



Office of Homeland Security Charge

Lawrence Berkeley
National Laboratory

Financial Policies and Procedures

Part 1

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Primary Contact:	Manager, Indirect Budgets

Summary

The purpose of this policy is to provide guidance to ensure that the costs for the Laboratory's Office of Homeland Security (OHS) technical programmatic management oversight are accumulated in homogeneous indirect cost pools and allocated in a reasonable proportion to the beneficial or causal relationship of the costs to cost objectives.

For the purpose of this policy, Homeland Security, Proliferation Detection, Counterterrorism and Intelligence research and development projects are defined if **one** or more of the following activities exist:

- Weapons of mass destruction, including but not limited to chemical, biological or nuclear weapons research or production.
- Threat analysis or threat detection or to technologies to analyze and mitigate threats (nuclear/radiological, biological, chemical, unexploded ordinance [UXO], mines and mine detection, and the like).
- Homeland security, proliferation detection, counterterrorism, or intelligence-related work from any source of funding and from any sponsor.

This policy supersedes the Nuclear Nonproliferation policy established in March 1998.

Policy

The OHS Charge, which represents costs of the OHS' technical programmatic oversight of the Laboratory's Homeland Security, Proliferation Detection, Counterterrorism and Intelligence research and development will be:

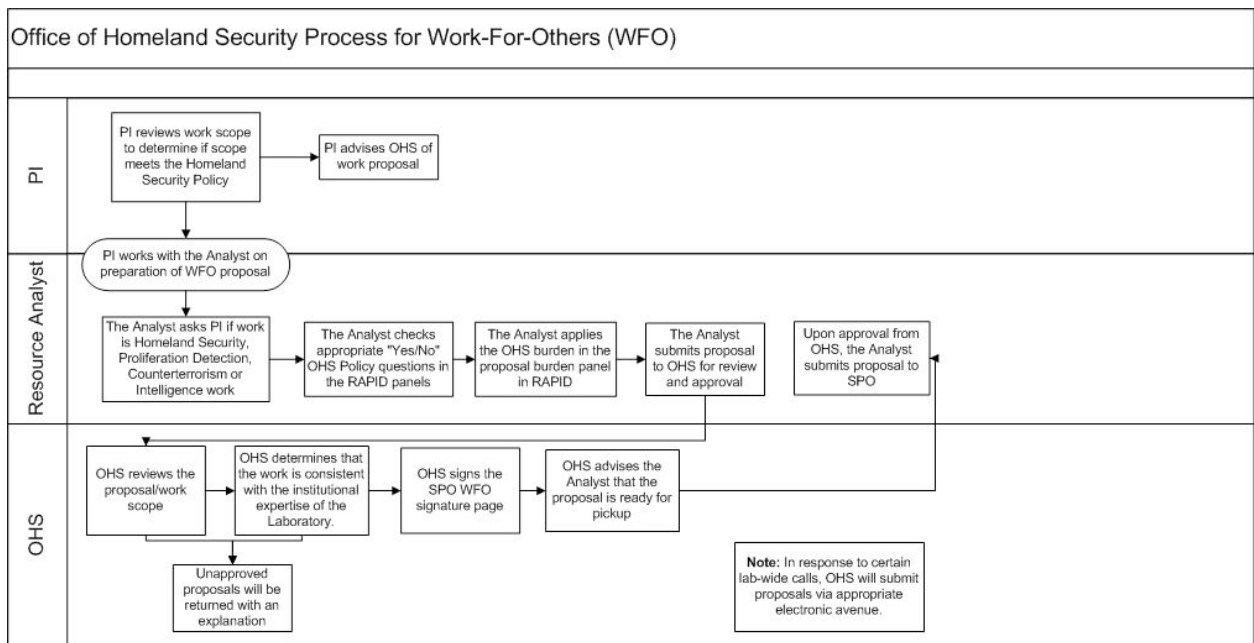
- Appropriately budgeted and accounted for on a consistent basis
- Accumulated in homogeneous indirect cost pools
- Allocated in a practical and equitable manner in reasonable proportion to the beneficial or causal relationship of the costs to cost objectives

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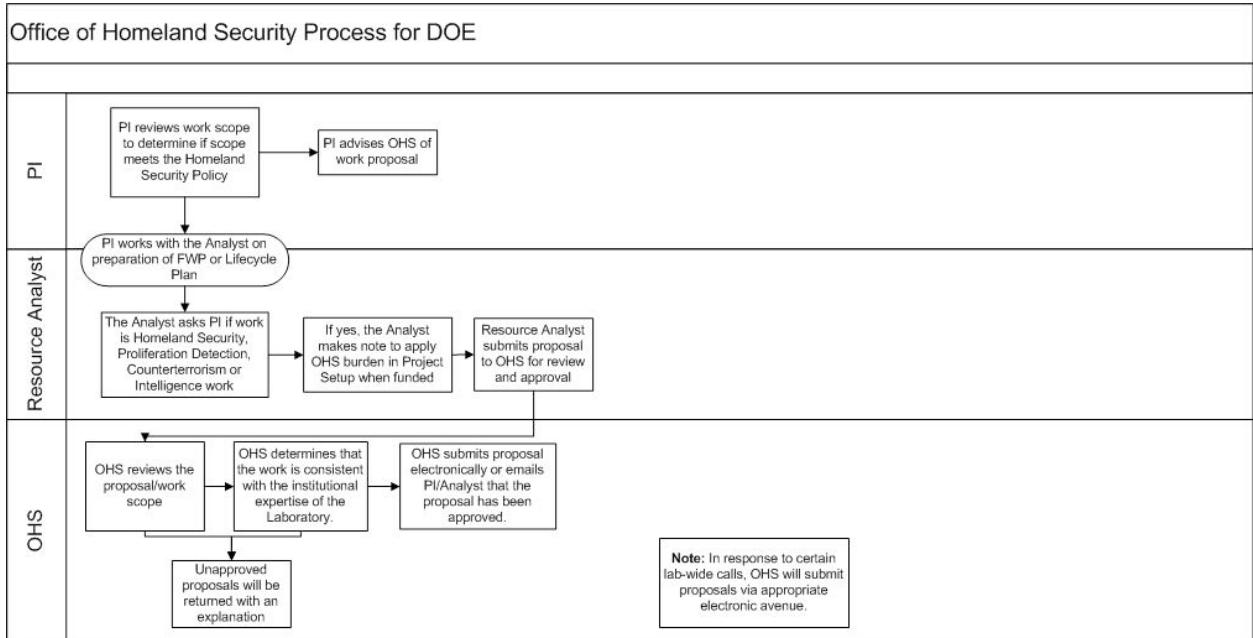
Procedures

- Elements of cost include: labor, payroll burden, materials and supplies, travel, service center charges, facilities use, plus applicable burdens including organization burden, travel and procurement charge, which are associated with the OHS' technical programmatic oversight.
- The OHS' allocation base for the OHS' charge includes the total operating costs less the General and Administrative (G&A), LDRD, IGPP, research and development subcontracts, honoraria, stipends, fellowships, electricity, conferences, and workshops.
- OHS' expenses are allocated to cost objectives using pre-established OHS' rate. The rate is based on forecasted costs for the applicable cost accounting period, generally the Laboratory's fiscal year.
- The pre-established rate is monitored throughout the fiscal year. If analysis of anticipated conditions discloses a material variance for the fiscal year, the pre-established OHS rate will be revised to ensure that the anticipated variance is disposed of by allocating it to cost objectives in proportion to the costs previously allocated to these cost objectives by use of the pre-established OHS rate.

The following is the criteria for determining whether the project is subject to the OHS rate includes all Department of Energy (DOE) (except DOE Initiation for Proliferation Preventions DOE Budget and Reporting code NN-4101) and non-DOE sponsors of Homeland Security, Proliferation Detection, Counterterrorism, and Intelligence work approved by DOE.



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Roles and Responsibilities

- Formulation and coordination of the OHS expense pool and allocation base will be conducted by the Budget Office. OHS expense rate forecasts, establishment of the pre-determined rate for the applicable cost accounting period(s), and revisions to the pre-established rate will be coordinated and executed through the Budget Office.
- The Laboratory Director delegated, Office of Homeland Security (OHS) technical programmatic management oversight to include the review and approval of all proposals' work scope from DOE and non DOE sponsors. The OHS is to ensure that the work is consistent with institutional expertise and is consistent with the mission of the Laboratory as it relates to Homeland Security, Proliferation Detection, Counterterrorism and Intelligence research and development.

Authority

- Department of Energy (DOE) Prime Contract 31
- Cost Account Standards Board (CASB) Disclosure Statement, Lawrence Berkeley National Laboratory
- [Cost Accounting Standard 401, Consistency in Estimating, Accumulating and Reporting Costs](#)
- [Cost Accounting Standard 402, Consistency in Allocating Costs Incurred for the Same Purpose](#)

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- [Cost Accounting Standard 418, Allocation of Direct and Indirect Costs](#)
- [Dr. Steven Chu's memorandum in Today at Berkeley Lab, January 23, 2006](#)

Contacts

- Manager, Indirect Budgets
- Program Head, Office of Homeland Security

Glossary

- **Allocate:** To assign an item of cost, or a group of items of cost, to one or more cost objectives. This term includes both direct assignment of cost and the reassignment of a share from an indirect cost pool.
- **Cost objective:** A function, organizational subdivision, program or other work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, projects, etc.
- **Field Work Proposal (FWP):** Proposal forms that are frequently used in responding to request for proposal to DOE.
- **Final cost objective:** A cost objective which has allocated to it both direct and indirect costs and is one of the final accumulation points.
- **Indirect cost:** Any cost not directly identified with a single final cost objective, but identified with two or more final cost objectives, or with at least one intermediate cost objective.
- **Indirect cost pool:** A grouping of incurred costs identified with two or more cost objectives, but not identified specifically with any final cost objective.
- **RAPID:** Research Administration, Proposal/Project Information Database maintained by Sponsored Projects' Office and utilized by SPO and Divisions for WFO proposals and awards.
- **Work-For-Others (WFO):** Work for non-DOE entities performed by DOE/contractor personnel and/or utilize DOE facilities and are not directly funded by DOE appropriations. Work is in accordance with DOE Order 481.1C.

Related documents

[Cost Accounting Standards Board Disclosure Statement](#)