Department of Energy
Washington, DC 20585

April 20, 2004

MEMORANDUM FOR CHIEF OPERATING OFFICER
OFFICE OF SCIENCE

FROM: RICHARD H. HOPF, DIRECTOR
OFFICE OF PROCUREMENT AND ASSISTANCE
MANAGEMENT, OMBE

SUBJECT: DELEGATION OF AUTHORITY/DESIGNATION HEAD OF CONTRACTING AUTHORITY (HCA)

This memorandum transmits to you the Head of Contracting Activity (HCA) delegation for all contract activity performed at DOE site offices reporting to the Office of Science (SC) which currently includes the Chicago and Oak Ridge Offices and nine National Laboratory Site Offices. This delegation is in support of the OneSC restructuring approved by the Secretary of Energy on January 5, 2004. The specific HCA authorities delegated to you are set out in the attachment to this memorandum. Your HCA authority is limited to the express authorities set out in the attachment.

As the single HCA for SC, you will have the overall responsibility and accountability for SC contract management and be the primary focal point through which contract related communication and direction will be transmitted. For planning purposes, the reorganization of the SC procurement function has been identified as a critical management improvement initiative in accordance with DOE Notice 125.1. The Office of Contract Administration (ME-622) will track the implementation of your action plan (HCA for the Restructured Office of Science dated March 15, 2004) and conduct an assessment in FY2006. Special emphasis will be placed on the following critical outcomes:

1. Achievement of clarity in the roles, responsibilities, authorities and accountabilities between Chicago and Oak Ridge Offices, Site Office Managers and the Headquarters HCA.

2. Clear delineation of duties and responsibilities between the new role of the Site Office Manager as Administrative Contracting Officer and the on-site level III acquisition professional.

3. Achievement of a common set of business practices related to acquisition, financial assistance, sales and personal property management.

4. Implementation of Contract Management Planning with an emphasis on teaming and life cycle planning.

Regarding the immediate need to ensure that procurement authority is appropriately delegated, please be advised that: (1) existing Contracting Officer warrants issued and signed by previous HCA(s) need to be reissued, (2) Contracting Officer warrants issued by Procurement Directors remain in full force and effect provided the Procurement Directors continue to have the authority to issue such warrants, (3) Any new ACO and on-site Level III acquisition professionals may be warranted directly by the HCA or the appropriate Procurement Director provided that the HCA

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redelegates such authority to the Procurement Director, and (4) to the extent that any Contracting Officer warrants exist that reference outdated organizations or issued by personnel that are no longer part of the new organization, these warrants should be reissued.

Existing HCA delegations to the Chicago and Oak Ridge Managers will be rescinded by separate memorandums simultaneously with the issuance of this delegation of HCA authority.

We will begin arranging the series of topical discussions beginning in early May and look forward to working with you and your staff as you roll out the new OneSC structure. If you have any questions regarding this matter, please contact Ms. Irma Brown, of my staff, at (202) 586-8455.

Attachment

DATE: APRIL 15, 2004

TO: CHIEF OPERATING OFFICER, OFFICE OF SCIENCE

SUBJECT: DELEGATION OF AUTHORITY/DESIGNATION AS HEAD OF CONTRACTING AUTHORITY (HCA)

Department of Energy (DOE) Delegation of Authority Order No. 00-022.00 sets forth various authorities delegated to the Director, Office of Procurement and Assistance Management, and provides that these authorities may be further redelegated in whole or in part as may be deemed appropriate. This memorandum serves to: (1) designate you as the single Head of the Contracting Activity for OneSC, as defined in Federal Acquisition Regulation (FAR) 2.101; and (2) redelegate to you the specific authority to:

1. **ACQUISITION**

(A) Approve, enter into (award/execute), administer, modify, close out, terminate, and take such other actions as may be necessary and appropriate with respect to any contractual arrangement (including any competitive or noncompetitive awards, interagency and other funds-out agreements) committing the Department of Energy to the obligation and expenditure of public funds: provided, the execution of such actions conforms with applicable laws, regulations, orders, and procedures including those determinations and decisions as required or described in the Department of Energy Acquisition Regulation; provided further, any such action (other than a funding modification) of $10 million or more, including the value of all priced options or estimates of unpriced options and any contractor cost share or in-kind contribution shall have the prior approval, or waiver thereof, of the Director, Office of Procurement and Assistance Management, or designee. In the case of a subcontract consent/approval action this amount shall be $25 million. This authority may be redelegated, with the power of further redelegation.

(B) Designate Competition Advocates for each installation that has been delegated contracting authority and reports to you as HCA to perform those duties required by the Competition in Contracting Act of 1984, 98 Stat 1175 et.seq. (Public Law 98-369) provided such designation, if below the GM-15 level, shall be approved by me. This authority may not be redelegated.

Exercise the determination required by the FAR, in the case of mistakes in bids alleged after opening of bids and before award,

and make all administrative determinations regarding withdrawal of bids. This authority may not be redelegated.

2. **ASSISTANCE**

(A) Approve, enter into (award/execute), administer, modify, close out, terminate, and take such other actions as may be necessary and appropriate regarding financial assistance and financial incentive instruments, including but not limited to grants, cooperative agreements, loan guarantees, price support and guaranteed market agreements, committing the Department to the obligation and expenditure of public funds: provided, the execution of such actions conforms with applicable laws, regulations, Executive orders, directives, policies and procedures: provided further, any grant or cooperative agreement actions of $10 million or more, including any performer cost share or in-kind contribution and all actions for loans and loan guarantees, price support agreements, and all other such financial incentive actions irrespective of amount, shall have the prior approval, or waiver thereof, of the Director or designee, provider further, that any solicitation document which may result in financial assistance or incentive award or multiple awards with a collective value of $10 million or more shall have prior approval, or waiver thereof, of the Director or designee. This authority may be redelegated, with the power of further redelegation.

(B) Submit to the Federal Register for publication all notices of financial assistance solicitations. This authority may be redelegated one level below that of the HCA, without the power of further redelegation.

3. **SALES**

Approve, enter into, and take such other actions as may be necessary and appropriate, with respect to agreements committing the Department to the sale of products and services, including funds-in interagency agreements and other agreements providing for reimburseable work for others; provided, such agreements are made pursuant to any applicable laws, Executive orders, regulations, and directives governing policies and procedures; provided further, all reimburseable work for others shall have been authorized by the designated official responsible for such work, and statutory, other legal, and regulatory authority to perform the reimburseable work exists. This authorization may be redelegated with power of further redelegation provided such redelegation to other than contracting officers is no more than two levels below that of the HCA.

4. PROPERTY

Manage and dispose, consistent with applicable laws, regulations, Executive Orders, directives, policies, and procedures, all personal property held by DOE for official use by Departmental employees, contractors, and recipients. This authority may be redelegated.

5. CONTRACTING OFFICERS

Appoint contracting officers for acquisition, financial assistance and sales actions in accordance with DOE Order 541.1A, Appointment of Contracting Officers and Contracting Officer Representatives. In designating contracting officers, you should consider the qualification standards set forth in the FAR, and such other applicable regulations. This authority may be redelegated. The following DOE organizations are designated Contracting Activities and shall report to you as HCA:

Chicago Office
Oak Ridge Office
Ames Site Office
Argonne Site Office
Berkeley Site Office
Brookhaven Site Office
Fermi Site Office
Pacific Northwest Site Office
Princeton Site Office
Stanford Site Office
Thomas Jefferson Site Office

6. ADMINISTRATIVE CONTRACTING OFFICERS (ACO)

Appoint non-1102 series personnel as Administrative Contracting Officers with an administrative warrant only, in accordance with FAR and the procedures of DOE Order 541.1A, Appointment of Contracting Officers and Contracting Officer Representatives. This delegation authority applies only to the Site Office Managers of the nine National Laboratory Site Offices (listed above) reporting to SC. As provided in DOE Order 541.1A, these appointments are authorized to be made subject to completing the required training within18 months from date of appointment. Any other ACO delegations shall have the prior approval, or waiver thereof, of the Director or designee.

The authorities redelegated by this Memorandum are in addition to, and not in limitation of, any other authorities delegated or responsibilities assigned to your office orally or in writing, or by any Departmental directive, regulation, or other issuance.

All actions pursuant to any authority delegated prior to this redelegation or pursuant to any authority redelegated herein taken prior to and in effect on the date of this redelegation are hereby confirmed and ratified, and shall remain in full force and effect as if taken under this redelegation, unless or until rescinded, amended or superseded.

Nothing in this redelegation shall preclude the Director, Office of Procurement and Assistance Management, from exercising any of the Director's authority whenever, in the Director's judgment, the exercise of such authority is necessary or appropriate to administer the functions vested in that position.

This delegation is effective immediately, and supersedes all previous delegation memoranda issued to your office on the above authorities.