

United States Government

Department of Energy

Oak Ridge Office

memorandum

DATE: June 6, 2011

REPLY TO

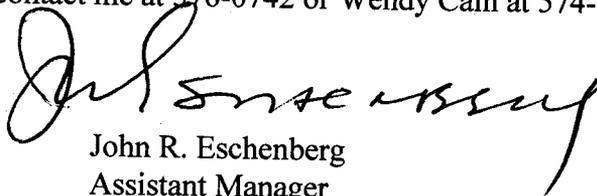
ATTN OF: EM-91:Cain

SUBJECT: **ENVIRONMENTAL MANAGEMENT PROCEDURE EM-6.2, REVISION 0,
"APPOINTMENT OF FEDERAL PROJECT DIRECTORS OF CAPITAL ASSET
PROJECTS" – APPROVED**

TO: Environmental Management Staff

The subject procedure (attached) is issued for your use. Please read and familiarize yourself with it. It will be placed on the Office of Environmental Management's Office Policies and Procedures web page, <http://www.oakridge.doe.gov/External/Default.aspx?tabid=120>, as soon as possible and will be available there for future reference.

If you have any questions, please contact me at 576-0742 or Wendy Cain at 574-9130.



John R. Eschenberg
Assistant Manager
for Environmental Management

Attachment

Department of Energy
Oak Ridge Operations
Office of Environmental Management
Procedure

APPOINTMENT OF FEDERAL PROJECT DIRECTORS
FOR CAPITAL ASSET PROJECTS

EM – 6.2
Revision 0

Prepared: Wendy Cain 5/24/2011
Wendy Cain Date
Procedure Preparer

Approved: John R. Eschenberg 6/3/2011
John R. Eschenberg Date
Assistant Manager for Environmental Management

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ACRONYMS

AE	Acquisition Executive
AMEM	Assistant Manager for Environmental Management
CD	Critical Decision
EM	Office of Environmental Management
FPD	Federal Project Director
EM-11	DOE EM HQ Office of Project Assistance & Assurance
EMAAB	Environmental Management Acquisition Advisory Board
HQ	Headquarters
ORO	Oak Ridge Operations Office
PB	Performance Baseline
PMD	Project Management Division
PMCDP	Project Management Career Development Program
SAE	Secretarial Acquisition Executive
TPC	Total Project Cost

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1.0 PURPOSE

The purpose of this procedure is to describe the process for fulfilling the Acquisition Executive (AE)'s responsibility for appointing an ORO-EM (Oak Ridge Office – Office of Environmental Management) Federal Project Director (FPD) for capital asset projects.

2.0 SCOPE

This procedure will apply to the appointment of Project Managers as Federal Project Directors for any capital asset project.

This procedure does not:

- apply to non-capital asset activities,
- apply to the appointment of Portfolio FPD which are competitively selected (factors contained herein should be considered),
- address the Project Management Career Development Program certification process for Federal Project Directors.

3.0 REFERENCES AND DEFINITIONS

3.1 References

- DOE Order 413.3B, *Program and Project Management for the Acquisition of Capital Assets*
- DOE Order 361.1B, *Acquisition Career Management Program*
- *Project Management Career Development Program Certification and Equivalency Guidelines*

3.2 Definitions

- 3.2.1** Acquisition Executive (AE) - The individual designated by the Secretary of Energy to integrate and unify the management system for a program portfolio of projects and implement prescribed policies and practices.
- 3.2.2** Capital Asset Project - A project with defined start and end points required in the acquisition of capital assets. The project acquisition cost of a capital asset includes both its purchase price and all other costs incurred to bring it to a form and location suitable for its intended use. It is independent of funding type. It excludes operating expense funded activities such as repair, maintenance or alterations that are part of routine operations and maintenance functions.

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3.2.3 Critical Decision (CD) - A formal determination made by the Secretarial Acquisition Executive (SAE) or AE at a specific point during the project that allows the project to proceed to the next phase or CD.

3.2.4 Performance Baseline (PB) - The collective key performance, scope, cost, and schedule parameters, which are defined for all projects at CD-2. The PB includes the entire project budget (Total Project Cost including fee and contingency) and represents DOE's commitment to Congress.

4.0 ROLES AND RESPONSIBILITIES

Project Management Division (PMD) Director:

- Identify FPD needs based on staff attrition and/or succession planning.
- Maintain a list of all capital asset projects and appointed Federal Project Director.
- Maintain a list of all of FPD certifications of PMD staff and support training and development of staff.
- Recommend candidate FPDs (in conjunction with Portfolio FPDs).
- Prepare FPD Appointment memoranda for signature.

Candidate FPDs:

- Provide qualifications and/or complete Project Management Career Development Program (PMCDP) certification package as required.

FPDs:

- Implement action plans to achieve required certification levels (if necessary).
- Complete continuing education requirements to maintain FPD certification.

Portfolio FPDs:

- Identify FPD needs based on portfolio prioritization of project.
- Recommend candidate FPDs (in conjunction with PMD Director).

Assistant Manager Environmental Management (AMEM)/AE:

- Interview candidate FPDs.
- Appoint FPDs.
- Recommend non-career federal servant FPDs to Secretarial Acquisition Executive (SAE).

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5.0 PROCEDURE

Prior to CD-1, the SAE or AE is to approve the appointment of the Federal Project Director considering the requirements in DOE O 361.1B.

FPDs are also appointed as needed for replacement throughout the duration of the project.

1. The need for a Federal Project Director is identified:
 - a. Portfolio FPD designates initiation of new capital asset project, or
 - b. Project Management Division Director anticipates a void from personnel reassignment and/or attrition.
2. The Project Management Division Director determines the FPD certification level based on the following criteria:
 - a. Total project cost (TPC) of the capital asset project (from DOE O 361.1B)
 - Level 4: TPC exceeding \$400 million (M)
 - Level 3: TPC greater than \$100M and equal to or less than \$400M
 - Level 2: TPC greater than \$20M and equal to or less than \$100M
 - Level 1: TPC greater than \$5M and equal to or less than \$20M
 - b. If an FPD is managing a portfolio of projects, the required FPD certification level is determined by the single project with the highest TPC dollar value.
 - c. For non-line item projects longer than five years (such as EM cleanup projects), a five-year project cost can be used in lieu of the TPC.
3. The Project Management Division Director, in consultation with the Portfolio FPD, identifies Project Manager candidates to serve as the Federal Project Director.
 - a. If FPD candidate is a career federal servant, already certified at the required level, proceed to Step 5.
 - b. If FPD candidate is a career federal servant, not currently certified at the required level, proceed to Step 4a.
 - c. If FPD candidate is not a designated career federal servant (i.e., contracted project manager) or is under an Intergovernmental Personnel Act (IPA) Agreement, proceed to Step 4b.
4. Candidate Federal Project Director prepares qualifications:
 - a. Candidate prepares PMCDP certification file (refer to *Project Management Career Development Program Certification and Equivalency Guidelines*) and action plan to achieve required level within one year. Proceed to Step 5.

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- b. Candidate prepares resume and summary of qualifications. Proceed to Step 5.
5. Assistant Manager or Environmental Management, as AE, reviews candidate information and interviews candidate.
6. Upon agreement from AE on FPD appointment, Project Management Division Director prepares appointment memorandum for the AE:
 - a. If FPD candidate is a career federal servant, already certified at the required level, prepare appointment memorandum using Attachment A.
 - b. If FPD candidate is a career federal servant, not currently certified at the required level but with an adequate action plan, prepare appointment memorandum using Attachment B.
 - c. If FPD candidate is not a designated career federal servant, AMEM forwards recommendation to Secretarial Acquisition Executive for approval and appointment.

6.0 RECORD KEEPING

Acquisition Executive appointment memoranda are considered official project records and will be filed in the EM document management system by the appropriate project file code.

Project Management Division Director will maintain a working list of all capital asset projects and appointed Federal Project Directors with reference to appointment memos.

Documentation for certification through the Project Management Career Development Program is not part of this procedure.

7.0 APPENDICES

Appendix A Sample FPD Designation Memo Certified at the Appropriate Level

Appendix B Sample FPD Designation Memo Not Certified at the Appropriate Level

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**Appendix A - Sample FPD Designation Memo - Certified
Certified at the Appropriate Level**

MEMORANDUM

SUBJECT: Designation of the Federal Project Director for the [Name of Project]

TO: [Name of Federal Project Director]

As required by the Department of Energy (DOE) Order 413.3B, ***Program and Project Management for the Acquisition of Capital Assets***, I hereby designate you as Federal Project Director (FPD) for the [Name of Project] capital asset project.

With your Level [X] FPD certification, you are fully qualified at the required FPD certification level based on thresholds established in DOE Order 361.1B, ***Acquisition Career Management Program***. You are expected to fulfill the continuing education credit requirements necessary to maintain your certification.

Congratulations, and thank you in advance for your dedication and personal commitment to the success of the EM program.

If you have any further questions, please contact me or [PMD Division Director] at [phone].

John R. Eschenberg
Assistant Manager for
Environmental Management

cc:

EM-11, Director
OECM, ORO Site Lead

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**Appendix B - Sample FPD Designation Memo – Not Certified
Not Certified at the Appropriate Level**

MEMORANDUM

SUBJECT: Designation of the Federal Project Director for the [Name of Project]

TO: [Name of Federal Project Director]

As required by the Department of Energy (DOE) Order 413.3B, *Program and Project Management for the Acquisition of Capital Assets*, I hereby designate you as Federal Project Director (FPD) for the [Name of Project] capital asset project.

To retain this designation, you must achieve your Level [X] FPD certification within one year of this appointment, per DOE Order 413.B. Additionally, you must continue to meet all continuing education credit requirements as specified in DOE Order 361.B, Acquisition Career Management Program, to maintain your certification.

Congratulations, and thank you in advance for your dedication and personal commitment to the success of the EM program.

If you have any further questions, please contact me or [PMD Division Director] at [phone].

John R. Eschenberg
Assistant Manager for
Environmental Management

cc:

EM-11, Director
OECM, ORO Site Lead