CHAPTER h:8-05

SUBMISSION OF DOCUMENTS FOR SECRETARIAL APPROVAL

h: 8-05-00 PURPOSE

This chapter sets forth Department policy and procedure to ensure completed staff action on documents submitted to the Secretary for approval or other action. (See General Administration Manual, Chapter 8-60 for submitting requests for organization changes.)

h: 8-05-10 POLICY

A. Every document submitted to the Secretary for approval should represent completed staff action. Such document should clearly identify the problem(s) and present one or more solutions in a finished form, so that the Secretary can approve or disapprove as a completed action. To accomplish the foregoing, each document submission should:

1. Include proper background material on the basis of which a decision can be made;

2. Be submitted sufficiently in advance of any time limitations to allow for adequate review by the Secretary and his staff; and

3. Contain all approvals appropriately annotated, and full explanations of any unresolved differences.

h: 8-05-20 AGENCY RESPONSIBILITY

A. Principal operating components, staff offices of the Office of the Secretary, or other offices which originate documents are responsible for assuring that the Secretary has adequate information upon which to base a decision. In general, the scope and contents of such documents are matters within the discretion of originating offices. Such information may include:

1. The nature of the submission and the legal requirements or other reasons giving rise to the necessity of its issuance or promulgation. This should include a statement of the legal authority (including statutory citations and any executive orders or other directives) for taking such action.

GUIDELINES
FOR
PREPARATION AND SUBMISSION OF DOCUMENTS
TO THE
SECRETARY, THE UNDER SECRETARY, AND
OFFICIALS IN THE SECRETARY'S IMMEDIATE OFFICE

Contents

I. INTRODUCTION

A. Purpose and Scope

These guidelines set forth instructions on the preparation and submission of documents to the Secretary. These documents include those that request the Secretary to take action, those that provide the Secretary with information, and those that brief the Secretary for meetings.

B. Underlying Policy on Secretarial Communications

Documents requiring the Secretary's approval should represent completed staff action. Completed staff action requires that a document:

1. Clearly identify the problem;

2. Include a concise statement of relevant background material;

3. Be submitted sufficiently in time to allow for adequate review by the Secretary and his staff;

4. Express the concurrence of all offices having a direct responsibility concerning the issue under consideration; and

5. State the recommended courses of action and alternatives.

These guidelines are intended to maximize the productive use of the Secretary's time by ensuring that materials presented to him are clearly and concisely focused on an issue of concern to the Secretary and are properly cleared and coordinated.

As guidelines and not procedures, they should be applied only to the extent that they provide the clearest, most logical presentation of the issue to the Secretary. However, the technical requirements found in Part IIIA should be applied to all documents submitted to the Secretary.

II. GENERAL RESPONSIBILITIES OF ORIGINATING OFFICE

A. Relationship with the Executive Secretariat

The Executive Secretariat is responsible for determining that materials submitted to the Secretary represent completed staff work and are clearly and logically presented. If materials are not properly coordinated or are not clearly presented, the Executive Secretariat may return them to the originating office for further development or redirect them to other appropriate offices for further coordination. Where materials are redirected, the Secretariat will notify the originating office.

The originating office should call upon the desk officers, Deputy Executive Secretaries, and the Correspondence Control Supervisor for advice and guidance on the preparation and coordination of communications to the Secretary.

B. Preliminary Steps in Document Development

The originating office should consult and clear with other offices or individuals whose views should be obtained, including the Office of General Counsel on any legal aspects, the Office of Management and Budget on any budgetary aspects, and the Office of Legislation on any legislative matters.

Principal Operating Components should consult appropriate staff offices (legal, budget, legislation, public information) before submitting documents to the Secretariat. They should also indicate what further coordination or clearance with departmental offices is required when they submit documents to the Secretariat. (See Part IIIA5.)

Staff offices reporting directly to the Secretary should obtain appropriate clearances before submitting documents to the Secretariat.

III. PREPARATION AND SUBMISSION OF ACTION DOCUMENTS

A. Technical Requirements

All action documents, usually prepared as action memoranda, submitted to the Secretary should comply with the following requirements:

1. The memorandum should indicate in capital letters after the subject that it is an "ACTION" memorandum. This means that the Secretary is required to take some action such as a decision among alternatives, or indicate approval.

   Example:

   Subject: Proposed Regulation on Tea Safety--ACTION

2. A memorandum should be dated and signed or initialed by the head of the initiating office or by the individual to whom the authority to sign for the head has been delegated. The memorandum should be addressed through appropriate line superiors and through the Executive Secretariat and the Under Secretary which may be indicated by the initials ES and US. A line should be provided for the head of each line office to indicate approval.

   Example:

   Through: U_______
   ES_______
   H_______

3. At the end of the memorandum the name of the individual who prepared the memorandum should be stated. In addition, the date of preparation and the telephone number and office of the individual who prepared the memorandum should be stated. Where the memorandum is revised by an office outside the originating office, the date of revision and the name, telephone number and office of the revisor also should be stated. In addition to stating who prepared the memorandum, the agency may list the name and telephone number of a contact person to whom further inquiries from the Office of the Secretary may be directed.

   Example:

   Prepared by:OMS:DLSMITH:2/15/78:245-4[illegible]
   Revised by:OGC:RTJONES:2/16/78:245-3[illegible]
   Contact:OMS:CBBROWN:245-8001

4. Where the action recommended includes an outgoing letter or document to be signed by the Secretary, the action memorandum should be placed on top of the letter or document. A tab (always designated Tab A) should be inserted to indicate the document to be signed, and a signature tab should be clipped to the page in front of the page the Secretary should sign.

5. Where an action memorandum submitted to the Secretary requires a decision to be noted by the Secretary on the document itself, the document should show the initials of each office with which the decision paper should be coordinated or cleared. After the office initials, the words "concur", "nonconcur", "see Tab ____", and "date" should follow. The head of each office should express concurrence by signing his/her surname and indicating the date. Any office head who does not concur in the recommendations of the action memorandum should so indicate after the word "nonconcur." A statement of the reasons for the nonconcurrence may be tabbed and included as an attachment. Persons who do not have to clear the memorandum but to whom copies were supplied should be indicated at the bottom of the last page of the memorandum.

Example:

CONCURRENCES

GC	Concur ________	Nonconcur ________ See Tab ________	Date ________
MB	Concur ________	Nonconcur ________ See Tab ________	Date ________

Note: This requirement does not apply to an outgoing letter or document prepared for the Secretary's signature, because the file copy for the letter or document will contain appropriate concurrences.

6. All action memoranda and all documents forwarded with them (including any incoming letter but excluding lengthy reports and similar items) should be submitted to the Executive Secretariat with one original and eight copies. The Executive Secretariat will distribute the copies as appropriate.

7. Where additional information is attached, it should be lettered and tabbed. A listing of the attachments should appear at the end of the memorandum or on a separate page.

8. Where a memorandum is in response to the Secretary's request, begin the memorandum as follows: "This responds to your request of (date) for action on (subject)." Include at an appropriate Tab the note or memorandum from the Secretary or Executive Secretariat in which the action was requested.

B. Format for Action Memorandum

1. The guidelines set forth in Paragraph 2 of this Section B state the factors which the initiating office should consider when preparing action memoranda for the Secretary. These guidelines should be applied flexibly. Specific subject headings should be used only when appropriate. Additional or alternative subject headings should be used when they more clearly present the issue.

2. Most action memoranda submitted to the Secretary should be expressed completely and clearly in less than three pages. Such action memoranda should usually include the following:

   a. Subject. A title descriptive of the matter being presented.

   b. Statement of the Problem or Issue. Concise statement of the issue, preferably one sentence.

   c. Facts. Pertinent information regarding the origin, background and implications of the problem, and qualitative information demonstrating the importance of the problem.

   d. Discussion. Underlying assumptions, arguments in favor of, and problems with the recommended course of action. Anticipated consequence of proposed course of action.

   e. Recommendation. Where the recommended action requires the Secretary's signature on a letter, memorandum, or document, the concluding statement should be as follows: "That the Secretary sign the attached document/letter/memorandum." If the action does not require the Secretary's signature, the recommendation should refer to the recommended alternatives under "Decisions."

   f. Concurrences. Those offices clearing the memorandum should indicate their concurrence or nonconcurrence.

   g. Decision. (Ten spaces below last line of "Concurrences.") Alternative courses should be contained in numbered paragraphs and phrased so that they constitute a decision when approved. Check-off blocks should be as specific as possible for the Secretary to indicate his wishes. Usually these should include Approved_____ Disapproved_____ Other_____ Date_____, but they should be altered to be as precise as possible as to the action required.

3. The format for action memoranda is shown on Pages 7 and 8.

IV. PREPARATION AND SUBMISSION OF INFORMATIONAL DOCUMENTS

A. Documents submitted to the Secretary for his information should indicate that they are for information by stating INFORMATION after the subject and should include:

1. The subject of the information being transmitted.

2. Purpose--the reasons for submitting the information.

3. Recommended uses of information (if appropriate).

4. The text of the information. (A synopsis of lengthy documents is sometimes useful. Key statements and paragraphs can be marked or tabbed for ready reference.)

5. The signature or initials of the head of the submitting office or his designee.

6. The names of persons to whom copies have been distributed.

7. The name of the person who prepared the information.

B. Information memoranda should be concise and pertinent.

C. Where a memorandum is in response to a request by the Secretary or Executive Secretariat, begin the first sentence with "This responds to your request of (date) for information on (subject)." Include at an appropriate Tab the note or memorandum from the Secretary or Executive Secretariat in which the information was requested.

V. SUBMISSION OF BRIEFING MEMORANDA FOR MEETINGS

Guidelines for briefing memoranda are set forth in this section. They should be applied flexibly, and particular subject headings should be used only to the extent that they present the material concisely and clearly.

See pages 9 and 10 for format and content of briefing memoranda for the Secretary's meetings with HEW officials and visitors.

Briefing memoranda (an original and three) are to be submitted to the Executive Secretariat no later than the close of business two working days prior to the meeting.

FORMAT FOR ACTION MEMORANDUM

MEMORANDUM

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF THE SECRETARY

TO : The Secretary
Through: US______
ES______
H______

DATE:

FROM : Title and Office of Official
Who Signs Memorandum

SUBJECT: Format for Section III, Part B---ACTION

ISSUE

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
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FACTS

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DISCUSSION

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RECOMMENDATION

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Signature of Head of Originating Office

FORMAT FOR ACTION MEMORANDUM (Continued)

Page 2 - The Secretary

CONCURRENCES

GC Concur_________ Nonconcur__________ Date__________
See tab __________

L Concur_________ Nonconcur__________ Date__________
See tab __________

DECISION (Alternatives)

1. XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXX.

Approved__________ Disapproved__________ Date__________

Other____

2. XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX.

Approved__________ Disapproved__________ Date__________

Other____

3. XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX.

Approved__________ Disapproved__________ Date__________

Other____

cc:
ASL, Harrison

Prepared by:MP:JReynolds:2/7/78:245-6793

FORMAT FOR BRIEFING MEMORANDUM

MEMORANDUM

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF THE SECRETARY

TO : The Secretary
Through: ES_______

DATE:

FROM : Title and Office of Official Who Signs Memorandum

SUBJECT: BRIEFING
Meeting with (name of individual or group requesting the meeting)

March 16, 1978 (Date of meeting)
10 a.m.--20 minutes (Time meeting starts and duration of the Secretary's participation)

I. PURPOSE

This section should state (preferably in one sentence) the purpose of the meeting and indicate who requested the meeting.

II. PARTICIPANTS

This section should state who is participating in the meeting. If outside organizations are involved, include a brief discussion of their relationship with HEW, their interests, and their particular strengths.

III. AGENDA FOR DISCUSSION

This section should state the major points of discussion during the meeting. It is important to identify the issues that are likely to be raised by participants. Therefore, if you feel that the Secretary requires a more in-depth briefing on the background or on the substance pertaining to any particular point of discussion, this information should be included as an attachment and referred to as such in the text of the memorandum.

IV. TALKING POINTS

This section should identify issues or questions the Secretary should raise, recommended responses for the Secretary to use, and topics to avoid or on which the Secretary should be non-committal.

FORMAT FOR BRIEFING MEMORANDUM (Continued)

Page 2 - The Secretary

V. ACTION OR DECISION REQUESTED

This section should specify what action or decisions will be requested of the Secretary. If there are decisions to be made on several issues, each issue should be stated in one paragraph. Where an action memorandum accompanies this briefing to the Secretary, reference can be made in this section to that memorandum for a statement of the issues under consideration.

Signature of Head of Originating Office

cc:
HRA, Sessons

Prepared by: BER:MThomas:3/20/78:245-7912

VI. SUBSTANCE AND STYLE OF SECRETARIAL LETTERS

The Secretary likes his letters crisp, to the point, clear, and responsive to incoming letters. HEW personnel who prepare or review Secretarial letters should find these guidelines helpful in reaching this goal.

A. Substance

1. Be responsive. If the incoming letter asks a series of four questions, the Secretary's response should respond to each question. If necessary, number the answers to correspond to the incoming question.

2. Take a position. If the incoming letter asks what the Department's policy is in a particular area, the Secretary's letter should state our policy forthrightly and clearly. If formulation of a reply requires several offices to convene to make or to clarify policy, the lead office charged with drafting the response should work rapidly with other offices to establish the needed policy. If for reasons of complexity, timing, or politics, policy cannot be formulated immediately in response to the incoming letter, the Secretary's response should say clearly that he is not answering the incoming inquiry, explain why he is not doing so, and outline what steps he is taking to provide a full answer in the near future. (If such clarity is not appropriate for such letters, you should provide a cover note explaining why.)

3. Be brief, but not peremptory. Long-winded backgrounds that provide knowledgeable Congressmen with a lengthy history of a subject are almost always unnecessary, and should not be sent forward.

4. Avoid technical detail. If the response involves substantial technical information, prepare it as an enclosure with a brief cover letter from the Secretary.

5. Never say that regulations do not permit the Department to take an action. Always explain why the Department's regulations adopted the policy at issue.

6. Never say "Thank you for your interest." It is almost always condescending. The people that the Secretary is writing to usually have important responsibilities with respect to HEW programs, or are committed to working to change HEW's policy.

B. Style

1. Avoid long sentences and long paragraphs. If a paragraph or sentence must list three or four or five parallel items, put them in bullets.

2. Use the active voice.
will do to avoid problems in the future.

These suggestions do not provide an exhaustive guide to preparing letters for the Secretary's signature. If additional help is needed, direct your inquiry to your Executive Secretariat.

CHAPTER 8-13
REGIONAL MANAGEMENT REVIEW PROGRAM

8-13-10 PURPOSE

This directive establishes a Regional Management Review Program in the Department of Health, Education, and Welfare as one means of improving the quality and effectiveness of regional operations.

8-13-20 POLICY

Management reviews of regional offices will be conducted on a cyclical basis by teams established by and reporting to the Under Secretary. Each regional office will be reviewed at least once every two years.

8-13-30 DEFINITION AND SCOPE

A Regional Management Reivew is an objective appraisal of the effectiveness and quality of administration of a DHEW Regional Office conducted under the direction of the Under Secretary. Its purpose is to identify opportunities for improving the way in which the regions carry out their assiqned responsibilities. The Review will include an examination of functions and organizations under' the direct management of the Regional Director and such other field activities and organizations as may have a significant impact on how the Regional Director discharges his responsibilities or on regional office management and coordination, Special attention will be given to the adequacy with which the various responsibilities assigned the Regional Director are being discharged and to the identification of obstacles to effective field management which warrant the attention of, or action by, the headquarters of the Department.

8-13-40 RESPONSIBILITIES

A. Under Secretary

The Under Secretary will designate for each Management Review a Team Leader who will report directly to the Under Secretary. The Team Leader will be responsible for planning of the review, its conduct, and the preparation of a team report with findings and recommendations. The Executive Assistant to the Under Secretary will assist the Under Secretary and the Team Leaders in the establishment of the teams and the arrangements for their support.

B. OS Staff Offices

The Heads of OS offices will provide members to serve on Regional Management Review Teams and will supply such information and such developmental and evaluation support as may be required in carrying out the Regional Management Review Program.

C. Regional Directors

Regional Directors will assure that regional staff are informed of the purposes of the management reviews and that information is made available as requested. They will also make certain that during the survey field officials are available for consultation with team members, and that relevant documents are promptly supplied. They will also be responsible for regional actions needed to implement recommendations approved by the Under Secretary.

D. Agency Heads

Agency heads will provide members of the evaluation teams as requested and will insure cooperation with, and support of, the Regional Management Review Program at all organizational levels.

8-13-50 METHODOLOGY

A. Team Composition

Each management review team will be specifically appointed by the Under Secretary to conduct the 'appraisal of field management in a designated regional office. Each team member will be chosen by the Under Secretary on the basis of ability to contribute effectively to the review. Team members will ordinarily be chosen from such offices as that of the Deputy Under Secretary for Regional Affairs, the Assistant Secretary for Administration and Management, the Assistant Secretary for Planning and Evaluation, and the Assistant Secretary, Comptroller. Staff from other DHEW offices, the agencies and regions other than that being evaluated will also be included by the Under Secretary as needed. All Team Members will view themselves as representatives of the Under Secretary while they are engaged in their regional evaluation assignment. Changes in Team Membership will be made after each evaluation but each team will contain members who have had experience in a previous review. In some instances a Team Member may serve through several management reviews to help ensure continuity.

B. Planning the Reviews

The initial review team will develop checklists, questionnaires and other review materials to facilitate the conduct of organized, effective reviews. The initial plan and materials will be considered by the Departmental Management Council prior to the first management review. Review materials, subsequently, will be updated and revised on the basis of experience and requirements. Before going to the region each team will touch base with appropriate Washington officials'to identify problems, incidents and situations which warrant special attention'during the on-site phase of the review. Regional information needed by the review team will be requested from the Regional Director to be submitted either prior to the on-site review or to be made available to the team on its arrival.

C. Conduct of Review

The team will proceed with the review by conducting interviews in the region with regional officials including regional representatives of the ageicies. Contact would be made with officials of state and local governments and other Federal agencies, as appropriate. Documents relating to important or difficult problems being handled 'in the region will 'be examined.

The on-site review will be carefully designed to afford regional officials the opportunity to identify and document problems beyond the idrect control of the Regional Director and which will, therefore, require action by headquarters officials. Inadequacies in follow-through on decentralizaeion, staffing and funding problems, difficulties with particular headquarters offices will be explored 'from the regional perspective. The Regional Director should be given every opportunity to highlight actions that should 'be taken to improve the quality of regional administration.

D Reporting

Upon completion of the on-site review, the review team will develop a preliminary assessment of the management of the region and will develop tentative recommendations. These findings and conclusions will be informally discussed with the Regional Director. A written report will be completed in Washington and will be submitted to the Under Secretary with copies to the Regional Director and members of the Departmental Management Council. The report will receive such futher distribution as the Under Secretary may direct. The report will be a team product hnd will not indicate the views or contributions of the individual members.

8-13-60 TIMING AND SCHEDULING REVIEWS

After the Under Secretary has notified the Regional Director of the plan to conduct a review of a designated region, the Team Leader, in collaboration with the Executive Assistant to the Under Secretary and the Deputy Under Secretary for Regional Affairs will develop the review schedule and will inform all concerned in a timely manner. It is anticipated that each regional office will be scheduled in advance and will normally require about five weeks of survey team time. Two weeks will ordinarily be allocated to preparations in the Washington Headquarters. This phase will include consulting with officials in the Washington area and reviewing information developed by the Regional Director and submitted for pre-on-site review.

It is estimated that about two weeks will be needed for the on-site review, the roughing out of findings and recommendations and the post-review discussion with the Regional Director, but the actual time spent in a region may vary considerably from one evaluation to another. An additional week will be allocated to report preparation and to the briefing of the Under Secretary and/or other officials. The Under Secretary, after securing such additional comments and suggestions from Departmental officials as he may find helpful, will take action on the report recommendations and will fix responsibility for their implementation.

8-13-70 FOLLOW-UP OF REVIEWS

The success of the Regional Management Review Program is directly dependent on taking positive action on the approved recommendations. The responsibility for follow-up rests with the Office of the Under Secretary.

Action offices and the regions will be informed of decisions made by the Under Secretary, who will establish a follow-up system to ensure timely action is scheduled and taken on each approved recommendation. The Executive Assistant will keep a record of progress made in the implementation of recommendation.

Subject: ADVISORY AND ASSISTANCE SERVICES

Exhibits

8-15-00 PURPOSE

This chapter implements OMB Circular No. A-120, " Guidelines for the Use of Advisory and Assistance Services" (Exhibit 8-15-A) and establishes policies and procedures governing the procurement, management, and control of non-evaluation advisory and assistance services (A&AS) contracts and purchase orders by the Department.

8-15-10 COVERAGE

A. This chapter applies to A&AS acquired by contracts and purchase orders. The Federal Acquisition Regulation (FAR), Subpart 37.2, "Consulting Services," Health and Human Services Acquisition Regulation (HHSAR) Subpart 337.2, "Consulting Services," and this chapter provide the governing policies and procedures regarding the acquisition of A&AS.

B. This chapter also applies to services obtained through advisory committees and their membership, personnel appointments, or acquisitions under OMB Circular No. A-76. The following additional guidance applies to those services:

1. The Federal Property Management Regulation (FPMR), 41 CFR Part 101-6.10, provides policies and procedures for advisory committees and their membership.

2. The Federal Personnel Manual, Chapter 304, "Employment of Experts and Consultants," and HHS Instruction 304-1, "Appointment of Experts and Consultants," provide policy and procedures regarding personnel appointments.

3. OMB Circular No. A-76, "Performance of Commercial Activities," and General Administration Manual (GAM) Chapter 18-10, "Performance of Commercial Activities in the Department of Health and Human Services", provide policies and procedures for obtaining commercial activities. Acquisitions reviewed in accordance with the A-76 process are exempt from this Chapter except when the services also meet the A&AS definition; in that case the contracting action (although otherwise exempt from this chapter) must be reported to the Departmental Contract Information System (DCIS) as an A&AS award.

<u>8-15-20</u> DEFINITION

The definitions for A&AS are contained in paragraph 5 of OMB Circular A-120 (Exhibit 8-15-A). The Department has determined that Exhibit 8-15-B, " Purpose Codes (FPDS Product and Service Codes) for Advisory and Assistance Services", reflects the services which are included in OMB A-120. Therefore, these codes shall be used to determine whether particular services should be defined as A&AS. Research activity is not included in the definition of A&AS; however, management and support services in support of research activities are considered A&AS and are to be reported using the Purpose Codes in Exhibit 8-15-B.

<u>8-15-30</u> MANAGEMENT CONTROLS

A. The Assistant Secretary for Planning and Evaluation (ASPE) has overall responsibility for the approval, management, and control of evaluation A&AS projects prior to issuance of a Request for Proposals (RFP). The Department's Annual Evaluation Guidance will set forth review procedures for evaluation contract projects. Evaluation A&AS projects must be coded as A&AS contracts in the DCIS and as one of the Purpose Codes in Exhibit 8-15-B.

B. The OPDIV and STAFFDIV Heads have overall responsibility for the approval, management, and control of non-evaluation A&AS projects. Each OPDIV and STAFFDIV Head shall develop and implement a system for the effective management and use of A&AS activities. The STAFFDIV Head may elect to use the system which is developed by the OPDIV Head instead of developing a separate system. As a minimum, the system shall provide for:

1. Assurance that the services are essential to the operation of the requesting unit, cannot be provided by in-house personnel, and are obtained at the lowest reasonable cost.

2. Assurance that the requesting unit has sufficient funds available for the A&AS project for the initial period and is reasonably expected to have sufficient funds in the future years of the project.

3. Notification to their respective budget offices, as early as possible, when A&AS projects are expected to have future adverse consequences, such as significant changes to section 514 requirements.

4. Maintenance of records of all A&AS projects submitted to them for approval. A&AS projects are to be submitted using the format in Exhibit 8-15-C, Project Description and Justification for Non-Evaluation Advisory and Assistance Services for acquisitions estimated to be over $250,000. OPDIVs and STAFFDIVs may elect to use the format in Exhibit 8-15-C, or may devise a simpler format for acquisitions up to $250,000.

5. Quarterly submission of a report listing the A&AS awarded during the quarter. The quarterly report, set forth in Exhibit 8-15-D, Advisory and Assistance Services Quarterly Report, shall be submitted to the Division of Acquisition Policy in the Office of Management and Acquisition's Office of Acquisition and Grants Management by the last day of the month following the end of the quarter. The report shall include all advisory committee memberships, personnel appointments, and procurements. It shall correspond to the A&AS budget allotments which are provided to the Deputy Assistant Secretary for Budget in the Office of the Assistant Secretary of Management and Budget in the Office of the Secretary. Each OPDIV/STAFFDIV/Regional Office shall submit totals of obligations and

expenditures (outlays) for the individual awards for the quarter. The quarterly reports are accumulated and a consolidated report is prepared and submitted to the Congress and the Comptroller General by the Office of the Secretary. The Comptroller General has been tasked to review the quarterly submissions of each Federal agency and Department; therefore, it behooves Department personnel to assure that the quarterly reports accurately reflect all A&AS.

6. Assurance that all A&AS acquisitions are properly coded and entered into the DCIS. **All A&AS acquisitions must be coded with the Purpose Codes in Exhibit 8-15-B and no Purpose Codes listed in Exhibit 8-15-B can be used unless the contract is coded as an A&AS contract.**

C. OMB Circular A-120 requires the designation of a single official by each Department or agency to be responsible and accountable for assuring that the provisions of the Circular are met. For the Department, the Director, Office of Acquisition and Grants Management, in the Office of Management and Acquisition, is that official and is responsible for:

1. Conducting conformance and effectiveness audits, with the Office of Inspector General, to determine whether the OPDIVS and STAFFDIVS are properly conducting the A&AS reviews.

2. Accumulating A&AS data through the DCIS for departmental awards of contracts.

3. Performing random audits of contracting for A&AS by the OPDIVS/Regional Offices. These audits will concentrate on an organization's adherence to requirements of this chapter. Following each audit, a report will be prepared summarizing the findings and highlighting problems which are identified. The organization will be required to take the necessary corrective action on the problems.

8-15-40 APPROVAL OF ADVISORY AND ASSISTANCE SERVICES PROJECTS

A. Approval authority and responsibility for A&AS projects will be as follows:

Threshold	Approval Level
Small Purchases	At least one level above requestor, but preferably no more than one level above requestor. (The requestor is the program office sponsoring the project.)
Contracts	Head of the OPDIV or STAFFDIV; or, may be delegated to the chief official responsible for administration, * without further redelegation.

*---
The Assistant Secretary for Health may redelegate this authority to the Heads of the Health Agencies with authoritY to redelegate to the chief official responsible for administration without further redelegation.

B. Requests for A&AS projects which are both initiated (receipt of the Request for Contract) and awarded during the fourth quarter of the fiscal year must be approved by an official at least two organizational levels above the program project office sponsoring the activity, or by the OPDIV or STAFFDIV Head.

C. Heads of the OPDIVs and STAFFDIVs must approve an award for a contract or purchase order if a former professional employee of the Department (employed by the Department within the preceding two years) will carry out, supervise, or be otherwise directly associated with the award, performance, or supervision of the contract or purchase order. This approval constitutes assurance that no collusion or conflict of interest exist with respect to the contract or purchase order. This is necessary to assure conformance with 5 CFR Part 737, which covers post-employment conflict of interest.

D. Proposed projects may include A&AS activities as well as other activities, such as ADP, which require Departmental clearance. Separate approval must be obtained for each activity requiring Departmental clearance. See HHSAR 307.105-2, Special program clearances or approvals, for required clearances for proposed solicitations, contracts, and purchase orders.

8-15-50 ANNUAL SUBMISSION OF ADVISORY AND ASSISTANCE SERVICES ESTIMATES TO CONGRESS

In accordance with 31 U.S.C. 1114, the Department is required to provide information to Congress in the budget justifications for consulting services. This information is to include a brief description of the need for these services and a list of those major programs that require consulting services. Specific instructions concerning this data is provided by the Office of the Assistant Secretary for Management and Budget annually.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

January 4, 1988

HHS Exhibit 8-15-A
General Administration Manual
HHS Transmittal 88.02 (6/22/88)

Circular No. A-120

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Guidelines for the Use of Advisory and Assistance Services

1. Purpose. This circular establishes policy, assigns responsibilities, and sets guidelines to be followed by executive branch agencies in determining and controlling the appropriate use of advisory and assistance services obtained from individuals and organizations. This circular supersedes OMB Circular No. A-120 "Guidelines for the Use of Consulting Services," dated April 14, 1980.

2. Background. OMB Bulletin No. 78-11, issued May 5, 1978, first required agencies to apply extra controls to the procurement of consultant services. Circular A-120, dated April 14, 1980, provided permanent guidance in lieu of the interim guidance provided by the Bulletin. A Model Control System for consulting services was issued on January 15, 1982, to provide further guidance, which was non-mandatory.

In 1984, the Cabinet Council on Management and Administration (CCMA) completed a study of consulting services to estimate expenditures, review definitions and existing controls, and propose reforms. The study resulted from continuing reports, by GAO and other agencies, of problems in the way the Government manages and uses consulting services.

This revision of Circular A-120 is being issued (1) to expand the coverage of the circular; (2) to mandate controls for the management and reporting of advisory and assistance services; and (3) to clarify the relationship between Circular A-120 and OMB Circular No. A-76 (Revised) "Performance of Commercial Activities," issued August 4, 1983.

3. Relationship to OMB Circular A-76. Activities that are reviewed in accordance with the A-76 process are exempt from the provisions of this circular except that when the functions performed by the contractor meet the definition of advisory and assistance services set forth in this circular, the contracting action must be reported in accordance with Sections 8.A. and 9.A. below. When A-76 contracts are renewed, they are also exempt from the provisions of this circular.

4. Coverage. The provisions of this circular apply to advisory and assistance services obtained by the following arrangements:

A. Personnel appointment;

B. Procurement contract; and

C. Advisory committee membership.

5. Definition. Advisory and Assistance Services are those services acquired from non-governmental sources by contract or by personnel appointment to support or improve agency policy development, decision-making, management, and administration, or to support or improve the operation of management systems. Such services may take the form of information, advice, opinions, alternatives, conclusions, recommendations, training, and direct assistance. Advisory and assistance services include consultant services provided by individuals, as defined in the Federal Personnel Manual, Chapter 304.

A. Advisory and assistance services include activities having any of the following characteristics:

(1) Individual Experts and Consultants. Individual experts and consultants are persons possessing special, current knowledge or skill which may be combined with extensive operational experience. This enables them to provide information, opinions, advice, or recommendations to enhance understanding of complex issues or to improve the quality and timeliness of policy development or decision-making. These named individuals may either work independently or be assembled into panels, commissions, or committees.

(2) Studies, Analyses, and Evaluations. Studies, analyses, and evaluations are organized, analytic assessments needed to provide the insights necessary for understanding complex issues or improving policy development or decision-making. These analytic efforts result in formal, structured documents containing data or leading to conclusions and/or recommendations. This summary description is operationally defined by the following criteria:

a. Objective: to enhance understanding of complex issues or to improve the quality and timeliness of agency policy development or decision-making by providing new insights into, understanding of, alternative solutions to, or recommendations on agency policy and program issues, through the application of fact finding, analysis, and evaluation.

b. Areas of application: all subjects, issues, or problems involving policy development or decision-making in the agency. These may involve concepts, organizations, programs and other systems, and the application of such systems.

c. Outputs: outputs are formal, structured documents containing or leading to conclusions and/or recommendations. Data bases, models, methodologies, and related software created in support of a study, analysis, or evaluation are to be considered part of the overall study effort.

d. Exclusions and exemptions: a complete list of exclusions and exemptions from the provisions of this circular is attached.

(3) Management and Professional Support Services. Management and professional support services take the form of advice, training, or direct assistance for organizations to ensure more efficient or effective operations of managerial, administrative, or related systems. This summary description is operationally defined in terms of the following criteria:

a. Objective: to ensure more efficient or effective operation of management support or related systems by providing advice, training, or direct assistance associated with the design or operation of such systems.

b. Areas of application: management support or related systems such as program management, project monitoring and reporting, data collection, logistics management, budgeting, accounting, auditing, personnel management, paperwork management, records management, space management,and public relations.

c. Outputs: services in the form of information, opinions, advice, training, or direct assistance that lead to the improved design or operation of managerial, administrative, or related systems. This does not include training which maintains skills necessary for normal operations. Written reports are normally incidental to the performance of the service.

d. Exclusions and exemptions: a complete list of exclusions and exemptions from the provisions of this circular is attached.

(4) Engineering and Technical Services. Engineering and technical services (technical representatives) take the form of advice, training, or under unusual circumstances, direct assistance to ensure more efficient or effective operation or maintenance of existing platforms, weapon systems, related systems, and associated software. All engineering and technical services provided prior to final Government acceptance of a

complete "hardware system" are part of the normal development, production, and procurement processes and do not fall within the meaning of this category. Engineering and technical services provided after final Government acceptance of a complete hardware system are within the meaning of this category except where they are procured to increase the original design performance capabilities of existing or new systems or where they are integral to the operational support of a deployed system and have been formally reviewed and approved in the acquisition planning process.

6. Exclusions. The attachment lists the Government programs and activities that are excluded from the provisions of this circular unless agencies decide to include them (see Section 8A below).

7. Policy.

A. When essential to the mission of the agency, the proper use of advisory and assistance services is a legitimate way to:

(1) obtain outside points of view to avoid too limited judgment on significant issues;

(2) obtain advice regarding developments in industry, university or foundation research;

(3) obtain the opinions, special knowledge, or skills of noted experts whose national or international prestige can contribute to the success of important projects;

(4) enhance the understanding of, and develop alternative solutions to, complex issues;

(5) support and improve the operation of organizations;

(6) ensure the more efficient or effective operation of managerial or hardware systems; and

(7) secure citizen advisory participation in developing or implementing Government programs that, by their nature or by statutory provision, call for such participation.

B. Advisory and assistance services shall not be:

(1) used in performing work of a policy, decision-making, or managerial nature which is the direct responsibility of agency officials;

(2) used to bypass or undermine personnel ceilings, pay limitations, or competitive employment procedures;

(3) awarded on a preferential basis to former Government employees;

(4) used under any circumstances specifically to aid in influencing or enacting legislation;

(5) procured through grants and cooperative agreements; and

(6) obtained for professional or technical advice which is readily available within the agency or another Federal agency, except when the contract is entered into pursuant to the procedures and provisions of Circular A-76.

C. No contracts for advisory and assistance services may be continued longer than five years without being reviewed for continued compliance with this circular.

8. Management Controls.

A. Each agency will assure that it maintains an accounting or information system which effectively monitors and reports advisory and assistance service activities.

B. Each agency's management control system for advisory and assistance services shall at a minimum comply with the Federal Acquisition Regulation. Agencies are encouraged to apply the same control system to other procurements which in their judgment require similar management attention, notwithstanding the exclusion of those functions or programs from the provisions of this circular.

C. Each agency will assure that for all advisory and assistance service arrangements:

(1) the elements of the management control system required by this circular have been observed, and all procurements under this circular are administered in accordance with the requirements of the Federal Acquisition Regulation;

(2) as prescribed by the Federal Acquisition Regulation, written approval of all advisory and assistance services arrangements will be required at a level above the organization sponsoring the activity. Additionally, written approval for all advisory and assistance service arrangements during the fourth fiscal quarter will be required at the second level or higher above the organization sponsoring the activity;

(3) every requirement is appropriate and fully justified in writing. Such justification will provide a statement of need and will certify that such services do not unnecessarily duplicate any previously performed work or services;

(4) work statements are specific, complete, and specify a fixed period of performance for the service to be provided;

(5) acquisition of advisory and assistance services conform to the Competition in Contracting Act of 1984;

(6) appropriate disclosure is required of, and warning provisions are given to, the performer(s) to avoid conflict of interest;

(7) advisory and assistance service arrangements are properly administered and monitored to ensure that performance is satisfactory;

(8) the service is properly evaluated at the conclusion of the arrangement to assess its utility to the agency and the performance of the contractor; and

(9) to the extent practicable, contracts for these services require a written report. Such reports typically would document the services delivered and may, in part, take the form of software packages.

D. Delegations of Authority.

(1) Each agency head shall designate a single official reporting directly to him or her who shall be responsible and accountable for assuring that the acquisition of advisory and assistance services meets the provisions contained in this circular. The single official shall have minimum responsibility for the procurement of such services.

(2) Each agency will establish specific levels of delegation of authority to approve the need for advisory and assistance services based on the policy and guidelines contained in this circular. The senior official shall review each advisory and assistance services request which exceeds an amount to be determined by the agency.

E. Policy and procedures governing advisory committees and their membership as well as the procurement of advisory and assistance services are contained in General Services Administration regulations, 41 CFR, Part 101-6.

F. The Federal Personnel Manual, Chapter 304, governs policy and procedures regarding personnel appointments.

G. The Federal Acquisition Regulation governs policy and procedures regarding contracts.

9. Data Requirements.

A. Contracted advisory and assistance services shall be reported to the Federal Procurement Data System (FPDS) in accordance with the instructions in the FPDS Reporting Manual.

B. Contract actions of $25,000 or less reported on the Summary Contract Action Report ($25,000 or less) (SF 281) are not covered by this reporting requirement.

C. The following data systems will continue to provide information on advisory and assistance service arrangements within the executive branch:

(1) Central Personnel Data File (CPDF), operated by the Office of Personnel Management, provides data on personnel appointments, segregating advisors, experts, and advisory committee members.

(2) The Federal Procurement Data System (FPDS) provides data on contract arrangements that are monitored by the management control system required by Section 8 of this circular.

(3) Advisory committee data is provided in accordance with Section 2 of Executive Order No. 12024 to fulfill the requirements of Section 6(c) of the Federal Advisory Committee Act, as amended (Public Law 92-463, 5 U.S.C., App.).

10. Effective Date. This circular is effective immediately.

11. Inquiries. All questions or inquiries should be submitted to the Office of Management Budget. Telephone number (202) 395-6903.

James C. Miller III
Director

Attachment

ATTACHMENT

EXCLUSIONS

I. The following activities are excluded from the purview of Circular A-120.

1. Activities that are reviewed in accordance with the A-76 process. (Such activities must be reported in accordance with Sections 8.A and 9.A.)

2. Architectural and engineering services of construction and construction management services.

3. ADP/Telecommunications may be excluded if such functions and related services are controlled in accordance with 41 CFR 201, the Federal Information Resource Management Regulations.

4. Research on theoretical mathematics and basic medical, biological, physical, social, psychological or other phenomena.

5. Engineering studies related to specific physical or performance characteristics of existing or proposed systems.

6. The day-to-day operation of facilities (e.g., the Johnson Space Center and related facilities) and functions (e.g., ADP operations, building maintenance, etc.).

7. Government-owned, contractor operated facilities (GOCOs) (e.g., Oak Ridge National Laboratory, the Holstan Army Ammunition Plant in Kingsport, Tennessee). However, any contract for advisory and assistance services other than the basic contract for operation and management of a GOCO shall come under the provisions of this circular.

8. Clinical medicine.

9. Those support services of a managerial or administrative nature performed as a simultaneous part of, and non-separable from, specific development, production, or operational support activities. In this context, non-separable means that the managerial or administrative systems in question (e.g., sub-contractor monitoring or configuration control) cannot reasonably be operated by anyone other than the designer or producer of the end-item hardware.

10. Contracts entered into in furtherance of statutorily mandated advisory committees.

11. Initial training, training aids, and technical documentation acquired as an integral part of the lease or purchase of equipment.

12. Routine maintenance of equipment, routine administrative services (e.g., mail, reproduction, telephone), printing services, and direct advertising (media) costs.

13. Auctioneers, realty-brokers, appraisers, and surveyors.

II. The following programs are excluded from the purview of Circular A-120.

1. The National Foreign Intelligence Program (NFIP).

2. The General Defense Intelligence Program (GDIP).

3. Tactical Intelligence and Related Activities (TIARA).

4. Foreign Military Sales.

PURPOSE CODES (FPDS PRODUCT AND SERVICE CODES) APPLICABLE TO ADVISORY AND ASSISTANCE SERVICES

FEDERAL PROCUREMENT DATA SYSTEM

SECTION I, PART A - RESEARCH AND DEVELOPMENT

Code	Meaning
	GENERAL SCIENCE AND TECHNOLOGY R&D (AJ)
AJ16	Physical Sciences Management and Support
	MEDICAL R&D (AN)
AN16	Biomedical Management and Support
AN26	Drugs Dependency Management and Support
AN36	Alcohol Dependency Management and Support
AN46	Health Services Management and Support
AN56	Medical Health Management and Support
AN66	Rehabilitative Engineering Management and Support
AN76	Specialized Medical Services Management and Support
AN86	AIDS Research Management and Support
AN96	Other Medical Management and Support
	OTHER RESEARCH AND DEVELOPMENT R&D (AZ)
AZ16	Other Research and Development Management and Support

SECTION I, PART B - SERVICES

Code	Meaning
	PROFESSIONAL SERVICES (R4)
R404	Land Surveys, Cadastral Services (non-construction)
R405	Operations Research Services
R406	Policy Review/Development Services
R407	Program Evaluation Services
R408	Program Management/Support Services
R409	Program Review/ Development Services
R411	Real Property Appraisals Services (SIC 6531)

Code	Meaning
R412	Simulation
R413	Specifications Development Services
R414	Systems Engineering Services
R415	Technology Sharing/Utilization Services
R418	Legal Services
R419	Educational Services
R420	Certifications and Accreditations
R421	Technical Assistance (This is limited to assistance designed to assure more effective operations of managerial or administrative systems. It does not include technical assistance to grantees.)
R422	Telephone and Field Interview Services
R423	Intelligence Services
R425	Engineering and Technical Services
R426	Communications Services
R427	Weather Reporting/Observation Services
R428	Industrial Hygienics
R497	Personal Services
R499	Other Professional Services

SPECIAL STUDIES AND ANALYSES (R5)

B502	Air Quality Analyses
B503	Archeological/Paleontological Studies
B504	Chemical/Biological Studies and Analyses
B505	Cost Benefit Analyses
B506	Data Analyses (other than scientific)
B507	Economic Studies
B509	Endangered Species Studies - Plant & Animal
B510	Environmental Studies and Assessments
B513	Feasibility Studies (non-construction)
B516	Animal and Fisheries Studies
B517	Geological Studies
B518	Geophysical Studies
B519	Geotechnical Studies
B520	Grazing/Range Studies
B521	Historical Studies
B522	Legal Studies
B524	Mathematical/Statistical Analyses
B525	Natural Resource Studies
B526	Oceanological Studies
B527	Recreation Studies
B528	Regulatory Studies
B529	Scientific Data Studies
B530	Seismological Studies

Code	Meaning
B532	Soils Studies
B533	Water Quality Studies
B534	Wildlife Studies
B537	Medical and Health Studies
B538	Intelligence Studies
B539	Aeronautic/Space Studies
B540	Building Technology Studies
B541	Defense Studies
B542	Educational Studies & Analyses
B543	Energy Studies
B544	Technology Studies
B545	Housing and Community Development Studies
B546	Security Studies (Physical & Personal)
B547	Accounting/Financial Management Studies
B548	Trade Issues Studies
B549	Foreign Policy/National Security Policy Studies
B550	Organization/Administrative/Personnel Studies
B551	Mobilization/Preparedness Studies
B552	Manpower Studies
B553	Communications Studies
B554	Acquisition Policy/Procedures Studies
B555	Elderly/Handicapped Studies
B599	Other Special Studies and Analyses

MANAGEMENT SUPPORT SERVICES (R7)

R701	Advertising Services
R703	Accounting or Financial Services
R705	Debt Collection Services
R706	Logistics Support Services
R707	Contract, Procurement, and Acquisition Support Services
R708	Public Relations Service
R799	Other Management Support Services

TECHNICAL REPRESENTATIVE SERVICES (L)

LO**	Technical Representative Services

**In these two positions, enter first 2 digits of FSC Code from Part C, or 99 for miscellaneous or general work. Asterisks are not to be entered as part of the code.

AME7 25104 CCC
HHS STAFF MAN COORD CMP OAMS
ROOM 4300 COHEN BLDG
330 INDEP AVE S.W.
WASHINGTON DC 20201

PROJECT DESCRIPTION AND JUSTIFICATION FOR NON-EVALUATION ADVISORY AND ASSISTANCE SERVICES

1. **Proposing Office:** OPDIV/STAFFDIV/Regional Office, Agency, Bureau, Program Office.

2. **Date:** Date when Project Description and Justification was prepared; Indicate if it is a revision.

3. **Project Title, Description, and FPDS Codes:** List the project title and the applicable Federal Procurement Data System product and service codes. Include one or two paragraphs which briefly describe the project.

4. **Contact:** Name, title, address, and telephone number of the person responsible for responding to questions concerning this project.

5. **Reasons for Project:** Provide information on the origin and basis of the issues/problems which the project addresses, prior history of the project, and the specific purpose of the project. Describe completely why the project needs to be done. If the project is mandated, describe the source of the mandate; e.g., Congressional, Secretarial, etc. Cite the source document.

6. **Estimated Project Cost and Source of Funding:** Provide the estimated first year cost. If the project is planned to continue beyond the first year, provide the estimated annual costs for subsequent years. The estimated cost breakdown should include at least the following information: (a) Direct labor including categories of labor and estimated person hours; (b) Travel; (c) Material; (d) Subcontracts; and (e) Indirect Costs. Use other delineations as appropriate; e.g. consultants.

7. **Use of Government Employees:** Provide the rationale for not doing the project in-house. Specifically address the question of why the OPDIV,STAFFDIV, or Regional Office cannot accomplish part or all of the project with its own or other government resources. Indicate how many of the agency staff have the required expertise and <u>specifically</u> why they cannot be reallocated to the project.

8. **Coordination:** Identify the agencies, offices, and persons that have or will review the project. Indicate whether such review has occurred or will occur. If the former, indicate the views identified.

9. **Related Work:** Discuss any completed, current, or proposed work which bears on the approach or expected impact of the project. Specifically identify how the project will build on the strengths or weaknesses of such work and how the project will provide additional information not now available to the Department. Show that no products already exist which could meet the objectives of the project by checking, as appropriate, sources such as the National Technical Information Service; the Smithsonian Science Information Exchange; the Evaluation Documentation Center; the Policy Analysis Source Book; specialized information systems; and experts in other agencies. If the proposed contract is a continuation of a previous contract, include a description of what the previous contract accomplished. Please note that related projects are not limited to those performed by or under contract for the proposing organizational component.

10. **Approach:** Describe the approach to be used in the project. Include a discussion, whenever relevant, of the population to be examined; type of data to be examined or collected; data gathering methods; analytic tools or techniques; and relationship of the study population to the total universe. Describe why the specific alternative was selected. Indicate planned timeframe, key milestones, and end products. Include a copy of the technical statement of work.

11. **Application and Use of Findings:** Briefly describe (a): the relationships between expected project results and specific HHS programs; (b) how decision makers will use the project results; and (c) the effect on the population served. Describe plans to disseminate the final products.

12. **Cost Effectiveness:** Describe how the expected project results, actions, and effects are important or significant enough to justify the project costs.

13. **Projected Acquisition Schedule:**

Approval required by ________________

Request for proposal release date ________________

Award date ________________

14. **Proposed by:** ________________ Title: ________________
Head of Program Office

ADVISORY AND ASSISTANCE SERVICES
QUARTERLY REPORT

A. Each advisory and assistance service award shall include the following information:

1. The name of the contractor, personnel appointees, and advisory committee members.

2. The amount of the contract.

2. The purpose of each contract.

3. The justification for the award of the contract.

4. The reason the work cannot be performed by civil servants.

B. Each reporting unit (each OPDIV and the Health agencies for PHS) shall provide information on compliance with the Section 514 limitations and shall include the following:

1. The Section 514 limitation for the OPDIV or Health agency for PHS.

2. Total obligations and expenditures (outlays) for the quarter.

3. Total cummulative obligations and expenditures (outlays) for the fiscal year.

4. Any anticipated problems in staying within the reporting unit's Section 514 limitations.

Subject: HHS METRIC PROGRAM

8-25-00 PURPOSE

This chapter prescribes Departmental policies, procedures, and responsibilities for implementing the provisions of Public Law 94-168, as amended, the "Metric Conversion Act of 1975," (Title 15, United states Code, Sections 205a through 205K).

8-25-10 SCOPE

This chapter applies to each Operating Division (OPDIV) of the Department and the Office of the Secretary (OS).

8-25-20 BACKGROUND

A. Public Law 94-168, the "Metric Conversion Act of 1975," (Title 15, United States Code, Sections 205a through 205k) states that the policy of the United states shall be to coordinate and plan the increasing use of the metric system in the United States.

B. Section 5164 of the '*Omnibus Trade and Competitiveness Act of 1988," Public Law 100-418, amended the Metric Conversion Act of 1975 to provide:

1. That the metric system of measurement is the preferred system of weights and measures for United States trade and commerce;

2. That each Federal agency shall, by a date certain and to the extent economically feasible by the end of Fiscal Year 1992, use the metric system of measurement in its procurements, grants, and other business-related activities (unless metric usage is impractical or would have an adverse impact on the market share of U.S. firms); and

3. That agencies shall seek out ways to increase understanding of the metric system of measurement through educational information and guidance and in Government publications.

C. Executive Order 12770, Metric Usage in Federal Government Programs, establishes governmentwide procedures for implementing the Metric Conversion Act of 1975.

D. Title 15, Code of Federal Regulations, "Metric Conversion Policy for Federal Agencies," Part 19, Subpart B, published by the Department of Commerce, provides guidance to Federal agencies in changing to the use of the metric system of measurement.

E. Federal Standard 3768, "Preferred Metric Units for General Use By The Federal Government," January 27, 1993, lists preferred metric units recommended for use throughout the Federal Government.

8-25-30 DEFINITIONS

A. Metric System of Measurement. The International System of Units (or SI from the French "Le Systeme International d'Unites") as established by the General Conference on Weights and Measures in 1960, and as interpreted or modified for the United states by the Secretary of Commerce. The units are listed in Federal Standard 3768.

B. Hard Metric. The replacement of a standard inch-pound size with an accepted metric size for a particular purpose. An example of size substitution might be: selling or packaging liquids by the liter instead of by the pint or quart (as for soft drinks), or instead of by the gallon (as for gasoline). .

C. Soft Metric. The result of a mathematical conversion of inch-pound measurements to metric equivalents for a particular purpose. The physical characteristics are not changed.

D. Inch-Pound Units. Units based upon the yard and the pound commonly used in the United States and defined by the National Institute of Standards and Technology. (Units having the same names in other countries may differ in magnitude).

E. Dual Systems. The use of both inch-pound and metric systems. For example, an item is designed, produced, and described in inch-pound values with soft metric values also shown for information or comparison purposes.

F. Hybrid Systems. The use of both inch-pound and hard metric values in specifications, standards, supplies, and services; e.g., an engine with internal parts in metric dimensions and external fittings or attachments in inch-pound dimensions.

8-25-40 POLICY

It is the policy of the Department to support Federal transition to the metric system and to use the metric system of measurement in all procurements, grants, and other business related activities unless such use is impracticable or is likely to cause significant inefficiencies or loss of markets to United States firms.

8-25-50 PROCEDURES

A. Each OPDIV and OS will:

1. Encourage industry in the change to the metric system by acquiring commercially available metric products and services that meet the functional requirements of HHS, so long as competition is maintained.

2. Make training opportunities available as necessary to increase employee awareness and understanding of metric system conversion.

3. Participate on Government/industry subcommittees and working panels and groups.

4. Develop specifications and standards for procurements in metric when metric is the accepted industry system. Commercially developed metric specifications and internationally developed voluntary standards using metric will be adopted whenever possible.

5. Specify and accept bulk (loose, unpackaged) materials in metric units, unless the use of such units is incompatible with existing systems. Procure measuring devices, shop, and laboratory equipment in metric or dual units of measurement when possible.

6. Charge metric conversion costs to normal OPDIV and/or OS operating expenses. However, these costs are to be identified to the extent feasible. This includes the cost of metric aids, tools, equipment, and training.

7. Use metric units of measurement in technical reports, studies, publications, and position papers (except those dealing with dimensions in inch-pound units). Inch-pound units may be cited in parentheses.

8. Coordinate all metric conversion efforts which are likely to involve major public affairs activity with the Office of the Assistant Secretary for Public Affairs.

B. OPDIVs and OS may retain the measurement units in which a system is originally designed for the life of the system, unless conversion is necessary or advantageous.

8-25-60 ACQUISITION GUIDELINES

A. Basic Requirements

1. The metric system of measurement, or a dual system stating both metric and inch-pound units, will be used in all procurement documents where measurements are required, including purchase descriptions, specifications, and standards, unless one of the exceptions provided for in Section 8-25-90 is applicable.

2. The requesting official is responsible for documenting and signing any decision not to use metric measurements.

3. Documentation for decisions not to use metric measurements must identify the specific exception which applies and explain the reasons for its applicability.

B. Metric Decision Points in the Acquisition Process

1. Advance Planning

(a) HHSAR 307.104-l requires development of an acquisition planning document for all new negotiated acquisitions which are expected to exceed $100,000. The acquisition plan is to be developed jointly by the project officer and the contract negotiator. As part of this process, acquisition plans should be reviewed to determine applicability of metric measurements.

(b) A key decision point concerning use of metric measurement in advance acquisition planning is the description of work to be done. Whether a specification, purchase description or statement of work is used (HHSAR 307.105-3), this point is a critical one for the program or project officer to determine the suitability of metric usage in the contract.

2. Small Purchases

Small purchase acquisition methods (HHSAR 313.104) are designed to acquire defined, off-the-shelf, standard supplies, equipment or services which may be awarded on the basis of a fixed price quote. Attempts should be. made to obtain such items in metric measurements when available, economically feasible and practical to meet program/project needs. The unavailability of items in metric from required sources of supply, such as mandatory GSA schedules, is sufficient justification for non-metric purchase and a statement to that effect should be included in the purchase file.

3. Requests For Contract (RFC)

Program offices are responsible for preparing the RFC when planning for contracts estimated to exceed the small purchase threshold (HHSAR 315.70). If a decision regarding the use of metric measurements has not already been made and documented in the advance planning process, the RFC is another point in the contracting process where a decision by the program office regarding the impact of use of metric units must be made based on program requirements.

4. Requests For Proposals (RFP)/Quotations (RFQ)/ Invitation For Bids (IFB)

Unless the official contract file contains a written justification for not using metric measurements in accordance with the exceptions permitted by this chapter, RFPs, RFQs or IFBs prepared by the contracting officer, for either equipment, materials or services which are measurement sensitive, must use metric measurements.

Any deviations from this requirement, based on exceptions permitted by this chapter, must be documented in the official contract file.

C. Responsibilities of Contracting Officers

1. The Contracting Officer is responsible for ensuring that metric measurements are used throughout the acquisition process, including all solicitation and contract documents. If metric measurement is not used, the Contracting Officer must ensure that the file contains appropriate justification.

2. The Contracting officer should provide the requesting office information concerning qualified sources capable of satisfying the requested items or services in metric measurements and any potential impact on competition.

3. AS a part of the file documentation process, the COntracting.Officer must review the requesting office's decision regarding metric use and determine if any exceptions to metric use meet the requirements of this chapter.

8-25-70 MAJOR DUTIES AND RESPONSIBILITIES

A. Assistant Secretary for Management and Budget. The Assistant Secretary for Management and Budget (ASMB) is responsible for:

1. Ensuring HHS-wide implementation of the "Metric Conversion Act of 1975," as amended, by September 30, 1992;

2. Establishing HHS policy for the application and use of the metric system of measurement; and

3. Appointing an HHS Metric Executive to carry out the responsibilities set forth in Executive Order 12770, and to chair the HHS Metric Transition Steering Committee (MTSC).

4. Approving exceptions to the HHS Metric Program in accordance with Section 8-25-90.

B. Deputy Assistant Secretary for Budget, ASMB. The Deputy Assistant Secretary for Budget, ASMB, is responsible for collecting necessary data from OPDIVs and OS, preparing the annual report to the Congress on metric implementation actions, and ensuring that the report is included in the annual budget as required by Title 15, united States code, Sections j-l.

C. Director, Office of Management, U.S. Public Health Service. The Director, Office of Management, is responsible for:

1. Providing technical advice and guidance to OPDIVs and OS regarding Federal requirements for the use of the metric system of measurement;

2. Serving as the HHS Metric Executive;

3. Representing HHS on the Federal Interagency Committee on Metric Policy (ICMP);

4. Appointing an HHS representative to serve on the Metrication Operating Committee (MOC) of the ICMP, its Steering Group, and the HHS MTSC; and

5. Ensuring appropriate HHS representation on MOC subcommittees.

D. Heads of OPDIVs. Heads of OPDIVs are responsible for:

1. Ensuring organizational implementation of the "Metric Conversion Act of 1975," as amended;

2. Designating an organizational element to manage metric conversion activities;

3. Designating an individual as the Metric coordinator for their OPDIV who will also serve on the HHS MTSC;

4. Ensuring that personnel are provided education on the metric system, and training, as needed, in specific metric practices and uses; and

5. Identifying Federal legislation, regulations, and procedures that unduly restrict use of the metric system, and where applicable, initiating action to eliminate those restrictions and ease transition to the metric system.

E. HHS Metric Transition Steering Committee. Members of the HHS MTSC are responsible for planning and coordinating transition to the metric system, and advising their respective OPDIVs on matters relating to metrication.

8-25-80 REPORTING REQUIREMENTS

Each OPDIV shall submit to the Director, Office of Management, PHS, for transmittal to the Deputy Assistant Secretary for Budget, ASMB, by December 1 of each year, a report which includes:

A. Significant metric accomplishments;

B. Significant problems encountered in metric conversion;

C. Any recommendations regarding HHS Metric Program policy or activities, including actions planned for the current and future fiscal years to further implement the metric system: and

D. Other relevant information (e.g., information pertaining to metric conversion costs).

8-25-90 EXCEPTIONS

A. Exceptions to the use of the metric system in procurement, grants, and other business related activities are permitted only to the extent that such use is impracticable or is likely to cause significant inefficiencies or loss of markets to United States firms.

B. Exceptions to the HHS Metric Program, other than those stated above, require the approval of the Assistant Secretary for Management and Budget.

Subject: **CONFLICT RESOLUTION MECHANISM FOR INSPECTOR GENERAL REPORTS**

8-30-00 PURPOSE

This chapter describes the mechanism to be used to settle disagreements between an Operating Division (OPDIV) and the Office of the Inspector General (OIG) over an OIG report. The process begins on the date the report is issued, and ends no later than six months after that date, as prescribed in OMB Circular A-50. The mechanism is intended to encourage settlement at the lowest organizational level, nearest the program in question, but allows for escalation of the conflict through the Assistant Secretary for Managementand Budget to the Under Secretary, if necessary. The Under Secretary makes the final decision.

8-30-10 THE FOUR STEPS OF THE PROCESS

A. The conflict resolution mechanism applies to all OIG final internal reports on Departmental operations. Its purpose is to resolve serious disagreements between the Inspector General and an OPDIV on Office of Inspector General (OIG) findings within six months of issuance of the OIG report. It should be noted that separate resolution rules apply to external OIG reports on grantees and contractors (see the HHS Grants Administration Manual, Chapter l-105). Resolution of "material weakness"/"non-conformance" problems reported in OIG reports will be resolved in accord with Departmental policy established under the Federal Managers Financial Integrity Act (FMFIA) program.

B. The steps of the conflict resolution mechanism are as follows:

1. **STEP 1:** The OPDIV staff shall state non-concurrence to the OIG. If the OIG agrees, resolution occurs. If the OIG does not agree **WITHIN SIXTY DAYS** after the date of the final OIG report, go to step 2.

2. **STEP 2:** An OPDIV representative of comparable rank shall meet with an official of the OIG. If agreement is reached, resolution occurs. If agreement is not reached **WITHIN NINETY DAYS** after the date of the final OIG report, go to step 3.

3. **STEP 3:** The OIG formally appeals to the Departmental Audit Follow-up Official, the ASMB. A copy of the appeal is given to the OPDIV. Roth the OIG and the OPDIV furnish written positions to the ASMB within thirty days (see 8-30-30, below, for the prescribed format). If the ASMB achieves agreement or makes a decision which satisfies both sides, resolution occurs. If agreement is not achieved **WITHIN 135 DAYS AFTER** the date of the final OIG report, go to step 4.

4. **STEP 4:** The IG, the ASMB, or the OPDIV Read may request that the matter be taken up by the Audit Resolution Council (ARC) (see 8-30-20, below). The Council advises the Under Secretary, who makes the final decision **WITHIN 180 DAYS AFTER** the date of the final OIG report.

8-30-20 THE AUDIT RESOLUTION COUNCIL

A. The Audit Resolution Council exercises executive-level oversight of, and advises the Under Secretary on, the Department's audit resolution and follow-up activities.

B. The Council is chaired by the Under Secretary. Its members are the Assistant Secretary for Management and Budget, the Inspector General, the General Counsel, and any other official appointed by the Under Secretary.

C. Staff support to the Council is provided by the ASMB.

D. The Council will:

1. Review and make recommendations to the Under Secretary on the resolution of internal OIG reports on Departmental operations on which an OPDIV has not made a management decision within six months of the issue date of the report:

2. Wake recommendations to the Under Secretary concerning the establishment or clarification of Department policy in matters arising from OIG reports;

3. Recommend corrective action to the Under Secretary in cases where management has failed to carry out agreements made as a result of OIG reports.

E. The Council will meet as required by step 4 of the conflict resolution mechanism (described above in 8-30-10, B.4). The Inspector General, the Assistant Secretary for Management and Budget, or an OPDIV head, may request a meeting of the council.

8-30-30 FORMAT FOR SUBMISSION OF CASES TO THE DEPARTMENTAL AUDIT FOLLOW-UP OFFICIAL UNDER STEP3 OF THE PROCESS

A. After the OIG files a formal appeal to the Audit Follow-Up Official, the OIG and the OPDIV will each provide a summary of the case - not exceeding two pages - in the following format:

1. Title, IG number, and date of issuance of the report;

2. List of IG findings and recommendations agreed to:

3. List of IG findings and recommendations not agreed to;

4. Statement of the issue and supporting arguments (in bullet form):

5. Impact analysis including:

   a. Budget and financial data quantifying the cost or savings to the Federal, State and Local Government, program or service providers, and program beneficiaries:

b. Assessment of the benefits to be achieved and identification of who benefits:

c. Assessment of any adverse consequences from the recommendation and identification of who would be adversely affected:

d. Description of the results of previous reviews or decisions on this issue (budget, policy, or legislative reviews, etc.)

B. Assessments of costs, benefits and adverse consequences should be quantified to the extent possible.

C. Basic documents, such as the OIG report and related correspondence between the OIG and the OPDIV, should be referenced in the two page summary and attached to it.

Subject: REORGANIZATION PROCEDURES

8-60-00 PURPOSE

This chapter provides policy guidance **and** requirements applicable to reorganizations at **any** organizational level in the Department. It also outlines **procedures** -for submitting reorganization proposals that require the approval of the Secretary.

8-60-10 REORGANIZATION POLICIES

A. Legality. No reorganization will be legally in effect until **approved** in writing **by** the appropriate **HHS** official.

B. Statement of Organization and Functions. Each approved organizational entity from the highest to the lowest organizational level shall have **a** current statement of organization and functions. As a minimum, the statement shall identify the entity's mission, organizational structure, functions, and reporting relationship to entities immediately above and below it in the organizational hierarchy. (See specific instructions regarding maintaining an organizational manual at 8-60-50C.2.)

C. Employee Aureements. Each request for reorganization should contain **a** statement **that the** requesting official has taken the appropriate action, if required by all applicable agreements, with employee bargaining units. The statement shall identify the action and the bargaining unit.

D. Administrative Code. Each approved organizational entity shall be assigned an administrative code **as** prescribed by Chapter 8-69, General Administration Manual, (GAM).

E. Official Record. The official record of each reorganization shall be maintained by an office designated by the approving official.

F. Informing the Public. Whenever a reorganization is significant or affects the public, the approving official shall have a Notice of the reorganization published in the Federal Register.

G. Effective Date. Reorganizations shall become effective on the date they are approved unless otherwise noted in the approval document.

8-60-20 DEFINITION OF REORGANIZATION

For the purposes of this chapter, a reorganization is any change in organization which will result in one or more of the following actions:

- Establishment, abolition, transfer, realignment, or consolidation of one or more organizational entity.
- Addition, abolition, or transfer of a function or functions.
- Change in the reporting relationship of an organizational entity.
- Change in the official name of an organizational entity.

8-60-30 OFFICIALS WITH AUTHORITY TO APPROVE REORGANIZATIONS

A. Approval by the Secretary. The Secretary approves any functional transfers or reorganizations which cross OPDIV lines and except as noted in B and C below, the Secretary approves the reorganizations for any unit that reports directly to one of the following officials: (See 8-60-50B for procedures for obtaining approval of reorganizations requiring the Secretary's approvals).

1. The Secretary, Under Secretary, or an Assistant Secretary or equivalent (e.g., General Counsel, etc.)
2. Administrator of Health Care Financing or an Associate Administrator
3. Assistant Secretary for Health or a PHS Agency Head
4. Assistant Secretary for Human Development Services or an OHDS Administration Head

5. Commissioner of Social Security or a Deputy Commissioner
6. Administrator, Family Support Administration or an Associate Administrator

B. Approval by Operating Division (OPDIV) Heads. (Excluding the Office of the Secretary -- See paragraph 8-60-30-C below.)

In general, each OPDIV Head has authority to approve reorganization of any unit which:

1. Does not report directly to any official cited in paragraph A above, or

2. Reports directly to the OPDIV Head provided that the unit has a staff complement of 15 or less FTEs and does not perform any program management function.

These general requirements are granted to each OPDIV Read by the Secretary through a delegation of authority memorandum. For information regarding the specific delegation of authority to an OPDIV Head, contact the Department Delegation of Authority Officer who is located in the Office of Management Programs, Office of Administrative and Management Services (OAMS). For further information regarding the delegation of authority function see GAM Chapters 100 and 101.

C. Approval by the Assistant Secretary for Manauement and Budget (ASMB). The ASMB has the authority to approve for the Office of the Secretary, except the Office of the Inspector General, the reorganization of any unit therein which:

1. Does not report directly to an official cited in paragraph A above, or

2. Reports directly to an Assistant Secretary or equivalent provided that the unit has a staff complement of 10 or less FTEs and performs only internal administrative or personal advisory functions directly for the Assistant Secretary or equivalent.

Note: The Office of the Inspector General will seek the advice and assistance of the ASMB in implementing reorganizations to conform with Departmental procedures.

8-60-40 CRITERIA FOR ORGANIZATIONS

Managers should observe the principles of sound organization in evaluating their current organizations to ascertain whether or not there is a need for organizational change and, if needed, for planning and implementing such change. These principles include:

- Clear statement of mission and functions
- Clear lines of authority and responsibility
- Delegation of decision-making authority to the most effective level
- Appropriate span of control
- Separation of line and staff functions
- Optimum use of resources
- Appropriate reporting of activities and results

Exhibit 8-60-A contains additional criteria to consider in undertaking an organizational change.

8-60-50 PROCEDURES FOR OBTAINING APPROVAL OF REORGANIZATIONS

A. As stated in subsection 8-60-10A, no reorganization can be legally implemented until the appropriate HHS official approves the reorganization in writing.

B. Approval by the Secretary

1. Submission. Reorganizations requiring the Secretary's approval are identified in subsection 8-60-30A. Requests for this approval are to be submitted to the Secretary through the ASMB. Prior to making its submission, the requesting OPDIV or Staff Division (STAFF'DIV) is encouraged to discuss the proposed reorganization With OAMS in the Office of the Assistant Secretary for Management and Budget, OS. OAMS serves as the coordinating office for processing reorganization proposals submitted for the Secretary's approval.

2. Documentation. Each request for the Secretary's approval **shall** contain the following documents:

   a. An Action Memorandum to the Secretary signed by the OPDIV or STAFFDIV Head. The Action Memorandum shall clearly identify: 1) the rationale for the reorganization and the benefits to be received; 2) an explanation of staffing implications regarding new Senior Executive Services or supervisory positions, changes in staffing requirements, and negotiations with bargaining units: and 3) a statement regarding the effect of the reorganization on the organizational units, programs or the public.

   b. **A** Statement of Organization, Functions, and Delegations of Authority (in Federal Resister format - see Exhibit 8-60-B). Include the official file copy of the statement.

   c. Organizational charts of the current organization, and the proposed organization. Prepare these charts as described in this Chapter and in **GAM** Chapter 8-65.

3. **Copies** The requesting OPDIV or STAFFDIV shall submit eight copies of the reorganization proposal.

4. Coordination and Review. **OAMS** shall coordinate the review and evaluation of each reorganization proposal. It shall coordinate the proposal with the Office of the General Counsel, other appropriate OS staff offices and, if appropriate, other **OPDIVs.** Each reviewing office shall have 10 working days to complete its review and provide comments or concurrence to OAMS. **OAMS** shall negotiate differences between the reviewing offices and the requesting OPDIV or STAFFDIV, and shall attempt to resolve questions regarding the reorganization prior to sending the proposal to the ASMB.

5. **Approval.** The ASMB reviews and evaluates each reorganization proposal requiring the Secretary's approval and, together with a recommendation for approval or disapproval, forwards the proposal to the Secretary. The ASMB also informs the requesting OPDIV or STAFFDIV regarding the Secretary's decision.

6. Publication and Records

a. All reorganizations approved by the Secretary must be published in the Federal Register.

b. Whenever the Secretary approves a reorganization, OAMS shall have the Statement of Organization, Functions, and Delegation of Authority published in the Federal Register and this shall be the only type of reorganization maintained in the HHS Organization Manual.

C. Approval by OPDIV Heads:

Reorganizations requiring the approval of OPDIV Heads are identified in subsection 8-60-30B.

1. Federal Register Publication - All reorganizations approved by an OPDIV Head which are significant or affect the public must be published in the Federal Register.

2. OPDIV Organization Manual

a. Each OPDIV must maintain an OPDIV Organization Manual which, at a minimum, contains all reorganizations approved by the OPDIV Head. A copy of this manual must be submitted semi-annually (with the organizational charts) to the Office of Management Programs, OAMS. Each OPDIV shall also be responsible for providing HHS officials upon request, or the public with information on all organizational changes, other than those approved by the Secretary.

b. Each OPDIV must designate an organizational unit and an individual to maintain an up-to-date **Organization Manual** The name of the designee and his/her telephone number should be forwarded to OAMS.

c. Each OPDIV shall observe the provisions of this Chapter. In addition, an OPDIV may establish other requirements and procedures for the approval of reorganizations.

D. **Approval by the Assistant Secretary for Management and Budget**

Reorganizations requiring the approval of the **ASMB** are identified in Subsection **8-60-30C,** and the procedures for submitting reorganization proposals to the ASMB are stated in the **GAM** Chapter OS: **8-60.**

8-60-60 IMPLEMENTATION OF REORGANIZATION'

A. The official responsible for implementing a reorganization should, as a minimum, take the following actions:

1. Announce the effective date of an approved reorganization to affected employees as soon as possible.

2. Plan and implement the schedule for updating personnel and payroll records and position descriptions.

3. Submit the appropriate Standard Administrative Code changes in accordance with the procedures outlined in Chapter 8-69, GAM.

4. If appropriate, inform affected employees of the availability of housing, schools, and transportation in the new location.

5. Identify the need for new or transfer of existing facilities and equipment. Develop specifications for needed material and service requirements well before the actual move. Also, insure that safety standards and requirements are met.

6. Plan for a continuous and orderly flow of work during the transition from the "old" to the "new" organization.

7. Announce the plan for the placement'of personnel in current or new positions in the new organization, and the plan for placement of personnel that cannot be absorbed.

CRITERIA FOR PLANNING AND REVIEWING REORGANIZATION PROPOSALS

HHS officials should consider the following points in planning or reviewing reorganization proposals:

A. Legislation

With respect to addition, deletion, or transfer of functions because of a change in legislative requirements:

1. Identify the legislation in the request for reorganization.

2. Reflect adequately the legislative intent in the reorganization proposal.

3. Ensure that the proposed organizational change will assist the organization in accomplishing its mission.

B. Assignment of Functions

In the interest of improved organizational performance:

1. Have clear assignments of functions with no duplication, conflict, or overlap.

2. Establish responsibility for each specific function with an individual unit.

3. Group similar functions and separate dissimilar functions.

4. Encourage coordination but do not force an official to coordinate artificially with others to accomplish his/her tasks.

5. Simplify processes whenever possible to increase administrative efficiencies.

6. Provide for a manageable span of control for each manager and supervisor.

7. Reduce administrative costs by consolidating resources wherever possible.

8. Differentiate between staff and line functions and, where appropriate, place them in separate units.

9. Enable a unit to respond to a crisis or special initiative that relates to its functional responsibilities.

C. Organization Levels and Organization Nomenclatures

1. Keep the organization lean and simple--avoid unnecessary layering.

2. Refer to the Department's nomenclature standards. (See GAM Chapter 8-65.)

D. Delegation of Authority

1. Delegate decisionmaking authority to the lowest practical level.

2. If the reorganization requires new or revised delegations of authority, prepare delegation documents according to procedures prescribed in GAM Chapter 8-100.

E. Staff Resources

1. Explain all staff resources implications (e.g., new supervisory positions, new SES positions, changes in average grade, potential adverse actions, etc.), including changes in staffing requirements. Be certain that staffing is adequate, but not excessive, to perform each function.

2. Consider the effect of any adverse impact toward women, minorities, the aged, and/or handicapped employees.

F. Effect on Other Components

1. Consider the effect, if any, the proposed change will have on other Federal agencies, and identify proposed coordination activities, if any.

2. Consider the effect, if any, on other HHS components and/or the regional offices.

3. Consider changes that will affect State and local governments.

G. **Budget**

Detail changes in budget requirements for the agency and changes in the existing budget for salaries, space, cost of moving, etc.

H. **Personnel**

1. Identify any problems affecting employees, including the PBS Commissioned Corps, and proposed solutions.

2. Include consideration of employee rights:

   a. Explain results of any discussion or agreements with employee bargaining units.

   b. Explain the effects on grade levels.

   c. Be aware of, and try to avoid, adverse effects on employees.

3. Include Administrative Officers and/or Servicing Personnel offices as early as possible in the planning process to provide you with instructions on how to eliminate positions, create new positions, and prepare positions descriptions.

GUIDELINES FOR PREPARING NOTICES ON REORGANIZATION FOR PUBLICATION IN THE FEDERAL REGISTER

A. Purpose

These guidelines state HHS standards for preparing **reorganization** Notices which the Department publishes in the Federal Register. The Notices are required for all reorganizations approved by the Secretary, OPDIV Heads, and for all other reorganizations which may have a significant impact on the public.

B. **Heading** - The heading of the Notice is to contain the following elements:

1. The accounting code of the organization that will bear the cost of printing and publishing the Notice in the Federal Reaister, The **code** is centered about one inch from the top of the page (size 8 1/2" X 11").

2. The Department's name in all capital letters, centered two spaces below the accounting code.

3. The name of the OPDIV (or the Office of the Secretary) in initial capitals, centered two spaces below **the** Department's name.

4. **A** description of the type of reorganization or the name of the reorganized unit in all capitals, centered two spaces below the **OPDIV's** name.

   (For example, if the Notice describes **a** general reorganization of an OPDIV organization, use the term GENERAL **REORGANIZATION.** If the Notice describes a more limited organization change, use the name of the affected unit (e.g., OFFICE **OF** __________, DIVISION OF __________, etc.). Sometimes a Notice serves to correct errors in a previous published Notice; in such an instance, it should read: CORRECTION NOTICE.)

5. The term Statement of Organization, Functions, and Delegations of Authority in initial capitals, centered two spaces below the description.

C. Introduction

The introduction should open with a statement which relates the notice to previously published **notice(s)**, **if** appropriate, by giving the ~~Federal~~ **Register** citation(s) of these notice(s). For example, if an **OPDIV**, such as the Office of Human Development Services, abolishes an office and replaces **it with a new office**, the opening statement would read: **"This Notice** amends Part D (Office of Human Department Services) by deleting Chapter **DL (Office** of Individual Assistance) (65 FR 10219, **6/17/76)** and replacing it with a new Chapter DY (Office of Community Relations)."

Following this statement, the introduction should state briefly, in simple, non-technical terms, what the Notice is about. If the Notice treats a general reorganization, it should contain the highlights of the changes ***of*** that reorganization. If it deals with a more limited change, it should contain a summary statement of the change. If it is a Correction Notice, it should point out the previous error and state the correction.

The introduction should close with a statement similar to the following: **"The** new chapter reads as follows:'* or **"The** revised statement is as follows:" or **"The** corrected statement reads as follows:" Generally, **the** introduction should not exceed **a** half page.

D. Officia Functional Statement

The official functional statement must be compatible in form, content, and language to previously published statements. For example (to continue the sample introduction cited in Item 3):

DY Office of Community Relations

DY.00 Mission. (Give a brief statement of **the mission**, **in** terms of broad objectives, goals, etc., as stated **in** law, Presidential statement, Secretarial directive, or other legal source.)

DY.10 **Organization.** (Define the organization by stating the title **of** the head of the organization **and** the official to whom the head of the organization reports and by listing the major organizational components of the organization, as shown in this example.) The Administration for Children, Youth and Families is headed by an Administrator, who reports to the Assistant Secretary for Human Development Services. The Office consists of the following:

Office of Planning and Management (DCA)

Head Start Bureau (DCB)

Children's Bureau (DCC)

DY.20 Functions. (State the principal functions, using one or two sentences to describe each function. Emphasize what is done--not how or why it is done.)

DY.30 Order of Succession. (Indicate who will succeed the head of the organization and under what conditions succession will occur. This information is generally not necessary for organizations two-levels below the OPDIV Head.)

DY.40 Delegations of Authority. (Describe the program authorities that have been delegated to the head of the organization and the limitations (if any) on how these authorities are exercised. Note that this is a Notice of the delegation of authority. It does not constitute the formal instrument of delegation. The instrument of delegation is a memorandum of delegation. See GAM Chapter 8-100 for the procedures on delegations of authority.)

E. Approval Authority

The official who approves the reorganization is to sign the Federal Register Notice. The approval signature is to appear four spaces below the last line of the text of the Notice near the right margin. The date of approval will appear on the same line, to the left of the approval signature, near the left margin.

F. Federal Register Standards

HHS offices preparing Notices are to conform to the requirements of the Office of the Federal Register. In summary, they are as follows:

1. Double space the content of each Notice.

2. Leave one-inch margin on top, bottom, and each side.

3. Make sure that all of the text is legible.

For a more detailed listing of *Federal Register* requirements, consult the *Document Drafting Handbook* published by the Office of the Federal Register.

APPROVAL OF ORGANIZATION CHANGES
Within the Office of the Secretary

OS:
8-60-00 PURPOSE

This chapter states the policy and procedure that officials in the Office of the Secretary are to follow to obtain approval of organizational change.

OS:
8-60-10 POLICY

The requirements of this chapter must be met before any organizational change within the Office of the Secretary can be effected.

OS:
8-60-20 DEFINITIONS

A. For the purposes of this chapter, these definitions apply:

1 Organizational Segment--any organization which meets each of these four conditions:

a. Is separately established as an organization entity by law, order, regulation, Secretarial authority, or delegated authority.

b. Has an approved organizational title.

c. Has an approved organizational code.

d. Has an assigned function or functions which are performed by full-time employees.

2. Organizational Change--any change which results in:

   a. Establishment, abolition, transfer, realignment, or consolidation of an organizational segment.

   b. Addition, abolition, transfer of a function or functions.

   c. Change in the reporting relationships of an organizational segment.

   d. Change in the name of an organizational segment.

3. Major Organization--any organization under the direction and supervision of an official who reports directly to the Secretary.

OS:
8-60-30 APPROVALS REQUIRED

A. Organizational change within the Office of the Secretary requires the approval of these officials:

   1. Approval of the Secretary is required to effect change at the division level and above. (See Chapter 8-60 of this Manual for more information.)

   2. Approval of the Assistant Secretary for Administration and Management is required to effect change at the branch, section, and unit levels. Prior approval of the Assistant Secretary also is required before requests for organizational change are submitted to the Secretary.

   3. Approval of the head of a major organization is required before requests for organizational change are submitted to the Assistant Secretary for Administration and Management.

B. These approvals are required even though approval of the change may have already been granted through the budgetary or other administrative process.

OS:
8-60-40 PLANNING ORGANIZATIONAL CHANGE

A. Whenever officials wish to make a change in the organization under their direction and supervision, thev should take these preliminary actions prior to preparing the official request-

1. Review the "Checklist for Planning Organization Changes," shown as Exhibit X8-60-1 in this Manual. Though the checklist was developed primarily for organizational changes approved by the Secretary, most of its items apply to all organizational changes.

2. Consult with the Division of Management Policy and Directives, Office of Management Planning and Technology, which provides technical advice and assistance on effecting organization change.

OS:
8-60-50 SUBMITTING REQUESTS FOR ORGANIZATIONAL CHANGE

A. Requests for organizational change should contain the following:

1. An Action Memorandum addressed to the final approving official (either the Secretary or the Assistant Secretary for Administration and Management). The memorandum should discuss the principal aspects and policy issues (if any) of the proposed change and should include:

a. A brief but complete statement of the proposed change and the circumstances which make it necessary or desirable.

b. A summary statement of the changes in function or assignment of functions the change will require.

c. A statement of justification of the proposed change in terms of the criteria of sound organization. (See Chapter 8-60 of this Manual for discussion of criteria of sound organization.)

2. A functional statement that reflects the proposed change.

B. Requests for organizational change should be forwarded to the Assistant Secretary for Administration and Management, ATTENTION: Division of Management Policy and Directives.

OS: 8-60-60 CLEARANCE AND APPROVAL

A. The Division of Management Policy and Directives will:

1. Clear the proposed organizational changes with appropriate officials in the Office of the Secretary, prepare its recommendation on the proposal, **and** forward the proposal to the Assistant Secretary for Administration and Management or to the Secretary through the Assistant Secretary for final decision.

2. Keep the originating office aware of any problems that **may arise** in the clearance process. Negotiate issues identified in the clearance process. Prepare issue papers for decision by higher officials.

3. Notify the originating office of the final decision.

OS: 8-60-70 PUBLICATION OF FUNCTIONAL STATEMENT

Upon approval of an organizational change, the Division of Management Policy and Directives will arrange for publication of the change in the Department-organization Manual and, if required the Federal Register.

OS: 8-60-80 PREPARATION OF **FUNCTIONAL STATEMENTS**

A. OS officials should follow these guides in preparing functional statements required by **paragraph OS: 8-60-50A2.**

1. Substantive Content

   a. Statements must have organizational titles that describe both the organzational level and the basic function of each organizational segment.

   b. Statements must be concise, yet provide sufficient information to permit someone not acquainted with the organization to understand the substance of work done, authority exercised, and significant relationships with other organizations.

   c. Statements must identify the functions assigned to an organizational segment but should not describe how those functions are implemented, unless such information is necessary to understand the mission or to differentiate the mission from that of some other organizational segment.

   d. Statements must be comprehensive enough to provide a traceable connection between related parts of functional statements of higher and lower levels.

   e. Statements for organizational segments on the same level of organization must be mutually exclusive by incorporating distinctions as to the nature of their activity, the subject of their activity, or their clientele.

2. Wording

   a. Statements are to have the organizational segments as their understood subject.

   b. Verbs are to be present, active, third person, and singular.

   c. Statements treating internal managerial functions may use "directs," "supervises," "administers," and similar terms to cover budgeting, selecting, personnel, general coordination, and other such internal managerial functions common to organizational segments.

d. Verbs or verbal phrases which give an indefinite indication of the extent of involvement in carrying out a function--such as "handles," "contacts," "sees to"--are to be avoided.

e. Adjectives indicating the degree to which some attribute is present or the extent of success achieved--such as "large," "difficult," "complicated," "involved," and "effective"--are to be avoided.

f. Technical terminology is to be held to a minimum.

3. Organization Codes

All organizational segments down to the lowest element (i.e., unit) must have an organizational code. The code becomes an integral part of the organization title. Accordingly, proposals for organization change submitted for approval by the Assistant Secretary for Administration and Management and/or the Secretary should include the code in parentheses immediately following the title of each organizational segment of the proposed organization. See sample below.

Sample:

Division of Program Management (1N19075).

4. Technical Assistance

Functional statements have a definite format and style. The Division of Management Policy and Directives, upon request, will provide guidance in these areas and in questions relating to possible conflicts of functions or responsibilities of other elements of the Office of the Secretary.

Subject: ORGANIZATIONAL NOMENCLATURE

8-65-00 PURPOSE

This Chapter prescribes the organizational nomenclature that HHS managers are to use in applying names to organizations under their direction and titles to heads of these organization units. It also defines organizational terms that are commonly used within the Department.

8-65-10 SCOPE

The provisions of this Chapter apply to all organizations of the Department.

8-65-20 POLICIES APPLICABLB TO ORGANIZATIONAL NOMENCLATURE

A. The Secretary or other approving official must approve new or revised names of organizations and new or revised titles of heads of organizations before they can be officially used. Chapter 8-60 of the General Administration Manual cites these approving officials.

B. Changes to organizational nomenclature are to be kept to a minimum since too frequent changes tend to be disruptive and costly. Requests for changes to organizational nomenclature should be made only when:

1. New organizations are established within the Department.

2. Major functions are added to an organization, transferred from one organization to another, or cancelled.

3. Major shifts in management occur (for example, functions and activities are centralized or combined within an organization).

4. Unforeseen circumstances make a change in nomenclature necessary (for example, two organizations have the same name and this creates identification problems for the public).

C. Organizational names and titles established by law or executive order are to be used, even though they may conflict with the nomenclature established by this chapter.

D. Any organization whose nomenclature does not comply with the provisions of this Chapter may continue to use such nomenclature provided:

1. The nomenclature was established by law or executive order, or

2. The nomenclature was in effect prior to the effective date of this Chapter.

8-65-30 COMMONLY USED ORGANIZATIONAL TERMS

The following terms are commonly used within the Department to describe a certain type or types of organizations:

A. Department. The Department refers to the Department of Health and Human Services. The Secretary, the Under Secretary and their immediate offices, the Operating Divisions, the Staff Divisions, and the Regional Directors and their offices collectively are the Department.

B. Office of the Secretary The Secretary, the Under Secretary and their immediate offices, the Staff Divisions, and the Regional Directors and their offices collectively are the Office of the Secretary.

C. <u>Staff Division.</u> A Staff Division is a major organization of the Office of the Secretary whose head reports directly to the Secretary. The current Staff Divisions of the Department are the:

- Office of the General Counsel headed by the General Counsel
- Office of the Assistant Secretary for Legislation headed by the Assistant Secretary for Legislation
- Office of the Assistant Secretary for Planning and Evaluation headed by the Assistant Secretary for Planning and Evaluation
- Office of Public Affairs headed by the Assistant Secretary for Public Affairs
- Office of the Assistant Secretary for Personnel Administration headed by the Assistant Secretary for Personnel Administration
- Office of the Assistant Secretary for Management and Budget headed by the Assistant Secretary for Management and Budget
- Office of Inspector General headed by the Inspector General
- Office for Civil Rights headed by the Director for Civil Rights
- U.S. Office of Consumer Affairs headed by the Director. (The U.S. Office of Consumer Affairs is considered a Staff Division for administrative purposes only since its Director is a member of the White House Staff.)

The proper abbreviation for Staff Division is STAFFDIV.

D. Operating Division. An Operating Division is a major organization whose primary function is to direct and manage the substantive programs of the Department and whose head reports directly to the Secretary. The current Operating Divisions of the Department are the:

- Public Health Services headed by the Assistant Secretary for Health
- Social Security Administration headed by the Commissioner of Social Security
- Office of Human Development Services headed by the Assistant Secretary for Human Development Services
- Health Care Financing Administration headed by the Administrator
- Family Support Administration headed by the Administrator

Though it is organizationally an official part of the Office of the Secretary, for the purposes of organizational nomenclature, the Office of Human Development Services is considered an Operating Division.

The proper abbreviation for Operating Division is OPDIV.

E. Public Health Service Agency. A Public Health Service Agency is a major line organization of the Public Health Service whose primary function is to direct and manage substantive health programs and whose head reports directly to the Assistant Secretary for Health. The current Public Health Service Agencies are the:

- Alcohol, Drug Abuse, and Mental Health Administration headed by the Administrator
- Centers for Disease Control headed by the Director
- Food and Drug Administration headed by the Commissioner
- Health Resources and Services Administration headed by the Administrator

- National Institutes of Health headed by the Director

- Agency for Toxic Substances and Disease Registry headed by the Administrator

- Indian Health Service headed by the Director

The proper abbreviation for Public Health Service Agency is PHS Agency.

8-65-40 STANDARD DESIGNATIONS FOR ORGANIZATIONS AND HEADS OF ORGANIZATIONS

Use the statutory name in naming **organizations** and heads of organizations. If there is no **statutory** name, use the standard designations listed below. (See exceptions in section 8-65-20D.2.) For sections A thru C and E thru G, these designations are listed in descending order of reporting relationships.

A. Staff Divisions

Name of Organization	Title or Organization Head
Office	Assistant Secretary, for __________, or Director
Office	Deputy Assistant Secretary for _________, or Director
Office*	Director*,
Division	Director
Branch	Chief
Section	Chief
Unit	Chief

*This level of organization may be used only when approved on **a** case-by-case basis by the Assistant Secretary for Management and Budget. See 8-65-50.

B. Office of the Secretary Regional Organizations Reporting to the Regional Director

Name of Organization	Title of Organization Head
Office	Regional Director (functional title)
Office	Director
Division	Director
Branch	Chief
Section	Chief'
Unit	Chief

C. Office of the Secretary Regional Organizations Reporting Directly to Headquarters

Name of Organization	Title of Organization Head
Office	Regional, Director (functional title)
Office	Director
Division	Director
Branch	Chief
Section	Chief
Unit	Chief

D. Operating Divisions. The names of Operating Divisions and the titles of Operating Divisions heads are generally established by law. **If they** are not, the Secretary will select appropriate names and titles for them.

E. Line Oraanizations of Operatina Divisions. The line organization of an Operating Division is that portion of the Operating Division which actually administers the substantive programs assigned to the Operating Division. The line portion of the organization begins with the head of the Operating Division and runs to the lowest-level operating unit with programmatic responsibilities (e.g., processing claims, managing the substantive aspects of grants and major contracts, conducting biomedical research, and carrying out regulatory activities).

Name of Oraanization	Title or Oraanization Head
Administration or Office	Administrator, Associate Administrator or Director
Bureau or Office	Director
Division	Director
Branch	Chief
Section	Chief
Unit	Chief

Note: There are some line organizations (e.g., hospitals, laboratories, etc.), particularly within PHS which are not conducive to these titles. These entities should retain their current titles to amply identify the services they render.

F. Staff Oraanizations of Oneratina Divisions. The staff organization of an Operating Division is that portion of the Operating Division which provides advisory, administrative or assessment/quality control support services to line officials, such as budget, finance, personnel, procurement, public affairs, quality control, evaluation, policy analysis, and management analysis.

Name of Oraanization	Title or Oraanization Head
Office	Deputy Assistant Secretary for ________________,or Associate Administrator
Office	Commissioner for ____________, or Director
Division	
Branch	**Chief**
Section	Chief
Unit	Chief

G. Reaional Oraanizations of Ooeratina Divisions

Name of Oraanizations	Title of Oraanization Head
Office	Regional Commissioner, Regional Administrator, or Regional Representative
Office	Assistant Regional Commissioner, Assistant Regional Administrator, or Assistant Regional Director
Division	Director
Branch	Chief
Section	Chief
Unit	Chief

8-65-50 EXCEPTIONS TO STANDARD DESIGNATIONS

Exceptions to standard designations (other than those established by law or executive order) will be approved only when they are likely to increase the public's understanding of the Department's organization and purpose, and to identify more readily the work of an organization than the standard designation does.

Requests for exceptions should explain how the exceptions fulfill these conditions, and be submitted for approval to the Assistant Secretary for Management and Budget.

CHAPTER 8-67

UNIFORM SYSTEM OF DEPARTMENT AND POC ORGANIZATION CHARTS

8-67-00 PURPOSE

The purpose of this Chapter is to prescribe a Department-wide system of organization charts which specify major organization elements and key officials.

8-67-10 SCOPE

The uniform system of Department and Principal Operating Component (POC) charts prescribed by this Chapter is a management tool for use by those in directing and coordinating capacities. Under this system, the charts produced will:

A. Show at a glance principal Departmental and POC organizations and the key personnel who direct them:

B. Provide a means of depicting HEW organizational structure to the White House, the Congress, and the general public;

C. Serve as a handy reference for top-level discussions by the Secretary, his executive staff, and key POC officials regarding organizations, functions, channels of command, and key assignments;

D. Serve as a useful guide to the Office of Personnel Management, formerly the Civil Service Commission, in its consideration of supergrade actions; and

E. Provide a frame of reference for discussions between the Office of the Secretary and the POCs regarding budgetary, staffing, and program plans.

8-67-20 PROCEDURES AND SPECIFICATIONS

A. The POC overall chart should be limited to the POC head and those officials who report directly to that individual.

B. Charts for each second-level organizational unit will show the subordinate organizations which report directly to it. Additional charts down to the division level will reflect lower level organizations.

C. Approval of Charts

1. The POC overall chart should contain the signature and date of approval of the head of the POC. Lower level charts down through the division level in a POC and line components thereof (i.e., agencies, bureaus, offices, administrations) should show the approval and date thereof by the top POC management official whose organization has responsibility for processing and/or approving organization proposals.

2. In the Office of the Secretary, charts will show the signature and date of approval by the heads of organizations reporting directly to the Secretary and will include only those subordinate organizations which report directly to the signing official.

3. Charts for the Office of the HEW Principal Regional Officials (PROs) will contain the signature and approval date by the PRO and reflect only those organizations reporting directly to that individual.

D. Preparing offices will update chart data as of April 1 and October 1 and submit updated charts to the Office of Management Analysis and Systems, OS, ten working days after the close of the update period. After the initial submission, semi-annual submissions will include only charts for organizations where changes have occurred. Submissions should include four copies of each chart. Charts should be 10½" x 8"* in size and should be suitable for reproduction.

E. Exhibit 8-67-l contains format specifications for charts. All information shown is before reduction by the printer. Charts will be printed (not "xeroxed") "originals" suitable for reproduction and publication. Type style and size of "boxes" will be as shown on the exhibit. However, reasonable approximations are acceptable if local conditions and the overall chart size before reduction preclude rigid adherence to standards. Enter the administrative code for each "box" in parentheses in the lower right corner of the box. Show only officially approved organizations, There can be no exceptions to the specified 10½" x 8"* size cf printed copies.

*After January 1, 1980, the paper size will be 8½" x 11".

3/4"

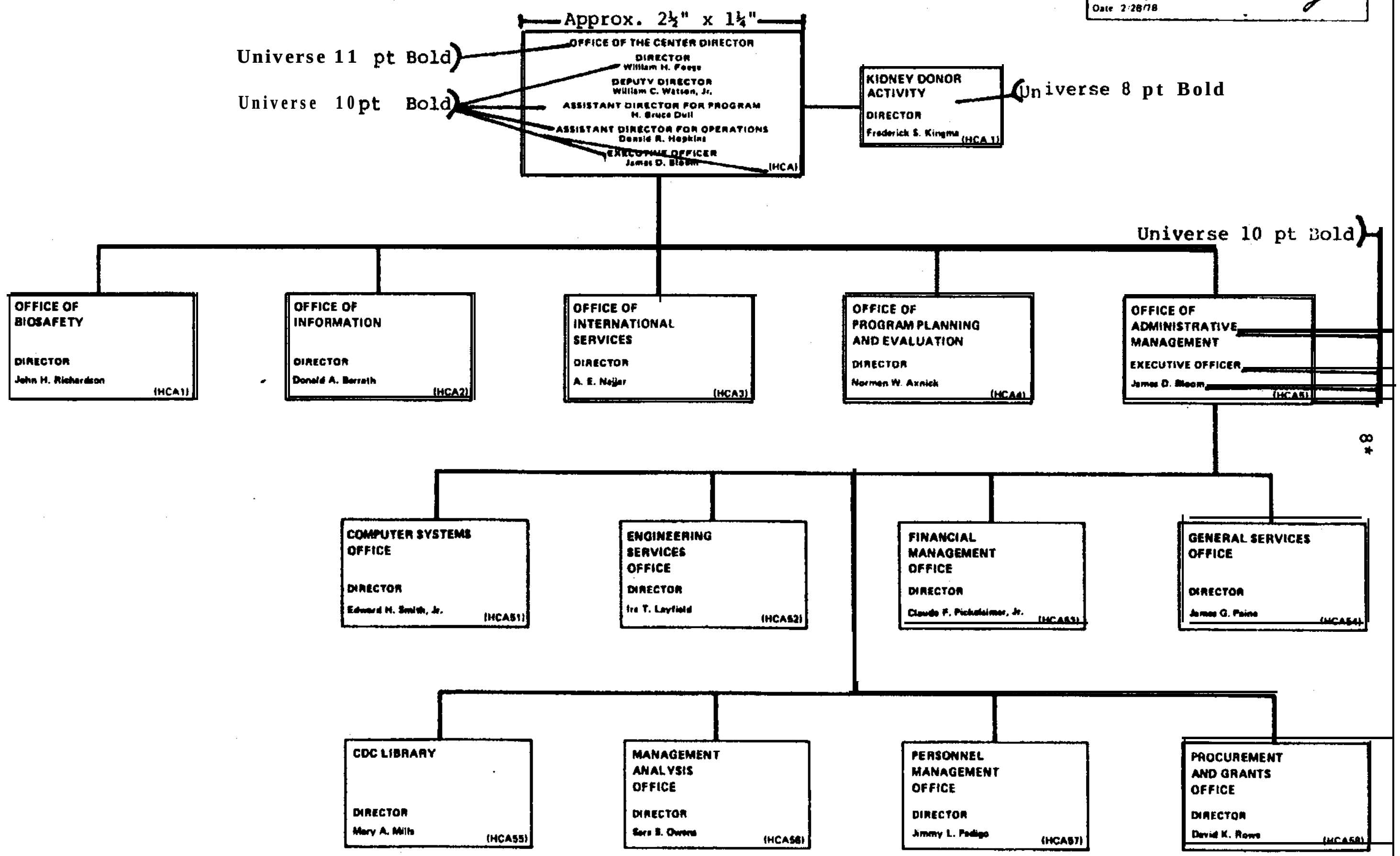
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Universe 24 pt Bold)/

Universe 18 pt Bold

PUBLIC HEALTH SERVICE
CENTER FOR DISEASE CONTROL
OFFICE OF THE CENTER DIRECTOR

APPROVED: CDC
William H. Foege
Date 2/28/78



Paper size after 1/1/80 - 8½ x 11 10½

CHAPTER 8-69

STANDARD ADMINISTRATIVE CODE

8-69-00 PURPOSE AND SCOPE

This Chapter prescribes a Standard Administrative Code for use throughout the Department of Health, Education, and Welfare. The Administrative Code is designed to be concise, easy to remember, easy to say and write, and reasonably visually **decodable.** In addition, it shows the position of a unit in the organizational structure.

8-69-10 OVERVIEW OF THE ADMINISTRATIVE CODE

A concise statement of what makes up the Standard Administrative Code is as follows:

1. The code consists of a combination of alphabetical and numeric characters; the total cannot exceed eleven characters or eleven columns.

2. The number of characters required to completely identify a particular organizational element depends on the place of a given organization in the organizational hierarchy.

   For example, the Office of General Counsel in the Office of the Secretary would be coded with two alpha characters **"AG."** The first letter, "A" denotes the Office of the Secretary and the **"G"** denotes the Office of the General Counsel, a prime unit of the Office of the Secretary.

   An organization at a lower 'level would have a longer Code. For example, HSMB would denote H Public Health Service; S Health Services Administration; M Bureau of Medical Services; and B Division of Hospitals and Clinics. Thus, the Code is hierarchical, because **it** portrays the place of an organization in the organizational structure.

3. The code is structured so that all eleven columns have the **potential for** both alphabetical and numeric characters. However, initially Columns l-3 inclusive will specify alphabetical characters (except where a number is used In Column 3 to denote

a regional office).' Columns 4-11 will contain numeric/alpha characters.

4. Each of the eleven columns is a discrete Code element except in the single instance in which two columns are paired to denote a given organizational element.

   The code can be used to identify-any individual activity, even though there may be many of the same type. For example, HEW has 150 PHS Health Units under its jurisdiction. Each Unit can be separately identified. If the various units cannot be identified using a single column, then two columns are used. This is discussed in detail in 8-69-20-H-3.

5. Certain alphabetical and numeric characters are used for special purposes as described in 8-69-20, Technical Instructions for Code Application.

8-69-20 TECHNICAL INSTRUCTIONS FOR CODE APPLICATIONS

A. The Code is made up of two parts: Columns l-3 and Columns 4-11.

   1. Columns 1, 2, and 3 will specify alphabetical characters except as specified in F below. All letters are available for use in these columns, except "I," "O," and "Z" which is written as Ƶ. "I" and "O" are not used to avoid confusion with numbers. Ƶ serves a special function as explained below.

   2. Columns 4 to 11 inclusive may contain alphabetical and numeric characters, subject to the following restrictions:

      a. All letters except I and 0 are available for use in these columns. F and Ƶ are available only for special uses as noted below.

      b. Numbers l-9 inclusive likewise are available in these columns. Numeric zero, which is written Ø, is used only for special purposes as described below.

      c. Numbers are used first and then letters, except as specifically noted.

B. Certain letters, numbers, and characters when they are placed in certain columns are used for specified purposes. The following table shows the specific reservations for Principal Operating Components (POCs) in Column 1, and specifies other special uses and reservations:

   A - Col. 1 - Office of the Secretary
   A - Cols. 2 and 3 - Office of the head of an organization where the size and complexity require such breakout.

D - Col. 1 - Office of Human Development Services (OHDS)
D - Cols. 2 and 3 denote Office of PRO, POC Regional Commissioner, or POC Regional Administrator
E - Col. 1 - Education Division
F - Col. 1 - Health Care Financing Administration
F - Cols. 4-11 - Denotes a Field organization (See paragraph 8-69-20H)
H - Col. 1 - Public Health Service
I - Do not use anywhere
O - Do not use anywhere
S - Col. 1 - Social Security Administration
X - Col. 3 or 4 Region X, Seattle
Y - Cols. 2 or 3 - As required, denotes HEW-affiliated organization, e.g. EEY1 (National Council on Quality of Education)
Ƶ - Do not use anywhere as alpha character. Use only in Cols. 4-11 to signal that the following two columns are to be used as a pair to describe multiple offices of a similar type, e.g., SSA District Offices (See 8-69-20H.3).

Numbers

1-9 - Use in Cols. 4-11

Ø - Do not use as a number. Use only in Cols. 4-11 as left digit in two columns used in pairs to delineate the first 31 units in a series of similar units

- (hyphen) - Use only to denote the absence of an organizational unit at a given level in the hierarchy and as a place holder. Codes containing - (hyphen) will list before codes containing alpha or numerics.' For example, EES-1 lists before EES1.

C. The criteria for determining whether "F" is appropriately used in columns 4-11 or whether a unit is treated as a Headquarters unit are as follows: Headquarters is any organizational element regardless of physical location, whose functions, responsibilities, clientele, or authority extend nationwide (not geographically limited to a particular area). For example, the Center for Disease Control in Atlanta, Georgia is a headquarters organization of the Public Health Service. The Health Services Administration in Rockville, Maryland, is a headquarters organization. The organization of the Indian Health Service in Rockville, Maryland likewise is a headquarters unit for that program bureau. The Indian Health Area Office in Albuquerque, on the other hand, in its entirety, is a field organization. Organizations which are recognized as elements of the Principal Operating Component headquarters of the Social Security Administration in Baltimore are treated as Headquarters organizations. Likewise, the Bureau of Hearings and Appeals organization in Arlington, Virginia is a Headquarters organization. Hearings and Appeals units scattered throughout the country are field units.

D. Administrative Code Application for Office of the Secretary and Principal Operating Components

1. The Office of the Secretary and Principal Operating Components of the Department and their offices are depicted by a single-letter code, as follows:

A Office of the Secretary
D Office of Human Development Services
E Education Division
F Health Care Financing Administration
S Social Security Administration
H Public Health Service

2. The next subordinate element is assigned a single letter in the second column. The second letter in combination with the code for principal operating component identifies a particular subordinate organizational element. For example:

*DA Office of Human Development Services, Office of the Assistant Secretary
DG Office of Human Development Services, Administration on Aging
ES Public Health Service, Health Services Administration
EE Education Division, Office of Education

*Use letter "A" in the second and third columns to depict the office of the head of the organization, where size and complexity warrant such breakout.

3. The next succeeding organizational element to the above is assigned a single letter in the third column. The third letter in combination with the two alpha characters described above delineates this organizational element. For example:

EE Office of Education
EEW Bureau of Occupational and Adult Education
HS Health Services Administration
HSM Bureau of Medical Services

4. The next subordinate element is assigned a number or letter in column 4. This number in combination with the foregoing identifies this organization. For example:

EEW Bureau-of Occupational and Adult Education
EEWV Division of Vocational and Technical Education

5. The next succeeding organizational element is assigned a number or letter in Column 5. This number in combination with the foregoing identifies this unit. For example:

   EEWV Division of Vocational and Technical Education
   EEWV2 Post Secondary and Adult Occupational Branch

6. The next organizational element is assigned a number or letter in Column 6. This number in combination with the foregoing identifies this unit. For example:

   EEW Bureau of Occupational and Adult Education
   EEWV Division of Vocational and Technical Education
   EEWV2 Post Secondary and Adult Occupational Branch 21
   EEWV21 Older Workers Retaining Section*

   *(hypothetical units for illustrative purposes).

7. The process of adding a numeric/alpha indicator for each succeeding subordinate organization should be followed to denote the lowest duly constituted level. The entire code designation will not exceed the eleven columns set aside for the code field.

E. Administrative Code Application to the Office of the Secretary

1. The immediate office of the Secretary, the office of the Under Secretary, and the offices of the assistant secretaries are depicted by a double-letter code, as follows:

   AA Office of the Secretary (Immediate Office)
   AB Office of the Under Secretary
   AE Office of Assistant Secretary for Planning and Evaluation
   AF Office of the Inspector General
   AG Office of General Counsel
   AH Office of Assistant Secretary for Personnel Administration
   AL Office of Assistant Secretary for Legislation
   AM Office of the Assistant Secretary for Management and Budget
   AP Office of Public Affairs'

2. Certain other Office of the Secretary offices reporting to the Secretary are assigned a double-letter code similarly as follows:

   AT Office for Civil Rights
   AW U.S. Office of Consumer Affairs
   AX Office of Executive Secretariat

3. The codes denoting the next succeeding level consist of three alpha characters. For example:

   AG Office of General Counsel
   AGC Division of Business and Administrative Law

4. *In* the event of further **sub-divisions** of the elements in 3 above, the codes will be constituted as shown in D4, 5, 6, and 7 above.

F. Administrative Code Application to Regional Offices

1. The Standard Administrative Code for the Office of the Principal Regional Official would be expressed as stated below. The first two letters of the Code will be AD, and the total code will be as follows:

AD1 - Office of the Principal Regional Official, Region I **(Boston)**
A - **Office of** the Secretary
D - Office of Principal Regional Official
1 - (in 3rd position) Region I. This is the only instance where a **number** is used in the first three columns.

2. Offices repqrting to the Principal Regional Official are denoted by a letter in the fourth column. For example:

AD4H Office of Congressional and Intergovernmental Affairs, Region IV (Atlanta)

3. Within each region, the Standard Administrative Code denoting the next succeeding element consists of the initial portion as shown above followed by a single numeric/alpha character. For example:

AD4H3 **Office** of **State Operations** under **the Office** Of' Congressional and Intergovernmental Affairs in Atlanta

4. The next succeeding element to the element shown above is assigned a number in the next column. For example:

AD4831 Division of State Plans under the Office of State Operations under the Office of Congressional and Intergovernmental Affairs in Atlanta

G. Administrative Code Applications to Offices of Regional Commissioners and **Administrators**

1. The Standard **Administrative Code** for the regional administrators associated with the principal operating components, would be expressed as stated below. The first letter of the Code will be the POC designator, followed by the letter **"D"** and then the specific Regional office designator 'in the next column, as follows:

F Health Care Financing Administration
D Office of Regional **Administrator8**
5 Region V (Chicago)

2. Subordinate units would be coded as in F2, 3, and 4 above.

H. Administrative Code Applications to Field

1. Organizations located outside parent organization headquarters and not within the purview of an Office of the Principal Regional Official should be coded to reflect the line hierarchical position of the organization within the parent organization.

2. A special provision has been made for coding field activities. The letter "F" is inserted in columns 4-11 of the point which divides the national headquarters organization from the field organization. "F" should not be used in columns 4-11 for any other purpose.

The succeeding columns, however many are necessary, will be used to identify the field organization and its internal structure. For example:

H	Public Health Service
HS	Health Services Administration
BSN	Indian Health Service
HSNF	Field
HSNF7	Phoenix Area Office
HSNF75	Colorado River Service Unit
HSNF753	PHS Indian Hospital, Parker, Arizona
HSNF7532	Administrative Services Branch
HSNF75321	Housekeeping and Transportation Section

3. The Code can be used to identify any individual activity, even though there may be many of the same type. For example, if there are 30 outpatient clinics and if a single column has a potential of 31 separate, identifiable codes, each such clinic can be identified individually in a single column.

If there is a need to identify more organizational elements than can be identified by a single column, two columns are paired to identify each organizational element. A Ø zero is placed in the left column and in the right column numbers one through nine and letters A through Y (except "F," "I," "O," and "Z") are inserted for the first 31 activities. The first would be Ø1; the second Ø2, etc. The 32nd is designated 1 in the left column and 1 in the right column. The 33rd is designated 1 in the left column and 2 in the right column etc. Two columns thus paired provide for 961 possible discrete code assignments.

To signal that two columns are being paired as described above, a "Z" is placed in the column immediately to the left of the paired columns. For example, ZØ1, ZØ2.

8-69-30 RESPONSIBILITIES

A. HEW Management and Budget Office

1. The Division of Organizational Analysis (DOA), Office of the Secretary (OS), is responsible for the establishment and maintenance of the HEW Standard Administrative Code System and will provide advice and assistance to the Administrative Code Control Officers on problems of determining and applying the Code. Also, it will assign and control the Code Assignments in Columns 1, 2, and 3.

2. The Office of Personnel (OP), Assistant Secretary for Personnel Administration, is responsible for maintaining a central registry of Standard Administrative Codes and publishing listings of updated Code information on a regular basis.

B. Principal Operating Components (POC) and Staff Offices

1. The head of each POC and main subordinate elements thereof, and the DOA, Assistant Secretary for Management and Budget (ASMB), for the OS will designate an Administrative Code Control Officer who will be responsible for the establishment and maintenance of the organization's Standard Administrative Codes and the distribution of Code listings. The ASMB (DOA) will be notified of the names of these officers and their alternates.

2. The head of each POC and the ASMB for the OS will assure the development and issuance of guidance for the coding in their respective areas of jurisdiction. In addition, they will assure that the Standard Administrative Code System is applied within their respective organizations, both at headquarters and in the regions and the field. Administrative Code listings will denote currently existing and approved organizational elements. There will be situations in which obsolete Codes are retained in the Code listing until all positions are deleted from them. Once a new Code is prescribed for *an* organization, no personnel or other action will be taken affecting an employee of the Department and his rights which utilizes Administrative Codes denoting organizations which are nonexistent and which have been abolished.

8-69-40 PROCEDURES

A. Assignment and Maintenance of Codes

1. Reorganizations Requiring Office of the Secretary Approval

Upon Secretarial approval of an organizational change, the affected POC Administrative Code Control Officer will submit proposed coding changes to the DOA utilizing Form HEW 509A (Revised) Notice of Administrative Code Revision.

For each organizational change the original and two copies of a Notice of Administrative Code Revision will be forwarded to DOA. One copy of the Form will be returned to the POC Administrative Code Control Officer indicating that the proposed Code changes have been reviewed and approved.

2. Reorganization Not Requiring Office of the Secretary Approval

Notifications of changes in Administrative Codes and titles should be provided on the notice form and submitted to DOA immediately after the organization changes have been approved.

3. Deadlines for Forwarding Change Notices

Administrative Code Control Officers should make every effort to forward Forms promptly to DOA. In order to include all possible data in a periodic update, Administrative Code Control Officers should dispatch Forms in time to arrive in the Employee Systems Center, OP, four days before the end of a pay period. In order to allow for the review and approval by DOA, change notices should be submitted to it by Tuesday noon of a week in which a pay period ends.

4. Retention of Codes

When an organizational change requires the assignment of another Administrative Code, the former Code will be preserved for at least two years before it is considered for possible re-use. Each POC will determine the period of preservation before re-use to be applied to its Codes.

B. Preparation of Form 509A (Revised) Notice of Administrative Code Revision

This form is the official source for adding a new Code, deleting an existing Code or several Codes simultaneously, or changing an existing Code. A separate entry is required for each organizational change. Since these forms provide the input to the system, they should be complete, accurate, and represent the currently approved organization to eliminate reprocessing as much as possible.

Control Number - Each form will be identified by a control number consisting of:

POC and Agency Identifier - Use first two column alpha indicators.

Fiscal Year - Last two digits of the current fiscal year.

Serial Number - Sequentially assigned number of two digits beginning each fiscal year with 01.

Type of Revision - Check appropriate box to indicate the nature of the organizational change as follows:

Addition
Deletion of a single code*
Change in Organization Title Only
Mass Deletion*

*NOTE: Action to delete codes pertaining to superseded organizations should be taken as soon as possible after an 'organization change is approved. A "deletion" action does not actually drop an administrative code from the register of administrative codes; rather it serves to notify management that, not later than 90 days after a change is approved, all positions should be transferred from the superseded organization. If, however, all positions still have not been removed, the organization will continue to be carried in a pending status.

Code Number - This item must be completed as follows:

If entry in type of revision is "Addition,' enter the new Standard Administrative Code.

If entry is "Deletion - Single Code," enter the existing administrative code to be deleted, eventually.

If entry is "Change Organization Title," enter the Administrative Code as it currently appears.

If the entry is "Deletion - Mass," enter the top-level existing administrative code to be deleted, eventually.

Organization Title - Enter titles in Columns 13-75 inclusive. Sixty-two characters including spaces have been provided for, this item. Standard abbreviations are to be used as listed in Exhibit x8-69-1. Titles not included in the Exhibit on Standard Abbreviations will be written in full unless the title exceeds the characters permitted. In that event, abbreviate the title and indicate in the Remarks section the full title of the organization. The words "of" and "the" will be deleted entirely in organization titles for the purposes of this Chapter. Use the following guidance:

If the type of revision is "Addition: enter the new organization title.

If the type of revision is "Deletion - Single Code," it is not necessary to enter the existing organization title.

If the type of revision is "Change Organization Title," enter the new organization title.

If the type of revision is "Deletion - Mass," it is not necessary to enter the existing organization title.

Effective Date - Enter in Columns 76-80 the effective date of the organization change. Enter the last digit of the current calendar year, the month (01 through 12) and the day (01 through 31). For example, if the effective date of an organization was May 12, 1975, it would be written 50512.

Remarks - If necessary, enter further information to clarify data furnished in previous items.

Submitted By - Form is to be signed and dated by the designated Administrative Code Control Officer or alternate.

Approved By - This space is provided for the signature or initials of the HEW Administrative Code Control Officer and the date.

ACCOUNTS	ACCTS
ACCOUNTING	ACCTG
ACTIVITIES	ACTVS
ACTIVITY	ACTVY
ACTUARY	ACTRY
ADJUDICATION	ADJUDN
ADJUSTMENTS	ADJSTMTS
ADMINISTRATION	ADMIN
ADMINISTRATIVE	ADMIV
ADMINISTRATOR	ADMINR
ADVISOR	ADVSR
AFFAIRS	AFFRS
AGENCY	AGNCY
ANALYSIS	ANALS
AND	&
ANESTHESIOLOGY	ANESTHESLGY
ANTIBIOTICS	ANTIBOT
APPEALS	APPLS
APPRAISAL	APRSL
ARCHITECTURAL	ARCH
ASSEMBLY	ASSMBY
ASSISTANCE	ASSTNC
ASSISTANT	ASST
ASSOCIATE	ASSOC
ASSOCIATION	ASSOCN
ATTORNEY	ATTY
AUDIO-VISUAL	AUDVIS
AUDIT	AUDIT
AUDITOR	AUDR
AUTOMATIC DATA PROCESSING	ADP

BACTERIOLOGICAL	BACTRLGL
BALTIMORE	BALTO
BENEFICIARIES	BENCS
BENEFITS	BNFTS
BILINGUAL	BLNGL
BIOCHEMISTRY	BIOCHEMSTRY
BIOLOGICAL	BIOLGL
BIOMEDICAL	BIOMDCL
BOARD	BD
BOOKKEEPING	BKKPG
BRANCH	BR
BUDGET	BGT
BUDGETING	BGTG
BUILDINGS	BLDGS
BUREAU	BU
BUSINESS	BUS

CALCULATING	CALCG
CARDIOVASCULAR	CARDVASC
CAREER	CRER
CATALOG	CATLG
CENTER	CTR
CERTIFICATION	CERTIFN
CHAIRMAN	CHRMN
CHARGE	CHG
CHEMISTRY	CHEMSTRY
CHIEF	CH
CIVIL	CVL
CLAIMS	CLMS
CLASSIFIER	CLASSR
CLERK	CLK
CLINIC	CLNC
CLINICAL	CLNCL
CLINICS	CLNCS
COLLABORATOR	COLLAB
COLLATERAL	COLLATL
COLLECTION	COLLN
COLLEGE	COLL
COMMISSION	COMMSN
COMMISSIONER	COMMSNR
COMMITTEE	COMTE
COMMODITIES	COMMODS
COMMUNICATIONS	COMMUN
COMMUNITY	COMUTY
COMPENSATION	COMP
COMPENSATORY	COMPTY
COMPLIANCE	COMPLNC
CONGRESSIONAL	CONGRSL
CONSULTANT	CONSLT
CONSULTATION	CONSLTN
CONSUMER	CONSMR
CONTACT	CONTCT
CONTRACTS	CONTRCTS
CONTROL	CONTL
COORDINATION	COORD
CORPORATION	CORP
COUNCIL	CNCL
COUNSEL	CNSL
COUNTY	CO
COURT	CRT

DEFENSE ------------------------ DEF
DELINQUENCY -------------- DELQNCY
DEMONSTRATION ----------------- DEMON
DENTAL ---------------------- DENTL
DEPARTMENT -------------------- DEPT
DEPARTMENTAL ------------------ DPTL
DEPUTY ------------------------ DEP
DEVELOPMENT ------------------- DVPMT
DIRECTOR ---------------------- DIR
DISABILITY ------------------- DISAB
DISADVANTAGED --------------- DISNVGD
DISBURSEMENT -------------- DISBRSMT
DISSEMINATION --------------- DISMTN
DISTRICT ---------------------- DIST
DISTRICT OFFICE ----------------- DO
DIVISION ---------------------- DIV
DOCUMENTATION --------------- DOCMTN
DOMESTIC --------------------- DMSTC
DRUG -------------------------- DRG

EASTERN --------------------- ESTRN
ECONOMIC --------------------- ECON
EDITOR ----------------------- EDTR
EDITORIAL ------------------- EDTRL
EDUCATION ------------------- EDUCN
EDUCATIONAL ---------------- EDUCNL
ELECTRIC ACCOUKTING MACHINE ------ EAM
ELECTRONIC DATA PROCESSING ------- EDP
ELEMENTARY ----------------- ELMNTY
EMERGENCY --------------------- EMER
EMPLOYMENT ----------------- EMPLMT
ENFORCEMENT ------- ------ ENFCMNT
ENGINEER ---------------------- ENGR
ENGINEERING ----------------- ENGNRG
ENTITLEMENT ---------------- ENTMNT
ENVIRONMENTAL ------------ ENVRMTL
ESTABLISHMENT ------------ ESTBLT
EVALUATION ------------------- EVAL
EXAMINATION ------------------ EXAM
EXAMINER -------------------- EXAMR
EXECUTIVE -------------------- EXEC
EXPEDITER ------------------ EXPDTR
EXTENSION --------------------- EXT
EXTRAMURAL --------------- EXTRAML

FACILITIES ------------------ FACLS
FACILITY --------------------- FACL
FAMILY ------------------------ FAM
FEDERAL ----------------------- FED
FELLOWSHIPS ---------------- FLWSPS
FIELD ------------------------- FLD
FILES ----------------------- FILES
FINANCIAL ------------------- FINCL
FOREIGN ---------------------- FRGN

GENERAL ---------------------- GNRL
GOVERNMENT ------------------- GOVT
GOVERNMENTAL ---------------- GOVTL
GOVERNMENT EMPLOYEES TRAINING
ACT ------------------------- GETA
GROUP ------------------------ GRP
GUARANTEED ---------------- GURNTD

HANDICAPPED -------------- HNDCPD
HEAD --------------------------- HD
HEALTH ----------------------- HLTH
HEARING ----------------------- HRG
HEMATOLOGY ------------- HEMATLGY
HISTORIAN ----------------- HISTRN
HOSPITAL --------------------- HOSP
HOSPITALS ------ ------ ---- -- HOSPS
HOUSEHOLD ----------------- HSEHLD

ILLUSTRATION --------------- ILLUSR
IMMEDIATE --------------------- IMD
INCENTIVE ------------------ INCNTV
INDUSTRIAL ---------------- ---- INDL
INDUSTRY ----------------- INDSTRY
INFORMATION ------------------ INFO
INNOVATION ------------- INVTN
INQUIRIES ------------------- INQRS
INSPECTOR ------------------- INSPR
INSTITUTE -------------------- INST
INSTITUTES ---------------- INSTS
INSTITUTIONAL ----------- INSTNL
INSTITUTIONS -------------- INSTNS
INSTRUCTION ---------------- INSTRN
INSTRUCTIONAL ------------ INSTRNL
INSURANCE --------------------- INS
INSURED ---------------------- INSD
INTEGRATED DATA PROCESSING ------ IDP
INTERGOVERNMENTAL.------ INGOVMNL
INTERMEDIATE ----------- INTRMED

INTERNAL	INTRNL
INTERNAL REVENUE SERVICE	IRS
INTERNATIONAL	INTL
INTRAMURAL	INTRAML
INVESTIGATION	INVEST'N
INVESTIGATIVE	INVESTV
JUVENILE	JUVNL
LABOR	LBR
LABORATORIES	LABS
LABORATORY	LAB
LEADER	LDR
LEGISLATION	LEGSLTN
LEGISLATIVE	LEGSLTV
LIAISON	LIASN
LIBRARY	LBRY
LICENSE	LCNS
LITHOGRAPHIC	LITHO
LOCAL	LOC
MANAGEMENT	MGMT
MANAGER	MGR
MANPOWER	MNPWR
MANUFACTURING	MFG
MARKETING	MKTG
MEDICAL	MDCL
MEDICARE	MDCR
MEDICINE	MEDCN
MENTAL	MNTL
METHODS	METHDS
MICROBIOLOGY	MICROBLGY
MIDDLE	MID
MISCELLANEOUS	MISC
MONITOR	MONTR
NATIONAL	NATL
NEUROLOGY	NURLGY
NEUROPSYCHIATRY	NURPSYCHI
NON-MEDICAL	NON-MEDCL
NORTHEAST	NE
NORTHERN	NTHN
NORTHWEST	NW
NOSOLOGIST	NOSLGST
NURSE	NRS
NURSERY	NRSRY
NURSING	NRSNG
NUTRITION	NUTRIN
OCCUPATIONAL	OCCPTL
OFFICE	OFC
OFFICER	OFCR
ONCOLOGY	ONCLGY
OPERATING	OPERATG
OPERATIONS	OPERANS
OPPORTUNITY	OPPRTNY
ORGANIZATION	ORG
ORIENTATION	ORNTTN
PATHOLOGICAL	PATHOLOGCL
PATHOLOGY	PATHLGY
PAYMENT	PYMT
PAYMENTS	PYMTS
PAYROLL	PAYRL
PERSONNEL	PRSNL
PHARMACOLOGY	PHARMCLGY
PHARMECUTICAL	PHARMCTL
PHARMACY	PHARMCY
PHOTOGRAPHY	PKOTOGY
PHYSICAL	PHYSL
PHYSICIAN	PHYSN
PLANNING	PLNG
POLICIES	POLCYS
POLICY	POLCY
POLLUTION	POLUTN
POST-ADJUDICATIVE	PSTADJDCTV
POST-ENTITLEMENT	PSTENTMT
POST-HOSPITAL	PSTPHOSP
POSTSECONDARY	PSTSCNDY
PREMIUM	PREM
PREPARATION	PREP
PRINCIPAL	PRNCPL
PROCEDURES	PRCDRS
PROCESSING	PROCSNG
PROCUREMENT	PROC
PROFESSIONAL	PROFSNL
PROGRAM	PRGM
PROGRAM CENTER	PC
PROGRAMMING	PROGMG
PROGRAMS	PRGMS
PROJECT	PRJT
PROPERTY	PROP
PROTECTION	PROTEC
PSYCHIATRY	PSYCHY
PSYCHOLOGY	PSYCHGY
PUBLIC	PUB
PUBLICATION	PUBLICA
PUBLICATIONS	PUBLICAS
PUBLIC HEALTH	PH
PURCHASING	PURCHG

Term	Abbreviation
QUALIFICATIONS	QUALFNS
RADIOLOGY	RADLGY
RECEIVABLES	RECVBLS
RECEPTIONIST	RECPTNST
RECONCILIATION	RCNCILN
RECONSIDERATION	RRCONSN
RECORDS	RCDS
RECRUITMENT	RCRUTMT
REGION	REGN
REGIONAL	REGNL
REGULATION	REGLN
REGULATIONS	REGLNS
REHABILITATION	REHAB
REPORT	RPT
REPORTING	RPTG
REPORTS	RPTS
REPRESENTATIVE	REP
REPRESENTATIVES	REPS
REQUIREMENTS	REQMTS
RESEARCH	RESCH
RESOURCES	RESCS
RETARDATION	RETRDN
RETIREMENT	RETRMT
REVENUE	REV
REVIEW	REVW
RIGHTS	RGHTS
SAFETY	SFTY
SANITATION	SANTAN
SCHOOL	SCHL
SCIENCE	SCNC
SCIENCES	SCNCS
SCIENTIFIC	SCINTFC
SECOND	SCND
SECONDARY	SECNDY
SECRETARY	SECY
SECTION	SECT
SECURITY	SCURTY
SENIOR	SR
SERVICE	SERV
SERVICES	SERVS
SOCIAL	SOCL
SOUTHEAST	SE
SOUTHERN	STHRN
SOUTHWEST	SW
SPANISH	SP
SPECIAL	SPECL
STAFF	STF
STAFFING	STFG
STANDARDIZATION	STDZN
STANDARDS	STDS
STATION	STAN
STATIONS	STANS
STATISTICAL	STATCL
STATISTICS	STAT
STUDENT	STNT
SUBUNIT	SUBUN
SUGGESTION	SUGG
*SUMMER	SUMR
SUPERVISOR	SUPVR
SUPPLEMENTARY	SPLTY
SUPPLY	SUPP
SUPPORT	SPRT
SURGERY	SURGY
SURGICAL	SURGL
SURVEILLANCE	SURVLNC
SYSTEM	SYSM
SYSTEMS	SYSMS
*SUPERINTENDENT	SUPT
TABULATING	TABLTG
TECHNICAL	TECHNL
TECHNOLOGY	TECNLGY
TELECOMMUNICATIONS	TELECOMS
TELEGRAPHIC	TLGRPHC
TELEPHONE	TLPHN
TELETYPE	TLTYP
TELEVISION	TV
TERMINATION	TERMN
TIMEKEEPING	TMKPG
TRAFFIC	TRAFC
TRAINING	TRNG
TRANSPORTATION	TRNSPTN
TRAVEL	TVL
UNIT	UNIT
UTILITY	UTILY
UTILIZATION	UTILN
VALIDATION	VLDN
VEHICLE	VEHCL
VETERINARY	VETNRY
VOCATIONAL	VOCTL
VOLUNTEER	VOL
VOUCHER	VCHR
WAREHOUSE	WHSE
WASHINGTON	WASH
WELFARE	WELFR
WESTERN	WSTRN
WORK	WRK
XEROX	XROX

Subject: AGENCY AGREEMENTS

8-77-00 PURPOSE

This chapter establishes Department policy for the management and use of agency agreements. It also provides information to be used by those who prepare these agreements.

p-77-10 SCOPE

This chapter applies only to those agreements which an HHS organizational unit enters into with another HHS organizational unit or with a Federal agency outside the Department for the purpose of procuring, providing, or exchanging services, supplies, and/or equipment. This chapter does not cover those "agreements or understandings" where agencies enter into a joint project in which they each contribute their own resources; nor does it cover "general agreements"' which do not specifically commit the participating agencies to the purchase, provision or exchange of services, supplies, and/or equipment.

B-77-20 DEFINITIONS

For the purposes of this Chapter, an agency agreement (also known as a reimbursable agreement) is a written compact in which a Federal agency agrees to provide to, purchase from, or exchange with another Federal agency, services, supplies, and/or equipment. Agency agreements are generally between only two Federal agencies (interagency agreement) or two organizational units of the same agency (intra-agency agreement). Occasionally, they may involve more than two agencies or organizational units. As a general rule, the agency agreement will be the document with which the receiving agency agrees to reimburse the providing agency for the cost of the services, supplies or equipment. In certain cases two or more agencies may agree to exchange services, supplies, and/or equipment of an approximately equal value without a transfer of funds.

8-77-30 LEGAL AUTHORITY FOR AGENCY AGREEMENTS

A. Section 1535 of Title 31 of the U.S. Code (31 U.S.C. **1535),** provides the legal authority for most agency **agreements.** That section authorizes the head of an agency or a major organizational unit within an agency to **place an order** for goods and services with a major organizational unit within the same agency or with another Federal **agency if the** following four conditions are met:

1. Funds are available.

2. The head of the ordering agency or unit decides the order is in the best interest of the United States government.

3. The agency or unit to fill the order is ***in a*** position to supply or render the goods or services, or obtain them by contract; and

4. The head of the ordering agency decides the goods or services cannot be provided as conveniently or cheaply by a commercial enterprise.

For the purposes of this chapter, the Secretary is considered to be **"the** head of an agency." Similarly, for purposes of this chapter, the OPDIV heads and the STAPFDIV heads are considered to be the **"heads** of major organizational units." These **HHS** officials **have** authority to approve agency agreements, consistent with the provisions of 8-77-60. No other HHS official can approve agency agreements without specific delegated authority.

B. If the work to be done under an agency agreement cannot be conducted under the authority of Title 31, other legal authority to have the work done by another agency and to transfer funds for that purpose must exist.

C. In addition, the requisitioning and provider agencies or units must have independent legal authority to carry out the activity and expend funds for the particular purpose identified in the agreement.

8-77-40 MANAGEMENT OF AGENCY AGREEMENTS

Each major BBS organizational unit shall develop and implement within its operational framework, a system for the effective management and use of its agency agreements. As a minimum, the system should provide for:

- Assurance that the services, supplies, and/or equipment to be provided under an agency agreement are essential to the operation of the requisitioning unit, cannot be provided by the requisitioning unit, and are obtained at the least possible cost.

- Approval of all agency agreements at a high enough level to assure effective management control. The officials who sign the agreements must have the authority to make the commitments set forth in the agreements.

- Assurance that the requisitioning unit has sufficient funds available for the services, supplies, and/or equipment to be provided under the agreement. (This should include funds certification by the appropriate administrative or financial officer.)

- Review and concurrence by the budget officer or other financial manager responsible for control of the budget and staff years (FTEs) for each agreement.

- Assurance that copies of the agreement are furnished to the respective finance offices for the establishment of the commitments/obligations of the requisitioning unit, and the recording of any advance if applicable.

- Review and concurrence by the Office of the General Counsel (OGC) if the agreement requires the Secretary's approval, raises unresolved legal questions, presents novel or unusual legal circumstances, or is sensitive. Other agreements may be submitted for OGC review, as desired.

- Referral to the Secretary, as necessary. See Section 8-77-60.

- Assurance that the provisions of each agreement are consistent with OMB Circular A-76 on Commercial Activities.

- Assurance that, as appropriate, agreements comply with requirements contained in the HHS Information Resources Management Manual.

- Assurance that agreements are conducted in compliance with all applicable legislation (e.g., the Privacy Act, the Paperwork Reduction Act).

- Designation of a responsible official to oversee the administration and execution of each agreement.

- Maintenance, within prescribed records retention schedules, of copies of all agency agreements, together with pertinent documents related to them, in a systematic order at central locations which permits easy access for auditors or other Department staff.

- Evaluation of the services, supplies, and/or equipment supplied or obtained under select agency agreements (e.g., those that are new or complex, those that involve large sums of money, or those that have been in existence for longer than three years) to ascertain the agreement's quality, value, and utility.

8-77-50 FORM AND CONTENT OF AGENCY AGREEMENTS

A. Agency agreements have no single form. They may range from a few brief paragraphs to a detailed document of several pages. Their length and content depend on the complexity of the services, supplies, and/or equipment to be provided and the conditions under which the services, supplies, and/or equipment are to be provided. Exhibit 8-77-A contains a sample agreement. Use it as a guide (not an absolute).

B. As a minimum, each agreement should contain the following information:

   - Subject of the agreement.

   - Official name of each *agency* participating in the agreement.

   - Legal authority for the agreement.

- Responsibility of each participant under the agreement.

- Description of the services, supplies, and/or equipment that each participant will provide or obtain under the agreement, how and when these items will be provided and obtained, and their estimated or actual cost.

- Description of financing arrangements including how the requisitioning unit will transfer funds and when, and how often, the supplying unit will submit expenditure reports. (Note: In certain cases, where the cooperating parties provide services to each other which are approximately equal, they may agree to provide such services without a transfer of funds.)

- Time period to be covered by the agreement.

- Appropriation numbers, billing address, and other accounting information applicable to the services, supplies, and/or equipment to be provided under the agreement.

- Name, address, and telephone number of each person to be contacted for further information about the agreement.

- Effective date of the agreement and, if necessary, provision for its modification.

- Signature, name, and title of each signer to the agreement, and the date that each signer signs the agreement. Signers of the agreements should be of comparable rank.

8-77-60 REFERRAL TO THE SECRETARY

With the exception of Information Resources Management (IRM)-related agreements, which are reviewed separately under the Department's IRM review process, heads of OPDIVs and STAFFDIVs shall refer to the Secretary for approval any agency agreement which involves at least one of the following:

- o Agreement impacts major Secretarial or OPDIV policy initiative or contains significant policy change.

- o *Agreement* may have a significant impact on relations between the Department and State and local governments, Other HHS grantees, or the public.

- o Agreement is beyond the scope of authorities delegated by the Secretary.

- o Agreement is determined by OPDIV or STAFFDIV head to require Secretarial approval.

Submission of non-IRM-related agency agreements for Secretarial approval shall be made through the Assistant Secretary for Management and Budget (ASMB) under a cover memorandum which explains, in precise terms, the need for the agreement and the benefits to be derived from it. ASMB will obtain clearances of the proposed agreement from the Office of the General Counsel and other OS offices, as appropriate, before forwarding the agreement to the Secretary.

IRM-related agency agreements should be submitted for Departmental review and approval consistent with current dollar thresholds established for competitive acquisitions of information technology, and in compliance with requirements for ADP procurement as established in the HHS IRM Circulars.

SAMPLE AGENCY AGREEMENT

INTERAGENCY AGREEMENT BETWEEN THE DEPARTMENT OF HEALTH AND HUMAN SERVICES AND TEE DEPARTMENT OF DEFENSE

I. Purpose

This interagency agreement establishes the basis for certain services to be provided to the Department of Health and Human Services (HHS) by the Department of Defense (DoD), Assistant Secretary of Defense, Comptroller, OASD(C). Under the provisions of this agreement, the DoD will provide to BBS computer access to the Federal Information Locator System (FILS) on a cost reimbursable basis. The DoD holds an umbrella contract with a commercial timesharing company which operates and maintains the FILS software.

II. Authoritv

31 USC 1535

III. Backqround

In March 1984, the Office of Management and Budget (OMB) informed Federal agencies that it was formally establishing FILS using the DoD system. Federal agencies are required to access the FILS data base for the purpose of checking new and existing public use reports for duplication with other new or existing reports. The purpose of this agreement is to arrange for BBS to have access to the computer facilities on which the FILS resides.

IV. Scone of Work

The DoD will provide BBS with access to the computer center at which the FILS resides in accordance with Teleprocessing Services Program (TSP) contract terms. BBS will acquire its own terminal equipment with which to access the computer center. Access to the computer center will be over public communications lines. DoD will provide BBS with the necessary protocols and account numbers to access the FILS. DoD will bill BBS for its use of computer facilities during the course of accessing FILS according to the normal rates charged users of FILS.

SAMPLE AGENCY AGREEMENT

V. Duration of Agreement

This agreement becomes effective on (date), and will remain in effect through (date). Annual renewal, commencing (date) may be made by written mutual consent of both parties. The renewal agreement will include an estimate of the reimbursable annual costs and the services to be provided.

VI. Project Officers

DoD (Name of Person)
OASD (C) MS IRMS
Room 3A336, Pentagon
Washington, D.C. 20301

HHS (Name of Person)
Office of Public and State Data Systems
Office of Management Analysis and Systems
Room 526-F
Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, D.C. 20201

VII. Funds

The estimated value of this agreement is less than $7,000 for FY 19__. HHS will reimburse DoD for costs incurred, not to exceed $7,000 for FY 19__. Requests for payment should be submitted (quarterly, semiannually, annually) to:

Department of Health and Human Services
Division of Accounting Operations
Room 743-H Humphrey Building
200 Independence Avenue, S.W.
Washington, D.C. 20201

Requests for payment should cite the following accounting data:

Appropriation Number: xxxxxxx

Common Accounting Number: xxxxxxxx Object Code: 25.xx

SAMPLE AGENCY AGREEMENT

HHS will send payment to:

OASD (Admin.), WHS
Directorate of Budget and Finance
Finance and Accounts Division
Room 3B 268, Pentagon
Washington, D.C.

Monthly, DoD will send BBS a list of the services provided under the agreement and the associated cost of the services for the preceding month. DoD should send these to (name of person) at the address shown above under item VI.

HHS

(Name of Person)
Assistant Secretary for
Management and Budget

Date

DoD

(Name of Person)
Assistant Secretary of
Defense, Comptroller

Date

Subject: ACQUISITION PLANNING

8-95-00 PURPOSE

This Chapter prescribes the requirements for acquisition planning for applicable negotiated acquisitions. (For additional details relative to acquisition planning, see Subpart 307.1 of the Acquisition Manual (RHSAR)).

8-95-10 APPLICABILITY

A. An acquisition planning document is required for all new negotiated acquisitions which are expected to exceed $ 100,000, except the following:

1. Acquisition of architect-engineer services;

2. Acquisition of utility services where the services are available from only one source; and

3. Acquisitions made from or through other Government agencies.

B. An acquisition planning document is also required for all two-step sealed bid acquisitions expected to exceed $ 100,000.

C. The principal official responsible for acquisition shall prescribe acquisition planning procedures for:

1. Negotiated acquisitions which are not expected to exceed $ 100,000;

2. Two-step sealed bid acquisitions which are not expected to exceed $ 100,000; and

3. All other sealed bid acquisitions regardless of dollar amount.

D. An acquisition planning document is not required for a contract modification which either exercises an option or adds funds to an incrementally funded contract, provided there is an approved acquisition planning document in accordance with HHSAR section 307.105, and there is no significant deviation from that plan.

8-95-20 REQUIREMENTS AND RESPONSIBILITIES FOR ACQUISITION PLANNING

A. Planning by Program and Staff Activities. Whenever execution of a program or project requires the acquisition of property or services by contract, the program or project plan shall delineate all elements to be acquired by contract. The program or project plans include a plan and time-frame for completion action.

B. Planning for Acquisition Actions Action should commence as early as possible to effect an orderly and balanced acquisition workload throughout a fiscal year. Project officers who expect to initiate acquisitions are required to discuss their requirements with the acquisition officials who will be responsible for these acquisitions to compare current staff capabilities with anticipated requirements to achieve an even distribution of fiscal year workload consistent with program needs. These discussions should result in understandings on:

1. Details of the acquisition plan;

2. Schedule for the completion of the acquisition plan;

3. Preliminary discussions on the work statement/specification, and appropriate evaluation criteria: and

4. Preliminary discussions on the content and timing of the request for contract (RFC).

8-95-30 PLANNING BY CONTRACTING ACTIVITIES

Contracting activities will coordinate with program and staff offices to ensure timely and comprehensive planning for acquisitions, timely initiation of acquisition requests or requests for contract, and instruction of program and staff offices in proper acquisition practices and methods.

8-95-40 PREPARATION OF THE ACQUISITION PLANNING DOCUMENT

The acquisition planning document serves as an advance agreement between program and acquisition personnel by outlining the methods of how and when the acquisition is to be accomplished. It serves to resolve problems early in the acquisition cycle, thereby precluding delays in contract placement. It is developed prior to the preparation and submission of the formal request for contract to the contracting activity. The acquisition planning document is prepared jointly by the project officer and the contract negotiator, or in accordance with procedures prescribed by the principal official responsible for acquisition.

B-95-50 ACQUISITION PLANNING DOCUMENT

The Department does not prescribe a standard format for the acquisition planning document, but recommends a format similar to that in HHSAR section 307.105. This HHSAR section also specifies the contents for the acquisition planning document.

U.S. GOVERNMENT PRINTING OFFICE: 1990 O—861-970

Subject: TRAINING REQUIREMENTS FOR PROJECT OFFICERS AND TECHNICAL PROPOSAL EVALUATORS

8-96-00 PURPOSE

This chapter provides policies and procedures concerning training requirements, for Departmental project officers and technical proposal evaluators representing program offices involved in fulfilling mission needs and program requirements through the use of the contracting process.

8-96-10 BACKGROUND

A. The Secretary's memorandum of May 18, 1977, entitled "Actions Required to Correct Major Deficiencies in the Contracting and Grant Processes," set forth a plan of action to improve the efficiency, effectiveness, and integrity of the Department's contracting process. As part of this plan, an intensive Department-wide training program was developed for project officers, technical proposal evaluators, and other key program officials to explain their role in the contracting process and their interrelationship with the contracting officer. The project officer training program was later updated and expanded to meet the requirements of Executive Order 12352 on Federal Procurement Reforms, dated March 17, 1982. DHHS now offers a "Basic Project Officer" course, "Advanced Project Officer" course, "Basic Project Officer - ADP" course, "Advanced Project Officer - ADP" course, "Basic Project Officer - Architect/Engineer" course, "Basic Project Officer - Research & Development" course, and four "Writing Statements of Work" courses (covering non-research & development, research & development, construction/architect & engineer, and supplies and services). Descriptions of the courses can be found in the "DHHS Acquisition Training & Certification Program Handbook". The Department will revise or add courses, as appropriate, to ensure that this program continues to be of the highest quality.

B. While the objective of the training program is to improve technical input into all phases of the contracting process, special emphasis has been placed on the proper development of the contract statement of work, the technical evaluation process, and the contract monitoring process, to ensure that the Department's needs and interests are adequately specified and protected and that contracts are properly performed.

8-96-20 **POLICY**

It is the Department's goal to have all program personnel involved in the contracting process successfully complete the appropriate "Basic Project Officer" course, before assuming the responsibilities of, and serving as, project officers or technical proposal evaluators. Specifically:

A. At least fifty percent of the DHHS program personnel, performing the function of technical proposal evaluator on a technical evaluation team or panel for any competitively solicited DHHS contract, shall have successfully completed the appropriate "Basic Project Officer" course, or an equivalent course (see paragraph C, below), as appropriate. This requirement applies to the initial technical proposal evaluation and any subsequent technical evaluations that may, be required.

B. All program personnel selected to serve as project officers for DHHS contracts shall have successfully completed either the appropriate "Basic Project Officer" course, or an equivalent course (see paragraph C below).

C. Determination of course equivalency shall be made by the Principal Official Responsible for Acquisition of the cognizant procuring activity. The contracting officer is responsible for ensuring that the project officer and technical proposal evaluators have successfully completed the required training.

8-96-30 EXCEPTIONS

A. Small Contracting Activities.

1. Program personnel designated to serve as project officers and technical proposal evaluators, for contracts originating in offices having a mission which only incidentally and infrequently involves the generation of contract requirements (i.e., normally less than three contract requirements per fiscal year and in an amount not exceeding $100,000 per contract), are not required to have completed any of the Department's training courses (although completion of an appropriate "Basic Project Officer" course is recommended).

2: As a substitute for the training, contracting officers servicing these program offices are required to ensure, as a minimum, that program personnel designated to serve as project officers and technical proposal evaluators have read and studied the "DHHS Project Officers! Contracting Handbook", and fully understand their responsibilities. The contracting officer shall require these program personnel to furnish written certifications that they have fulfilled this requirement, prior to discharging the duties of project officer or technical proposal evaluator.

B. Urgent Requirements. In the event there is an urgent requirement for a specific individual to serve as a project officer and that individual has not successfully completed the appropriate "Basic Project Officer" course, the Principal Official Responsible for Acquisition may waive the training requirement and authorize the individual to perform the project officer duties, provided that:

1. The individual first meets with the cognizant contracting officer, to review the "DHHS Project Officers' Contracting Handbook" and to discuss the important aspects of the relationship between the contracting office and program office, as appropriate to the circumstances: and

2. The individual attends the next scheduled and appropriate "Basic Project Officer" course.

8-96-40 COURSE PREREQUISITES

A. **Project Officers**

1. Newly appointed project officers, and project officers with less than three years experience and no previous related training, are required to take the appropriate "Basic Project Officer" course. (The grade level for project officers attending the course should be GS-7 and above). All project officers are encouraged to take the appropriate "Writing Statements of Work" course.

2. Project officers with three years or more experience, and project officers with less than three years experience who have successfully completed the appropriate basic course, are qualified (and encouraged) to take the "Advanced Project Officer" course.

3. Additional information on prerequisites for attendance of these courses may be found in the "DHHS Acquisition Training & Certification Program Handbook".

B. **Technical Proposal Evaluators** Technical proposal evaluators, regardless of experience, are-required to take the appropriate "Basic Project Officer" course. Upon successful completion of the basic course, it is recommended that they take the appropriate "Advanced Project Officer" course.

Subject: DELEGATIONS OF AUTHORITY

8-100-00 PURPOSE

This chapter sets forth Department policies and practices governing the delegating of authority. A companion chapter, Chapter 8-101, describes procedures for requesting the Secretary to delegate authority.

8-100-10 LEGAL IMPORTANCE OF DELEGATIONS

Delegations of authority are important to the operation of the Department. Without them the Department could not function very well since nearly all authority would reside with the Secretary. Delegations allow the Secretary and other officials to convey their authorities to subordinate officials so they may legally carry out the many activities of the Department. Carrying out these activities without legal authority could have a serious adverse impact on the Government, the Department, and the official who acts without legal authority. For example, an official who approves expenditure of funds without proper legal authority could be held liable for the funds.

It is essential that each official of this Department has written evidence of his/her legal authority before he/she takes any action to expend or use Government funds or resources.

8-100-20 LEGAL BASIS FOR DELEGATING AUTHORITY

A. Authority of the Secretary

The authority of the Secretary to delegate comes from these provisions of law:

1. Section 6 of the Reorganization Plan No. 1 of 1953 and Section 2 of the Reorganization Plan No. 3 of 1966 provide that the Secretary may make such provisions as he/she deems appropriate in authorizing the performance of any of his/her functions by any other officer or by any agency or employee of the Department.

2. 5 U.S.C. 301 authorizes the head of a Department to prescribe regulations for the distribution and performance of the Department's business.

3. 5 U.S.C. 302 authorizes the head of a Department to delegate to subordinate officials various powers pertaining to employment of personnel, purchase of articles from contingent funds, and other administrative matters.

In addition, laws which confer specific authorities upon the Secretary sometimes authorize the Secretary to delegate these authorities subject to certain conditions. For example, Section 856 of the Public Health Service Act (Act) authorizes the Secretary to delegate Title VIII authorities of the Act but prohibits the delegating of decision making authority on Title VIII grants and contracts to regional office personnel.

B. Authority to Delegate and Redelegate

1. The Secretary or any other Department officer may delegate and authorize redelegation of any authority conferred on him/her by law, unless the law prohibits such delegation.

2. The Secretary may delegate and authorize redelegation of any authority conferred on him/her by Executive Order if the Executive Order specifically authorizes such action. Otherwise, a legal interpretation must be obtained from the General Counsel whether such delegation and redelegation are permissible.

3. Any HHS officer or employee may redelegate any authority delegated to him/her unless the delegation document prohibits such redelegation.

4. Any BBS officer or employee who delegates or redelegates authority may continue to exercise the authority, since the act of delegating does not divest the authority from the delegating official.

<u>8-100-30</u> DEFINITIONS

A. <u>Qeleaation of Authority</u>

Delegation of authority is the formal assignment or commitment of legal power, usually to a subordinate official, to make certain decisions and take certain actions that have <u>legal</u> significance. It may involve program authority, administrative authority, or both. It generally includes the authority to sign a legal document approving the taking of action by others. It not only empowers the delegate(s) with authority but may establish limitations on the exercise of the authority by others.

(<u>Note</u>. Certain employees of the Department have certain general authorities based on their status or position within their organization. For example, supervisors have the authority to assign work to employees under their supervision. These authorities are defined in position descriptions, functional statements, and other official documents. This chapter does <u>not</u> apply to these general grants of authority.)

B. <u>Program Authorities</u>

Program authorities are substantive authorities contained in Acts of the Congress or Executive Orders of the President that authorize programs. They authorize the taking of substantive actions such as issuing program guidelines, awarding grants, adjudicating eligibility for benefits, and analyzing applications for new drugs. Most program authorities of the Department are vested in the Secretary with the authority to delegate.

C. <u>Administrative Authorities</u>

Administrative authorities authorize the taking of financial, personnel, or other administrative actions in support of substantive programs, either directly or indirectly. Such actions include purchasing equipment, hiring employees, approving travel, issuing building passes, etc. These authorities are derived primarily from government-wide acts such as the Administrative Procedure Act of 1946, 5 U.S.C. 551 <u>et</u>. <u>seq</u>. or the Chief Financial Officers Act of 1990, 31 U.S.C. 901 <u>et</u>. <u>seq</u>., and from regulations based on these Acts and are issued by central control agencies such as the Office of Management and Budget, General Services Administration and the Office of Personnel Management. These authorities generally reside in, flow through, or are coordinated by management staff offices which report to the head of an organization. For BBS, most of the administrative authorities flow through the Assistant Secretary for Management and Budget (Chief Financial Officer) and the personnel authorities (except as they relate to the Public Health Service Commissioned Corps) flow through the Assistant Secretary for Personnel Administration.

D. **Delegation/Redelegation**

Delegation and redelegation are acts of empowering others with legal authority. The term "delegation" describes the initial assignment of authority, while the term **"redelegation"** describes the reassignment of that authority.

8-100-40 RESPONSIBILITIES

A. **Delegation** Control Svstem

The Head of each Operating Division (OPDIV), each Regional Director and the Assistant Secretary for Management and Budget for the Office of the Secretary (Headquarters) shall develop and maintain, within the guidelines of this chapter, a delegation control system for his/her organization that, at a minimum, provides for the:

1. Designation of a Principal Delegation Control Officer and, as needed, Delegation Control Officers for subordinate organizational levels.

2. Effective review of each delegation before putting it into effect to ensure that it meets the criteria stated in Section 8-100-60.

3. Prompt notification to all affected managers, supervisors, and other personnel of all changes in the authorities delegated to them.

4. Effective means for keeping all delegations current and available, including but not limited to these actions:

   a. Prompt identification of the need to delegate authority.

b. Filing of all delegations made to or by key officials within the organization with the organization's delegation control officer.

c. Periodic review of existing delegations to ensure that they are needed, up-to-date, and consistent with current Department policy.

B. Deleaation Control Officers

1. The HHS Delegation Control Officer, under the direction of the Office of the Deputy Assistant Secretary for Budget (DASB) develops Departmentwide policies and practices on the delegating of authority and provides Departmentwide instructions on those that are adopted, provides technical assistance on the use and application of delegations of authority, serves as the principal staff advisor within the Office of the Secretary on delegations of authority, coordinates review of proposed delegations submitted for approval by the Secretary, and maintains and indexes delegations made by the Secretary.

2. Each OPDIV Delegation Control Officer serves as his/her organization's principal advisor on delegations of authority, implements Department and agency policies and practices on delegations of authority, administers his/her organization's delegation control system, provides technical assistance on delegations of authority within his/her organization, and maintains and indexes delegations made to and within his/her organization.

C. **HHS Managers**

Each HHS manager is responsible for identifying the need for delegating authority within his/her organization and to subordinate organizations, for delegating authority to his/her subordinates and making certain that these officials understand the substance and limits of their authorities, and for periodically reviewing delegations in effect within the organization to insure their continued need.

8-100-50 POLICIES ON DELEGATING AUTHORITY

A. Level of Decision Makinq

It is Department policy to delegate decision-making authority to the organization level that will provide the most timely, economical, and effective management and administration of programs and activities.

B. Flow of Deleaated Authority

Delegations and redelegations of authority should follow organizational lines. Program authority usually flows from the Secretary through the Heads of Operating Divisions or Heads of Staff Divisions (such as the Office for Civil Rights) to operating officials at subordinate organization levels within the components or offices. Administrative authority normally flows from the Secretary through a STAFFDIV Head (such as the Assistant Secretary for Personnel Administration, the Assistant Secretary for Management and Budget, the General Counsel, etc.) to Heads of OPDIVs, Heads of other STAFFDIVs, and Regional Directors; and hence to operating and administrative officials at subordinate organization levels within the components or offices.

C. Authoritv to Redeleaate

Any delegated authority may be redelegated totally or partially unless the delegation document or underlying legal authority prohibits or restricts redelegation. If the delegation document contains no such prohibition or restriction, redelegation may be made.

D. Delegating Authoritv to Positions and to Occupants of positions

Authority should be delegated to official positions (e.g., Director, Office of Resource Management) or authority may also be delegated by name to occupants of official positions (e.g., Marie M. Harris, Director, Office of Resource Management) under necessary circumstances. However, these restrictions apply when authority is delegated to a named occupant of a position:

1. No one else can use the authority--not even the occupant's deputy serving in an acting capacity.

2. The authority becomes void when the occupant vacates the position.

Since neither of these conditions applies to delegations made to official positions, it is usually more effective to delegate to official positions than to occupants of official positions.

E. Authoritv of Deputies or a Principal Deputy

A deputy or principal deputy does not automatically have the same authority as the senior official. The deputy's or principal deputy's authority is limited to the delegations specifically given to the position or the authorities the deputy or principal deputy may exercise when serving in an acting capacity during the absence of the senior official.

F. Authoritv of Actinq Officials

Any employee serving in a position in an acting capacity can *exercise* any authority delegated to that position, unless prohibited from doing so by the terms of the delegation or the document designating him/her as acting, or unless such exercise of authority is not otherwise legally permissible.

G. Deleaations to be in Writinq

Each delegation shall be made in writing in memorandum format, addressed to the positions or persons to whom the authority is being delegated, and signed by the official with the authority to make the delegation. (See Section 8-100-70 for format and content of delegation documents.)

Manuals and other official publications may be used to reflect delegations, but not to make them.

H. Effective Date of Deleqations

Each delegation becomes effective on the date specified in the delegation document. No delegation can be made retroactively effective. However, under special circumstances actions taken prior to the effective date may be ratified and affirmed by the delegating official with the approval of the Office of the General Counsel.

I. Review bv Leqal Counsel

Prior to their approval, all initial delegations of authority shall be submitted to the appropriate division of the Office of the General Counsel (OGC) for review to ensure their legality. Redelegations of authority should also be submitted to the OGC for review whenever the official making the redelegation questions the legality of any aspect of the redelegation.

J. Effect of Reoraanization on Delegations

Whenever an organization is reorganized, delegations to and within that organization may remain in effect in the successor organization, generally, unless:

1. The reorganization document specifies otherwise. (Note. The reorganization document should always contain a statement on how the reorganization affects existing delegations. See Chapter 8-60 of this Manual for details.)

2. Functions upon which the delegations are based, or positions to which the delegations are made, are transferred to another organization or are abolished. (In these cases, the delegations are terminated on the effective date of the reorganization unless the reorganization document specifies otherwise.)

Delegations that remain in effect in the successor organization generally shall be reviewed and updated not later than 90 days after the reorganization becomes effective to reflect changes in: the flow of authority to and within the organization, the functions performed by the organization, the organization's structure and nomenclature, the key positions within the organization, and any other factor affecting the delegating of authority.

8-100-60 CRITERIA FOR DELEGATING AUTHORITY

The decision to delegate authority shall be based upon evaluation of pertinent factors, including the following:

- Leuality. Can the authority legally be delegated?

- Funds. Have funds been specifically appropriated to implement the authorities? Or, have senior officials allocated funds to support the authorities? If yes, from what source?

- Need. Will the delegation effectively improve management and administration?

- Responsibility. Is the position to which the authority is to be delegated appropriate in terms of grade level and other assigned responsibilities?

- Economy. Will the delegation eliminate procedural steps, shorten lines of communication, or otherwise result in overall savings?

- Service. Will the delegation improve services to the Department's clients?

8-100-70 FORM AND CONTENT OF DELEGATIONS

Each delegation shall be made in writing in memorandum format, and shall be signed by the delegating official. It shall contain, at least, the following information:

1. The authority of the delegating official to make the delegation.

2. The authority or authorities being delegated.

3. Any restriction or limitation to be placed on the delegate(s) in exercising or redelegating the authority. Unless the delegation restricts or limits redelegation, a delegate can redelegate any authority delegated to him/her.

4. The identity of any special instructions, if any, the delegate is to follow in exercising the delegated authority.

5. The date the delegation becomes effective. If such a date is not included in the body of the delegation, the effective date is the date that the delegating official signs the delegation.

6. The identity of each delegation that the delegation amends, supersedes, or cancels. Every effort should be made to be specific. Phrases such as "This delegation supersedes all previous delegations on this subject" should be used when delegations are widespread or when delegations were never updated after one or more reorganizations.

   Prior to issuing a delegation, the delegating official should have the delegation reviewed for technical correctness by the delegation control officer.

See Exhibit 8-100-A at the end of this chapter for a sample delegation of authority.

8-100-80 ACTIONS BY THE DELEGATING OFFICIAL

After signing a delegation, the delegating official shall make certain that:

1. Each delegate is promptly provided a copy of the delegation.
2. Each delegate has access to the policy or procedural instructions identified in the delegation that he/she will need to exercise the delegated authority. Where appropriate, these instructions should be provided to each delegate with the delegation.
3. The delegation or a summary of it is published as prescribed by Section 8-100-90.
4. A copy of the delegation is sent to his/her delegation control officer.
5. The official file copy of the delegation is maintained for, at least, the life of the delegation; or, maintained permanently where there is a potential for litigation when the delegation is no longer viable for present actions but may be needed to show that the authority existed at the times an action was taken.

8-100-90 PUBLICATION OF DELEGATIONS

A. Delegations Affecting the Public

Whenever an HHS official makes a delegation or redelegation of authority that may have a significant impact on the public, that official shall have the complete text of the delegation or redelegation published as a notice in the Federal Register. Examples of delegations and redelegations that might have **such** an impact include delegations of program authority by the Secretary, redelegations of program authority by OPDIV/STAFFDIV heads, and delegations and redelegations of procurement authority or any authority where there is a potential for litigation and the delegation is needed after the delegation is no longer viable, but is required to show that the authority once existed. Delegating officials should consult their delegation control officer and legal counsel whenever they question whether publication in the Federal Register is necessary. (Part 3 of this Manual contains instructions on publishing notices in the Federal Register.)

B. Delegations of Program Authority

Whenever the Secretary or another HHS official who has statutory power makes an initial delegation of program authority to the Head of an OPDIV or STAFFDIV, that OPDIV or STAFFDIV Head shall report the delegation in its functional statement in the HHS Oraanization Manual.

C. Deleaations of Administrative Authorities

Whenever an OS official makes a delegation of administrative authority that has wide interest, that official shall publish the delegation, or a summary of it, in the appropriate HHS staff manual. Officials in OPDIVs shall similarly publish in their directives systems redelegations of administrative authority that have wide interest.

8-100-100 REPORTING DELEGATIONS AFFECTING REGIONAL OFFICES

OPDIV regional officials and OS regional officials not under the direct supervision of a Regional Director (RD) shall keep their RD apprised of the authorities delegated to them by their headquarters. They may do this by sending the RD a copy or a summary of each delegation or by using another effective means of keeping the RD informed.

8-100-110 SUPERSEDING, AMENDING, AND CANCELING DELEGATIONS

A. Superseding Delegations

Whenever a new delegation supersedes another delegation, the superseded delegation and all redelegations based on it become null and void on the effective date of the new delegation, unless the new delegation specifically provides otherwise.

To avoid disruption of operations, the superseding delegation may provide, if legally feasible, that redelegations based on the superseded delegation will remain in effect for a reasonable time (i.e., not more than 90 days) pending the issuance of new redelegations.

B. Amending Deleaations

Only the official in the position (or successor position) which issued the original delegation can amend the original delegation. Amendments to the original delegation should be processed in the same manner as the original delegation.

C. **Canceling** Deleaations

To cancel a delegation, the official serving in the position (or the successor position) which issued the original delegation shall prepare a canceling memorandum, in which the delegation to be canceled and the date of cancellation are identified, and shall have the memorandum sent to each delegate who has the authority being canceled.

Whenever a delegation is canceled, the delegation and all redelegations based on it become null and void on the date stated in the canceling memorandum.

8-100-120 **TECHNICAL** ASSISTANCE

Technical assistance on delegating authority and applying the provisions of this chapter may be obtained from delegation control officers or from the Office of Budget, Office of the Assistant Secretary for Management and Budget, Office of the Secretary. Information on delegations made by the Secretary may also be obtained from this Office.

THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

SAMPLE DELEGATION OF AUTHORITY

MEMORANDUM TO: Assistant Secretary for Children and Families

SUBJECT: Delegation of Authority for Family Violence Prevention and Services Program

Authority to Delegate

I hereby delegate to the Assistant Secretary for Children and Families the following authority vested in the Secretary of Health and Human Services.

Authority Delegated. Authority to administer the provisions of The Family Violence Prevention and Services Act, 42 USC 10401 et seq., and as amended, now and hereafter.

Limitations.

1. This delegation excludes the authority to issue regulations or submit reports to Congress and shall be exercised under financial and administrative requirements applicable to all Administration for Children and Families authorities.

2. Responsibilities under this Act are to be carried out in accordance with the requirements of Section 307 of the Act. The Office of Civil Rights has been delegated enforcement authority under Section 307.

Effe[illegible] Date. This delegation is effective immediately.

Effect on Existing Delegations. This delegation supersedes Memorandum dated April 30, 1986, "Delegation of Authority to Administer the Provisions of Title III of P.L. 98-457, The Family Violence Prevention and Services Act."

(Date signed)

(Secretary's name)

Subject: DELEGATIONS OF AUTHORITY BY THE SECRETARY

8-101-00 PURPOSE

This chapter describes the process to be followed in requesting the Secretary to delegate authority and in keeping track of redelegations of Secretarial authority.

8-101-10 RESPONSIBILITY

Heads of principal operating components (POCs) and OS offices are responsible for identifying the need for legal authority to administer their programs and activities and, when the authority resides with the Secretary, for requesting the Secretary to delegate the needed authority to them.

8-101-20 DOCUMENTATION

A. Each request for Secretarial delegation should include the following documentation:

   1. Decision Memorandum to the Secretary, containing the information outlined in Paragraph 8-101-20B.

   2. Delegation of Authority, containing the information outlined in Paragraph 8-101-20C.

   3. Federal Register Notice prepared for the signature of the Assistant Secretary for Management and Budget (ASMB), if the delegation affects the public.

   4. A copy of the law, executive order, or other enabling document which confers the authority on the Secretary, with the sections of the document that specifically confers the authority on the Secretary appropriately marked.

   5. A copy of each existing delegation from the Secretary that the new delegation will amend, supersede, or cancel. Do not include copies of redelegations.

B. The decision memorandum to the Secretary should identify:

1. The authority or authorities that the Secretary should delegate.

2. The law, executive order, or other enabling document which confers the authority on the Secretary.

3. Specific reasons why the Secretary should delegate the authority to the requesting official.

4. Any condition imposed by the enabling document or by previously issued Secretarial policy which affects the delegating of the requested authority. (For example, the enabling document may forbid delegating the authority below a certain organizational level.)

5. Whether the requesting official plans to redelegate the authority and, if yes, to what extent and to whom.

C. The delegation of authority should be addressed to the requesting official (and/or any other official to whom the Secretary should delegate the authority), be prepared for the signature of the Secretary, and identify:

1. The enabling document which confers the authority on the Secretary.

2. The authority or authorities to be delegated.

3. The authorities to be reserved by the Secretary. See Section 8-101-50.

4. Any limitation or restriction that the enabling document places on delegating or redelegating the authorities which the Secretary is delegating.

5. Whether the authorities which the Secretary is delegating may be redelegated.

6. Effective date of the delegation.

7. Effect of the delegation on existing delegations and redelegations.

<u>8-101-30</u> PROCESSING

A. <u>Submission.</u> Heads of POCs and OS offices should submit their requests for delegations to the Secretary through the Assistant Secretary for Management and Budget, in original and five copies.

B. Review. The Assistant Secretary for Management and Budget, through the Division of Organizational Analysis, will coordinate the review of the proposed delegation with the Office of the General Counsel, other pertinent OS offices and, as appropriate, other POCs, negotiate resolution of problems which may arise during the review, and present the delegation to the Secretary through the Under Secretary and the Executive Secretary.

C. Distribution and Depository. After the Secretary approves the delegation, the Executive Secretary will:

1. Forward the original of the delegation to the requesting official.

2. Forward a copy of the delegation together with the original of the Federal Register notice to the ASMB, who will have the notice published in the Federal Register and maintain a compilation of Secretarial delegations.

3. Maintain the official file on the delegation, including a copy of the delegation.

8-101-40 REDELEGATION OF SECRETARIAL AUTHORITY

Each time the head of a POC or OS office redelegates authority that the Secretary delegated to him/her, that official should:

A. Have the redelegation published in the Federal Register if it may have a significant impact on the public. See Section 8-100-90 of this manual.

B. Send a copy of the redelegation to both his/her delegation control officer and the Department delegation control officer (Room 542E, Hubert H. Humphrey Building). The delegation control officers shall index the redelegation by subject and delegating official and maintain the copy in their files until the redelegation is superseded or cancelled.

8-101-50 AUTHORITIES RESERVED BY THE SECRETARY

The Secretary reserves certain authorities. They are listed in Section AA.30, HHS Organization Manual, and include authorities such as reporting to the President and the Congress, approving and issuing regulations, establishing advisory councils and committees, and appointing their members.

Each delegation written for the Secretary's approval must contain a statement reserving these authorities to the Secretary.

8-101-60 TECHNICAL ASSISTANCE

Information in existing Secretarial delegations as well as technical assistance on preparing Secretarial delegations may be obtained from delegation control officers or from the Division of Organizational Analysis, Office of the Secretary.

TO : See Below

DATE: September 21, 1979

FROM : Director
Division of Organizational Analysis

SUBJECT: Delegations of Authority -- Format and Content

We have received complaints about the wide variance in the format and content of recently-issued delegations of authority. You undoubtedly are aware of the importance of delegations, since they provide you and other HEW officials with the legal authority you need to carry on your job. It is vital that each delegation be explicit, concise, complete, understandable, and legally correct.

You can find the department's guidelines on delegations in the General Administration Manual. Chapters 8-100 and 8-101 tell when and how you should make delegations. Chapter 8-101, Paragraph 30A (copy attached) lists the specific information that each delegation must contain. I also have attached a sample delegation showing the format you should use.

You should closely follow these instructions in making delegations within your component or office. I ask you to bring this important matter to the attention of officials throughout your component or office.

Thomas G. Morford

Thomas G. Morford

Attachments (2)
Addressees:
POC Executive Officers
OS Executive Officers
RASC Directors

SAMPLE

MEMORANDUM

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF THE SECRETARY

Official to Whom Delegated → TO : Director, National Institute of Education

DATE: JUL 10 1978

FROM : Assistant Secretary for Personnel Administration

SUBJECT: Delegation of Authority to Grant Leave, Excuse Absence, Approve Overtime, and Approve the Restoration of Annual Leave

Authority to Delegate → 1. Under the authority vested in the Assistant Secretary for Personnel Administration by memorandum from the Secretary dated March 11, 1966, as modified by the Secretary's Reorganization Order dated March 8, 1977, I hereby delegate to the Director, National Institute of Education for personnel within the National Institute of Education, authority to:

Authority Delegated →

a. Grant annual and sick leave, including authority to approve the advance of annual and sick leave to the extent permitted by law, regulations, and policy;

b. Approve leave without pay, require employees to take involuntary leave, or charge employees with absence without leave;

c. Excuse absence without charge to leave;

d. Approve irregular and occasional overtime; and

e. Make the determination that conditions exist which permit restoration of annual leave under the provisions of Section 6304 of Title 5, United States Code.

Restrictions and Limitations → 2. This delegation does not include authority to authorize or recommend additional compensation on an annual basis for special types of assignments as authorized under Civil Service Regulations 550.141 and 550.151. This authority will be exercised on a Department-wide basis by the Deputy Assistant Secretary for Personnel and Training.

Reference Documents → 3. Requirements and instructions for exercising this authority are contained in Instruction 250-1I, HEW Personnel Manual.

SAMPLE

Effective Date

4. This delegation is effective immediately. The authorities cited in paragraph 1.a., b., c., and d. above may be redelegated and further redelegation authorized.

Redelegation Authority

5. The authority cited in paragraph 1.e. above may be redelegated and further redelegation made only as follows:

   a. For headquarters employees, redelegations may be made to officials not lower than two organizational levels below the addressee.

   b. An official to whom this authority is redelegated may not exercise the authority if he/she is in the immediate organizational unit affected by the exigency or his/her leave would be affected by the decision. In such cases the authority shall be exercised only by the addressee.

De[illegible]ns Suspended, Ca[illegible]d or Revised

6. This delegation supersedes all previous delegations of authority to grant leave, excuse absence, approve overtime, and approve the restoration of annual leave to the Director, National Institute of Education. However, existing redelegations made under those previous delegations will continue in effect until new redelegations are made under the authority of this memorandum.

Signature of Delegating Official

Thomas S. McFee