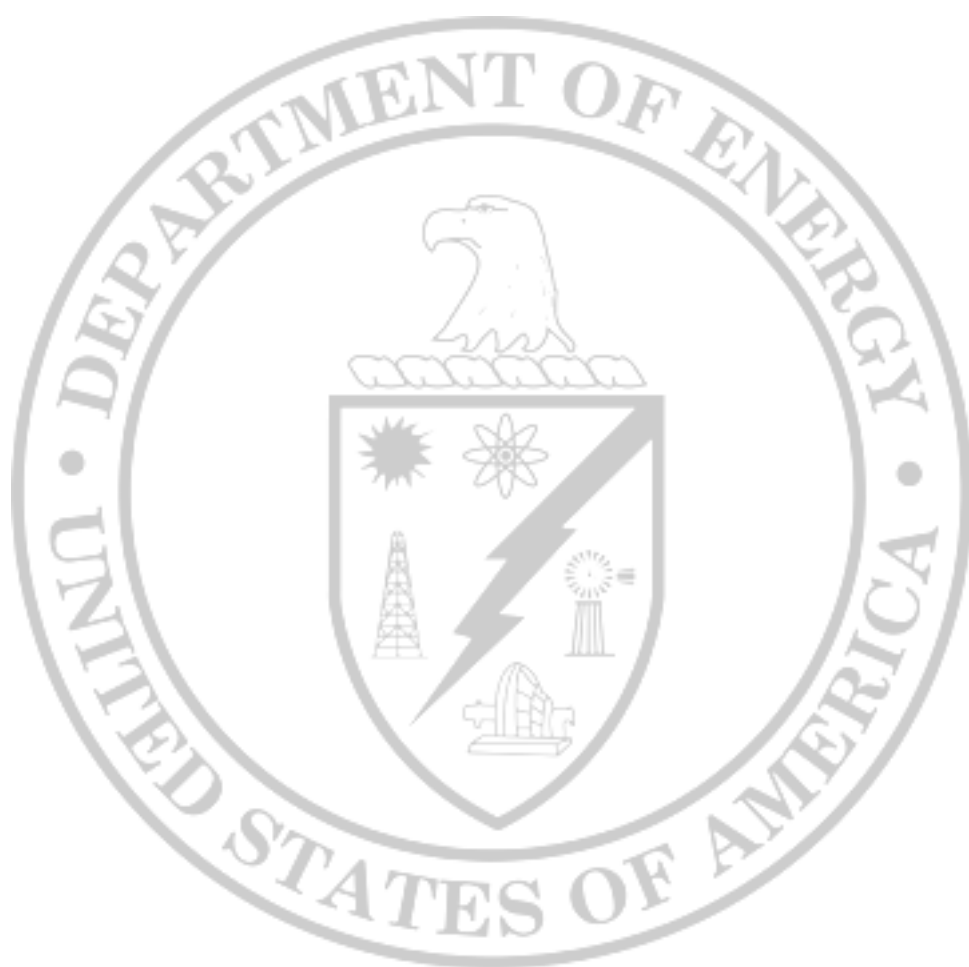
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INTRODUCTION

The Working Capital Fund (Fund) creates a market-like financial framework for common administrative services, allowing customers to become cost-conscious in selecting the mix and level of support that will best service the mission needs of their organization. As is the case in other intra-governmental services funds, the success of the Fund in reducing the costs of this support is linked directly to the ability of customers to understand the resource implications of their choices. That is, customers need to know the flexibility afforded them on selecting supply sources, volumes, and quality, and the budget effects of these selections. In the DOE Fund, the relationships between customer choices and costs are embodied in “pricing policies” established by the Fund Board.

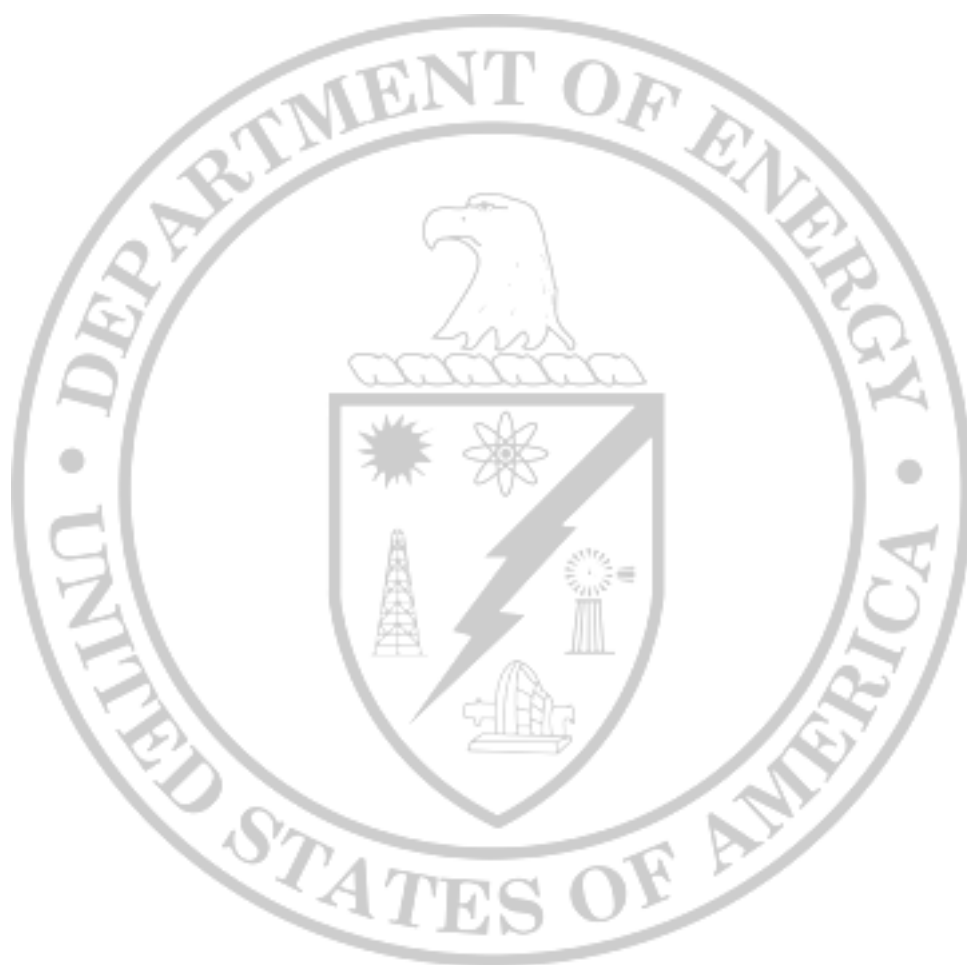
The purpose of the Blue Book is to describe the current pricing policies of the Working Capital Fund Board in ways that support customer understanding of individual and collective choices. The first Blue Book was prepared in 1997, shortly after creation of the Fund, as a way of collecting, in a single hard-copy volume, all relevant WCF information for use by customers, suppliers, and the Fund staff itself. Over time, as the Fund matured, the volume expanded to cover financial procedures, changes in Board membership, new budget projections, and the like.

Beginning in 2004 we transitioned to an electronic, rather than hard-copy, format. Most of the separate “businesses” in the Fund maintain web sites in conjunction with their parent organizations, and we have moved to electronic billing for the Fund itself. Most of the background material in the previous Blue Book editions has already been reorganized on the WCF home page www.wcf.doe.gov. We are trying to convert the Blue Book material to a more accessible form, with links to other home pages.

The Fund web-page provides other resources to improve program management of internal shared services and their costs. The web-page is organized into subjects of interest to Customers, Board Members, and other Corporate Stakeholders. There are studies that provide an overview of financial management as well as business line performance; and, studies that delve into the financial arrangements and internal controls for each business. The web-page seeks to promote the corporate nature of Fund operations.

We welcome questions and comments, either about current service offerings and pricing policies or about the format and content of the Blue Book itself. Simply put, we cannot achieve our communication objectives if we do not know what you, the reader/customer, need. Please feel free to contact Howard Borgstrom (6-5923), Bob Emond (6-3254), Ronald Mayo (6-4911) or any of the business line points-of-contact listed in the text.

Howard G. Borgstrom
Working Capital Fund Manager
Office of Finance and Accounting Policy
Office of Management, Budget and Evaluation/CF



FUND ORGANIZATION

The Working Capital Fund organization supplements other DOE organizational arrangements.

Pricing policy development and oversight are vested in the Working Capital Fund Board, appointed by the Deputy Secretary. The Board supports its policy role through the Fund Manager, Board Secretary, functional Working Groups, and the Dispute Resolution Council. Board members have identified alternates who frequently attend Board meetings. Meetings are open to representatives of the NTEU, the Office of Management and Budget, and interested program representatives. Minutes are published on the WCF Home Page, www.wcf.doe.gov .

Financial and line responsibility for delivery of services is assigned to a Business Line Manager who reports through the normal chain of command.

The Chief Financial Officer responsibilities for the Fund parallel those for other Headquarters DOE functions. The Fund Manager is the Director, Office of Working Capital Fund (CF-60) within the Office of Chief Financial Officer (CF-1). The CFO has designated the Fund Manager as Acting Chair of the Working Capital Fund Board.

BOARD CHARTER

(Revised June 23, 2005)¹

Background

The Working Capital Fund is an intra-governmental revolving fund established pursuant to Section 653 of the Department of Energy Organization Act, P.L. 95-91 (August 4, 1977). The Fund is Treasury Account 89X-4563, first established for FY 1997 based on then-Deputy Secretary Charles Curtis' November 27, 1995 approval of the November 21, 1995 recommendations of Chief Financial Officer Joseph Vivona and Assistant Secretary for Human Resources and Administration Archer Durham. More recently, Section 1.28 of Delegation Order No. 00-008.00 delegated responsibility for administration of the Working Capital Fund to the Director, Office of Management, Budget and Evaluation/Chief Financial Officer.

Goals

The goals of the Working Capital Fund ("Fund") include:

- (1) Increasing the efficiency of the Department's operations by having the cost of administrative services reflected in day-to-day decision-making by program managers;

¹ The charter has been updated to include a new background section; to emphasize the "advisory role" of the Board; to add new authorities for the Dispute Resolution Council and Financial Procedures (in response to IG reports); to reflect current titles of Secretarial Officers and identify current membership; adds CIO and NNSA as standing members; removes the concept of 2-year overlapping term appointments; and , allows a Board majority to call a meeting while accounting for the provisions of NNSA legislation.

- (2) Improving the management of administrative services through use of flexible and business-like financing methods; and
- (3) Providing an accurate full-cost budget for programs and activities, including indirect costs wherever possible.

Functions

The Working Capital Fund Board ("Board") shall provide policy oversight and direction concerning:

- (1) Designation of activities to be included in the Fund;
- (2) Policies for establishing user charges for the Fund; and
- (3) Establishment of overall financial and managerial policies for the Fund and customer feedback for the activities included in the Fund.

The Board shall also respond to requests for advice or information from senior Department of Energy management on matters relating to the financing and management of common services.

The Board is authorized to:

- (1) Establish procedures for resolution of disputes;
- (2) Approve procedures for financial and business reports, subject to DOE accounting policies;
- (3) Request financial and performance information from business line officials;
- (4) Advise senior departmental officials on performance of organizations and activities financed through the Fund or on the administration of the Fund.

The Board is intended to supplement, not supplant, program and fiscal management responsibilities of the Director, Office of Management, Budget and Evaluation/Chief Financial Officer and the Chief Information Officer.

Nothing in this charter will limit authority of the Secretary, Deputy Secretary or both Under Secretaries to fulfill their management oversight responsibilities for the Department of Energy.

Membership

All Board members must be DOE employees. Members are expected to represent the whole of

the Department rather than their individual program interests.

The membership of the Board shall include:

- (1) The Director, Office of Management, Budget and Evaluation/Chief Financial Officer (or designee) who will chair the Board;
- (2) The General Counsel (or designee);
- (3) The Chief Information Officer (or designee);
- (4) The Administrator of the National Nuclear Security Administration (or designee);
- (5) Six or more representatives of other Departmental Elements, designated by the Deputy Secretary;
- (6) Such further representation as the Deputy Secretary may prescribe.

The Deputy Secretary may establish specific terms for Board members. If no definite term is established, Board members serve until replaced or removed by the Deputy Secretary.

The Chair shall appoint a Secretary to the Board and may appoint such other officials and establish working groups as necessary to carry out the functions of the Board.

The Director, Office of Management, Budget and Evaluation/Chief Financial Officer will designate the Working Capital Fund Manager to perform the executive functions of the Fund.

Meetings

- (1) The Board shall meet at the call of the Chair, except that a majority of members of the Board may call for a meeting of the Board. One half of the membership of the Board will constitute a quorum. The Board may only meet if the quorum is present.
- (2) Meetings will typically be held quarterly, or more often as may be necessary.
- (3) Representatives of Departmental Elements not directly represented on the Board may attend Board meetings.
- (4) Written records of meetings shall be maintained.
- (5) To the extent practicable, the Board shall operate on a consensus basis. In the event a consensus cannot be reached, the Deputy Secretary will be consulted.

BOARD MEMBERSHIP

Chair:

Chief Financial Officer

S. Isakowitz

Permanent Members:

General Counsel

D. Hill

Chief Information Officer

T. Pyke

Administrator of the National Nuclear Security Administration

T. D'Agostino

Revolving Members:

Administrator, Energy Information
Administration

G. Caruso

Director, Science

R. Orbach

Assistant Secretary, Fossil Energy

T. Shope

Assistant Secretary, Environmental
Management

J. Rispoli

Assistant Secretary, Energy Efficiency &
Renewable Energy

A. Karsner

Director, Nuclear Energy, Science and
Technology

D. Spurgeon

Director, Office of Security and Safety
Performance Assurance

G. Podonsky

Assistant Secretary for Policy and
International Affairs

K. Harbert

Chief Human Capital Officer

J. Pon

Director, Office of Management

I. Kolb

Assistant Administrator for Washington
Liaison, Western Power Marketing
Administration

R.J. Dodd

Civilian Radioactive Waste Management

E. Sproat

Board Secretary:

R. Emond

DISPUTE RESOLUTION COUNCIL

Charter

The Working Capital Fund Dispute Resolution Council (Council) is established to resolve disputes between Working Capital Fund (Fund) customers and the Fund Manager. The Council shall establish its own schedule and operating procedures necessary to carry out its business.

The Council may recommend revisions to this Charter deemed necessary to carry out its duties.

The Council will be established by majority vote of the Executive Board (Board) and shall be chaired by a representative of the Office of Hearings and Appeals nominated by the General Counsel Board member and approved by majority vote of the Board.

The Council will be comprised of the Chairperson and voting members from four Program Offices either (a) nominated by the Board from a list of volunteer received, or (b) selected at random by the Board and approved by majority vote of the Executive Board. Program Office representatives shall serve one year terms and these representatives will be selected on a rotating basis. The Council may seek advice on legal matters from the Office of General Counsel and on budgeting and accounting matters from the Chief Financial Officer as necessary. If a dispute involves an organization represented on the Council, that member will reclude him/her self from participating in resolution of that issue and will not vote on the issue.

When Fund customers have disputes that are not resolved with the Fund Manager in a timely manner, either the customer's authorized resource manager, Senior Program manager, or the Fund Manager may request that the Dispute Resolution Council review the disputed matter. Disputes will be presented in writing in a short memorandum format which will be prescribed by the Council. The Council will notify all affected parties and provide them with copies of each dispute as soon as possible after receipt.

The Council will explore options for a satisfactory resolution of those disputes referred to it and determine a recommended solution. The Council Chair will finalize the Council's findings and recommendation for solution within 30 days of receipt of the dispute and present them to the Executive Board as soon as possible.

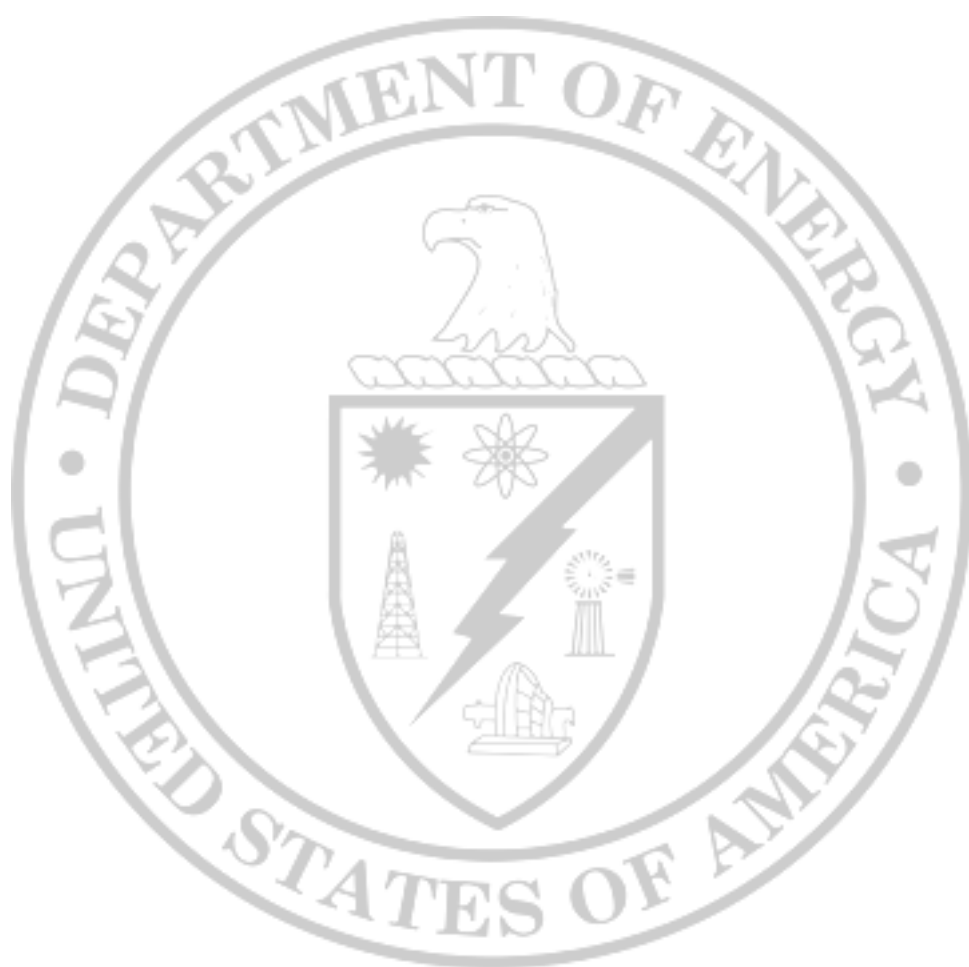
The Executive Board will decide by majority vote whether or not to accept the recommended solution. If the Board requests additional information, the Fund Manager and/or the customer will provide the information as soon as possible. The Board may seek advice from the General Counsel, the Chief Financial Officer, or other sources as necessary. The decision of the Board is final and shall be binding on the Fund Manager and the customer.

COUNCIL MEMBERSHIP:

Chair: Richard Tedrow, HG, (202) 426-1659

Members: Charles Roy, FE, (202) 586-8977 Steve Durbin, EIA, (202) 586-3521,

Staff: Bob Emond, CF-60 (202) 586-2354



POLICIES AND PROCEDURES

Since the inception of the Fund in 1997, the Working Capital Fund Board, the Chief Financial Officer, and the parent organizations of Fund businesses have promulgated policies and procedures on a variety of topics concerning the financial management of the Fund. In addition to documenting methods for day-to-day operation of the WCF businesses and the monthly billing system, these procedures have been developed to respond to audit findings and recommendations of the DOE Inspector General and to criteria set forth in congressional committee language.

This document is intended to organize the policies and procedures into a single reference for use by customers and business line managers as well as by financial management and accounting officials. This Section is revised to establish transactional relationships between the fund manager acting as agent for the Board and business line managers who report through different departmental management. When the Fund began, all but one

business were organized under the same management as the fund manager, which provided a consistency of management objectives between the fund manager's office and the respective business lines. Now, as a result of reorganizations, business line managers report to different line management and the relationship between the fund manager and the business line managers is arms length and therefore more formal. The business line fund manager position is eliminated because it implied a relationship between the fund manager and the business line that detracted from the business line manager.

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Section I Policy Framework

- A. Background. The WCF is an intra-governmental revolving fund that is authorized by the DOE Organization Act (1977) and the Energy Reorganization Act (1974) to finance administrative functions through which the cost for goods or services provided are charged to customer organizations and the funds received are available to continue

operation and replace capital equipment. ¹

B. Goals. The goals of the Department in establishing the Fund include:²

- (1) Increasing the efficiency of the Department's operations by having the cost of administrative services reflected in day-to-day decision-making by program managers;
- (2) Improving the management of administrative services through use of flexible and businesslike financing methods; and
- (3) Providing an accurate full-cost budget for programs and activities, including indirect costs wherever possible.

C. Criteria. ³

- (1) The Fund is an appropriation account within the Department's financial management system and shall be managed in compliance with general Federal laws and regulations governing appropriated funds and the Department's accounting and budgeting policies and procedures.
- (2) The Fund shall not be used as a vehicle for maintaining balances of unencumbered funds.
- (3) The policies of the Fund shall be:
 - (a) Planned not to produce a profit;
 - (b) Sound and defensible, without added factors for administrative costs; and
 - (c) Designed to minimize advance payments and, as appropriate, dispose of any excess advance payments.
- (4) Governance of the Fund is based on broad-based representative decision-making, including smaller organizations;
- (5) Performance indicators are clearly stated and do not require costly information systems to measure performance, including financial performance.

¹ Source: 1997 Administrative Control of Funds policy.

² Source: April 1996 Working Capital Fund Board Charter

³ Criteria (2) and (3) attempt to restate some of the Energy and Water Subcommittee guidance from their FY 1997 and FY 1998 reports.

Section II Organization

General. The Working Capital Fund organization supplements, but does not replace or supplant the formal organization for financing and delivering administrative services within the Department.⁴

- A. Working Capital Fund Board. Policy oversight of the Fund shall be vested in the Working Capital Fund Board chartered and appointed by the Deputy Secretary. The Board Chair shall appoint the Fund Manager, Board Secretary, and other officials of the Fund.
- B. Working Capital Fund Manager. The Fund Manager shall:⁵
- (1) In coordination with the Business Line Managers, develop reasonable estimates by business line of the expected usage of goods and services and associated estimated costs for the purpose of advising customer organizations of anticipated budgetary requirements;
 - (2) Prepare the annual budget documentation for the Fund, for review by the Chief Financial Officer, the Office of Management and Budget, and the Congress;
 - (3) Request advances from customer organizations for the current year's estimated cost of goods and services;
 - (7) Ensure that a system is in place for collecting costs of goods and services, including establishment of a billing system and review and approval of subsidiary billing systems of the business lines;
 - (4) Provide an invoice to the customer organization on a monthly basis, with a copy to the Office of Chief Financial Officer (CFO), a statement of costs incurred and an updated or "annualized" estimate of costs of goods and services based on current usage rates and actual costs;
 - (5) Report the financial condition of the Fund on a quarterly basis as specified in Section V below.
 - (5) Provide advance notification to the customer organization and the CFO of any potential funding deficiencies in a business line, in particular, in situations that

⁴ Board Charter of April 1996.

⁵ All references are to the 1997 policy on Administrative Control of Funds, with the exception of item (2), which is implicit in the Energy and Water Development Subcommittee report criteria for FY 1997 and FY 1998, item (10) regarding the Dispute Resolution Council, and item (11) regarding reporting to the Board on Inspector General audits..

may lead to a WCF administrative violation and take action to reduce costs or to request additional funds to cover estimated costs, as appropriate;

- (6) Provide notification to the CFO and applicable customer organization(s) of any WCF administrative violations;
- (9) Make downward price adjustments as appropriate and alert the Board to the need to make upward price adjustments;
- (10) Provide staff support and information to the Dispute Resolution Council; and
- (11) Report periodically to the Board on the status of any outstanding findings or recommendations of the Inspector General.

C. Business Line Manager.⁶ The Business Line Manager shall be appointed by the organization responsible for service delivery. In addition to line responsibilities, this manager will be responsible to the Fund for operating the business in a manner that ensures its sustainability as evidenced by efforts to improve business performance and results in customer service and financial performance. Desired business line performance includes: meeting customer requirements; maintaining efficient and effective processes; eliciting workforce participation toward business success; and, understanding financial factors impacting performance and maintaining financial systems to support the business.

- (1) Plans, implements, and monitors contractual arrangements for the services provided by the business, to ensure appropriate service levels within known or projected resource limits.
- (2) Maximize workforce participation to ensure appropriate service levels within known or projected resource limits.
- (3) Establishes and maintains systems for calculating and reporting to the Fund Manager the monthly charges to each customer, in a format to be prescribed by the Fund Manager;
- (4) Performs analysis of goods and services received by the business where no corresponding invoice has been paid and proposes accrual entries, so that the full value of these liabilities are reported in quarterly financial reports.
- (5) Maintains internal control of inventory that will ensure that inventory amounts carried on the WCF balance sheet are correct, inventory charges to the business line are correct, and physical inventories are performed at least annually.

⁶ The section on Business Line Fund Manager and Business Line Service Manager roles is revised to accommodate changes in organizational structure and provide greater emphasis on the role of the business line manager. This change was approved by Board decision dated...

- (6) Maintains administrative funds control systems to ensure the availability of funds from customer payments into the Fund before making or authorizing commitments for goods and services to be paid for out of the Fund;
- (7) Participates with the fund manager in quarterly reviews of business line performance with a focus on the financial condition of the business.
- (8) Alerts the Fund Manager to projected shortages in resources available to cover business line costs;
- (9) Prepares and proposes a Five-year Plan to the Board through the respective working group and Fund Manager
- (10) Serves as a principal point of contact for customer inquiries about usage patterns, costs incurred, service standards, scheduling, and options.
- (11) Maintains an active program of benchmarking with other Federal agencies, other parts of DOE, and the private sector on pricing policies and cost levels.
- (12) Cooperates with the Board and its Working Groups in the review of current pricing policies and analysis of new business possibilities.

D. Customer Organization. The customer organizations shall:

- (1) Provide information to the Fund Manager and the Business Line Managers for use in the development of reasonable estimates by business line of the expected usage of goods and services;
- (2) Provide sufficient advances (via authorizing memorandum to the Fund Manager with a duplicate copy to the CFO) for the estimated cost of goods and services for the fiscal year;
- (3) Control costs to prevent obligations for each business line from exceeding advances provided to the WCF;
- (4) Periodically review fund balances and expected future costs and, if necessary, take appropriate action to provide additional funding or remove excess funds; and
- (5) Provide the CFO a plan of action to address potential funding deficiencies within 10 working days of receiving request from the CFO.

E. Office of Chief Financial Officer (CFO). The Office of CFO shall:

- (1) Issue approved funding programs and associated Advice of Allotment in accordance with anticipated purchases by customer organizations;

- (2) Obligate sufficient funds based on authorizations received from customer organizations and make payment of such funds to the WCF for advance payment of the estimated cost of goods and services;
- (3) Monitor funding levels and expected costs, as projected by the WCF, by customer organization;
- (4) Notify customer organization(s) when funds are not adequate to meet estimated costs and request customer organization(s) to provide a plan of action to address potential funding deficiencies;
- (5) Reserve and obligate funds of a customer organization, as appropriate, to cover potential funding deficiencies if the customer organization does not respond to the mandatory request in II.E.(4) above within 10 working days of notification;
- (6) Record costs against customer organizations upon receipt of WCF invoices; and
- (7) Maintain the accounting for the WCF operations.
- (8) Provides accounting reports that support the analytic requirements of the WCF customers, business lines, and the fund manager's office.

F. Dispute Resolution Council.⁷ The Working Capital Fund Dispute Resolution Council (Council) is chartered by the Board to resolve disputes between Working Capital Fund (Fund) customers and the Fund Manager. The Council shall establish its own schedule and operating procedures necessary to carry out its business. The Council may recommend revisions to this Charter deemed necessary to carry out its duties.

- (1) The Council will be established by majority vote of the Executive Board (Board) and shall be chaired by a representative of the Office of Hearings and Appeals nominated by the General Counsel Board member and approved by majority vote of the Board.
- (2) The Council will be comprised of the Chairperson and voting members from four Program Offices approved by majority vote of the Board. The Council may seek advice on legal matters from the Office of General Counsel and on budgeting and accounting matters from the Chief Financial Officer as necessary.
- (3) When Fund customers have disputes that are not resolved with the Fund Manager in a timely manner, either the customer's authorized resource manager, Senior Program manager, or the Fund Manager may request that the Dispute Resolution

⁷

This is a condensed version of the Dispute Council Charter, omitting its specific operating procedures.

Council review the disputed matter.

- (4) The Council will explore options for a satisfactory resolution of those disputes and present a recommendation to the Board. The Board will decide by majority vote whether or not to accept the recommendation, and the decision of the Board shall be binding on the Fund Manager and the customer.

G. Working Groups. In providing pricing policy and other advice to the Board, the Fund Manager shall establish on an as-needed basis working groups composed of both business line staff and customer representatives.

- 1) At least one working group shall be established with cognizance for each business line, though the Fund Manager may assign multiple related businesses to a single working group.
- 2) The Fund Manager may use existing groups to serve as working groups of the Board, to avoid duplication.
- 3) Working groups shall provide pricing policy options and supporting information to the Board whenever new businesses are created, and they also be used from time to time to review business line operations, recommend pricing policy changes, and the like.
- 4) Working group membership will be open to all DOE organizations, and working group meetings will be announced widely.
- 5) Working groups are advisory only, and they shall consider the expression of dissenting views of attendees.
- 6) The Fund Manager shall periodically publish a listing of the working groups and their members.

Section III **Administrative Control of Funds**

A. Policy.

- (1) The WCF shall be financed by advance payments from customer organizations which receive goods and services provided by the WCF. Funds shall be (a) collected at the beginning of the fiscal year and (b) sufficient to cover estimated costs of providing the goods and services for the fiscal year. In situations where full funding is not appropriated; i.e., during the period of a continuing resolution, a pro rata share of the customer organization's advance payment shall be paid to the WCF until full funding becomes available. For "no-year" appropriations advanced to the WCF, any over funding by a customer organization as of close of business the last working day of the fiscal year will be applied to the next fiscal year. However, where one-year appropriations are advanced to the WCF, those funds may only be obligated for the particular fiscal year in which the funds are available for obligation. Any unobligated balances of a particular one-year

appropriation remaining at the end of the fiscal year for which the funds were appropriated will expire for obligational purposes and will not be available for incurring new obligations. For detailed guidance on one-year appropriations, particularly the implications of the Bona-fide Needs Rule and Severability, refer to the Chief Financial Officer's February 24, 1998, memorandum, "General Guidance on One-Year Appropriations".

- (2) Notwithstanding paragraph (1) above, excessive funds (i.e., amounts in excess of the estimated WCF requirements) shall not be collected or maintained in the WCF. If, during the fiscal year, funds advanced by one or more customers are determined to be excessive, funds shall be returned to the customer organization(s).
- (3) The Fund Manager, Business Line Managers, and customer organizations shall mutually agree on the estimates by business line of the expected usage of goods and services, associated estimated costs pursuant to the policy of the WCF Board, and funds required for the fiscal year.
- (4) Disputes between the Fund Manager, Business Line Managers, and the customer organizations with regard to the expected usage of goods and services, associated costs, and funds required for the fiscal year shall be resolved in accordance with the dispute resolution process approved by the WCF Board.
- (5) Total WCF obligations shall not exceed the lesser of the advance payments collected in the WCF or the obligational authority issued to the WCF on the Advice of Allotment. (See DOE Accounting Handbook, Chapter 2, "Administrative Control of Funds", for additional information on limitations.)
- (6) Obligations for each business line shall not exceed the advance payments collected for the specific business line. Obligations in excess of the advance payments collected are considered a WCF administrative violation for the business line.

B. Execution and Control of the WCF.

- (1) Customer organizations receiving goods and services shall authorize the CFO, by memorandum through the Fund Manager, to obligate funds for the fiscal year and make payment of such funds to the WCF for advance payment of goods and service.
- (2) Upon receipt of authorizing memorandum, the CFO shall obligate funds of customer organizations and make payments of such funds to the WCF.
- (3) Advances paid to the WCF shall be recorded as a budgetary resource against the allotment established for the WCF.
- (4) As customers receive goods and services, costs will be tracked through various service provider systems and summarized in a centrally located system.
- (5) Invoices provided by the Fund Manager from the centrally located system shall be forwarded to the CFO (with a duplicate copy to the customer organization) where costs are recorded against the customer organizations.

- (6) An updated or "annualized" estimate of costs of goods and services based on current usage rates and actual costs shall be provided to each customer organization and the CFO by the Fund Manager on a monthly basis.
- (7) Continuous analysis shall be performed by the Fund Manager, the CFO, and customer organizations to determine whether advance payments are adequate to meet estimated costs. If determined that funds are not sufficient, additional advance payments shall be provided by the customer organization.
- (8) In situations where funds are not adequate to cover estimated costs, the CFO shall send written notification to the customer organization(s) requesting that a plan of action, addressing the deficiencies, be submitted to the CFO within 10 working days. The plan should indicate the customer's intent to (a) provide additional funds; (b) cut expenditures; and/or (c) seek determination through the dispute resolution process. If the customer organization's plan of action will not resolve the funding deficiencies in a timely manner, the CFO will work with the customer organization to amend the planned action(s). If the customer organization does not respond to the mandatory request within 10 working days of the notification, the CFO shall reserve and obligate the customer organization's funds to cover the funding deficiencies.

Section IV. Accounting for Assets and Liabilities

- A. Policy. Assets acquired and liabilities incurred by the WCF shall be accounted for in accordance with Departmental requirements established in the DOE Accounting Handbook or interim guidance issued by the Office of Chief Financial Officer, consistent with the Statements of Federal Financial Accounting Standards.
- B. Accounting for WCF Assets.
 - (1) Property, Plant, and Equipment (PP&E).
 - (a) Capitalization. The WCF shall capitalize all PP&E items acquired if they have an anticipated service life of 2 years or more and if they cost \$25,000 or more.
 - (b) Transfers. PP&E transferred from another office to the WCF shall be recorded in the accounts of the WCF at the transferring office's historical cost and accumulated depreciation (net book value).
 - (c) Depreciation. Depreciation shall be recorded using the straight line method. Depreciation shall be based on the service lives provided in an appendix to Chapter 10 of the DOE Accounting Handbook.
 - (d) Writeoffs. PP&E items which do not provide service in the operation of the WCF shall be written off the books, or down to net realizable value if the items are expected to be converted to cash or equivalent.

For additional guidance on accounting for property, plant, and equipment refer to Chapter 10 of the DOE Accounting Handbook or the Statement of Federal Financial Accounting Standards No. 6, "Accounting for Property, Plant, and Equipment."

(2) Inventory.

- (a) Acquisition. Generally, inventory acquired shall be recorded at the original cost of acquisition, which includes the net purchase price (gross billing less discounts) plus packing, transportation, docking, and related charges required to place the inventory in storage ready for issue or customer purchase.
- (b) Transfers. Inventory transferred from another office to the WCF shall be recorded in the accounts of the WCF at the transferring office's carrying value.
- (c) Cost Recognition. Recognition of the cost of inventory shall be at time of purchase by the WCF.
- (d) Write-offs. Inventory items which do not provide service in the operation of the WCF shall be written off the books or down to net realizable value if the items are expected to be converted to cash or equivalent.
- (e) Valuation. Inventory items should always be valued at the lower of cost or market.

For additional guidance on accounting for inventory, refer to Chapter 9 of the DOE Accounting Handbook or the Statement of Federal Financial Accounting Standards No. 3, " Accounting for Inventory and Related Property " .

- (3) Accounts Receivable. The WCF shall record amounts due from customer organizations for goods and services furnished.

For additional guidance on accounting for accounts receivable, refer to Chapter 8 of the DOE Accounting Handbook.

- (4) Prepaid Expenses. The WCF shall record as an asset any material advance payments to vendors for goods or services that are intended for use in business line operations or future sales to customers.

C. Accounting for WCF Liabilities.

- (1) Advance Payments. Advance payments received from customer organizations for anticipated goods and services shall be recorded as unearned revenue in the WCF. As goods and services are provided to customer organizations, unearned revenue is reduced and earned revenue is increased by the related costs incurred.
- (2) Accounts Payable. Accounts payable shall be recorded by the WCF for unpaid invoices received from vendors for goods and services received.
- (3) Accrued Expenses. Accrued expenses shall be recorded by the WCF at the end of the fiscal year for goods and services received by customer organizations or WCF business lines for which a bill (vendor invoice) has not been received. The Business Line Managers have the responsibility to notify the Capital Accounting Center (CR-50) of the accrued expenses.

For additional guidance on accounting for liabilities, refer to Chapter 11 of the DOE Accounting Handbook or the Statement of Federal Financial Accounting

Section V. Fund Manager Reports

A. Quarterly Reports to the Board. The Fund Manager shall provide quarterly reports to the Board on the relationship of actual costs and obligations to customer advances and billings, in accordance with this section.⁸

(1) Policy

- (a) Working Capital Fund businesses shall be operated on a not-for-profit basis, such that the earnings of each business shall be planned to cover the costs of such business. Excessive funds shall not be collected or maintained by the WCF.
- (b) The Board should be provided with periodic information on the financial results of Working Capital Fund businesses, with particular emphasis on:
 - i. Known or expected problems with compliance with Working Capital Fund policies on administrative control of funds;
 - ii. Anticipated need for changes in billing of WCF costs in the current year;
 - iii. Anticipated need for actions by the Dispute Resolution Council; or
 - iv. Anticipated need for changes in budget forecasts and advice to customers.

(2) Timing of Information:

- (a) The Board shall be provided with reports for the first, second, and third fiscal quarters at the next scheduled Board meeting following the issuance of customer bills for the last month of such quarters (i.e. December, March, and June).
- (b) The Board should be provided with a report for the full fiscal year at the first meeting following the closing of the Department's accounts for that year. (See Subsection V.B. below).
- (c) When a Board meeting is not held in a timely manner following the end of a fiscal quarter, the report may be transmitted to Board members in writing.
- (d) The Chair may call for more frequent reports or convene Board meetings as needed to address pressing issues.

(3) Contents of Quarterly Reports

- (a) Each quarterly report shall provide summary information regarding the following:

⁸

This subsection was presented to and adopted by the Board in conjunction with the management response to the 1997 Inspector General audit of the Fund.

- i. Relation of earnings (billings)⁹ to expenses (accrued costs) by business line;
 - ii. Relation of payments (advances) by customer to current and anticipated annualized billings under current pricing policies, with a discussion of material balances or deficiencies;
 - iii. Relation of payments (advances) to obligations by business line;
 - iv. Changes in budget estimates, by business line and customer, from previously published estimates; and,
 - v. Anticipated need to change billing of WCF costs or to make substantial changes in operating levels.
- (b) The Fund Manager shall prepare the quarterly statements based on information in the Department's accounting system and reconcile the Fund's information with the Department's accounting records.

B. Other Reports to the Board.

- (1) On an annual basis, the Fund Manager shall submit to the Board an analysis of the cost structure of the Fund with respect to elements of business cost that are not included in the financial reports or billings of the Fund. The Fund Manager's report shall analyze the impacts on the competitive status of business lines of expanding the cost structure to reflect the recommendations in the Federal Accounting Standards Advisory Board guidelines.¹⁰
- (2) **Working Groups:** When a business line has had financial losses, an excess of costs over earnings, for two consecutive fiscal quarters, the Fund Manager shall ask the cognizant working group plus the Business Line Officials to prepare a report for the Board. The report shall diagnose the causes of the financial losses and outline recommendations to the Board including, but not limited to, remedial actions in the following factors:
- (a) The pricing policy of the business;
 - (b) The cost structure of the business;
 - (c) The cost level of the business, including any reductions that appear warranted;
 - (d) The operating level of the business;
 - (e) Options for whether and how to continue the business.

The report shall include examples of how other Federal agencies have addressed similar business lines, and recommendations shall be accompanied by an

⁹ Some billings occur annually at the start of the year. It is intended that the reports on quarterly *earnings* reflect only the portion of billings that accrue to the period in question.

¹⁰ This addresses the recommendations of the Inspector General in the 1997 audit report on the Fund.

assessment of impacts on customers. The Fund Manager shall also submit to the Board any differing recommendations that may have been received from the Business Line or from the working group members.¹¹

Section VI. Policies on Fund Balances

- A. Policy. The Fund shall not be managed to permit an accumulation of unencumbered funds. All Fund balances shall be disclosed to the Board, to customers, to the Chief Financial Officer, to the Inspector General, and to the Office of Management and Budget and the Congress, as part of the financial reporting and budget preparation responsibilities outlined elsewhere in these procedures.¹²
- B. Balances in Relation to Specific Customers
- 1) Customer advances to the Fund in excess of billings from the Fund businesses shall be treated as liabilities of the individual businesses, and generally, except as discussed in Section III, shall be treated at the close of a fiscal year as a credit against the billings of the customer in the subsequent fiscal year.
 - 2) Customers should treat such balances as uncosted obligations, subject to the analysis requested by the Chief Financial Officer regarding such balances.
 - 3) The Fund Manager shall provide customers with as much information as practicable concerning the anticipated annual costs of each customer for each business line, to permit customers to make adjustments in their advance payments to the Fund.
- C. Balances in Relation to Specific Businesses¹³
- (1) The financial balances of each business shall be recorded and maintained separately. The Fund Manager shall make recommendations to the Board concerning any transfers of balances between business lines.
 - (2) The Fund Manager shall report to the Board on any actual or anticipated accumulation of a material excess of earnings (billings) over accrued costs of an individual business line. Any such report shall include recommendations on whether to amend business line pricing policies to eliminate the accumulation of

¹¹ This is intended to address the recommendations of the Inspector General in the 1998 draft audit report on the Fund.

¹² See Section I on Policy Framework

¹³ The 1997 Inspector General audit of the Fund recommended, " The Fund Manager should establish a policy to address the disposition of excess funds and shortages, the use of business line excess funding to cover other business line shortages, the use of uncosted balances transferred into the Fund, and an acceptable level of carryover to the next fiscal year that is consistent with the expectations of the Subcommittee on Energy and Water Development. " This section is intended to satisfy this 1997 Inspector General recommendation. It does not establish specific quantitative targets, because the Fund business lines are of very diverse sizes. Rather, it uses the concept of " materiality" and focuses on the avoidance of continuing accumulations of balances and shortages in any one business line.

material balances of such net earnings.

- (3) The cost structures of the businesses in the Fund shall reflect depreciation as called for by Department of Energy Policy. The Fund Manager shall establish reserves for depreciation and report to the Board any use of such reserves to replace capital equipment.
- (4) Anticipated accumulation of losses by an individual business line shall be reported to the Board in accordance with Section V. B. of these procedures.

MONTHLY BILLING PROCESS

One of the objectives of the Working Capital Fund is to help customers become more efficient in the use of administrative services by establishing both the incentive and the ability of customers to control their costs. If customers are to realize these efficiencies, they must be provided with information regarding how their organizations are spending money on goods and services provided by the various Fund business lines. To that end the Fund provides each customer a monthly bill that summarizes that organization's usage of Fund services and their cost.

Pricing Policies

Working Capital Fund "pricing policies" provide the methodologies approved by the Board for translating program customer behavior into financial transactions with the Fund. Pricing policies are intended to advance the objectives of the Fund – efficiency, fairness, and flexibility – and to satisfy the requirements of (i) the Fund's authorizing legislation, (ii) the criteria set forth in congressional report language, and (iii) general Federal practices and procedures for full-cost accounting and intra-governmental transactions.

One of the main purposes of the Blue Book is to explain to customers how their monthly Working Capital Fund bills are calculated. The detailed methodologies are set forth in separate tabs for each business line in this edition.

Recording customer purchases:

When customers purchase goods or services from a business line, the service provider organization records the transaction in an automated feeder system. The transaction may be recorded by the swiping of a badge at a copy machine, the placing of a long-distance or outside call, or the signing of a service level agreement for contract closeouts or computer repair. To arrive at a price for each transaction, the feeder system processes the transactions through a pricing algorithm derived from pricing policies approved by the Working Capital Fund Board. The 25th day of the month is the cut-off date for recording monthly transactions. On that date the feeder systems collect all transaction data from the 26th day of the previous month to the present date. That information is then transferred to a prescribed electronic template and forwarded electronically to the Fund staff on the first day of the month.

The Fund staff enters data from electronic templates provided by the business lines into the WCF Billing System, the Fund's automated billing system. The system produces three kinds of monthly information for each customer by business line¹:

- A formatted data feed into the STARS system so that costs are recorded against each customer organization advance payment;
- A detailed MSEXcel report for each customer using "pivot tables" methods, to enable customers to sort and analyze their monthly costs; and

¹ Additional information is being provided for the Supplies business, as discussed in the Supplies section.

- A summary billing report to all customers (PDF format) that includes not only monthly and “to-date” costs but also projections of total annual costs in relationship to customer advances.

When may customers expect to receive their bills?

The target date for the formatted data feed to STARS is the second working day of the month following the month of consumption, so that costs are included in accounting reports for the consumption month.

The Fund's target date for transmission of the MSEXcel data is the 8th business day of the month following the consumption month, and the target date for the PDF report is the 8th working day of the month after the consumption month.

How can customers get more detailed information about their organization’s bill?

Who should customers contact if they have questions about their bill?

The Fund manager is providing customers with MSEXcel files with billing data in a format consistent with approved pricing policies. This detailed information is provided in a data format that will enhance customer analysis of Fund activities. Customers can also request hard-copy information on individual transactions and orders. The request should be directed to the appropriate business line billing contact listed below. Also, customers are welcome to contact them with any billing inquiries:

BUSINESS LINE	BILLING CONTACT	TELEPHONE
Administrative Services: Mail Printing and Graphics Copying	Scot Allard	(202) 586-9671
Building Occupancy Supplies	Michael Shincovich	(202) 586-1557
Information Management: Telephones Desktop Services Networking	Ann Warnick Judy Saylor Ann Warnick Judy Saylor	(301) 903-3056 (301) 903-4999 (301) 903-3056 (301) 903-4999
Contract Closeout	Deborah Black	(202) 287-1416
Payroll Processing	Jerry Odegard	(301) 903-4934
CHRIS	Robert Briede	(202) 586-7475
Corporate Training Services (CTS) On Line Learning Center (OLC) Training Delivery & Services (TDS)	Cheri Dent	(202) 586-9556
Project Mgt. Dev. Program (PMCDP)	Marylee Baker	(202) 586-8254
iManage – STARS/IDW	Bob Emond	(202) 586-2354
iManage – STRIPES/ORFASC	Warren Huffer	(301) 903-3761
A-123	Bob Emond	(202) 586-2354

We recommend that you use e-mail to communicate your questions, because that permits better tracking of concerns both by you and by us.

Who receives the monthly billing information?

The monthly MSEXcel billing information for each organization is transmitted as an attachment to an e-mail message addressed to the individual identified by the organization to receive that bill. Organizations receive the MSEXcel bill information only for their own organization. If a customer organization wishes to change the billing recipient, it should contact Bob Emond or Ronald Mayo and provide the e-mail address of the desired recipient(s).

The monthly PDF billing memo and summary tables, covering all organizations, is transmitted as an e-mail attachment to the persons identified in the distribution section of the memo. It is also transmitted to the members of the Working Capital Fund Board. While we would be pleased to add to these mailing lists, we are now also posting this information on the WCF Home Page where the entire DOE community can view it.

For more information on the MSEXcel bills and the PDF billing information, see the “How to Use” materials below.

How To Use Working Capital Fund Billing Information In The Monthly MS Excel Reports

The MSEXcel tables provide all of the information that program customers received during FY 2002 from the “paper” bills. The electronic format will make it easier to store, analyze, and circulate this information within an organization. Each bill includes both the consumption for the current month plus a table providing a year-to-date summary.

In addition, the MSEXcel bills provide a further dis-aggregation of organization costs to the sub-organization level, when that further organization breakdown is possible. For example, since individual telephone lines are assigned to employees, the billing assigns the costs of call to the organizational subunit to which the employee is formally assigned. Similar cost breakdowns are possible for central copiers, supply purchases, and specific requisitions. However, some types of costs cannot be reliably broken down further by the billing organization; these tend to be attributed in the bill to the “front office” of a customer organization. Also, if an individual employee has been reassigned, the billing information will only reflect that reassignment after a formal change is made in DOEInfo and related systems.

Finally, by clicking on each entry in the summary spreadsheet, an analyst can obtain, as a separate worksheet within the MSEXcel workbook, a detailed listing of the component costs, broken out by the Fund billing categories. Saving the MSEXcel file after opening one or more of these worksheets will result in their staying attached to the main file. However, closing the file without saving changes will restore it to the configuration in which it was received.

Offices have considerable flexibility on the use of these data. They can be used to compare across sub organization lines, as with “pie charts” or per-employee analyses, or the year-to-date data can be saved into a separate file using Edit/Copy/Paste commands to create the basis for time trend graphs

How To Use Working Capital Fund Billing Tables In The Monthly PDF Summary Reports

Each monthly Working Capital Fund bill is transmitted with a cover memorandum that explains the derivation of the information and alerts resource managers to any changes in pricing policies or any corrections being made to prior billings.

Summary tables are provided to help customers track and manage their spending levels. These tables are intended to be more diagnostic than the billing materials themselves.

In all cases, the rows on the tables represent customers, denoted by their respective mailing code.

The tables are designed to meet multiple needs, as described further below. For the **customer** organization, the tables are designed to help answer the following questions:

- How much have we spent for each business? (Table II)
- At this rate, how much we will spend for the entire year? (Table III)
- How does my spending compare to other customers? (Table III)
- Is this spending level more or less than what we budgeted? (Table IV)
- Is this spending level more than we have paid in? (Table IV)

Table I provides, in whole dollars, the bill for the current month by customer by business line. It should match the details in the MSEXcel billing materials, and is included with the billing memorandum primarily to permit managers to see why and how the trends in the other tables are assessed. The column headers indicate whether the amounts represent one month, one quarter, or one year of consumption.

Table II is simply the sum total to date of all the Tables I for the current fiscal year, reflecting cumulative consumption through the billing month.

Table III is an updated forecast of annual consumption by customer by business line. Customers can use this annualized information in a number of ways, including comparing this forecast to their budget availability. Estimates for current fiscal year costs, as shown in Tables III, are derived using the most reliable of the following methods:

- A straight-line method to annualize actual costs incurred year-to-date (Supplies, Mail Usage, Photocopy, Printing, Standard Building Occupancy, Telephone Line Charges, Desktop, Networking);
- Actual full year costs billed, where no further billing is expected (Payroll, CHRIS, Building Alterations, Online Learning, and Mail Distribution);
- Revised current fiscal year budget estimates (Contract Closeout).

These estimates are provided as an advisory service to customers as well as to keep the Board apprized of trends in each business line. In making allocations for your program, you may wish to adjust our estimates as necessary to account for planned changes in staffing levels, anticipated increases or decreases in usage levels, and any other factors that you feel are appropriate and relevant.

Table IV compares the annualized estimate for each customer for all business lines (far right-hand column of Table III) to certain key benchmarks, including prior month estimates and the most recent budget estimates. This is intended to track the overall reliability of previous estimates and to help managers spot trends.

The Fund staff does not determine the amounts to be budgeted by each customer, and customers have flexibility to select commercial suppliers for certain services. Therefore, if the Fund staff project that a customer is spending at a lower rate than the Fund's prior budget estimates, that trend may be due to a combination of factors, including increased use of commercial vendors.

Also, the program resource manager may have budgeted at a lower rate than the Fund staff had projected. For all of these reasons, resource managers need to use their judgment in interpreting the data.

All of the predictive and diagnostic data from Tables III through VI derive from the monthly and cumulative consumption levels in Tables I and II, so any errors or seasonal distortions in the first two tables tend to carry through to the conclusions in the latter tables.

CUSTOMER RESOURCE MANAGERS

This is a list of recommended program resource contacts that have, or can coordinate, authority to release program funds to the WCF, are accessible for that purpose and have acted as primary resource managers in the past. A list of Board members is also provided.

ADDRESS LIST FOR WCF BILLING

<u>PROGRAM</u>	<u>ADDRESSEE</u>	<u>COPY</u>
BPA	R. Seifert	D. Krauss
CF	J. Kellogg	
CI	D. Woomer	Michelle Livingston
CN	M. Anderson	
DR	C. Iager	
ED	J. Shea	
EE	A. Meacham	T. Heavey
EIA	N. Burnette	G. Kabat
EM	C. Flohr	J. Lakin
FE	C. Roy	M. Jones
GC	D. Bullington	
HG	P. Spencer	F. Brown
HR	S. Deters	
HS	D. Herman	D. James
IG	L. Johnson	D. Gillam
IM	A. Warnick	S. Garvey
IN	W. Johnson	M. Anderson
LM	M. Owen	M. Kennedy
MA/AB/S	M. Dillon	G. Richardson
NA	S. Minnick	J. Trainor
NE	S. Harlow	L. Soo Hoo
NR	J. Merritt	
OE	P. Trottier	M. Rodrigue
PA	P. Baker	
PML	J. Dodd	G. Ceja
PI	L. Morrow	S. Rush
RW	J. Phillips	
SC	V. Barden	T. Whipp
Office of Budget (CF-30)	J. Luczak	

WCF BOARD MEMBERS

<u>PROGRAM</u>	<u>ADDRESSEE</u>	<u>PROGRAM</u>	<u>ADDRESSEE</u>
CFO	S. Isakowitz	MA	I. Kolb
CIO	T. Pyke	NA	T. D'Agostino
EE	S. Chalk, Acting	HSS	G. Podonsky
EI	G. Caruso	PI	K. Fredriksen, Acting
EM	J. Rispoli	SC	R. Orbach
FE	J. Slutz, Acting	GC	D. Hill
HC	R. Franklin, Acting	PML	J. Dodd
RW	E. Sproat	NE	D. Spurgeon

COMMUNICATING WITH THE WORKING CAPITAL FUND

Customer involvement with the Working Capital Fund (Fund) is crucial to its success. Under the Fund concept, each customer has choices to make that determine the level, quality, and cost of the administrative services they receive. In order to make informed decisions, customers need to have a wide range of information on cost of services, estimated usage, service options and administrative policy.

At present the Fund interacts with customers in the following ways:

1. The monthly billings summarize each customer's use of services and projected annual requirements.
2. The WCF Board holds open meetings at which all interested parties are welcome to join in the discussions and make their views known. If you have an idea for an agenda item or would like to address the Board you may contact the Acting Board Chair, Howard Borgstrom, at 586-5923 or the Board Secretary, Bob Emond, at 586-2354. Minutes can be found on the WCF Home Page described below.
3. All organizations may attend and participate in the meetings of the Fund's various Working Groups, where much of the detailed analysis is done.
4. Questions about specific business lines and billings may be addressed to the Business Line Managers listed below.
5. The Fund maintains a web page at www.wcf.doe.gov . On it you will find meeting minutes, summarized monthly billings, and other key messages. If you are not able to access this web page please contact your LAN administrator and have them make it available to you.
6. The Fund staff maintains an electronic mailing list to ensure that meeting announcements, meeting minutes, and other key messages are distributed to administrative officers, resource managers and others. If you have staff members who should receive the messages, please forward their names to Bob Emond at bob.emond@hq.doe.gov.

Frequently Asked Question About Billing and Financial Management

Q. Can WCF bills be provided to program offices between 10th and 15th of the month after the billing cycle ends? That is, the billing cycle ends on October 25, can bills reach program office by November 10 or no later than the 15th?

A. Our target is to produce bills by the second full week of each month. Over the past year we have consistently achieved our target. While we have received no customer complaints, we are committed to providing more timely and meaningful data to our customers.

Q. Why don't the bills always match what gets posted in the monthly cost reports?

A. The billing documents should be internally consistent, such that the backup billings match the tables accompanying the memo. If you spot an inconsistency, please contact Ronald Mayo at 202-586-4911. Inconsistencies between the amounts billed by the Fund and costs recorded in STARS may be attributable to accounting treatments effected by the Energy Financial Accounting Service Center (CFO), especially where allocation of costs between accounts or funds availability is an issue. You are welcome to contact the Fund staff or Kathy Schanck (301-903-1322) to identify any issues or seek clarification.

Q. Which STARS/IDW reports should I use to verify my WCF activity?

A. We suggest you use either the Funds Control report **FCTL003** by bnr and specify your WCF bnr or the report by CID. You can also use a Status of Obs **SOOA001** by bnr or use a proxy of "M6WCF%" **SOOA003** by CID. Either of these reports will show your obligations and costs for the year.

Color of Money

Q. Do I need to use program direction funds to pay my Working Capital Fund Bills?

A. The Fund itself does not require use of program direction funds, nor are the business line managers responsible for making "color of money" decisions. The Chief Financial Officer, as the Headquarters allottee, is responsible for cost classifications and has generally deemed the types of activities purchased from or through the Fund to be most appropriately classified as program direction. Specific "color of money" questions should be posed to your budget contact.

Q. If I get another office to pay for something, like printing a big report, can they pay my WCF bill?

A. Yes, if both parties agree. This is best handled before the costs are incurred, such that the paying/benefiting party is initially charged by the Fund business. Retroactive adjustments may be made, but since these are an exception to routine processing procedures, retroactive adjustments create higher risks of errors.

Accounting

Q. What happens with unobligated and unused funds in a particular business line? Can these funds be moved and used under another B&R structure within that program? That is, can funds be moved from WCF to cover shortfalls in program/contract support? Will a mechanism be developed for returning funds to a program office when it has been determined that too much has been paid into a particular business line?

A. There are a number of different types of balances, and they are treated in somewhat different ways:

- If a program has obligated and paid more to the Fund in a Fiscal Year than it was billed for services, then the program office has an uncosted obligation that is, in effect, an advance payment to the Fund for the subsequent Fiscal Year -- a liability to the Fund. The program customer has this balance as a credit for use in meeting the subsequent Fiscal Year charges, reducing payment requirements for the succeeding years. Alternatively, a customer can contact the Fund, and arrange to have advance payments deobligated for use elsewhere in their program direction account in the current fiscal year.
- The Fund and the customer must reach agreement as to the amount of funds available for withdrawal before a deobligation is recorded in STARS.
- If a WCF business line has charged customers more in a Fiscal Year than it spent to provide the service, such balances belong initially to the business, rather than to specific customers. However, the Fund operates on a not-for-profit basis, so the WCF Board would be expected to reduce the subsequent Fiscal Year's prices. The experience of the Fund to date suggests that this type of balance is less than four percent, so customers should not expect proportionately large rebates from this source.

Q. How can money be used out of the WCF when offices have savings? Can the funds be used for updating computer equipment?

A. Think of the WCF businesses like other suppliers to which program customers obligate appropriated funds. If you can reduce your purchases from the WCF, you have funds available for other purposes, but the laws and policies administered by the CFO govern the use of such savings in the same way they govern other appropriated funds.

Q. What options are available if a customer is not able to pay the full WCF costs because of budget cuts, but can't reduce the discretionary expenses without severely curtailing day-to-day operations?

A. Again, think of the WCF businesses like other suppliers. Funding problems need to be identified early and discussed with the CFO, because the Working Capital Fund has no independent source of financing other than payments from customers.

Q. Are costs that are incurred in September accrued in that fiscal year, or are they costed in the next fiscal year?

A. The charges for September are reported to the CFO for treatment as that fiscal year's costs to program customers.

Q. What are the procedures to address deficit spending in a timely manner in a particular business line so it is not a continued drain on the WCF?

A. When a business line has experienced a financial loss for two consecutive fiscal quarters, the Fund manager will ask the cognizant working group plus the Business Line's management to prepare a report for the Board diagnosing the causes of the losses and outlining recommendations for remedial action, including but not limited to: (a) the pricing policy changes; (b) cost structure changes; (c) changes to the cost level of the business; (d) operating level changes; and (e) options

for whether and how to continue the business. The Fund manager may also submit to the Board any differing recommendations received from the business line or working group members.

Information and Communication Systems

Q. Who is responsible for estimating the WCF budget requirements of each customer?

A. The Fund business lines provide customers with good faith estimates of future requirements, but customer organizations are responsible for checking these estimates, applying their own judgments about the need for and use of services, and budgeting accordingly. In some cases, customers can choose between obtaining services from the WCF or from other suppliers, so the WCF business lines do not have knowledge regarding customer expenditures outside the Fund.

Q. Who is ultimately responsible for the WCF budgets of the customers?

A. The customer organizations are responsible for including sufficient funds in their budgets for the types of services provided by the Fund. The WCF does not exercise funds control over its customers and does not automatically discontinue services when customers' funding is insufficient to pay for them.

Q. How can customers budget accurately for the WCF when budget estimates change? Why do the estimates change?

A. The Fund provides three estimates of projected cost for each fiscal year and, for some business lines, a fourth:

- Original budget estimate for the Corporate Budget Review in May based on the most current data taking into account any changes to pricing policies approved by the Board.
- A revised budget estimate developed in December for the Congressional Budget using more recent usage information available at the time.
- A revised estimate developed in December for the fiscal year budget +1 with actual costs incurred for the fiscal year immediately preceding the subject execution year.
- Negotiated service agreements, as of October 1, for business lines where applicable (Building Occupancy, Networking, Telephone, Contract Closeout).

However, some degree of variance will remain because program customers, rather than Fund managers, are making the decisions that drive costs. Customers may wish to adjust their accounts for scheduled changes in staffing levels, anticipated increases or decreases in usage levels, and any other factors that are appropriate and applicable.

Q. By what date can we expect the Fund to provide Fiscal Year cost forecasts?

A. For the current year, the Fund staff generates forecasts monthly, with the billing documents. For the subsequent year, the Fund has been providing estimates along with the CFO calls for budget documentation. We will make new fiscal year estimates in December of each year, before the Congressional budget is submitted, and we will make revised estimates in the spring, in conjunction with the Corporate Budget Review.

Q. In the past, the Fund has adjusted estimates in a given business line during the year that results in some customers having to pay more, while others pay less. Why can't the adjustments be effective at the beginning of the next fiscal year?

A. In some working capital funds, there is a 1-2 year time lag between the initial estimates and the final adjustments, such that underpayments by a program in a particular fiscal year might be made up two years later -- the "next budget opportunity." Such funds, notably those of the Department of Defense, have large cash balances to permit the businesses to operate at a cash deficit until prices can be adjusted. The DOE working capital fund was started without a direct appropriation to sustain such balances, and each business has had to cover its costs in real time. This has the advantage of providing the Department with a very responsive and market-like approach to decision-making.

Q. Backup information is not routinely provided so that some level of verification can be made. Can this be automatic for offices that want that level of information without having to call monthly for the data?

A. Program customers may request backup information directly from business lines. During FY 1997, the Fund staff conducted a pilot test in which hard copy information on Administration Services business lines was provided with the bill, along with a questionnaire on the value of this information. We reported the costs of this pilot to the Board, along with the survey results. Basically, the few customers (6) who responded to the survey said that the pilot information was not valuable enough that they were willing to pay for it, so the pilot was not continued. Also, while the Fund has resulted in cost reductions and efficiencies for the Department, the Fund staff has advised the Board that certain information systems enhancements, while desirable, would likely involve significant investment costs, eroding the net benefits of the Fund to the Department. We would be open to customer suggestions on priorities for improving information provided with the bills or in some other form.

Q. What should customers do if they think they have been overcharged?

A. Each monthly bill contains a list of contact points for billing questions. If a customer believes that there has been a billing error, she or he should communicate directly with the relevant point of contact. If the customer is not satisfied by this contact or by communication with the Fund staff, the customer may use the Dispute Resolution Council procedures established by the Board.

General

Q. Are there procedures to review the business lines/procedures/content of the WCF periodically to assess the validity of what is there and if it is working to the benefit of the whole?

A. The Fund is reviewed at a number of different levels:

- The Fund Manager has responsibility for providing quarterly reports to the Board on the financial results of business lines, with particular emphasis on: (1) known or expected problems with compliance with Fund policies on administrative control of funds; (2) anticipated need for changes in billing of WCF costs in the current year; (3) anticipated need for actions by the Dispute Resolution Council; or (4) anticipated need for changes in budget forecasts and advice to customers. The quarterly reports are based on information in the Department's accounting system and reconcile the Fund's information with the Department's accounting records.
- In addition to quarterly reports the Fund Manager provides customers with non-financial operating information at frequent Customer Board meetings throughout the fiscal year.

- The Inspector General is charged with conducting periodic audits of the Fund.
- The Department provides a budget justification for the Fund to OMB and the Congress, both of which have asked detailed questions and provided policy guidance.
- Customer Program/Business Line working groups meet to discuss business related issues within the context of customer priorities and interest

WCF Board Working Groups

A Checklist

- _____ Business and Program Leadership
- _____ Range of Customer Participation; Broad Experience
- _____ Consider Impacts on Program Customers
- _____ Understanding of Economics/Financial Source of Problem
- _____ How Does the Proposed Product/Service Benefit DOE
- _____ What options fulfill the desired benefit with least impact on programs?
- _____ If the good/service is sufficiently meaningful, it should have performance metrics for use in evaluating its success/benefit.

Pricing Policies

Working Capital Fund “pricing policies” provide the methodologies approved by the Board for translating program customer behavior into financial transactions with the Fund. Pricing policies are intended to advance the objectives of the Fund – efficiency, fairness, and flexibility – and to satisfy the requirements of (i) the Fund’s authorizing legislation, (ii) the criteria set forth in congressional report language, and (iii) general Federal practices and procedures for full-cost accounting and intra-governmental transactions. [*WCF Guide to Services, Policies, and Procedures 2008*]

If customer decisions on consumption can reduce overall costs to DOE, then incorporate usage into the pricing policy. Pricing Policies must be repeatable resulting in the same charge for the same good/service and should not be expensive to implement. Some simple pricing proxies can result in excellent pricing policies. Pricing policy does not pay for federal salaries and related expenses.

“...pricing policies must be sound and defensible and not include added factors for administrative costs...” [*WCF Guidance: FY 2003 EWD Report Language*]

At the end of the day, a service provider must be able to perform the desired service in an economic manner and link the output to the means of production.

Distribute minutes soon after each meeting to capture the discussion and as a status.

Rank the options for the WCF Board and compare costs of options to individual programs. Agreement on a single option is not the goal, incorporating input of each participant more important, thus options. Once the WCF Board adopts an option, it can, and it has been appealed to the Dispute Resolution Council

Consider Blue Book issues like; what is being counted, why, who will be responsible, how often will you count, and how often do you bill, monthly, quarterly, or annually?

SUPPLIES BUSINESS LINE

Service Description

PAPERCLIPS, the office supply store name assigned by Winston-Salem Industries for the Blind, an affiliate of the National Industries for the Blind (NIB), operates two self service stores which carry a wide variety of consumable office products. The supply business also delivers non-stocked items. Our customers are employees of the Department's program offices. The offices are then billed for employee purchases.

Self-Service Supply Stores Locations:

- Main Forrester, Room GA-171, 202-554-1451
- Main Germantown, Room R-008, 301-515-9109

Pricing Policy

Board Adopted Policy

Each organization pays for supplies purchased by its employees. The price charged includes the cost of the items purchased.

Pricing Method (Billing Calculation)

Information about purchasing is collected when employees check out supplies from the self-service stores. The following information is captured:

- Customer's Name
- Badge number
- Organization code
- Routing symbol
- Stock number
- Price
- Product description
- Quantity purchased (or returned)
- Store Location
- Total Sale

The DOE issued badge is used to purchase stock items. Only the assigned badge holder can present their badge at the time purchases are made. The badge holder is not allowed to send their badge with another employee to make purchases.

Requisitions are used to buy specialty or non-stock items. The same data is collected on requisition purchases, which are screened and processed through the self-service stores.

Budget Estimating Method

Budgetary estimates are developed based upon the 12 month period prior to issuance or submission of the Corporate and Congressional budget requests. Extraordinary or unusual changes in usage patterns are not anticipated in the Fund's estimates. To the extent that such anomalies can be foreseen by the program customer, the cost impact of these charges should be assessed or subtracted (as appropriate) from the Fund's estimate. Also, possible variations in consumption due to expected changes in staffing levels are not considered in the Fund's estimates.

Annual Projections

WCF projections of current Fiscal Year usage and costs are updated monthly and provided with each bill. Pro rata projections are calculated based upon fiscal year-to-date costs annualized.

Billing Cycle

All supply charges are billed monthly, based upon prior month actual usage. There are no charges for this business line that are assessed annually or quarterly.

Detailed Usage Information

Program offices are provided copies by the Office of Management of monthly detailed inventory transactions from sales in the self-service supply stores. This information includes purchasing employee, description of item purchased (or returned), transaction date, quantity, and cost. MA requires a certification from resource managers that supply purchases made are for official business purposes only.

Service Standards:

- Maintains an office supply store at two designated DOE locations in the Washington, D.C. metropolitan area for the purpose of selling general office supplies,
- Operates the stores from 9:00 AM to 4:00 PM (Subject to change at DOE's discretion),
- Maintains a custom tailored inventory selection to facilitate the DOE customer requirements,
- Obtains specialty items at customers' request that are not stocked in the stores,
- Accepts returns or exchanges for serviceable items in original containers within thirty (30) days of purchase, which were purchased at the DOE office supply store,
- Provides all telecommunications services for business operation, in addition to one (1) customer-use telephone per store,
- Applies DOE-provided property adhesive tags for each property item sold as designated sensitive or exceeding \$300 each, and
- Provides sales data for billing Headquarters organizations.

Management Flexibility

Customers may:

- Purchase office supplies directly from authorized vendors, subject to government acquisition laws and regulations.

- Choose recycled products. Choose lower priced products can be purchased when recycled is not available or where these can meet your needs.
- Request detailed transaction listing to analyze your usage.

Points of Contact

Business Line Manager: Terry Butler, 202-586-5201

For more information, customers are invited to visit the home page of the Supplies business at http://www.management.energy.gov/administrative_services/supplies.htm .

FREQUENTLY ASKED QUESTIONS ABOUT THE SUPPLIES BUSINESS LINE

- Q.** Are the prices at the DOE supply store lower or higher than prices offered by GSA or a commercial vendor?
- A.** Generally, market basket comparisons of selected items have shown prices charged at DOE stores are lower overall. This does not take into consideration the significant savings in customer staff time due to the convenience and service offered by the DOE stores. However, there will always be cases where specials or sales will allow items to be obtained elsewhere at a lower price.
- Q.** How can my program save money on supplies?
- A.** You may choose recycled or lower priced products where these can meet your needs. In addition, you may use detailed transaction listings to analyze your spending trends.
- Q.** If my office is nearing its limit on supply store charges, can I ask PAPERCLIPS to stop my people from buying?
- A.** There are several alternatives that program offices and the supply business line might use to control an organization's spending:
- Your organization's management can provide policy or budget guidance internally in your organization, emphasizing the need to be cost-conscious in the ordering and use of supplies.
 - A notice could be placed on the bulletin boards in each store alerting your staff of your organization's policies on supply store use or
 - We could post a notice at the checkout counters advising customers of your organization's policies on supply store use.

MAIL AND TRANSPORTATION SERVICES BUSINESS LINE

Mail Service Description

The DOE Mail Center provides a variety of mail services for all official and other authorized mail for the Department of Energy and its employees. The services provided include the processing of all incoming postal mail, outgoing official mail, internal mail processing, accountable mail processing, pouch mail, a variety of overnight express mail services, directory services, and pick-up and delivery services. In response to the risk of terrorism, the business line implemented various processes for sanitizing and testing mail against bio-terrorist attacks.

Internal Distribution

- Receive, sort, process and deliver all incoming ordinary and accountable mail from the United States Postal Service.
- Process, safeguard and deliver all incoming accountable mail (registered, certified, express, insured).
- Pick-up, secures, safeguard, control and deliver all classified mail from the DOE Security Box.
- Process and deliver all incoming Business Reply Mail.
- Sort, deliver, and pick-up all internal mail at all authorized mail stops and mail boxes.
- Provide mail services between headquarters and all other DOE Satellite Buildings.
- Provide directory/locator service to customers for mail that is undeliverable due to lack of address information.
- Make special internal deliveries for urgent mailings.
- Provide guidance and assistance on matters related to mail operations.
- Process and control all incoming overnight express mail which includes FedEx, DHL, UPS, and any other overnight express packages. Customers will receive an e-mail notice when express packages are processed into the DOE tracking system. Customers are called when the packages are not pickup the same day.
- Provide specialized service under specific agreements with customers.
- All mail is subject to x-ray, air surveillance and inspection. First Class mail is also irradiated.

United States Postal Service - Official Outgoing Mail

- Process and meter all outgoing DOE Official Mail to meet the customer's needs for timely delivery and postage cost. The varieties of services include overnight Postal Express, Priority Mail, First Class Mail, Standard Class, media mail, and special services.

Also outgoing accountable mail service such as Registered, Certified, Insured, and Postal Express Mail are available. Delivery Confirmation and Signature Confirmation is an additional special service for various classes of outgoing mail

- Process and meter Field Pouch Mail.
- Process Diplomatic Pouch Mail.
- Resolves problems with USPS on lost items, missed delivery, and damage goods.

Outgoing Overnight Express Package/Parcel Service

Process outgoing overnight express shipments of FedEx, UPS, USPS Express, DHL International, and TNT Service International for airfreight and overseas deliveries. Provide insurance services for valued items in addition to outgoing tracking services.

Mail Center Locations

Mail Center Locations			
Building	Room	Hours	Telephone
Forrestal	GL-084	7:00 am – 5:30 pm	202-586-6061
Germantown	E-066	8:00 am – 5:00 pm	301-903-4111
270 Corporate Ctr	1003	8:30 am – 4:30 pm	301-903-5273

Pricing Policy

The Working Capital Fund Board adopted a new Mail and Transportation Services pricing policy at its February 27, 2008 meeting. Based on this new policy, Mail service pricing has seven components:

1. Offices pay the actual dollar meter value for outgoing United States Postal Service mail;
2. Offices pay actual cost for Federal Express or other special mail;
3. Offices pay for internal mail distribution based on a blended pricing mechanism using both the pro rata share of mailstops for half of the revenue (\$0.6 million) and the pro rata share of actual mail handled/program from the prior fiscal year for the other half of the revenue (\$0.6 million).
4. Offices pay for Mail Security (\$149,000/year) based on their percentages of incoming USPS mail over the previous six-month period;
5. Offices pay for Express Mail Labor (annualized levels of \$151,636 in FY 2008. based on their percentage of the total volume of incoming and outgoing special mail during the preceding six- month period;

6. Offices pay for USPS Outgoing labor (annualized levels of \$178,000 in FY 2008) based on their percentage of actual outgoing mail for the prior six months; and
7. Offices pay for specified services on a negotiated basis with the Mail business line.

Pricing Method (Billing Calculation)

Internal Distribution - Customers validate their number of mail stops at the beginning of the fiscal year and pay an annual mail stop cost for half of the revenue (\$0.6 million) and the pro rata share of actual mail handled/program from the prior fiscal year for the other half of the revenue (\$0.6 million). Mail stops may be adjusted semi-annually as necessary.

For the operating costs that are distributed based on six-month usage percentages, calculations will be made of actual usage in October through March (to be used for the second half of the fiscal year) and again for April through October (to be used for the first half of the subsequent fiscal year).

The business provides specialized services on demand for customers including internal program distribution and are billed at full cost. United States Postal Service and Federal Express Mail - Customers pay the actual cost of metered, overnight airfreight, and overseas express mail.

Budget Estimating Method

Budgetary estimates are developed based upon the 12-month period prior to issuance or submission of CRB and Congressional budgets. Extraordinary or unusual changes in usage patterns, as well as purchases of new equipment are not anticipated in the Fund's estimates. The cost impact of these changes should be reflected in program budgets.

Billing Cycle

United States Postal Service charges are billed monthly, based upon prior month actual usage. Infrastructure charges for internal distribution are billed in January. Infrastructure charges for security, express mail, and other outgoing mail are billed monthly.

Availability of Detailed Usage Information: Program offices may receive copies of summary data for United States Postal Services, outgoing overnight express packages and parcel services. This summary data will include the class of mail, weight, pieces and cost.

Business Line Objectives, Balanced Scorecard:

- **Customers:** Improve customer satisfaction.
- **Financials:** Reduce customer's mailing costs.
- **Internal Processes:** Streamline internal processes and apply best practices and technology advancements.
- **Learning and Growth:** Enhance the effectiveness, knowledge, and satisfaction of Mail Service Business Line employees.

For more information on these objectives and business line performance measures please go to http://www.wcf.doe.gov/BUS_PLAN/index.html and view the Mail and Transportation Services Five-year Plan.

Service Standards

All properly addressed incoming regular mail will be processed and delivered unopened to the appropriate mail stops within one day of receipt by the mail centers.

Every effort will be made to determine a delivery destination for improperly addressed mail. If a delivery point cannot be determined, it will be returned to the sender. If a return address is not available, the mail leader will open the envelope and determine if and where it should be delivered. If a delivery point cannot be determined, it will be disposed of in accordance with United States Postal Service and Department procedures.

All incoming controlled mail (certified, registered, or insured) will be processed and dispatched in accordance with United States Postal Services and Department directives at the end of each day. Controlled mail received after 3:30 p.m. will be safeguarded and processed for the next dispatch. Outgoing registered mail is processed and dispatched under United States Postal Services approved combination lock or seal.

Points of Contact

Business Line Manager: Anthony Nellums, 202-586-6064

Service Points of Contact: Alvan Majors, 202-586-4338

For more information, customers are invited to visit the Mail Business home page at:

http://www.management.energy.gov/administrative_services.htm

Frequently Asked Questions about the Mail Business Line

Q. How can I save money on mail distribution?

A. Consult the mail centers when planning a large mailing. Savings are available for bulk mailing.

Q. Who do I call to start or discontinue a mail stop?

A. The business line manager, Tony Nellums, should be called on (202) 586-6064. If he is not available, the point of contact Alvan Majors should be contacted on (202) 586-4338.

Q. It is cheaper to have an extra mail stop or to sort the mail ourselves at the program level?

A. It depends on the size of the organization's program level and the amount of mail the program office receives. In most cases the extra mail stop is less expensive.

Transportation Service Description

The transportation services include the shuttle bus operation, the headquarters motor vehicle fleet and the courier/messenger service.

Shuttle Bus

The business will operate the shuttle bus between the Forrestal and Germantown facilities and the Forrestal and Tyson Corners facilities. The department uses two bio-diesel buses. The bus runs on a schedule that is maintained in the DOE Phone Directory and on the Management and Administration web page. The business also provides unscheduled shuttle bus services.

HQ Fleet Motor Vehicles

The administration of headquarters fleet motor vehicles is financed in this business line also. The Transportation Management Branches located in the Germantown and Forrestal buildings are responsible for managing the U-Drive Program, providing fleet maintenance, monitoring and tracking fleet activity, conducting fleet management activities, and the vehicle maintenance program.

Courier/Messenger Service

The Transportation Team is responsible for providing courier services for the delivery and pick-up of DOE office material within the Washington Metropolitan area. Unclassified documents and packages requiring special messenger delivery within the Washington Metropolitan area are handled by the team during the following hours:

Requirements:

- Material or packages to be delivered to other Government sites must be brought to the appropriate rooms listed.
- Materials should be packaged using standard postal or interoffice packages.
- Customer must complete applicable messenger request form.
- Material will be delivered on the next scheduled messenger run.
- Customers must pick up materials from appropriate rooms listed.

Transportation Office Locations:

Courier Delivery Hours and Office			
Building	Room	Hours	Telephone
Forrestal	GB-177	8:00 am – 5:30 pm	202-586-8600
Germantown	R-003	8:00 am – 5:00 pm	301-903-4330
Transportation Hours and Locations			
Forrestal	GB-160	8:00 am – 5:30 pm	202-586-4187
Germantown	R-003	8:00 am – 5:00 pm	301-903-4330

To view the DOE Shuttle Bus Schedule please visit:
http://www.management.energy.gov/Shuttle_Bus.htm

Pricing Policy

The Working Capital Fund Board adopted a new Transportation Service pricing policy at its February 27, 2008 meeting. Based on this new policy, Transportation Service pricing has three components:

1. The full cost of operating the shuttle bus will be charged to programs as determined by their employee usage of the prior fiscal year.
2. The full contractual cost of administering the DOE headquarters motor vehicle fleet will be charged to programs as determined by their employee usage of the prior fiscal year.
3. The full cost of operating the courier/messenger service will be charged to programs based on actual number of packages delivered prior fiscal year, regardless of source or destination.

Budget Estimating Method

Budgetary estimates are developed based upon the 12-month period prior to issuance or submission of CRB and Congressional budgets. Extraordinary or unusual changes in usage patterns, as well as purchases of new equipment are not anticipated in the Fund's estimates. The cost impact of these changes should be reflected in program budgets.

Billing Cycle

The annual shuttle bus, transportation and courier/messenger services are charges to programs will be processed during the January bill each year.

Service Standards

Provide safe, clean and fuel efficient alternative fuel vehicles for official government business local travel requirements.

Provide timely shuttle bus service on scheduled daily runs with stops located at the DOE HQ, Germantown and designated site buildings

Provide professional and courteous drivers and administrative staff who possess knowledge of the Washington metro area road network, the federal and state regulations for operation of government vehicles.

Provide daily courier service pickup and delivery within the Washington DC metro area. Provide same day processing and customer notification. All incoming material will be secure and maintained in accordance with applicable DOE and Federal regulations.

Points of Contact

Service Point of Contact: Ellsworth Howell, 202-586-5235

For more information, customers are invited to visit the Transportation Business home page at:

Frequently Asked Questions about the Transportation Business Line

Q. What are the times of the courier runs?

A. The courier leaves Germantown at 11:15 a. m. and 3:15 p. m. The Forrestal courier leaves for Germantown at 10:15 a. m. and 2:15 p. m.

Q. Does the Transportation Team hand deliver packages to the addressee?

A. No, the Transportation Team does not hand deliver courier packages. The addressee is contacted to pick up package.

Q. How long does it take a courier to get downtown?

A. Approximately one hour depending on the traffic and weather conditions.

Q. Can I send classified material via courier service? What are the requirements to send classified material via courier?

A. Yes, material must be properly wrapped with proper receipt completed. See: Headquarters Facilities Master Security Plan Section 24, Page 11, Transmission of Classified Matter Through HQ Courier Service.

Q. Where do I get status on courier package?

A. Contact the Transportation Team from which the service was initiated.

Q. What are the requirements to ride the DOE shuttle bus?

A. DOE badge or a shuttle bus pass, which may be obtained from Forrestal or Germantown buildings for non badge personnel on official business.

Q. Can a non-passenger send packages/mail on the bus?

A. All packages must go through Germantown or Forrestal mail room or Transportation Office.

Q. What happens to passengers left behind when the bus is full?

A. Passenger should call the 6-4187 at Forrestal or 3-4330 in Germantown for alternative means of travel.

Q. Who do I contact about lost and found items?

A. Call 6-4187 in Forrestal or 3-4330 in Germantown.

PHOTOCOPY BUSINESS LINE

Service Description

Photocopy service includes:

- Provision of staffed copy centers at Forrestal, (GE-140), Germantown (S-057), and 950 L'Enfant Plaza (8104) capable of reproducing 25,000 impressions (units) per document. Products available at these centers are:
 - Black and white copies up to 11x17 large
 - Multiple color copies up to 11x17 large
 - Colored and white recycled stock (up to 32lbs.)
 - Tape Binding, velobinding (self service), comb (spiral) binding, 3-ring binding
 - 3-hole punching
 - Tab creation and insertion
 - Optical scanning of paper copy documents
 - Document storage on tape and CD-ROM
 - Digital Printing System (On-demand/just-in-time copying)
 - Transparencies for vu-graphs
 - Digital Document Management
 - Classified Reproduction up to Secret Level (GTN only)
 - Centralized (Walkup) Copy Rooms 16 copiers - 7 at Forrestal, 4 at Germantown and 4 at L'Enfant Plaza are located in the following areas:

<u>FORS</u>	1J-005 (1 copier) west	GE-140 (2 copiers)
	5D-028 (2 copiers)	6B-021 (2 copiers)

<u>GTN</u>	E-214	G-434
	E-144	E-454

<u>L'Enfant Plaza</u>	W-016	O-104
	G-101	

Products available at these centers are:

- Reduction and stapling capability is available at all central locations.
- Enlargement capability is available at all locations.

We recommend that these facilities be used for copying requirements up to 600 Impressions (units) per document. For larger requirements, we recommend that staffed copy centers be used.

Dedicated (Customer-Assigned) Copiers: This includes needs assessment analysis to determine workload and most appropriate equipment to:

- perform acquisition activities on behalf of program customers
- negotiate of equipment trade-in allowance where applicable

- arrange for delivery and installation of newly purchased or leased equipment
- coordinate training for key operators and users on newly acquired equipment
- establish annual maintenance agreements with vendors (including negotiation of most cost-effective terms and conditions)
- provide automated access control and reporting for individual copiers)
- perform equipment surplus functions, where appropriate
- provide bulk delivery service for xerographic paper (by-the-skid)
- provide supply items and storage of toner, developer, staples, etc.
- provide just-in-time paper delivery (according to copier usage)

Based on Executive Order 13101 (formerly 12873), DOE is required to use recycled paper for photocopying. Currently, we stock 100% recycled content, 30% of which is post consumer waste content.

Copy Management Office Locations

Forrestal Building:

1000 Independence Avenue, SW
 Washington, DC 20585
 Room: GE-140
 Phone: 202-586-4318
 Hours: 8:00a.m. -5:00p.m.

Germantown, Building:

19901 Germantown Rd
 Germantown, MD 20874
 Room: R-0003C
 Phone: 301-903-3237
 Hours: 7:30a.m. - 4:30p.m.

Pricing Policy

Board Adopted Policy

The Board voted that charges would be assessed to copying customers as follows: On a full cost-per-copy basis for central and staff copiers; on a self-supporting, full-cost basis for dedicated copiers and overhead.

Pricing Method (Billing Calculation)

Staffed and Central Copiers

- For black text ink copies, the price-per-copy is .028 cents as calculated to be sufficient to cover the full business costs including the use of two Ricoh Aficio MP 1100's and one Aficio 1350 Digital Copier. Cost components included in this charge are:
 - Support service contract staff
 - Depreciation (equipment replacement cost)
 - Maintenance
 - Paper (with storage and delivery)
 - Supplies (toner, developer, fuser agent, etc.)
- For multi-color copies, the price-per-copy is 50 cents as calculated to be sufficient to cover the full cost of this operation including the use of three

Ricoh Aficio 5560 Digital Copiers. Cost components included in this charge are similar to those listed above for black ink.

- Dedicated (Customer-Assigned) Copiers. Charges for dedicated copiers have four cost components:
 - Actual acquisition cost of new equipment; this is a straight pass-through of vendor charges to the Fund.
 - Actual maintenance agreement costs (standard maintenance services/maintenance including supplies plus extended/extra usage); this is a straight pass-through of vendor charges to the Fund.
 - A price-per-copy of 1.5 cents for xerographic recycled paper (with storage and delivery).
 - Supplies (20% markup) to cover the operating costs of the contract.
 - Supply items are available at the following locations:
 - Forrestal, Room GE-140
 - Germantown, Room R-003C

Budget Estimating Method

Budgetary estimates are developed based upon the 12-month period prior to issuance or submission of CRB and OMB budgets. Budget estimates published in June of the Fiscal Year typically reflect actual usage charges for March through May of the preceding year. Extraordinary or unusual changes in usage patterns, as well as purchases of new equipment are not anticipated in the Fund's estimates. The cost impact of these changes should be reflected in program budgets.

Annual Projections

WCF projections of current fiscal year usage and costs are updated monthly and provided with each bill.

Billing Cycle

All photocopy and supply charges are billed monthly, based upon actual usage. There are no charges for this business line that are assessed annually or quarterly.

Availability of Detailed Usage Information

For Central and Staffed Facilities: Individual copying jobs (runs) are captured continuously at point of usage through an automated controlled access device. This information can be provided at any time, as requested for any period (e.g., current month or year-to-date) during the current fiscal year, as specified. Information availability on pre-formatted transaction reports includes:

- Employee organization (Division level)
- Period of performance month
- Total number of pages, copies and/or impressions

- Cost per ORG/month
- Location of copier

For dedicated copiers, the following information is available:

- Make and model of copier
- Location of copier
- Number of impressions per month (per meter readings)

Business Line Objectives: Balanced Scorecard

- **Customers:** Provide customers with convenient copy facilities and maintain low total cost to the customer
- **Financials:** Improve efficiency and ensure full cost recovery
- **Internal Processes:** Streamline internal processes and apply technology
- **Learning and Growth:** Enhance the effectiveness, knowledge, and satisfaction of Photocopy Business Line employees.

For more information on these objectives and business line performance measures, please go to http://www.wcf.doe.gov/BUS_PLAN/index.html and view the Copy Five-year Plan.

Service Standards

Upon receipt of request for new or replacement equipment, establish meeting with customer to discuss required specifications and funding within three working days.

Provide quick turnaround (less than 24 hours) for 25,000 impressions (units) in staffed copier center daily.

For central copiers, provide daily room checks which include clearing of paper jams, cleaning glass and sensors, adding toner as required, copying quality check and replenishing of paper supply.

Provide maintenance services on all copiers within eight normal work hours.

Provide detailed usage and management reports on an as-requested basis within 24 hours.

Provide overnight and weekend staffed support service in staffed copier center to meet large volume, quick copying requirements.

A courtesy call will normally be provided to the point of contact when a job is completed; however, we recommend that the point of contact call printing and graphics staff to check the status of the project.

Provide Just-in-Time paper delivery throughout the Headquarters complex. This service is provided on a monthly schedule and as-needed basis.

Program Management Flexibility

Photocopying falls within federal restrictions placed upon government printing operations. Appropriated funds may not be used to obtain photocopy services from vendors outside DOE, without specific approval.

Ability to effect level of wage and costs: Customers may decide to purchase copiers to be assigned directly to their program organization (dedicated) rather than, or as a supplement to, using central and staffed copy facilities. Customers who choose to purchase dedicated equipment must coordinate each proposed acquisition with a designated copier management analyst. This is to ensure that DOE meets its requirements to report duplicating and copying activity to the Congressional Joint Committee on Printing. Also, we need to provide for receipt of deliveries (via receiving reports) at the respective loading dock facilities, as well as ensure that federally owned equipment is properly tagged and inventoried in the Property Management System.

Access to centralized photocopiers is restricted to those program personnel who possess a DOE access badge or who have been issued an authorized access code.

Points of Contact

Business Line Manager: Mary Anderson, 202-586-4375

Service Point of Contact: Anthony Nellums, 202-586-6064

For more information, customers are invited to visit the business home page at:

http://www.management.energy.gov/administrative_services.htm

DOCUMENT IMAGING

Service Description

Converting paper documents into electronic files helps us manage, store, access and archive the organizational information we have “locked up” in paper documents. This service utilizes high-quality document scanners, a state-of-the-art six engine Optical Character Recognition (OCR) system, and maintains quality controls to provide a successful Imaging solution. Once converted these electronic files can be indexed and searched, stored easier, and accessed and distributed faster, easier and cheaper than their paper originals.

Document Imaging service includes:

- Decollating documents to prepare them for feeding into sheet-fed scanners
- Scanning documents in black and white or color, 1 or 2-sided, up to 11”x17”

- Manual scanning of documents that cannot be fed into sheet-fed scanners
- Quality control to assure all pages are scanned and as readable as possible
- Running OCR software to create electronic files in various file formats: Acrobat Image + Text is the standard DOE document conversion format and Text, RTF and HTML formats are also available
- Delivering the final electronic files on CD's
- Providing the original documents back in the same order as provided (though not re-stapled or re-bound)

To obtain specifications on preparing documents for processing and delivery to our production center please contact Ralph Freedman, (202) 586-2832.

Document Imaging Team Office Location

Forrestal Building:

1000 Independence Avenue, SW
 Washington, DC 20585
 Room: BH-039
 Phone: 202-586-2732
 Hours: 8:00a.m. -5:30p.m.

Pricing Policy

Pricing Method (Billing Calculation)

- Document Imaging charges are calculated per page based on usage.
 - Scanning and OCR - 28¢ per page.
 - These services are also offered a la carte, at:
 - Scanning Only - 20¢ per page.
 - OCR Only - 8¢ per page
 - All charges are calculated to be sufficient to cover the full business costs. Cost components included in this charge are:
 - Support service contract staff
 - Depreciation (equipment replacement costs)
 - Maintenance
 - Supplies

Billing Cycle

Document Imaging charges are billed monthly by usage. There are no charges for this service that are assessed annually or quarterly.

Availability of Detailed Usage Information

- All job information is captured by the operator at the time of processing. This data is compiled into reports weekly and monthly. Information can be made available, on request.

Business Line Objectives: Balanced Scorecard

- **Customers:** Provide customers with high-quality scanning and OCR in a timely and responsive manner.
- **Financials:** Ensure full cost recovery, and maintain competitive or better cost to the customer.
- **Internal Process:** Keep abreast of technology and processing enhancements to maintain best-of-class quality products.
- **Learning and Growth:** Keep the staff and the business line involved with the expanding world of electronic document technologies, services and products.

Service Standards

- Ensure that documents are maintained in the best condition possible during the document preparation stage and throughout the processing. This includes maintaining the order of all pages in each document.
- Ensuring that all pages are scanned and OCR'd.
- Quality control to review documents to make sure they are as readable as possible.
- Work with customers to make sure the resulting electronic files follow naming conventions to facilitate storage and usage.
- Work with customers to identify documents that need to be manually scanned on flatbeds.
- Upon request, provide detailed usage reports.
- Provide further support on technical and policy issues relating to the resulting electronic files.

Points of Contact

Heidi Palombo, (202) 586-5251

Ralph Freedman, (202) 586-2832

For more information, customers are invited to visit the business home page at:

http://www.management.energy.gov/administrative_services.htm

Frequently Asked Questions about the Document Imaging Business Line

- Q.** What type of image quality can be expected from the scanning process?
- A.** High quality, highly readable images. Our scanners utilize Virtual Rescan™ technology to analyze each page and determine the best settings for brightness, contrast, and other enhancements to ensure the best scan possible for both viewing the images as well as for the OCR processing. And our trained operators provide quality controls during the process to oversee the enhancements and make manual adjustments when needed.
- Q.** What file formats can the Optical Character Recognition (OCR) process create?
- A.** DOE's standard file format for document archival is Acrobat Image + Text. This is an Acrobat file that contains the scanned pages for viewing and printing

purposes, retaining all information conveyed through the original printed page – charts, graphics, photos, handwriting on margins, etc. – with the OCR'd text behind the image so that the documents can be indexed and searched. This format is used by our Executive Secretariat and Freedom of Information and Privacy Act offices for official Departmental archiving, and is the standard format of the Federal Government for converting paper documents to electronic files for archival and access purposes.

The OCR process can convert scanned pages into other file formats including:

- ASCII (text-only)
- RTF for use in word processors. RTF format retains as much of the document formatting as possible but does not reverse-engineer paper documents into exact facsimiles of the originals.
- HTML for web-posting. HTML conversion does a good job of formatting the text, and can be useful in quickly posting documents on web sites, but it is still recommended that web programmers review and format the files before web posting.
- Acrobat Text Only. This is an Acrobat file that contains the OCR'd text but does not contain the images of the original scanned pages.
- Acrobat Image Only. This is a file that only contains the scanned pages, and can be opened with Acrobat.

For more detailed information about file formats, and indexing and searching files, please contact the Project Manager, Ralph Freedman, (202) 586-2832.

Q. What about the accuracy of the OCR processing, how reliable is it?

A. We utilize state-of-the-art OCR software that employs seven OCR engines and artificial intelligence to vote on the accuracy of each character. This generates files that are significantly more accurate than any single OCR engine system could ever attain.

Q. Will the group clean up flagged character recognition from the OCR process?

A. This clean up work is not currently offered as part of this service. This is why we utilize a highly-accurate OCR system. If a customer needs 100% accuracy there are a few options available, and this would need to be discussed with the Project Manager, Ralph Freedman, (202) 586-2832.

Q. Other agencies and service bureaus provide this service. How does this Document Imaging service compare with them in quality and cost?

A. Extensive market research has been done in this area. The costs per page for this group is predominantly and significantly lower than any other organization that provides scanning and OCR.

PRINTING & GRAPHICS BUSINESS LINE

Printing Service Description

The Printing Office produces a complete range of high-quality printed products comparable to those available from a full-service commercial enterprise. These include:

- Reports
- Books
- Pamphlets and Brochures
- Public Information Materials
- Presentation and Promotional Posters
- Forms and Letterhead
- Development of Printing Requirements and Specifications
- Envelopes
- Business Cards
- One and Two Sided Posters
- CD duplication through the Government Printing Office

Other printing-related services are:

- Mailing/Shipping of printed materials
- Distribution Preparation Services (labeling, consolidation and packaging)
- Automated Mail List Maintenance

In addition, this business line involves:

- Calculate cost of printed inserts published in the daily Federal Register.
- Production and duplication of various electronic informational media such as compact Discs and video diskettes.
- Court reporting and transcription services.
- The sale and distribution of Printed Products such as letterhead, DOE decals, tabs, folders, certificates and security forms.

Printing Team Office Locations

Forrestal Building:

1000 Independence Avenue, SW
Washington, DC 20585
Room: GE-140
Phone: 202-586-4318
Hours: 8:00a.m. -6:00p.m.

Germantown, Building:

19901 Germantown Rd
Germantown, MD 20874
Room: R-0003C
Phone: 301-903-3237
Hours: 7:30a.m. - 4:30p.m.

Pricing Policy

Organizations will pay for direct printing costs as well as Federal Register and Court Reporting costs. Organizations pay for direct printed products supply cost with a 20% markup to cover the operating cost on the contract. Organizations will pay a share of Printing Overhead charges. Printing Overhead is calculated based on the customer organization's proportionate share of the prior year direct printing cost, adjusted to include both the direct printing that occurs through the Fund and the direct printing that is charged to program funds by direct citation.

Pricing Method (Billing Calculation)

Program offices pay the actual cost of printing, vendor postage, federal register, vendor color copying, court reporting services and printed products supplies.

Budget Estimating Method

Budgetary estimates are developed based upon the 12-month period prior to issuance or submission of CRB and Congressional budgets. Extraordinary or unusual changes in usage patterns, as well as purchases of new equipment are not anticipated in the Fund's estimates. The cost impact of these changes should be reflected in program budgets.

Annual Projections

WCF projections of current usage and costs are updated monthly and provided with each bill.

Billing Cycle

All printing services are billed monthly, based upon actual usage. There are no charges for this business line that are assessed annually or quarterly.

Availability of Detailed Usage Information

Program offices may receive upon request, copies of summary data for printed products, vendor postage, vendor color copying, federal register and court reporting services. This information includes job title, date received, estimated cost, actual cost and the program contact(s) placing the job order(s).

Business Line Objectives: Balanced Scorecard

- **Customers:** Produce final printing products that conform to customer's expectations;
- **Financials:** Reduce customers' printing costs by identifying less expensive methods of producing products;
- **Internal Processes:** Foster partnership with GPO to utilize 'best-value contracting;
- **Learning and Growth:** Improve the skills of all staff through training and improve automated systems.

For more information on these objectives and business line performance measures please go to http://www.wcf.doe.gov/BUS_PLAN/index.html and view the P&G Five-year Plan.

Service Standards

- Will schedule planning conference with customer within eight hours of request to discuss printing requirements which include job specifications and anticipated turnaround times.
- Representatives from the printing staff are available to provide planning assistance during the developmental stages of projects. We encourage customers to seek assistance as soon as project discussion begins.
- The standard turnaround time to process most printed products including business cards ranges from five to 10 working days.
- Distribution of most printed material within one to three days.
- Complex projects (i.e., Science Bowl, DOE Performance and Accountability Report, Ethnic History Months, Press Briefings, 4-color process brochures, etc.) require negotiation of time frames, which typically are 20 to 30 working days.
- A courtesy call will normally be provided to the point of contact when a job is completed; however, it is recommended that the point of contact call printing and graphics staff to check the status of the project.
- Will provide detailed usage and management reports within 24 hours when requested.
- Staff will provide quick, efficient checkouts, when needed merchandise is not in stock, staff will: (1) Provide anticipated date of arrival and (2) Notify the customer if the item will no longer be available.

Points of Contact

Business Line Manager: Mary Anderson, 202.586.4375

Service Manager: Dallas Woodruff, 202-586-4318

For more information, customers are invited to visit the business line home page at http://www.management.energy.gov/administrative_services/printing_copying.htm .

FREQUENTLY ASKED QUESTIONS ABOUT THE PRINTING BUSINESS LINE

Q. How can my office save on printing charges?

A. Program elements can save on printing charges by planning projects in advance. The printing staff is available to attend customer's planning conferences on upcoming projects. This can eliminate surcharges associated with meeting quick turnaround times and allow for alternative specifications to be applied.

Q. Who do I call to find out how we have been spending money on printing?

A. You can call the service point of contact, Dallas Woodruff, on (202) 586-4326.

Q. Can I get a summary of how we spent money last year?

A. Yes, a detailed summary is available at the customer's request. Standard turnaround time of a detailed summary is 24 hours. Program offices may receive upon request, copies of summary data for: printed products, vendor postage, vendor color copying, and Federal Register and court reporting services. This information includes job title, date received, estimated cost, actual cost and the program contact(s) placing the job order(s). This information can be provided

at any time, as requested for any period (e.g., current month or year-to-date) during the current fiscal year, as specified.

Graphics Service Description

The Graphics business provides a variety of professional design services to the Department of Energy and its employees. We have offices in the Forrestal (BH-039) and Germantown (E-065) facilities staffed with graphic and publication designers, with use of state-of-the-art computer systems to assist customers in meeting presentation, publication and creativity requirements.

Products and services available at these offices include:

- Design consultation to help customers review visual requirements for upcoming events;
- Design and production services for presentation media: vu-graphs, slides, flip charts, digital and multimedia;
- Exhibit design services for table-top and portable displays;
- Large format image design services: posters, banners and signage;
- Publication design for a variety of printed products: brochures, flyers, booklets, programs, newsletters and forms;
- Design, coordination and acquisition services for awards and recognition ceremonies: plaques, certificates, invitations and mementos;
- Digital composition and Media output center for the production of visual products from customer's artwork, electronically prepared disks and digital files including:
 - Full color posters from electrostatic and ink-jet large format printers,
 - Lamination services for all images up to 36 inches wide,
 - Color prints on various types and weight of paper from 8.5" x 11" to 11" x 17",
 - Hi-resolution black and white Laser prints,
 - Digitally scanning images from reflective art.
- Photography: The business operates a full service photography studio and lab at the Forrestal building staffed by three professional photographers. Services can be obtained at the Forrestal building (BH-039). Products and services include:
 - Local area on-site scheduled photographic shoots for program offices and Secretarial events;
 - Scheduled studio shoots for passports, visas, portraits and product/still-life arrangements;
 - Production of black and white, color prints from 5x7 to poster sized prints up to 60 inches wide;
 - Transparency production and duplication services: slide and vugraph;
(Transparencies are sent out to an outside vendor.)
 - Digital processing of images from electronic media into photographic prints and
 - Film processing center for film shot by program office or Secretarial personnel for DOE sponsored events;
(Requests for film processing will be sent to an outside vendor.)
 - Scanning and electronically retouching photographic images; and Dry mount and limited framing services
 - Passport pictures can be obtained at the Germantown building in room E-055.

- **Energy Technology Visuals Collection:** At the Forrestal (BH-039) location, we provide the DOE photographic library of catalogued and documented images of energy related programs for use in briefings, publications, presentations, exhibits, etc. Trained technicians are available to assist customers in the selection of appropriate images to enhance their project. Products and services provided are as follows:
 - Thousands of catalogued images covering a variety of subject matter from alternative fuels, environmental and geothermal energy to health and safety, solar energy and waste management;
 - Color and black & white prints and 35mm slides are ready for immediate use;
 - Color and black & white laser prints and/or scanned images are also available upon request;
 - Complete data sheets accompany each image with such information as where the image was taken, date and time, image subject matter, etc.; and Historical collection of black and white and color images of pre-DOE events and achievements.

Graphics Team Office Locations

Forrestal Building:

1000 Independence Avenue, SW
Washington, DC 20585
Room: BH-039
Phone: 202-586-2732
Hours: 8:00a.m. - 5:30p.m.

Germantown, Building:

19901 Germantown Rd
Germantown, MD 20874
Room: E-065
Phone: 301-903-3247
Hours: 8:00a.m. - 5:30p.m.

Pricing Policy

Indirect Costs: Customers are charged an allocation of contractor support costs for Graphics, Photography and Visual Archives as well as the general cost of materials and supplies. In addition, the allocation includes direct maintenance required and an allowance for estimated equipment replacement. Indirect charges are billed to programs based on prior year usage.

Direct Costs: Customers are charged actual costs for work that is beyond the scope and capabilities of the Visual Media Team that, therefore, must be sent to outside vendors for production. Customers are informed of estimated direct charges when work is requested.

Budget Estimating Method

Budgetary estimates are developed based upon the 12-month period prior to issuance or submission of CRB and Congressional budgets. Extraordinary or unusual changes in usage patterns, as well as purchases of new equipment are not anticipated in the Fund's estimates. The cost impact of these changes should be reflected in program budgets.

Billing Cycle

All graphics charges are billed monthly, based upon prior month actual usage. There are no charges for this business line that are assessed annually or quarterly.

Availability of Detailed Usage Information

Program offices may receive copies of summary data for graphics products, photography work and Energy Technology Visual Collection services. This information can be provided at any time, as requested for any period (e.g., current month or year-to-date) during the current fiscal year, as specified.

Service Standards

Representatives from the Graphics business line are available to provide planning assistance during the developmental stages of projects and encourage customers to seek assistance as soon as project discussions begin. A graphics coordinator will meet with the customer to discuss the project's requirements and requested turnaround time.

The standard turnaround time is five working days. Complex projects (such as Science Bowl, Ethnic History Months, Press Briefings) require a longer timeframe, with a preference of 30 days. This requirement is discussed in the planning meeting with the customer. As a courtesy, a call will normally be provided to the customer point of contact when a job is completed; however, it is recommended that the point of contact call the customer service desk (202-586-2732) to check the status of the project.

Points of Contact

Business Line Manager: Mary Anderson, 202-586-4375

Service Manager: Joe Whitford, 202-586-2732

For more information, customers are invited to visit the business line home page at http://www.management.energy.gov/administrative_services/printing_copying.htm .

FREQUENTLY ASKED QUESTIONS ABOUT THE GRAPHICS BUSINESS LINE

Q. How can my office save on graphics charges?

A. Program elements can save on graphics charges by planning projects in advance. The graphics staff is available to attend customer's planning conferences on upcoming projects. This can eliminate surcharges associated with meeting quick turnaround times and allow for alternative specifications to be applied.

Q. Can I get a summary of how we spent money last year?

A. Yes, a detailed summary is available at the customer's request. Standard turnaround time of a detailed summary is 24 hours. Program offices may receive upon request, copies of summary data for: Graphics products, photography work and energy technology visual collection services. This information includes job title, date received, estimated cost, and actual costs.

BUILDING OCCUPANCY BUSINESS LINE

Service Description

The core services in the Building Occupancy Business Line include space management, utilities such as heat and electricity, cleaning services, snow removal, facility operation and preventive and restorative maintenance, pest control, trash removal, and waste recycling. Engineering and facilities services provided are drafting of construction documents, developing scopes of work, construction management and inspection, value engineering, lease-hold administration, lock repair and key management, safety and occupational health, moving and warehousing services, and conference support.

On May 23, 2007 the Board approved new business segments for this business line to provide property management services for the inventory for accountable property at DOE and travel services which support the DOE overseas mission. For more information please review our home page at http://www.administration.doe.gov/ofcadm/Home_BuildingServices.htm .

Pricing Policy

There are six components to the Board policy:

- 1) On a building-by-building basis, direct rental value of the space assigned to each organization is calculated, based on the actual rent charged to the Department by the General Services Administration (GSA). Customer rent costs are based on areas expected to be assigned to each organization on October 1 of the Fiscal Year.
- 2) Then the common use space costs in each building are divided among the tenants of that building based on their proportional shares of direct rent costs.
- 3) Certain additional costs, such as common area alterations, health and life safety programs, infrastructure improvements, and beginning in FY 2008 the Logistics support contract LAI service provider expenses are allocated as a prorata addition to the building-by-building charges described above.
- 4) In addition to the forgoing space rental charges, customers may ask for and be billed for extra services such as alterations that are not part of a common improvement program or special heating or air conditioning charges associated with extended hours or weekend operation.
- 5) Property management charges are allocated to programs on a pro rata share, based on the number of items each program has in the inventory of accountable property for the prior twelve month period.
- 6) Travel services are allocated to programs on a pro rata share, based on their actual usage

of these services for the prior twelve month period.

Billing Practice

At the beginning of the fiscal year, the actual assigned space is determined for each organization. The rent for this space is calculated along with that of vacant and common space within each building. Each organization is provided with an occupancy agreement which shows the amount of each category of space (office, storage, ADP, etc), the cost for that type of space, and their prorata share of the building's common space. The occupancy agreement also includes the organization's prorata share of cost for engineering and facilities services, infrastructure improvements and audio-visual services. Copies of the rent charts and floor plans are available upon request.

Billing Cycle

The final figure is billed to each organization in four quarterly installments (October, January, April, and July). Adjustments such as costs for additional rent, overtime heating, ventilation, and air conditioning and tenant alterations are billed at the end of the monthly billing cycle as soon as possible after the costs are incurred.

For **Property Management** and **Travel Services** programs will be billed annually in January.

Budget Estimating Method

The budget for upcoming years is determined by using historical information such as the costs for utilities as well as the information provided by the GSA as to the anticipated rent for future years. An inflation factor is used for anticipated contract and service projections when historical information is limited. Projections of how much space an organization will be assigned in future years is based on information from the organization as to whether they anticipate releasing space or acquiring additional space, as well as historical information, space availability, and Departmental objectives. For all business line segments budget estimates are based on our best information at the time.

Business Line Objectives: Balanced Scorecard

- **Customers:** Improve customer satisfaction
- **Financials:** Reduce cost per person
- **Internal Processes:** Operate and maintain equipment and systems in a manner that will provide for orderly operations of the Department, be environmentally responsible, and ensure preservation of the Government's real property assets.
- **Learning and Growth:** Improve knowledge, skills and abilities of business line staff in support of business systems and business line mission

For more information on these objectives and business line performance measures please go to www.wcf.doe.gov and view the Building Occupancy Business Line Five-year Plan.

Service Standards

- 1) Maintenance services will be provided within 24 hours (three hours in an emergency).

- 2) Installation and removal of telephone and electrical receptacles, artwork, visual boards, and clocks will be completed within 10 days.
- 3) Alterations costing less than \$2,000 will be completed in the following phases: design (one to seven days), procurement (two to three days), and construction (one to seven days). This does not include organizational review time.
- 4) Alterations costing less than \$25,000 (but more than \$2,000) will be completed in the following phases and time frames: design (eight to 30 days), procurement (six weeks), and construction (seven to 30 days). This does not include organizational review time.
- 5) Alterations costing less than \$100,000 (but more than \$25,000) will be completed in the following phases and time frames: design (30 to 90 days), procurement (eight weeks), and construction (90 to 120 days or possibly longer depending on the scope of work).
- 6) Alterations costing more than \$100,000 will be completed in the following phases and time frames: design (60 to 180 days), procurement (90 to 120 days), and construction (120 to 180 days or possibly longer depending on scope of work).
- 7) All Headquarters-related safety and health complaints will be investigated within 24 hours of receipt of complaint call. Imminent danger situations will be investigated immediately.
- 8) An annual safety and health survey (walk through) will be conducted of all high-hazard areas. A questionnaire may be used in lieu of a walk-through for low-hazard (office) spaces.
- 9) Fire drills will be conducted at least annually in each building. Fire drills may be as frequently as quarterly; however, if quarterly drills are conducted, only two will be whole building evacuations.
- 10) Warden/Monitor training will be conducted at least annually.

Management Flexibility

The customer has the flexibility to request additional space or release space based on programmatic activities. Space must be acquired or released in useable allotments, be accessible from a corridor, and separated (with minimal construction) from adjacent space. For example, we cannot accept for release, an internal 150 square foot office as this is not space that can be used nor is it directly accessible by another organization.

If an organization requests additional space, the request will be filled based on the availability of vacant space or leased space through the GSA. Federal law prohibits organizations from procuring external leased space for federal employees. The requesting organization will be responsible for the tenant alterations costs. If one organization is displacing another, the displacing organization will be responsible for the standard level costs for the organization being displaced as well as all the costs to relocate themselves.

When an organization releases space, it becomes vacant (common) space unless another organization is willing to backfill ("sublease") that space. No changes in rent charges are made until the first of the following fiscal year, unless the backfilling organization agrees to pay for the space occupied. Then the vacating organization can be credited. If an agreement is reached, only the rent for this space will be used for the within year charges/credits; no adjustments for common space or other engineering and facilities charges will be made.

Points of Contact

Business Line Manager: Michael Shincovich, (202) 586-6080

FREQUENTLY ASKED QUESTIONS ABOUT THE BUILDING OCCUPANCY BUSINESS LINE

- Q. Is the building occupancy rent amount set only at the beginning of each fiscal year, or will adjustments be allowed during the year as additional space is occupied or vacated?
- A. The building occupancy rent amount is set on October 1 of the fiscal year. Adjustments may be made as organizations request above standard services such as space alterations or overtime heating, ventilation, and air conditioning. There could also be a credit at the end of the fiscal year (or beginning of the subsequent fiscal year) if the savings are greater than expected during a year. The decision to credit the organizations would be made by the Working Capital Fund Board based on recommendations from the Working Group and the Business Line Manager.
- Q. How can my office save money on space rental costs for this Fiscal Year and for out years?
- A. The best way to save money on space rental costs is to consolidate within existing space or request space into which the organization or office can be consolidated. Archiving or properly disposing of files can help to reduce the amount of storage space or valuable office space needed. Releasing space during a fiscal year will save on future fiscal year rent bills. If you can arrange for a "sublease" to another organization as described under Management Flexibility you will be able to save rent charges in the current fiscal year

TELECOMMUNICATIONS BUSINESS LINE

The Telecommunications Business Line consists of two major enterprise activities: (I) Network Infrastructure and (II) Telephone Services

I. Network Infrastructure

The Network Infrastructure activity is comprised of two components (a) Headquarters Network Infrastructure and (b) Wide Area Network (DOEnet) Infrastructure (Department-wide).

a. Headquarters Network Infrastructure

Service Description

The Headquarters Network Infrastructure allows automated inter-connectivity throughout DOE Headquarters elements, as follows:

- Infrastructure serves approximately 200 Headquarters Network Infrastructure segments at the two main headquarters facilities as well as several satellite buildings. There are approximately 13,000 Headquarters Network Infrastructure connections throughout all program organizations.
- Infrastructure enables connectivity to Headquarters Corporate Systems.
- Infrastructure provides access to the Internet, Electronic messaging, and DOE Applications.
- Infrastructure accommodates interface services and communications links to field sites, other government agencies, and public/private business and academic institutions.
- In addition infrastructure related to virus and decontamination protection for desktops; desktop hardware repairs not covered in DOECO Applix and physical decontaminations are provided by this business.

Cost Structure

Headquarters Network Infrastructure costs are predominately fixed and totaled \$3.4 million, composed of:

- Leased telecommunications circuits connecting the metropolitan area locations (including the Germantown campus) into the Headquarters Network Infrastructure;
- Contractual costs for an Internet Service Provider for Headquarters;
- Maintenance of the common Headquarters Network Infrastructure components (routers, switches, firewalls etc.);
- Contractor technical support staff who install, operate and repair the various common network components;
- Telecommunications management and integration services.

- Non-federal administrative ("Business Mgmt.") support functions involved with processing of vendor invoices, record keeping, accounting and financial reporting for business related activities.
- ADP contractor support involved with converting commercial vendor data files to usage-tracking and customer billing formats.
- Virus and decontamination protection for desktops.
- Desktop hardware repairs not covered in DOECO.
- Applix and physical decontaminations.
- Virtual Private Network (VPN) Services
- Not included are salaries and related expenses for federal employees supporting the business.
- Not included in the Cost Structure: Replacement and upgrade of DOE-owned equipment and related depreciation of capitalized assets.

Pricing Policy

The WCF Executive Board adopted the original pricing policy May 1996 that has been in effect since FY 1997. It provides that the "full cost" of Networking infrastructure is to be recovered by the Telecommunications Business Line through a pro rata allocation of total estimated service costs, based upon the most recent available inventory of Headquarters Network Infrastructure connections at all Headquarters facilities. The pricing policy was updated by the Board April 1999 (to be effective in FY2000), to include the addition of an Internet Service Provider in the cost and pricing structure of the business. On May 17, 2006 the Board eliminated the Desktop business-line and moved virus and decontamination protection, certain hardware repairs and Applix and physical decontaminations into the Network business.

Pricing Method (Billing Calculation)

- Total Headquarters Network Infrastructure costs are estimated prior to the beginning of each fiscal year, based upon the cost components itemized in the "Cost Structure" section above. These charges are allocated and assessed at the Office Level or corresponding organizational level immediately subordinate to the Program Assistant Secretary, Director or Administrator. Since the Headquarters Network Infrastructure enterprise is a Headquarters-only support service, no charges are assessed to Field elements or to HQ LPSO's for Field-related usage.
- Headquarters Network Infrastructure counts for individual organizations (the allocation ratio numerator) may change frequently. The total number of connection counts for all customer organizations (the allocation ratio denominator) changes essentially each month. Therefore, it is likely that both gross monthly charges and per unit rates will be somewhat different from month to month.
- In addition infrastructure costs related to virus and decontamination protection for desktops should be charged to headquarters accounts based on the same allocation method. Desktop hardware repairs not covered in DOECO will be charged to customers based on actual time and material expenses. Applix and physical decontaminations will be charged to customers based on usage.

Billing Cycle

Headquarters Network Infrastructure allocations are compiled every month, based upon revised connection inventory records.

Budget Estimating Method

Budgetary estimates are developed based upon the 12-month period prior to issuance or submission of CRB and OMB budgets. Extraordinary or unusual changes in usage patterns, as well as purchases of new equipment are not anticipated in the Fund's estimates. The cost impact of these changes should be reflected in program budgets.

Business Line Objectives: Balanced Scorecard

- **Customers:** Improve customer service through the delivery of reliable effective network services
- **Financials:** Improve efficiency and ensure full cost recovery of ongoing daily costs as well as needed periodic capital improvements.
- **Internal Processes:** Apply best practices and industry standards in technology advancements.
- **Learning and Growth:** Enhance the effectiveness, knowledge, and satisfaction of the Lines' employees.

For more information on these objectives and business line performance measures please go to www.wcf.doe.gov and view the Telecommunications Five-Year Plan.

Service Standards

The HQ service standards for Headquarters Network Infrastructure are:

During Business Hours:

- The normal business hours of attended Headquarters Network Infrastructure operations support services will be from 7:00 a.m. to 6:30 p.m., Monday through Friday.
- Response time for Headquarters Network Infrastructure availability during business hours will be within 2 hours for mission critical hardware problems.
- Response time will be within one business day for non-mission critical hardware problems.

After Business Hours:

- HOTLINE response after 6:30 p.m. will be within 30 minutes for multi-user Headquarters Network Infrastructure problems.
- The Headquarters Network Operations desk is staffed 24 x 7 x 365 for network support calls.

Customer Flexibility

Headquarters Network Infrastructure is a "corporate service" that provides a common, standard facility available to all organizational elements at DOE Headquarters. Since this service promotes the welfare of the general community and is potentially of benefit to all programmatic

activities, cost allocations are correspondingly spread across the entire community of connected users. Because the cost components necessary to support this infrastructure are relatively fixed, customer options for direct reduction in the cost of service is limited. However, customer organizations do have some latitude with respect to controlling their pro rata share of these costs. In so doing, customers may also contribute indirectly to incremental reductions, or even reengineering, of overall infrastructure costs. Customers may manage Networking costs in the following ways:

- Manage connection inventory to minimize connections to the common infrastructure.
- Periodically verify inventory of connections and update changes on a continuous basis.
- Request removal of lines no longer needed and reassignment of those transferred to another organization.

b. DOEnet Infrastructure

Service Description

The Department of Energy Enterprise Network (Wide Area Network) (DOEnet) infrastructure is a centrally managed network that provides common, standard facilities to carry business related data, DOE-wide. It is available to all organizational elements and locations choosing to connect to it. General service characteristics are:

- DOEnet currently provides connectivity to approximately 40 sites using Multi-protocol Label Switching/Internet Protocol (MPLS/IP) technology. Other sites are and may be added in the future as required.
- MPLS/IP technology allows the eventual integration of data, voice, and video traffic on the same network, thereby reducing costs.
- Centralized network management provides higher reliability, improved trouble-shooting capabilities, greater operational efficiencies, and increased accountability.
- Each DOEnet site adheres to a uniform connection policy to ensure an acceptable minimum level of security. Network traffic will not pass through public Internet channels and will, therefore, be less subject to interception or unauthorized disclosure.
- DOEnet provides site users the ability to access computer platforms and DOE corporate systems located at DOE Headquarters as well as other DOE sites

Cost Structure

DOEnet Infrastructure costs to DOE customer organizations were \$1.9 million in FY 2008 and have been budgeted at \$2.2 million for FY 2009 as new connections are added. Business line expenditures covered by these revenues include:

- Leased telecommunications circuits which provide the needed bandwidth;
- Site hardware components (routers);
- Contractor technical staff who install, operate and maintain the network hardware/software components and monitor network performance;
- Non-federal administrative support functions involved with compiling system data, preparing customer billing, and maintaining records for business related activities.
- Not included are federal salaries and related expenses.

The Office of the ACIO for IT Support Services identifies opportunities to make service improvements and maximize operating efficiencies by periodically reviewing DOEnet process elements.

Pricing Policy

DOEnet charges are based on the cost of providing DOEnet capacity to each site. The purpose of this change was to remove the economic disincentives to the actual use of the network, because the marginal cost of such use, once the network is in place, is nil.

Pricing Method (Billing Calculation)

- Total DOEnet Infrastructure costs are estimated prior to the beginning of each fiscal year, based upon the cost components itemized in the "Cost Structure" section above.
- Charges for DOEnet are based on the total of: (1) Direct costs consisting of bandwidth and hardware and billed to the site landlord (Lead Program Support Office); (2) Shared costs consisting of managed network services and engineering are allocated based on the number of DOEnet sites billed to the landlord (Lead Program Support Office).

Billing Cycle

Program-related DOEnet costs are compiled and billed monthly

Service Standards

Transmission and hardware components of the DOEnet (the circuits/leased lines and routers) are designed to provide 99.9% uptime reliability. DOEnet Operational Network uptime reliability is 99.9% for end-to-end port availability and data delivery rate. Circuit availability is determined by the GSA Network contract. The HQ service standards for DOEnet are:

During Business Hours:

- The normal business hours of attended DOEnet operations support services will be from 7:00 a.m. to 6:30 p.m., Monday through Friday. A service representative may be contacted at **(877) 823-3205**.
- Service resolution times depend upon the priority of service involved, as follows:
 - Within 2 hours for Severity Level 1 ("Outages"). Examples include: circuit down, circuit bouncing, circuit slow response, and multiple sites down/OOS.
 - Within 4 hours for Severity Level 2 ("Impaired Service").
 - Within 8 hours for Severity Level 3 ("Service Related"). Examples include: line errors/garble, intermittent line bouncing, and slow response.
- Hardware response times vary according to circumstance, as follows:
 - Within 4 hours for mission critical hardware problems, in those cases where spare parts are on hand.
 - Within 8 hours, where spare parts must be ordered.
 - Within one business day for non-mission critical hardware.

After Business Hours:

- DOEnet service response time after 6:30 p.m. will be within 4 hours.
- The DOEnet Network Operations desk is staffed 24 x 7 x 365 for network support calls.

Customer Flexibility

Customers may manage DOEnet costs in the following ways:

- Field sites may choose not to connect to the DOEnet system (i.e., not to install a port), or to change the size of the connection or number of connections.
- As an alternative to DOEnet, transmit information via the Internet (in cases where data sensitivity is not a concern).

Points of Contact

Business Line Manager: Judy Saylor 301-903-4999

For more information, customers are invited to visit the CIO web site for the Network Infrastructure business at <https://cio-ops.doe.gov/lanops/> .

II. Telephone Services

Telephone services consist of two general enterprise categories: (a) Infrastructure and (b) Usage. Some telecommunication activities are not currently included in this WCF business line, including local and long distance telephone usage at DOE Field sites and the acquisition of telephone instruments (desktop, speaker, wireless devices, cellular, and pager).

a. Telephone Infrastructure

Service Description

Headquarters telephone infrastructure encompasses all equipment, maintenance and support required to permit complete telecommunications operability throughout the Headquarters complex, including:

- HQ Telephone Switch (Trunk lines and Exchange numbers)
- Trained technical personnel to install, repair and operate the Headquarters telephone system
- DOE Operator Directory Assistance Service

Cost Structure

Telephone infrastructure costs are predominately fixed comprised of:

- Leased telecommunications circuits connecting the Headquarters-wide facilities to each other and to the FTS2001/Networx system;
- Telephone Switch Trunk lines (355 @ FORS, 235 @ GTN) and assignment fees (for – 903, - 586, - 287);
- Technical contractor support for Telephone Switch operations to install, operate and

maintain the various common telecommunications infrastructure.

- Technical and operational contractor support for FTS2001/Networx, AT&T, SPRINT, MCI/Verizon Business and non-FTS services. This cost is applied to the Telephone business line @ **41%** of total cost. (The remaining 59% of such costs is allocated to non-HQ Field site, based upon population, and is assessed outside of the WCF process.)
- Telephone Operator and DOE Directory Assistance services;
- Telephone Directory Publication and update services;
- Telecommunications management and integration services. This cost is applied to Telephone Infrastructure @ **65%** of total cost. [The remaining 35% of such costs is applied to the Networking business line.]
- Non-federal administrative ("Business Mgmt.") support functions.
- ADP contractor support involved with accumulating, translating and verifying commercial vendor billing data and converting vendor data files to formats appropriate for summarizing, tracking and billing program customer usage (the "Telecommunications Billing System"). This cost is applied to Telephone Infrastructure @ **32.5%** of total cost. [The balance of such costs is applied to the Networking business line at 17.5% and non-WCF Field telephone expenses at 50%.]
- Replacement and upgrade of DOE-owned telecommunications equipment and related depreciation of capitalized assets.
- Not included in the Cost Structure are salaries and related expenses for federal employee business support.

Pricing Policy

The WCF Board adopted the original pricing policy May 1996 (to be effective in FY1997). It provides that the "full cost" of Telephone infrastructure is to be recovered by the Telephone business line through a pro rata allocation of total estimated service costs, based upon the most recent available inventory of telephone lines at all Headquarters facilities. The Board updated the pricing policy on November 10, 1999 (to be effective in FY2000) to authorize an increase in infrastructure charges of "approximately \$700,000" to allow recovery of equipment replacement costs according to pro rata share of total telephone lines.

Pricing Method (Billing Calculation)

- The Office of CIO maintains a master inventory (via the Telecom Management System) of all telephone lines (LAN, Data, Centrex, and Telephone Line Type) within the DOE Headquarters facilities. Each line is identified by employee name, responsible program organization and location. In the case of shared/common use facilities, lines are designated by type of facility and location.
- Total Telephone infrastructure costs are estimated prior to the beginning of each fiscal year, based upon the cost components itemized in the "Cost Structure" section above.
- Telephone infrastructure costs are allocated to HQ program elements, at the rate of 1/12th the estimated annual cost per month, according to pro rata share of the total telephone line inventory.
- Because cost allocations are calculated monthly and the number of phone lines used for allocation is revised on a continuous basis, it is quite likely that both gross monthly charges and per unit rates will vary somewhat from month to month.

Billing Cycle

Telephone infrastructure allocations are compiled every month, based upon the latest inventory of telephone lines.

Budget Estimating Method

Budgetary estimates are developed based upon the 12-month period prior to issuance or submission of CRB and OMB budgets. Extraordinary or unusual changes in usage patterns, as well as purchases of new equipment are not anticipated in the Fund's estimates. The cost impact of these changes should be reflected in program budgets.

Business Line Objectives: Balanced Scorecard

- **Customers:** Provide customers with timely and consistent services and maintaining as low as possible costs to the customers.
- **Financials:** Improve efficiency and ensure full cost recovery of ongoing daily costs as well as needed periodic capital improvements.
- **Internal Processes:** Streamline internal processes.
- **Learning and Growth:** Enhance the effectiveness, knowledge, and satisfaction of the Lines' employees.

For more information on these objectives and business line performance measures please go to www.wcf.doe.gov and view the Telecommunications Five-Year Plans.

Service Standards

The HQ service standards for telephone infrastructure are:

- Essentially 100% reliability of equipment and connections for all types of telecommunications (local and long distance).
- Customer Service Representatives are available during the extended business hours of 7:00 a.m. to 6:00 p.m. Response time for routine telephone problems experienced during regular business hours is four hours or less. The numbers to call for repair are **(301) 903-2500** or **120**.
- Customer Service Representatives are available to take orders for telephone service from 7:00 a.m. to 6:00 p.m., Monday – Friday. Requests for telephone(s) to be installed, relocated, disconnected or reconfigured will be completed within 5 working days from receipt. The numbers to call for service are **(301) 903-7777 (GTN) and (202) 586-5051 at (FORS)**
- A HQ Telephone Operator is available from 7:00 a.m. to 7:00 p.m. to assist users with call connections, directory reference, or to schedule multiple-call (“Meet Me”) conferencing. Dial **“0”** for Operator assistance.

Customer Flexibility

Telephone Infrastructure is a "corporate service" that provides a common, standard facility available to all organizational elements at DOE Headquarters. Since this service promotes the welfare of the general community and is potentially of benefit to all programmatic activities, cost allocations are correspondingly spread across the entire community of connected users. Because the cost components necessary to support this infrastructure are relatively fixed, customer options for direct reduction in the cost of service is limited. However, customer organizations do

have some latitude with respect to controlling the pro rata share of these costs. In so doing, customers may also contribute indirectly to incremental reductions, or even reengineering, of overall infrastructure costs. Customers may manage Telephone costs in the following ways:

- Manage telephone inventory to minimize connections to the common infrastructure.
- Periodically verify the inventory of telephone lines and update changes on a continuous basis.
- Request removal of telephone lines no longer needed and reassignment of those transferred to other organizations.

b. Telephone Usage

Service Description

Headquarters Telephone Usage encompasses the full range of telecommunications services provided by the major private-sector commercial vendors such as Verizon, AT&T, and MCI, as well as, multiple cellular and wireless service providers. Included within this category are:

- Local, long distance and international person-to-person and operator-assisted calling.
- Specialized services such as multiple-party conferencing and electronic voice mail and custom calling cards.
- Individualized call management features such as three-way calling, call forwarding, automatic ring-back, stored number auto-dial, and internal caller ID
- Emergency Exchange Service (Dial 411)
- Cellular telephone usage (only) by Headquarters employees based upon actual costs incurred through commercial vendors.
- Wireless service/usage (only) by Headquarters employees based upon actual costs incurred through commercial vendors.

Pricing Policy

The WCF Board adopted the original pricing policy May 1996 (to be effective in FY1997). It provides that Headquarters (only) Telephone usage is to be charged to program customers as a direct “pass-through” of actual usage costs incurred through commercial vendors (billed to DOE via GSA).

Pricing Method (Billing Calculation)

- Calls originating from the Headquarters sites are registered and logged through the Telecommunications Management System (TMS). With each outgoing call, a call detail record (CDR) is created consisting of the originating telephone number, terminating telephone number, time and date.
- As bills from commercial vendors are received, outgoing telephone calls (local, long distance, international) are compared with call detail records in the Telecom Management System to identify the originating caller and corresponding program organization to which specific telephone numbers are assigned. Vendor bills typically cover services provided in the prior 4-6 week period.
- Each month there are some calls that, for various reasons, cannot be correlated to a specific program organization. In addition, other calls originate from shared / common

use lines that are not associated with a specific program customer and/or provide a benefit to the general Headquarters community. These include: conference rooms, auditoriums, 800 exchange access to voice mail, some support contractors, and some protective services facilities. Similarly, telephone services provided to other federal agencies within the HQ complex (e.g., CFC, FERC, GAO, and GSA) are treated as shared / common usage. The cost of these “unmatched” and common usage calls is allocated to all customer organizations based upon pro rata share of total usage costs for each month.

- The “Universal Service Fund” (USF) charge is assessed by local and long distance service providers to fund programs that support connecting schools and libraries to the Internet as well as to subsidize telecommunications costs for rural health care providers.

Billing Cycle

- Local and long-distance telephone usage is compiled and billed monthly, with an average two-month delay between the latest available usage period (from the vendor) and the WCF billing period (e.g., August billing is based upon June usage). Charges are calculated as of the 25th of each month (for the current billing month) and the WCF Manager between the 5th and 7th workday of the following month normally issues billings.
- In each FY, the Telephone billing for August includes accrued (estimated) charges for two months of usage (August and September), as well as actual charges for June. [Actual charges for July appear in the September bill]. In the next FY, actual charges for August usage appear in the October bill along with reversals of the August estimates previously billed. Actual charges for September appear in the November bill along with reversals of the September estimates previously billed. Because of this accrued billing method, charges reflected in the October and November bills are nearly negligible, since actual costs are offset with accrued estimates and only the difference is apparent. Correspondingly, charges reflected in the August bill are approximately 3 times those of an average month. [Accruals and reversals appear on customer billing statements as a distinct service category - they are not literally netted together with actual charges.]

Customer Flexibility

All phone calls placed through available infrastructure circuits over hard-wire transmission lines (non-cellular) are subject to the per unit prices, unit counts and usage measurements determined by the contracted vendors providing each type of service. Customers may not select alternative vendors to provide such local or long distance service. However, customers may manage telephone usage costs in the following ways:

- Control the type of service available to each connected telephone line (i.e., intra-building only or; local service only, without long distance access)
- Limit the special features available to each phone line.
- Limit the number of telephone instruments and the features included with each instrument (e.g., hands-free speakers and head-sets). These are non-WCF costs.
- Establish an organizational policy to promote awareness of telephone usage costs and to encourage employees to limit long distance and local calls to business-related purposes.
- Monitor/review service plans for cellular and wireless devices.

Points of Contact

Business Line Manager: Judy Saylor 301.903.4999

For more information, customers are invited to visit the Telephone business web site at <http://cio-ops.doe.gov/telecom/>.

Frequently Asked Questions

- Q.** Why aren't Headquarters Network Infrastructure charges based upon actual usage rather than number of connections?
- A.** Headquarters Network Infrastructure usage by individual Program elements is currently not measured. Although it is possible to do so, tracking network traffic would require installation of specialized system software, at very considerable cost. During past discussions, the consensus of the IT Working Group has been that the potential benefit of implementing such measurement capabilities does not sufficiently justify the additional cost.
- Q.** How do I verify the number of network connections assigned to my organization?
- A.** As part of the negotiated Customer Service Agreement with your organization (or at any time upon request), the Telecommunications business line will furnish you with its most recent available inventory listing of connections. That listing will indicate the location of each connection and the individual to whom it is assigned. You may use the listing to confirm some or all of the connections indicated and notify the designated business line contact of suspected discrepancies.
- Q.** If expected service standards are not met, will customers be compensated in some form; e.g., through a partial refund of charges or with expedited/overtime service to mitigate delays. Will service providers be held accountable?
- A.** As a general policy, the WCF does not issue refunds except where errors in billing computation have occurred or where customer advances exceed actual annual charges. This is because WCF business lines do not earn a profit and have no "corpus" with which to absorb unbilled/unallocated costs. To the extent that one or more customers do not pay incurred costs, those costs (unless relatively minor) must be covered in some other way during the current FY or the next. Potentially, that would require adding un-reimbursed costs into unit rates or spreading the revenue shortfall as an allocation to all other customers. In other words, it would involve the equivalent of either "contingent overpricing" or an "insurance policy", financed by the general WCF customer community. The WCF Executive Board has adopted neither approach.

However, in those cases where service standards are not met, leading to a material loss of productivity, and incurred costs are reduced by the contracted service provider as a result, those cost reductions will be applied by the business line as a credit to any and all customer organizations adversely effected by insufficient performance. In addition, the Business Line Manager and operating staff will pursue every reasonable option to restore service to standard levels as quickly as possible and, to the extent feasible, apply all available resources to compensate for performance deficiencies and lost time.

With respect to accountability, outside vendors involved in providing WCF services are responsible for unsatisfactory performance through applicable provisions of the contractual agreement that governs their working relationship with the Department. Federal business line managers and staff are held accountable for unsatisfactory performance in the same ways that all DOE employees are: through semi-annual ratings against established performance standards and, when warranted, appropriate progressive disciplinary action.

- Q.** Who should we call to disconnect unused telephone lines or to restrict telephone usage (information assistance, long distance, etc.)?
- A.** Customers should contact a Customer Service Representative on (301_ 903-7777 (GTN) or (202) 586-5051 (FORS) for all telephone service requirements.
- Q.** Who pays for telephone instruments and how do we get them?
- A.** The purchase of telephone instruments (both desktop and cellular) is not a service of the Working Capital Fund. However, the Office of the Chief Information Officer will assist program organizations with such purchases through a non-WCF direct customer funding arrangement. The WCF does provide repair and maintenance service for existing telephone instruments. Please contact a Customer Service Representative on (301) 903-7777 (GTN) or (202) 586-5051 (FORS) when either new instruments or repair service is required.
- Q.** Can my organization purchase its own telephone instruments directly, rather than through the Office of CIO? Are there any equipment standards that are applicable?
- A.** Yes, a program organization may buy desktop and cellular telephone equipment directly from private-sector vendors. However, the Headquarters telephone system is proprietary to Northern Telecom Inc. (NORTEL) and any telephone instruments connected to the system must be compatible with system standards. To insure compatibility, it is advisable to consult with the Office of AOCIO for IT Support Services. The Telecommunications business line does not warranty NORTEL compatibility nor does it provide repair and maintenance service for non-compatible equipment. Customers should also be aware that telephone infrastructure charges (based upon telephone line connections) still apply.
- Q.** How can my office reduce its telephone costs?
- A.** The options available for customers to directly reduce their telephone system costs are to reduce local, long distance and international calls. The cost of completing these calls and the duration for long distance and international calls are directly charged to the incurring organization. An individual organization has the option of limiting the type of services available on their office telephones (e.g., (1) only intra Forrestal and Germantown locations, (2) only intra and local calling, (3) only intra, local and long distance calling).
- Q.** Who should we contact to procure Blackberry/ Cellular as well as other wireless services?
- A.** Customers should contact a Customer Service Representative at (301) 903-7777 (GTN) or (202) 586-5051 (FORS).

PROCUREMENT MANAGEMENT BUSINESS LINE

The Procurement Management Business Line combines **Audit Services, Purchase Card Data Mining** and **Contract Closeout** to further ensure the integrity of the procurement function within the DOE. These business segments help validate compliance with procedures and improve the internal controls of the Department and respond to specific issues raised by the Inspector General. Ultimately, they result in savings to programs by avoiding fraud, waste, and abuse.

I. Audit Services

Service Description

This business segment provides the monitoring of contract audit coverage and related audit services with audit service providers [such as DCAA, HHS] under a Memorandum of Understanding. The audit services are provided by the provider on a reimbursable basis. These services are provided primarily at the contractor locations (e.g., close proximity or near the DCAA field offices) or provided at other contractor locations at the request of DOE. Reimbursement to the service providers are based on billable audit hours at the prevailing interagency billing rate. The funding for this service would be derived from DOE elements receiving this service. This business would coordinate, track, and resolve audit funding issues with participants receiving this service

Pricing Policy

Program offices will be charged a pro rata share of fixed audit charges based on the actual costs for the prior fiscal year.

Billing

The Fund will bill all entities for the full annual charges in January or once appropriations are available to the Department.

Budget Estimates

Budget estimates for budget years will be a pro rata share of estimated audit requirements allocated on the basis prior year actual usage.

Point of Contact: Helen Oxberger, MA-611, (202) 287-1332

II. Purchase Data Mining

Service Description

This business segment provides surveillance over the use of purchase cards by DOE and contractor employees under a task order DOE executed with JP Morgan Chase Bank through the SmartPay2 program administered by the General Services Administration. The funding for this effort would be derived in general from rebates DOE elements received from JP Morgan Chase Bank, which are based upon dollar volume of purchases. JP Morgan Chase Bank will provide a version of the data mining system, entitled IntelliLink, to DOE at no cost. This business unit will operate and oversee the data mining to track and resolve suspicious purchase card transactions. If necessary, DOE will incur costs to enhance IntelliLink if it does not fully meet DOE's requirements.

Pricing Policy

In May/June of each fiscal year, when budget guidance is developed for the Working Capital Fund customers, the last four quarterly payments by the bank will be aggregated by the receiving DOE entity. Each payment will be attributed to a DOE element or field office. (Refunds to the Federal Energy Regulatory Administration will be omitted from the calculations as will refunds that could not be identified to a specific DOE element.) A percentage distribution among DOE elements will be calculated and applied to the Board-determined annual levy for this business segment. Each DOE element with funding responsibility will be notified and asked to secure the necessary funding from among the participating field offices and contractors. The DOE element can decide which refunds and which B&R's are most appropriate for meeting this requirement.

Billing

The Fund will bill all entities for the full annual charges in January or once appropriations are available to the Department.

Budget Estimates

Budget estimates for budget years will be a pro rata share of \$250,000 allocated on the basis of the latest estimate for rebates, which in most cases will be the most recent billing charge for the current year, unless trends in the quarterly rebates render that estimate obsolete.

Management Flexibility

This business model is based on providing the infrastructure to maintain internal controls on purchase cards. Management flexibility is determined when the manager decides to use this method of procuring goods. The level of program cost is determined by the dollar value of all transactions in the purchase card program.

Points of Contact

Service Point of Contact: Denise T. Clarke, MA-612, (202) 287-1748

III. Contract Closeout

Services Description

Upon the expiration of each instrument type, namely purchase orders; firm fixed price contracts; interagency agreements; financial assistance instruments; time and material, labor hour; and cost reimbursement contracts, the closeout process assures that all terms and conditions of the instrument have been fulfilled, all financial information has been submitted and evaluated, final payment has been made, any remaining funds have been deobligated, and the instrument is administratively retired from the Procurement Automated Data System (PADS), the Standalone Action Reporting and Tracking (START) System, and the Strategic Integrated Procurement Enterprise System (STRIPES). PADS applies to interagency agreements and financial assistance. START applies to purchase and delivery orders and contracts. The retired instrument is boxed and stored locally or shipped to a federal storage facility.

Pricing Policy

The pricing policy is described below. The customer may choose one of three pricing options regarding contract closeout services:

(1)	<u>Base Level Service</u>	<u>Unit Cost</u>
	Purchase Order	\$300
	Firm Fixed Price	\$300
	Interagency Agreement	\$350
	Financial Assistance	\$550
	Time and Material,	\$2,850
	Cost Reimbursement	\$6,200

This is the standard pricing option the customer may choose by applying the unit cost to the number and type of instruments to be retired. The unit cost was developed by applying the number of hours to retire an instrument to the average hourly loaded rate, i.e., for a purchase order (6 hours x \$50/hour = \$300).

(2)	<u>Additional Directed Service</u>	<u>Unit Cost</u>
	Purchase Order	\$675
	Firm Fixed Price	\$675
	Interagency Agreement	\$900
	Financial Assistance	\$1,275
	Time and Material,	\$5,130

Cost Reimbursement \$13,950

This pricing option is at a premium cost based upon the incremental staffing hours applied toward the retirement of these instruments.

(3) **Dedicated Service**

Dedicated Service is priced at \$39,000 for a three month period. There are no unit prices for this service.

Billing

The Contract Closeout component of the Procurement Management Business Line is billed monthly. Charges are for actual instruments closed at the rates set forth in the Pricing Policy section.

Budget Estimates

The universe of available physically completed (expired) instruments for each fiscal year will be reviewed to determine which of those instruments can be targeted for retirement during that year. Budget estimates will be based upon one of three methods used. They are:

Each customer's budget estimate for the following fiscal year will be based on the actual number of instruments retired, by category, in the preceding year; or

Estimates may be based on the number of instruments targeted for retirement during the year; or

Estimates may be based on an amount negotiated between the customer and the Office of Headquarters Procurement Services.

Business Line Objectives: Balanced Scorecard

- **Customers:** Provide competent and accurate closeout of targeted instruments.
- **Financials:** Improve the availability of funding to programs.
- **Internal Processes:** Improve contract closeout to accommodate changing contract types.
- **Learning and Growth:** Improve knowledge, skills, and abilities of staff and improve business systems that support the business line.

For more information on these objectives and business line performance measures please view the [Contract Closeout Five-year Plan](#).

Service Standards

The standard lead times for Contract Closeout Services for each instrument type are as follows:

<u>Type of Instrument</u>	<u>Standard</u>
Purchase Order	6 hours
Firm Fixed Price	6 hours
Interagency Agreement	8 hours
Financial Assistance	11 hours
Time and Material,	57 hours
Cost Reimbursement	124 hours

Management Flexibility

The customer can choose any of the three pricing policies listed above to determine contract closeout services costs. The customer also can save money by electing to use firm fixed price contracts rather than cost reimbursement instruments whenever possible.

Points of Contact

Service Point of Contact Deborah Black (202) 287-1416

PAYROLL BUSINESS LINE

Services Description

Payroll Services: Prepares civilian payrolls based on authenticated documentation. Through the Defense Finance and Service (DFAS), computes, deposits, and reports Federal, State, and local income taxes. Maintains employee records related to Civil Service and Federal Employees Retirement Systems (CSRS and FERS), reports retirement information to the Office of Personnel Management (OPM), and performs reconciliation of account balances with DFAS, OPM and Treasury. Accounts and reports employee's health benefit coverage, thrift savings plans, transit subsidies (SEET), and unemployment compensation, among other non salary employee payments. Processes donated leave into the Defense Civilian Pay System. Maintains and operates the Department's system of allocating payroll costs to the proper appropriation. Beginning in FY 2009 the WCF Board approved charging programs for their actual SEET charges in the Payroll business line.

Pricing Policy

The WCF Board FY 2003 pricing policy for this Business Line allocates fixed costs based on the number of employees on board in each organization at the beginning of the fiscal year. Total cost of the Payroll operations is \$2.2M.

In FY 2004, the Board established a new business line segment to cover Flexible Spending Accounts (FSA) administrative fees. Programs are billed based on the administrative costs reported from SHPS, Inc. for employees of the customer organization.

In FY 2009, the Board established a new business line segment to cover Transit Subsidy (SEET) benefits at headquarters. Programs are billed based on the actual employee usage.

Billing Cycle

Charges for this business line will normally be billed annually at the beginning of each fiscal year. During periods covered by a continuing resolution, the Board has authorized the Fund Manager to defer revenue collection within the fiscal year. FSA charges are billed in the month incurred. SEET charges will be billed monthly as incurred.

Payroll Business Objectives: Balanced Scorecard

- **Customers:** Ensure that DOE employees are paid accurately and in a timely manner, supervisors and financial resource managers receive value added reports.
- **Financials:** Use the DOE financial systems and other payroll information to improve program spending controls.
- **Internal Processes:** Evaluate and/or reengineer policies, procedures, and business practices to complement the payroll system modernization initiative.
- **Learning and Growth:** Continue to develop and implement strategies to deploy technology and training to employees, administrative staff, and supervisors so that they become integral partners in the payroll modernization process.

For more information on these objectives and business line performance measures please go to www.wcf.doe.gov and view the Payroll Five-year Plan.

Service Standards

Payroll Payments - 99.9% on time and accurate (consistent with current excellent performance)

Electronic Payments - 99% (Federal Standard for 1997 was 94%)

Management Flexibility

Individual Departmental customers do not have an option of where to buy payroll and personnel services. These decisions are managed corporately at the Secretarial level. However, customers can, through Board management, insist on efficient operations from the business line managers.

Points of Contact

Business Line Manager

Jerry Odegard 301-903-4934

CHRIS BUSINESS LINE

Services Description

Personnel Information: The Corporate Human Resource Information System (CHRIS) is a nation-wide operational portfolio of systems within the Department of Energy that serves as the official system of record for human resource management information for all DOE employees.

CHRIS has been operational since September 1998 and continues to evolve as the corporate solution for many strategic and operational human capital management issues. The CHRIS Project supports the Administration's strategic human capital management initiative and expands e-government within DOE. The CHRIS enterprise solution combines the highly skilled professionals of the Department with electronic workflow and other best practices in work processes with a web-based IT architecture and suite of software applications based on off-the-shelf products (PeopleSoft 8.8, Monster's Hiring Management) and the legacy system Employee Self-Service.

The CHRIS project has expanded over the years to include an integrated modernization approach to meet human resource, training administration and information processing requirements; Employee Self-Service capabilities; an automated on-line vacancy application system, critical core competency certification and skills assessment processes, and SF-50, SF-52 and SF-182 paperless transaction processing with on-line tracking (workflow).

The CHRIS system is a mixed life-cycle system. Each year, DOE extends the functionality of the system so the project core is in operations and maintenance mode while the new functionality is going through the development part of the project life-cycle. System activities under the CHRIS umbrella include provision of an interface with the DFAS payroll system; provision of an interface with OPM's Employee Human Resource Interface (EHRI) which streamlines data collected by OPM; provision of an interface with OPM's electronic Official Personnel File (eOPF) which is the Department's official personnel actions repository; development and implementation of PeopleSoft COTS to support personnel, benefits, training processing and an electronic performance pilot; provision of Employee Self-Service (ESS) which provides web-based access at the employee desktop to personnel and payroll information, an automated leave request and approval function and the capability to update certain personal information; and interfaces with DOEInfo, the Department's data repository for human resource and payroll information and STARS, the financial management and reporting system.

Pricing Policy

The WCF Board FY 2008 pricing policy for this Business Line allocates fixed costs based on the number of employees on board in each organization at the beginning of the fiscal year. The WCF plans to provide level funding of \$2.2 M for the CHRIS Business Line operation for FY 2009.

Billing Cycle

Charges for this business line will be billed annually at the beginning of each fiscal year.

CHRIS Business Objectives:

The goals of the CHRIS System are to provide the highest quality human resource management information and services to DOE managers, employees and human resource/training professionals and to operate the official HRM system of record in a cost-efficient manner.

To achieve these goals, the Department's primary objectives for CHRIS are to:

- provide information necessary to make sound human resource decisions;
- provide superior customer service through strong teamwork, effective; problem solving and timely responses;
- provide timely information to OPM upon request;
- protect the integrity and security of the HRM data;
- enhance operational efficiencies;
- reduce paperwork;
- eliminate redundant information systems, and,
- eliminate non-value added work.

Service Standards

- Employee Self Service system is used for 85% or more of all HRM transactions.
- The automated recruitment system is used for at least 90 % of all recruitment actions.
- At least 98 % of all employees have access to electronic workflow functionality.

Management Flexibility

Benefits from the CHRIS Project accrue directly and indirectly to all external and internal customers. This includes, but is not limited to, Congress, individual employees, their managers and the servicing HR and Training functional specialists. Personnel services are part of the standard, integrated business services portfolio that is managed corporately at the Secretarial level. Customers can, through Board management, supplement the existing feedback and other communications channels between the CHRIS Project Office and all customers by providing additional constructive feedback about trends and level of quality of existing services and new requirements for additional services. Those existing channels include customer suggestion boxes on the web sites (<http://chris.doe.gov> or <https://mis.doe.gov/ess/>), regular bulletins, conference calls, hot line support, and periodic site visits and electronic town halls. Another key role for customers is to provide executive sponsorship of the system and to encourage their employees and staff to use the new capabilities of the system rather than the old paper-based methods. For example, the stream of benefits to the Department from the various services of CHRIS such as the shift to a paperless environment through electronic workflow functions can be accelerated if its use is made mandatory, or at least strongly encouraged by senior management. The workflow automated functions will serve those organizations well which are establishing consolidated centers to provide HR services to their employees nation-wide. The CHRIS Project Office will continue to work with all customers to ensure that the latest training support and information about system benefits are widely disseminated and understood.

Points of Contact

CHRIS Business Line Manager

Robert Briede 202-586-7475

CORP TRAINING SERVICES BUSINESS LINE

Service Description:

The Corporate Training Services Business Line combines Training Delivery and Services (TDS) with The Energy Online Learning Center (OLC) to deliver courses which support the department's mission programs. The benefits to the DOE include: DOE specific courses, competitive pricing, and fee for service pricing. This business will continue the goals of the Professional Skills Training and the OLC to focus on customer requirements and develop course offerings that serve the evolving needs of the Department's program missions.

The Training Delivery and Services business line (primarily known as the Professional Skills and Technical Training Program) is responsible for the design, development, and delivery of competency-based courses to meet critical DOE skill development needs. In addition to our course offerings, the Professional Skills and Technical Training Program can provide a variety of ancillary support services to DOE organizations. These services include training needs assessments, competency development, training and development business plans, and evaluation activities.

The Program currently lists over 105 courses in five basic curricula: Acquisition Management; Program Management; Project Management; Technical; and Interdisciplinary Skills. They are presented from a complex-wide perspective to support standardized implementation of policies and procedures in meeting DOE's performance objectives. However, specific course material can be adapted or tailored to meet individual site, program, or project objectives for each organization. For course information or to obtain a copy of the most current Professional Skills and Technical Training Program course catalog, please go to the HC Learning & Development Training Choices web page and select ***DOE Current Training Catalog (on ESS also)*** or <http://humancapital.doe.gov/resources/2009-Haynes-TRAINING-CAT-12-2-08v2.pdf>. **For additional questions please contact us at: ETSSupport@hq.doe.gov.**

The OLC² resides on a server located at Verio hosting facility operated by General Physics, a subcontractor to the vendor, to Plateau Systems, Inc. The OLC² offers a large inventory of courses:

Source	Mandatory	Safety	IT	Business	Total
DOE	7				7
SkillSoft		85	1,700	950	2650
NETg			1,300	700	2000
Totals					4657

In addition to online learning, the OLC² offers other training related functions that include an administration function allowing the user to have access to training information consisting of a list of courses accessed, courses completed, credit hours earned, test scores and course evaluations. There is also a reporting capability, sorted by organization, of employee training

related data and information.

Managers and employees have access via the Internet to OLC² courses and other functions. Employees can access required courses and optional courses as many times as needed during the year. Customers enjoy the convenience of completing Department requirements and working on developmental learning activities when time is available in the office or even at home or on travel as long as an internet connection is available. Finally, on a periodic basis, documented training progress on the OLC² is transferred to employees' permanent training records in the Departmental Corporate Human Resource Information System.

Cost Structure

Costs for Training Delivery and Services are both fixed and variable. Fixed costs include the cost of developing, prototyping and administering courses through the Professional Skills and Technical Training at \$200 per training day. Ancillary services are also available.

Only organizational OLC² subscription costs are captured using the WCF. OLC² maintenance and operation costs are not captured within the WCF.

Pricing Policy

The Training and Delivery Services business line assesses each participating WCF organization fees at \$200 per day, per person.

OLC² Subscription costs are \$50 for a single course library or \$100 for all course libraries.

Billing Cycle

Customer accounts will be billed on a monthly basis.

Budget Estimation Methodology

The budget estimates are based on historical programmatic statistics data available.

Business Line Objectives: Balanced Scorecard: Objectives for the OLC² business are in the format of a balanced scorecard.

- **Customer:** Provide capability to access, complete, test, and evaluate online courses
- **Financial:** Provide access to low cost, just-in-time training
- **Internal Processes:** Provide the ability to access OLC² training records on the Departments system of records
- **Learning and Growth:** Improve the knowledge, skills, and abilities of the OLC² staff.

Service Standards

The OLC² customer base includes all Federal employees. The OLC² will provide high quality, standardized, cost-effective learning opportunities on a real time basis to employees. Some of

the expected benefits are as follows:

- Employees Department-wide will have access to the OLC² 24 hours a day, 7 days a week, and 365 days a year from their office, home or wherever the employee has web access.
- Consistent training content and delivery provided across the Department
- High quality, cost effective training delivery
- Cost savings realized as a result of reduced travel and learning time.

Customer Service Standards

The Training and Delivery Services Program will provide to our customers course advertisements at least 60-days in advance of the course start date. All course cancellation will be made known to our customers at least two weeks of the course start date.

Points of Contact

Business Line Manager:	Corlis Lawrence	(202) 586-1709
Professional Skills Program:	Cheri Dent	x6-9556
TDS Billing Manager:	Lin Tu	x6-9177
OLC2 Program Manager:	Arthur Johnson	x6-9552
Project Manager:	Roberta Carter	x6-1239

PROJECT MANAGEMENT CAREER DEVELOPMENT PROGRAM (PMCDP) BUSINESS LINE

Service Description

The Project Management Career Development Program (PMCDP) is critical to the success of the Department's Capital Projects Program. PMCDP encompasses a wide range of developmental, mentoring, training, and rotational activities which lead to Project Director Certification, based upon competencies commensurate with specific performance levels tied to the highest Total Project Cost (TPC) managed. The Department's Program meets the requirements mandated by OMB's Office of Federal Procurement Policy (OFPP) that all Federal agencies comply with the "Federal Acquisition Certification for Program and Project Managers" (FAC-P/PM) through the Federal Acquisition Institute (FAI) by the end of FY08. PMCDP was approved by FAI in August, 2008. It also satisfies other requirements, including information technology (IT) project management, which are based on different thresholds and regulatory requirements.

The PMCDP currently offers over 28 project management training courses, several developmental activities, and experiential components of varying complexity based on certification level. Additionally, PMCDP offers other products and services such as:

- Courseware research and development
- Courseware prototype and delivery
- Curriculum management
- Project management research and development
- Certification management
- Evaluation
- Market research and marketing
- Knowledge management (including capabilities such as DOE standards and guidelines, technical papers, presentations, workshops, seminars, videos, and web applications, etc.)
- Continuing education

The PMCDP Business Line also supports two additional specialized courses in the areas of:

- Real Property Asset Management
- Program Management Fundamentals

These two courses are not part of the certification program; however, they can be applied toward continuation education for project management certification. For more information on the PMCDP, customers are invited to visit the Office of Management Project Management home page at <http://www.management.energy.gov/1581.htm>.

Cost Structure

Costs for this business are both fixed and variable. Fixed costs include the cost of developing and administering the PMCDP. Variable costs include cost of delivering courseware. These costs consist of program administration, courseware research and development, preparing courseware prototypes, delivering courseware, curriculum management, certification management, evaluation, and knowledge management activities.

Pricing Policy

The business line assesses programs (investors) based on the number of projects, the amount of projects in the portfolio, and the number of incumbent and candidate project directors, including information technology project directors. Costs related to the PMCDP will be charged to programs based on their prorata share of the number of projects and the value of those projects in the Project Accounting and Reporting System (PARS). The variable costs of delivering courses will be charged to programs based on their prorata share of targeted participants.

In addition, programs outside of the assessment pool may participate in the training offered. In those cases, the business line allocates a certain number of slots, on a space available basis, at the rate of \$200/day per participant. Alternatively, program investors often make special arrangements with the Working Capital Fund and the PMCDP Business Line to deliver courseware specifically targeted to their staff. In those cases, costs are determined based on identified requirements.

Billing Cycle

Customer accounts will be billed in January or when appropriations become available. The charges will be based on most recent PARS and Participant Profile data, generally available in the first quarter of the fiscal year. Discretionary participation will be charged in the month the training takes place (i.e., courseware sessions identified at a rate of \$200/day per participant).

Budget Estimation Methodology

The budget estimate is based on programmatic statistics reported in the timeliest PARS and PMCDP Participant Profile. This data includes estimates of present and forecasted needs that include number of projects, portfolio value of projects, and the number of incumbent and candidate project directors. Budget estimates do not typically include general inflation factors.

Point of Contact

Business Line Manager: Marylee Baker (202) 586-8254

Integrated Management Navigation (iManage)

iManage is the Department's solution for managing enterprise-wide systems and data. iManage is consolidating and streamlining Department-wide systems and business processes to integrate financial, budgetary, procurement, personnel, program and performance information. iManage is supported at the core by a central data warehouse/portal that links common data elements from each of the Department's business systems and supports both external and internal reporting.

Service Description

STARS: The Standard Accounting and Reporting System (STARS) is the Department's core accounting/financial management component of iManage. It is a modern, comprehensive, and responsive financial management system that provides the foundation for linking budget formulation, budget execution, financial accounting, financial reporting, cost accounting, and performance management. The system processes Departmental accounting information, including General Ledger, Purchasing, Accounts Payable, Accounts Receivable, and Fixed Assets. The system also includes budget execution functionality associated with recording appropriations, apportionments, allotments, allocations, and provides funds control for commitments, obligations, costs, and payments. STARS is also the primary source for the Department's consolidated financial statements.

IDW/iPortal: As a key component of the iManage Program, the IDW is a central data warehouse for linking common data elements from multiple DOE corporate business systems, including human resources, payroll, travel, procurement, and financial management (accounting and budget) systems. Data is integrated, aggregated and summarized to provide mission critical reporting and query capability. This effort is important not only to future system development, but also to legacy systems by creating the ability to integrate information from all organizational elements in a single corporate repository. The iPortal is the iManage "face" to its customers. When fully implemented, it will provide access to iManage applications, personalized dashboards, messaging (thresholds/alerts), discussion boards, collaboration capabilities, news, and reporting for DOE executives, manager and staff. Initial beta version was deployed in August 2008, included capabilities such as web conferencing and communities of practice. The iPortal will be an evolutionary process with new features being released on a regular schedule.

STRIPES: Procurement and contracts management component of iManage. Replaced and consolidated federal corporate, regional and local procurement-related systems across the Department. STRIPES automates all procurement and contract activities required or directly associated with planning, awarding, and administering various unclassified acquisition and financial assistance instruments; thereby, increasing the internal efficiency of the Department. STRIPES was deployed at Headquarters and a few smaller offices in April 2008. The majority of the remaining sites are scheduled for deployment in FY 2009.

ORFSC: The Board approved including fixed contractual costs (\$795 thousand) for the Oak Ridge Financial Service Center Payment Processing Center in the iManage WCF business line.

Development of iManage was financed in the Corporate Management Information Program (CMIP) development funding. Now that the system is operational, its operations and maintenance are funded through the Working Capital Fund.

Cost Structure

Costs for these business segments are fixed on an annual basis. Costs include STARS, STRIPES, IDW/iPortal operational infrastructure, which includes hardware and software annual maintenance, and support for Database Administration, System Administration, documentation, and disaster recovery/continuity of operations.

Pricing Policy

For **STARS/IDW/iPortal** the business line will charge programs a pro rata allocation of costs based on percentage share of three prior fiscal years' combined budget shares, using the congressional request of the most recent year. In FY 2006 these estimates reflect the three years (FY 2004-6) in the Department's FY 2006 Request to Congress. Departmental programs that use proprietary financial systems, for example, FERC and the Power Marketing Administrations will be excluded from billing for this business.

For **STRIPES** the business line will charge programs based on actual number of employees in the job series 1101/1102 at DOE for the prior fiscal year allocated to programs based on the landlord at field sites and based on direct and indirect allocations at DOE headquarters.

For **ORFSC** the business line will charge programs based on pro rata shares of invoices processed at the service center.

Billing Cycle

Customer accounts will be billed in January; or, when appropriations become available.

Budget Estimation Methodology

The budget estimate for **STARS/IDW/iPortal** is based on percentage share of three prior fiscal years' combined budget shares, using the congressional request of the most recent year. **STRIPES** and **ORFSC** budget estimates will be based on the most current allocation data available, respectively. Estimates do not typically include additional general inflation factors.

Points of Contact

Business Line Manager: Warren Huffer, CF-40 301.903.3761

Service Points of Contact:

For more information, customers are invited to visit the iMANAGE home page at <http://www.cfo.doe.gov/corpsyst/i-manage/index.htm> .

FINANCIAL REPORTING CONTROL ASSESSMENT BUSINESS LINE

Service Description

The Federal Managers' Financial Integrity Act (FMFIA) and OMB Circular A-123, *Management's Responsibility for Internal Control*, define management's responsibility for internal control and include guidance for management to assess the effectiveness of internal control. OMB issued a revised Circular A-123 on December 21, 2004, for implementation in fiscal year (FY) 2006. Appendix A of the revised Circular requires a management assessment of the effectiveness of internal control over financial reporting. Specifically, agencies must (1) assess controls at the entity level as well as the process, transaction or application level by gaining a full understanding of how management considers risk relevant to financial reporting and test controls to assess compliance; (2) document the controls over financial reporting as well as the assessment process; and (3) report the results in an assurance statement as of June 30 each year. This requirement was generated to bring parity in the level of review and accountability between the Federal government and public corporations under the Sarbanes Oxley Act.

The Financial Reporting Control Assessment Business Line (Business Line) will ensure the Department meets the intent of the Congress and the Executive Branch for internal control of financial reporting and has appropriate support for the Secretary's annual assurance statement included as part of the Performance and Accountability Report. Because the requirements of A-123 apply to the Department as a whole, each benefiting program must share the cost of this program.

Pricing Policy

Consistent with Working Capital Fund (WCF) pricing policies, the Business Line will charge customers a prorata allocation of costs based on percentage share of three prior fiscal years' combined budget shares, using the Congressional request of the most recent year. Departmental programs that use proprietary financial systems (e.g., Federal Energy Regulatory Commission and the Power Marketing Administrations) will be excluded from billing for this business.

Billing Cycle

Charges for the Business Line will normally be billed annually at the beginning of each fiscal year. During periods covered by a continuing resolution, the WCF Board has authorized the Fund Manager to defer revenue collection within the fiscal year.

Business Objectives

Business objectives for the Business Line are aligned to the following Balanced Scorecard (BSC) elements:

- **Customers** – support customer efforts to assure the integrity of their respective financial reporting activities by providing customers with high-quality A-123 guidance, tools, reference materials and support

- **Financials** – support Departmental efforts to assure the overall integrity of its financial management activities by demonstrating that the Department has effective internal control over financial reporting
- **Internal Business Processes** – improve the management and implementation of the Department's A-123 Program through training or by leveraging lessons learned, best practices and insights from other agencies or others with knowledge of, and experience with, implementing the requirements of A-123
- **Learning and Growth** – improve the knowledge of Business Line staff to better anticipate and support customer needs through training or by pursuing lessons learned, best practices and insights from other agencies or others with knowledge of, and experience with, implementing the requirements of A-123

Service Standards

BSC Element	Performance
Customers	Customer acceptance of the A-123 guidance, tools, reference materials and support
Financials	An unqualified Secretarial A-123 assurance on the effectiveness of the Department's internal control over financial reporting
Internal Business Processes	Issuance of an annual A-123 Best Practices report
Learning and Growth	Business Line staff annual training in topics such as A-123, internal controls and financial reporting

Management Flexibility

A-123 applies to the Department as a whole and each benefiting program must therefore share the cost of the program. Although individual Departmental customers do not have an option on where to "buy" the corporate services provided by the Business Line, customers can insist on efficient and effective management and implementation of the Department's A-123 Program.

Points of Contact

Business Line Manager - Brian Boos, Brian.Boos@hq.doe.gov or 301-903-3858

For more information, customers are invited to visit the Department's A-123 Implementation Website at <http://www.cfo.doe.gov/progliaison/doesA123/index.htm>